



CARBON COUNTY SCHOOL DISTRICT #1

FINANCIAL REPORT

June 30, 2016

CARBON COUNTY SCHOOL DISTRICT #1

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2016

CONTENTS

Introductory Section (Unaudited)

Table of Contents	i
Letter of Transmittal	iii
Administrative Organizational Chart - Carbon County School District #1	vii
Organizational Chart - Component units	viii
List of Elected Officials - Carbon County School District #1	ix
List of Elected Officials - BOCHES	x
List of Elected Officials - Recreation Board	xi

Financial Section

Independent Auditor's Report

1

Management's Discussion and Analysis (Unaudited)

4

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position	12
Statement of Activities	13

Fund Financial Statements

Balance Sheet - Governmental Funds	15
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	20

Proprietary Funds

Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	22
Statement of Cash Flows - Proprietary Funds	23

Statement of Fiduciary Net Position

25

Statement of Changes in Fiduciary Net Position

26

Notes to Financial Statements

27

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis) - General Fund	47
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis) - Grants Fund	48
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis) - Major Maintenance Fund	49
Schedule of Changes in Net Pension Liability and Related Ratios (Unaudited)	50
Schedule of Pension Contributions (Unaudited)	52
Notes to Required Supplementary Information	54

CONTENTS (CONTINUED)

Other Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis) - Capital Construction Fund – Capital Projects	56
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis) - Capital Construction Fund – Depreciation Reserve	57
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis) - Capital Construction Fund – Bond Construction	58
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Budgetary Basis) - Capital Construction Fund – Repair and Maintenance Bond Reserve	59

Statistical Information (Unaudited)

Net Position by Component	61
Changes in Net Position	63
Fund Balances of Governmental Funds	65
Changes in Fund Balances – Governmental Funds	67
Demographic and Economic Statistics	69
Capital Asset Facilities Information	70
Operational Statistics	71
Mill Levy History	74
Tax Collections – Carbon County	75
Property Tax Collections – Sweetwater County	76
School Tax Levies	77
Bonded Indebtedness	79
Historical Assessed Valuations	81
Detail of Carbon County Assessed Valuation	82
Historical Enrollment	84
Average Student to Teacher Ratio	85
Valuation Dollars per Average Daily Membership (ADM)	86
Staffing Full Time Equivalent (FTE)	87

Grant Compliance Section

Federal Financial Assistance Reports

Schedule of Expenditures of Federal Awards	89
Notes to the Schedule of Expenditures of Federal Awards	91
Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	92
Report on Compliance for Each Major Federal Program and on Internal Control over Compliance	94
Schedule of Findings and Questioned Costs	96
Summary Schedule of Prior Audit Findings	98

Carbon County School District One

INSPIRING EXCELLENCE –EVERY CHILD, EVERYDAY

**615 Rodeo St.
Rawlins, WY 82301**



**(307) 328-9200
(307) 328-9258 Fax
www.crb1.net**

December 12, 2016

To the Board Trustees, and Administrators and Community
Carbon County School District No. 1
Rawlins, Wyoming

Wyoming Uniform Municipal Fiscal Procedures Act requires annual audits of school districts. The act states in W.S. 16-4-121 that “school audits shall be completed by November 15 following the end of the fiscal year.” The act also states in W.S. 16-4-122 that “audits shall be filed with the state Department of Education on or before December 15 following the end of the audited fiscal year.” Pursuant to this requirement, the Annual Financial Report of Carbon County School District No. 1 (the District) for the fiscal year ended June 30, 2016 is hereby submitted.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. To provide a reasonable basis for making these representations, the District’s management has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft or misuse, and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with accounting principles generally accepted in the United State of America (GAAP). Because the cost of internal controls should not exceed the anticipated benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Porter, Muirhead, Cornia & Howard, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the District’s financial statements for the year ended June 30, 2016. The independent auditor’s report is located at the front of the financial section of this report. The independent audit of the District’s financial statements was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are included in the Grant Compliance Section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors, beginning on page 4.

DISTRICT PROFILE

Carbon County School District No. 1 was formed January 1, 1875. The District boundary includes a major part of Carbon County and a small area of Sweetwater County. Today the District is responsible for educating approximately 1845 children in four different communities Rawlins, Baggs, Sinclair and Bairoil. School configuration is different in each community Rawlins has one K-5 elementary school, one 6-8 middle school, one 9-12 alternative high school and one 9-12 high school. Baggs has one K-12 school facility. Sinclair has one K-5 elementary school.

The District is responsible for providing an education to children living within its boundaries. The District provides educational services to 74% of the children in Carbon County. The District is responsible for building, operating, and maintaining school facilities; developing and maintaining approved education programs and courses of study, including academic and vocational programs, bilingual programs and programs for special needs children and providing transportation and nutrition services to students in accordance with District, state and federal requirements.

ECONOMIC CONDITION

Wyoming is the tenth largest state in the U.S. with 97,813 square miles. This provides Wyoming with abundance of natural resources. In 2015 Wyoming was the number one producer of coal and ranks highest in mining employment. Natural gas production was fifth in the nation and crude oil was eighth in the nation. Wyoming also possesses the largest known reserve of trona in the world and number one in production in the nation. With Wyoming abundant source of wind, power generation from wind turbines is also becoming a huge industry. The royalties from all the minerals and energy production has a dedicated funding source for schools. With our small statewide population of 586,107 and 94,002 students (2015-2016), the assessment and royalties provide an excellent funding source for schools and keeps the property tax on homes, agriculture, commercial and industrial land at a very affordable rate for citizens of Wyoming.

Carbon County has 7,964 square miles about eight percent of Wyoming. Agriculture and the Energy Industry continue to be major industries in Carbon County. There are more than 200 operating wind turbines with over 140 megawatts of capacity. There are substantial new wind turbine generation facilities proposed and in permitting in Carbon County. The Chokecherry and Sierra Madre Wind Energy Project is one of the world's largest proposed wind power plants with up to 1,000 turbines to be located south of Rawlins. Both projects are currently in beginning stages of infrastructure construction. Many large gas and oil companies have operations in Carbon County.

Major employers in Carbon County are: Sinclair Oil refinery, Wyoming State Penitentiary, Memorial Hospital of Carbon County, Carbon County School District #1, Walmart, British Petroleum, Amoco, Williams Fuel, Union Pacific Railroad, Bureau of Land Management and County and City government.

Since 2000 Carbon County has had a stable population with very modest increases and decreases in population that are trending upward. The School district had a peak enrollment in the 1980's and 90's with the population fluxing up and down with the economy.

STATE SCHOOL FUNDING

The Wyoming Constitution declared that public education is a fundamental right. The Wyoming Supreme Court decisions have upheld and defined this requirement in several court cases most recent notable ones are Campbell 1 – (1995), Campbell 2 – (February 2001), Campbell 3 – (October 2001) and Campbell 4 – (2008). The Wyoming School Foundation Program provides a guaranteed level of funding to every Wyoming public school district. This “Guarantee” is essentially a block grant and is based on a number of factors - the most important of which is the number of students enrolled in the district in the prior year.

Other components having a significant impact on a district's guarantee include special education and pupil transportation costs incurred in the prior year and the number, size and location of certain statutorily defined “small schools” operated by the district. Very small school districts meeting certain enrollment criteria may qualify for additional funding.

Once a district's guarantee is established, that funding level is compared to the district's available local revenue sources. If a district's local revenues turn out to be less than its Guarantee, the state of Wyoming makes up the difference through a series of entitlement payments distributed to the district throughout the school year.

A few school districts, on the other hand, have access to local revenues in excess of their Guarantees. These districts must rebate the excess to the state of Wyoming – a process known as recapture. All recaptured monies flow into a Foundation Program fund and are eventually redistributed to those districts receiving entitlement payments from the state.

Carbon County School District No. 1 is an entitlement district.

LONG-TERM FINANCIAL PLANNING

The District has a very conservative approach to budgeting and for the last several years has maintained an ending fund balance that is at the maximum limit allowable by Wyoming law and also maintains a fund balance that was saved before the current funding model (1997) was developed.

COMPONENT UNITS

The Board of Cooperative Higher Education Services (BOCHES) operating as The Carbon County Higher Education Center (CCHEC) and the Carbon County School District #1 Recreation Board are component units of the District with their financial information combined into the District's audit. Members of the Board of Trustees also sit as members of the component units' Board.

CCHEC serves the higher education needs of our community and provides high quality training programs through the cooperative efforts of the District, community, industry and local government. CCHEC provides community education courses, vocational and industry training and college credit courses.

The Recreation Board receives a one mill levy on the assessed value in the District and provides grants to agencies and groups within the District to enhance the recreational opportunities of our citizens and assist in the operational needs of recreational facilities in the District.

MAJOR INITIATIVES

The new Rawlins High School which was previously approved for funding by the School Facilities Department along with the enhancements approved by the voters of the District is currently in construction and is estimated for a final completion date of winter 2016. The new CCHEC facility and After School Building that were approved by the voters are now finished and serving students.

ACKNOWLEDGEMENTS

Many individuals throughout the District provided information needed for the preparation of this report. We wish to express our appreciation to the entire Finance Department in particular for their efforts and contributions to our Annual Financial Report.

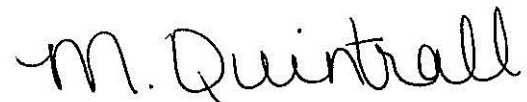
Furthermore, we would like to acknowledge the efforts of all District personnel who conscientiously follow internal controls; and during the Annual Financial Report preparation, provide additional information that makes the report more meaningful.

We also thank the members of the School Board of Trustees for their continued support and dedication to the educational and financial operations of the District.

Respectfully submitted,

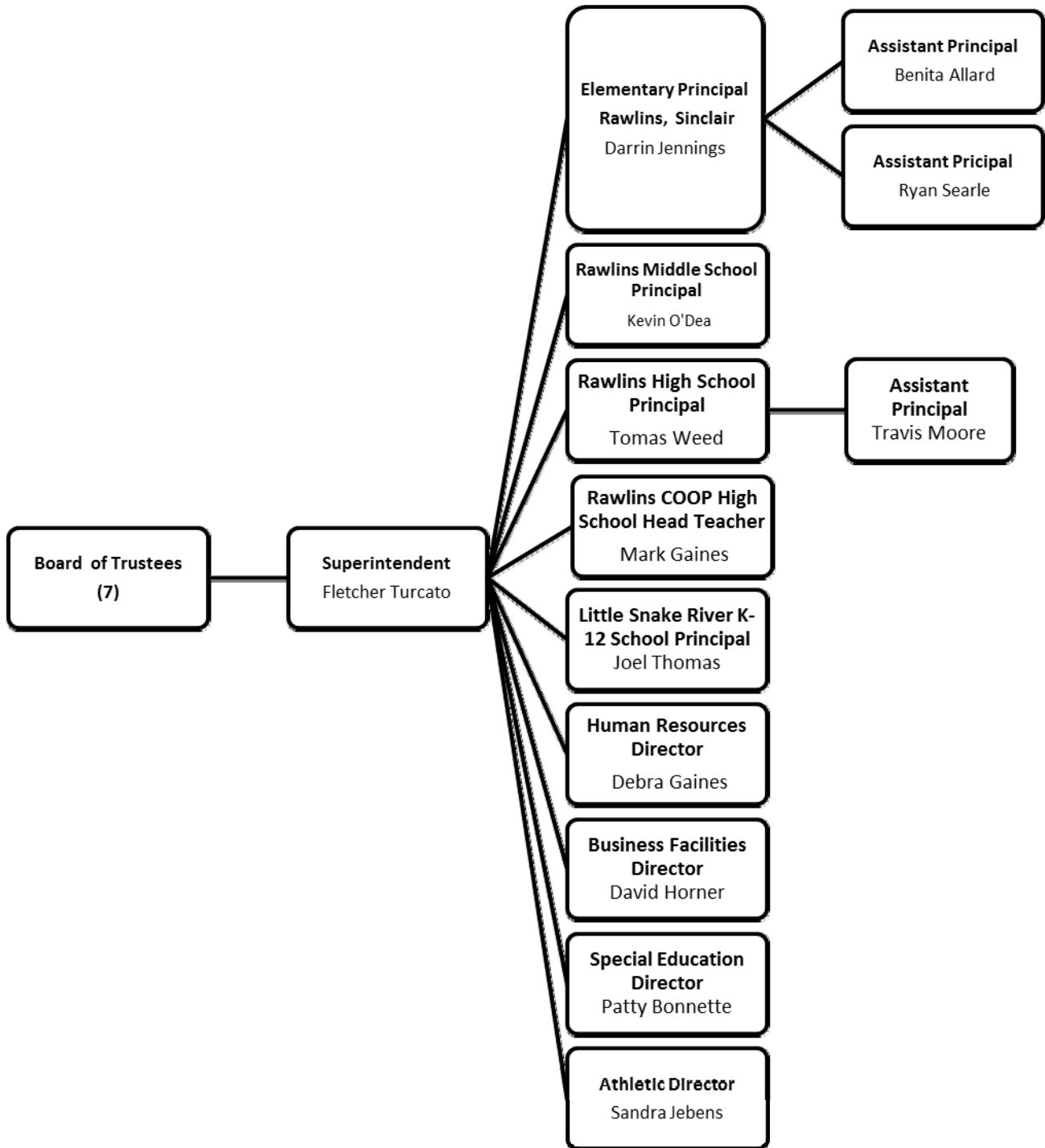


Fletcher Turcato
Superintendent

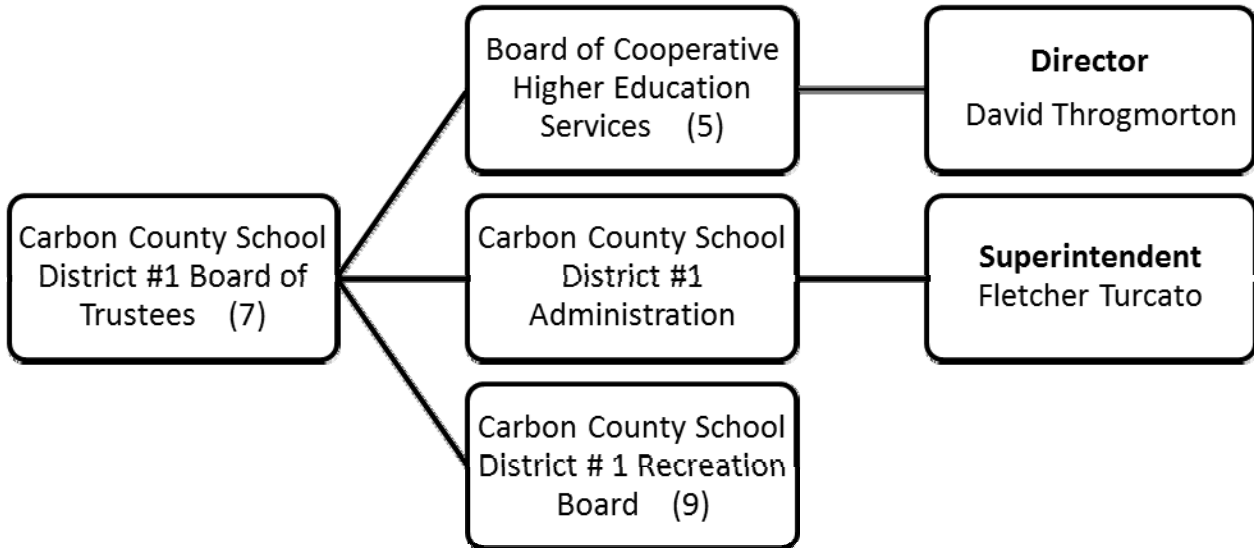


Margaret Quintrall
Assistant Business Manager

**CARBON COUNTY SCHOOL DISTRICT # 1
ADMINISTRATIVE ORGANIZATIONAL CHART 2016**



**CARBON COUNTY SCHOOL DISTRICT #1 AND COMPONENT UNITS
ORGANIZATIONAL CHART 2016**



**CARBON COUNTY SCHOOL DISTRICT #1
CARBON COUNTY, WYOMING**

Administrative Office

615 Rodeo
Rawlins, WY 82301

Fletcher Turcato
David Horner
Margaret Quintrall

Superintendent
Business Facilities Director
Asst. Business Manager

BOARD OF TRUSTEES AS OF JUNE 30, 2016

	<u>Term Expires</u>
Mr. Michael Mann, Chair 2420 Inverness Rawlins, WY 82301	December 2018
Mr. Gilbert Archuleta, Vice Chair 194 LaPaloma Rawlins, WY 82301	December 2018
Ms. Denise Pfeffer, Treasurer 721 Scarlet Drive Rawlins, WY 82301	December 2016
Mr. Trent Arnell P.O. Box 83 Baggs, WY 82321	December 2016
Mr. Jeffrey Mendoza 1215 Lambda Drive Rawlins, WY 82301	December 2016
Ms. Holley Nicholson, Clerk 1307 Perrine Street Rawlins, WY 82301	December 2018
Mr. R. Matt Feldman P.O. Box 74 Dixon, WY 82323	December 2016
Legal Counsel The Kuker Group, LLP 508 East 18th Street Cheyenne, WY 82001	Bond Counsel Freudenthal & Bonds, P.C. 129 E Carlson St. P.O. Box 387 Cheyenne, WY 82003

**BOARD OF COOPERATIVE HIGHER EDUCATION SERVICES
MAIN CAMPUS RAWLINS, WY**

Administrative Office

812 E. Murray St.
Rawlins, WY 82301

David Throgmorton
Shelly Collier

Director
Accounting Specialist

BOARD OF COOPERATIVE HIGHER EDUCATION SERVICES

Mr. Gilbert Archuleta, Chair
Rawlins, WY

Carbon County School District #1

Mr. R. Matt Feldman, Vice Chair
Dixon, WY

Carbon County School District #1

Mr. Trent Arnell, Treasurer
Rawlins, WY

Carbon County School District #1

Mr. Mike Mann, Clerk
Rawlins, WY

Carbon County School District #1

Mr. George Eckman
Green River, WY

Western Wyoming Community College

**CARBON COUNTY SCHOOL DISTRICT #1 RECREATION BOARD
CARBON COUNTY, WYOMING**

Mailing Address

P.O. Box 1804
Rawlins, WY 82301

Board of Directors June 2016

Mr. Mike Mann Rawlins, WY	School Board Appointed
Ms. Holley Nicholson Rawlins, WY	School Board Appointed
Mr. Jeff Mendoza Rawlins, WY	School Board Appointed <u>Term Expires</u>
Mr. Don Brinkman Rawlins, WY	January 2016
Ms. Mackenzie Kirk Rawlins, WY	January 2016
Ms. Jodi Stanley, Vice Chair Baggs, WY	January 2016
Ms. Patricia Hays Rawlins, WY	January 2018
Ms. Janell Thayer-Steele Rawlins, WY	January 2018
Ms. Charlene Abbott, Chair Rawlins, WY	January 2018



INDEPENDENT AUDITOR'S REPORT

To the Honorable Superintendent and Members
of the Board of Trustees
Carbon County School District #1
Rawlins, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carbon County School District #1, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Carbon County School District #1's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Carbon County School District #1, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension schedules as listed in the table of contents 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 management's discussion and analysis and pension schedules 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.

The budgetary comparison information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Carbon County School District #1's basic financial statements. The budgetary comparison information and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The statistical section has 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 assurances on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2016 on our consideration of Carbon County School District #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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Carbon County School District #1's internal control over financial reporting and compliance.



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming
December 12, 2016

CARBON COUNTY SCHOOL DISTRICT #1

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016

(Unaudited)

As management of Carbon County School District #1 ("District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with the District's financial statements, notes to the financial statements, and various supplementary information which follow this section.

Financial Highlights

The District's total combined net position was \$78,308,516 at June 30, 2016 which compares to \$55,099,232, at the beginning of the fiscal year, an increase of 42 percent.

During the year, the District's total governmental activities expenses were \$23,356,630 less than the \$56,499,453 generated in taxes and other revenues for governmental activities.

The District had \$32,792,823 in expenses related to governmental activities; of which \$26,674,430 of these expenses were offset by program specific charges for services or grants and contributions.

The District decreased its outstanding long-term debt by \$1,674,373, excluding the net pension liability. The outstanding long-term debt includes \$23,684,388 in bonds for construction that is payable over 15 years, \$418,783 in accrued compensated absences, \$82,839 in construction retainage payable and \$464,357 in lease purchase obligations. The District participates in the Public Employees' Pension Plan, a statewide cost-sharing multiple-employer public employee retirement plan administered by the State of Wyoming Retirement System. The District recognized a net pension liability of \$20,488,333. All plan components, including the major components of participation, eligibility, investment strategy, benefit structure, contribution rates and plan administration are overseen by the Wyoming Retirement System Board. The District has no control of the plan elements that affect the net position.

The District made a recapture payment of \$1,598,040 to the State Foundation Program for the 2015 - 2016 fiscal year.

Overview of the Financial Statements

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

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

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, fluctuations from year to year need to be reviewed in light of the timing of funding.

The statement of activities presents information for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The increase in total liabilities occurred due to the adjustment of the net pension liability.

CARBON COUNTY SCHOOL DISTRICT #1

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016

(Unaudited)

Government-wide financial statements (Continued).

Both of the District's government-wide financial statements distinguish the functions of the District as being principally supported by taxes and intergovernmental revenues (governmental activities) as opposed to business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The District has two business-type activities: the enterprise fund - food service fund and the aquatic center fund.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related information about the District's most significant funds.

All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Such information may be useful in evaluating a government's near-term financing requirements. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities reported in the Statement of Net Position and the Statement of Activities and the governmental funds are reconciled in the financial statements. The general, major maintenance, capital construction, grants, and debt service funds are considered major funds and are reported as separate columns in the fund financial statements.

Proprietary funds. Proprietary funds are used to account for services for which the District charges participants a fee. These funds, like the government-wide statements, provide both long-term and short-term financial information. The enterprise funds - food service and aquatic center are funds in this category for the District.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The District has three funds in this category, the scholarship fund (a private purpose trust fund), the student activities fund, and the construction retainage fund.

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

Other information.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements.

CARBON COUNTY SCHOOL DISTRICT #1

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016

(Unaudited)

Financial Analysis of the District as a Whole

The Statement of Net Position provides the perspective of the District as a whole. The following provides a summary of the District's net position at June 30, 2016:

Condensed Statements of Net Position

	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016
	Governmental Activities		Business-Type Activities		Total	
Current and other assets	\$ 60,759,067	\$ 45,893,420	\$ 258,622	\$ 142,493	\$ 61,017,689	\$ 46,035,913
Capital assets	64,473,946	94,823,231	1,135	333	64,475,081	94,823,564
Total assets	<u>125,233,013</u>	<u>140,716,651</u>	<u>259,757</u>	<u>142,826</u>	<u>125,492,770</u>	<u>140,859,477</u>
Deferred outflow of resources	2,840,565	6,539,384	63,064	151,166	2,903,629	6,690,550
Current liabilities	5,631,293	5,556,989	25,044	24,159	5,656,337	5,581,148
Noncurrent liabilities	26,322,417	24,647,298	2,323	3,069	26,324,740	24,650,367
Net pension liability	15,997,285	20,139,612	251,203	348,721	16,248,488	20,488,333
Total liabilities	<u>47,950,995</u>	<u>50,343,899</u>	<u>278,570</u>	<u>375,949</u>	<u>48,229,565</u>	<u>50,719,848</u>
Deferred inflows of resources	25,067,602	18,500,527	-	21,138	25,067,602	18,521,665
Net investment in capital assets	52,630,056	74,100,629	1,135	333	52,631,191	74,100,962
Restricted					-	
Wyoming Statute	7,929,531	5,152,144	-	-	7,929,531	5,152,144
Donors	82,610	23,393	-	-	82,610	23,393
Unrestricted	(5,587,216)	(864,557)	43,116	(103,428)	(5,544,100)	(967,985)
Total net position	<u>\$ 55,054,981</u>	<u>\$ 78,411,609</u>	<u>\$ 44,251</u>	<u>\$ (103,095)</u>	<u>\$ 55,099,232</u>	<u>\$ 78,308,514</u>

The net investment in capital assets is \$74,100,962, which is the net book value of capital assets (e.g., land, buildings, equipment) less any related debt used to acquire those assets that is still outstanding of \$20,722,602. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources. Usually, an additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. Recording the net pension liability of \$20,488,333 results in a negative unrestricted net position of \$967,983. Without the pension liability there is a balance of unrestricted net position of \$19,520,350 that may be used to meet the District's ongoing obligations. This surplus is not an indication that the District has significant operational resources available to meet financial obligations next year, but rather the result of having long-term commitments that are less than currently available resources.

For governmental activities, the District's total net position increased by \$23,356,630 during the year ended June 30, 2016. The total cost of all governmental activities this year was \$32,792,823 and of the business-type activity was \$1,209,822. The amount that taxpayers paid for these activities through property taxes was \$29,595,870 net of recapture in the amount of \$1,598,040.

CARBON COUNTY SCHOOL DISTRICT #1

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016

(Unaudited)

Changes in Net Position

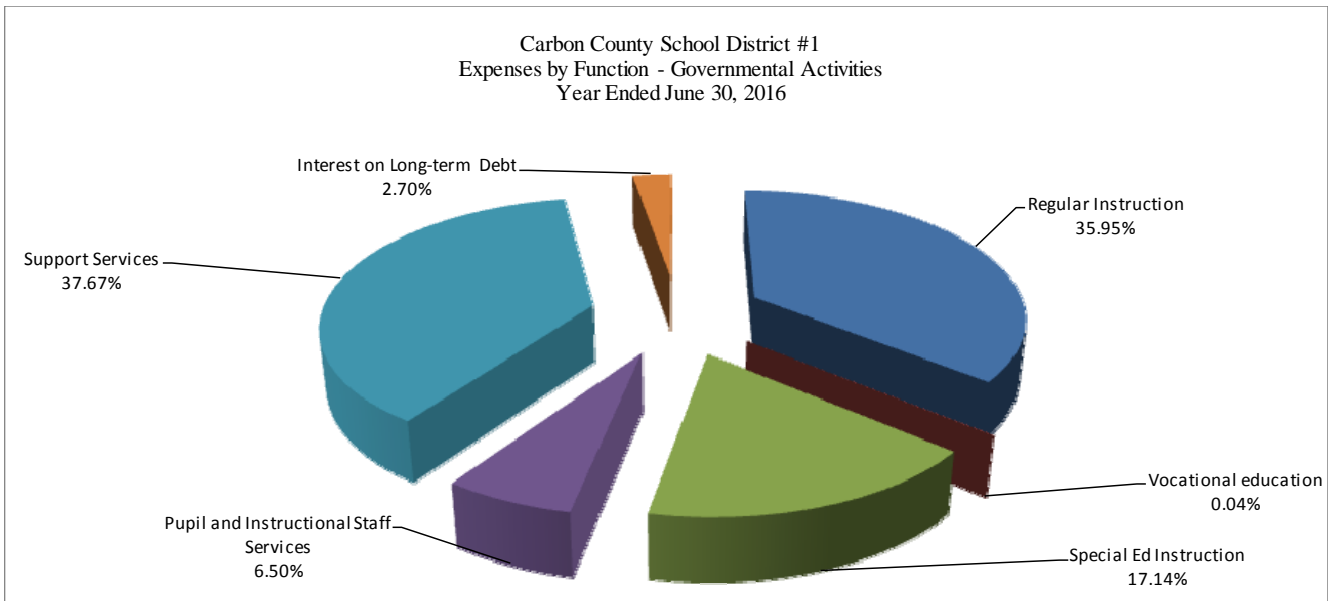
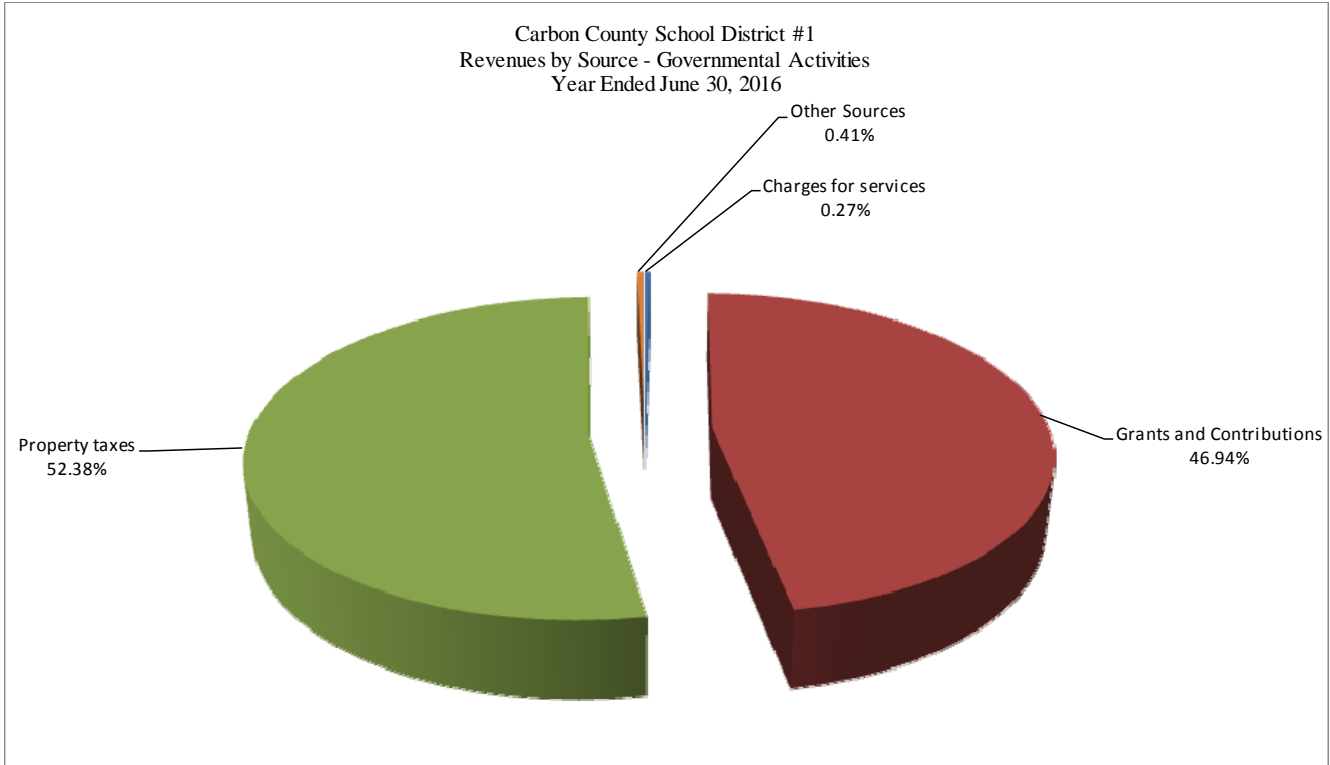
	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016
	Governmental-Type Activities		Business-Type Activities		Total	
Revenues						
Program revenues						
Charges for services	\$ 56,003	\$ 152,303	\$ 229,736	\$ 227,797	\$ 285,739	\$ 380,100
Operating grants and contributions	2,777,839	2,751,290	439,509	482,324	3,217,348	3,233,614
Capital grants	10,377,812	23,770,837	-	-	10,377,812	23,770,837
General revenues						
Taxes	30,839,762	31,193,908	-	-	30,839,762	31,193,908
Investments	70,277	53,315	134	235	70,411	53,550
Loss on disposal of capital assets	-	-	(6,963)	-	(6,963)	-
Recapture payment	(54,890)	(1,598,040)	-	-	(54,890)	(1,598,040)
Miscellaneous	230,413	65,140	774	2,120	231,187	67,260
Insurance recovery	725,250	110,698	-	-	725,250	110,698
Total revenues	45,022,466	56,499,451	663,190	712,476	45,685,656	57,211,927
Expenses						
Regular instruction	11,533,495	11,789,157	-	-	11,533,495	11,789,157
Special ed instruction	5,314,458	5,620,216	-	-	5,314,458	5,620,216
Vocational education	-	12,540	-	-	-	12,540
Pupil services	1,513,781	1,553,772	-	-	1,513,781	1,553,772
Instructional staff services	700,649	577,793	-	-	700,649	577,793
General admin services	1,056,031	1,008,660	-	-	1,056,031	1,008,660
School admin services	1,592,413	1,650,585	-	-	1,592,413	1,650,585
Business services	616,597	618,087	-	-	616,597	618,087
O&M of plant services	4,909,153	5,153,745	-	-	4,909,153	5,153,745
Pupil transportation	1,580,354	1,688,503	-	-	1,580,354	1,688,503
Central services	1,672,579	2,123,494	-	-	1,672,579	2,123,494
Other support services	1,731,625	111,496	-	-	1,731,625	111,496
Interest on long-term debt	899,374	884,775	-	-	899,374	884,775
Food service fund	-	-	827,393	922,527	827,393	922,527
Aquatic center fund	-	-	282,089	287,295	282,089	287,295
Total expenses	33,120,509	32,792,823	1,109,482	1,209,822	34,229,991	34,002,645
Excess (deficiency) of revenues over expenditures	11,901,957	23,706,628	(446,292)	(497,346)	11,455,665	23,209,282
Transfers	(450,000)	(350,000)	450,000	350,000	-	-
Change in net position	11,451,957	23,356,628	3,708	(147,346)	11,455,665	23,209,282
Beginning net position	43,603,024	55,054,981	40,543	44,251	43,643,567	55,099,232
Ending net position	\$ 55,054,981	\$ 78,411,609	\$ 44,251	\$ (103,095)	\$ 55,099,232	\$ 78,308,514

CARBON COUNTY SCHOOL DISTRICT #1

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016

(Unaudited)



CARBON COUNTY SCHOOL DISTRICT #1

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016
(Unaudited)

Financial Analysis of the District's Funds

Governmental Funds

Revenues

General fund revenues, net of recapture payment, decreased to \$25,920,303 in FY 2016 from \$27,651,077 in FY 2015 due to a decrease in collections of taxes and intergovernmental revenues

In comparison to the prior year, major maintenance revenues from the State of Wyoming decreased by \$108,941. The major maintenance revenue depends on the State's allocation and varies from year to year.

Enterprise Funds: Food Service Fund and Aquatic Center Fund

The total food service fund revenues for FY 2016 were \$566,464, an increase of \$22,667 from the prior year. The expenses incurred to provide this program increased by \$95,134 from the prior year. The food service fund had a net loss before transfers of \$356,063 in FY 2016, compared to a net loss before transfers of \$283,569 in 2015. The aquatic center fund cost of operation for FY 2016 had revenue of \$146,012 with expenses incurred to provide this program of \$287,295, this includes all aquatic personnel cost in FY 2016.

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2016 is \$94,823,231 (net of accumulated depreciation). This investment in capital assets includes land, site improvements, buildings and equipment (which include vehicles and buses).

District's Capital Assets Net of Depreciation (Governmental Activities)

	2014-2015	2015-2016
Land	\$ 934,579	\$ 1,030,694
Construction in progress	12,460,763	43,481,282
Buildings and improvements	49,562,454	49,098,102
Vehicles	955,674	730,859
Furniture and equipment	560,477	482,294
Total	<u>\$ 64,473,947</u>	<u>\$ 94,823,231</u>

Additional information regarding the District's capital assets can be found in the Notes to Financial Statements page 35.

The new Rawlins High School which was previously approved for funding by the School Facilities Department along with the enhancements approved by the voters of the District is currently in construction and is estimated for a final completion date of summer 2017. The new CCHC facility and After School Building that were approved by the voters are now finished and serving students.

CARBON COUNTY SCHOOL DISTRICT #1

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2016
(Unaudited)

Long-Term Debt

The following is a summary of the District's debt transactions related to lease purchase obligations, Series 2012 bonds, retainage payable and accrued compensated absences, excluding the net pension liability, of the District for the year ended June 30, 2016:

Debt outstanding at July 1, 2015	\$ 26,324,740
New debt issued	501,622
Debt retired	2,175,995
Debt outstanding at June 30, 2016	<u>\$ 24,650,367</u>

Budgetary Information

During the fiscal year ended June 30, 2016, the District made no budgetary adjustments.

Factors Affecting the District's Future

Factors that may impact the District's future include: 1) Increased enrollment 2) Student enrollment exceeding building capacity, and 3) Construction of new school buildings. Impact to the District regarding these issues will be dependent upon actions taken by the School Facilities Commission. The District may be required to alter scenarios and modify facilities in a reaction mode to the School Facilities Department's actions.

With the global reduction of energy cost, Wyoming and Carbon County's extensive production of coal, natural gas and oil field have seen large reductions in value. This has caused a 37% reduction in the assessed value for the District. With this reduction of assessed value comes an equal reduction in tax collections on the local level. The Wyoming school funding model does provide for a filling of the funding short fall from the State. The District has shifted from a recapture district to an entitlement District. The State of Wyoming has the same reductions happening state wide and has caused extra burden on the availability of funds for education in Wyoming. The Legislature will be challenged to fund education and all the other state services at current level.

Request for Information

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances as well as demonstrate accountability for funds the District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to David Horner, Business Facilities Director, 615 Rodeo Street, Rawlins, Wyoming 82301.

Remainder of page left blank intentionally

BASIC FINANCIAL STATEMENTS

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF NET POSITION
June 30, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	BOCHES	Recreation Board
ASSETS					
Current assets					
Cash and cash equivalents	\$ 12,431,706	\$ 130,415	\$ 12,562,121	\$ 1,224,631	\$ 1,240,505
Cash held by fiscal agent	1,833,128	-	1,833,128	8,549	3,631
Restricted cash - bond proceeds	7,681,631	-	7,681,631	-	-
Property taxes receivable	19,201,808	-	19,201,808	1,473,332	567,100
Accounts receivable	42,949	-	42,949	14,727	-
Due from other governments	3,759,259	-	3,759,259	-	-
Internal balances	(354)	354	-	-	-
Prepaid items	74,424	-	74,424	-	-
Inventory	31,017	11,724	42,741	290,746	-
Non-current assets					
Restricted investments - bond proceeds	837,852	-	837,852	-	-
Land	1,030,694	-	1,030,694	165,168	-
Construction in progress	43,481,282	-	43,481,282	-	-
Capital assets, net of accumulated depreciation	50,311,255	333	50,311,588	225,458	-
Total assets	140,716,651	142,826	140,859,477	3,402,611	1,811,236
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan items	6,539,384	151,166	6,690,550	396,492	-
Total deferred outflows of resources	6,539,384	151,166	6,690,550	396,492	-
LIABILITIES					
Current liabilities					
Accounts payable	4,459,205	7,819	4,467,024	49,212	-
Accrued salaries payable	1,097,482	16,340	1,113,822	29,904	-
Due to fiduciary fund	302	-	302	-	-
Noncurrent liabilities					
Due within one year	1,817,310	3,069	1,820,379	9,617	-
Due in more than one year	22,829,988	-	22,829,988	44,620	-
Net pension liability	20,139,612	348,721	20,488,333	1,225,812	-
Total liabilities	50,343,899	375,949	50,719,848	1,359,165	-
DEFERRED INFLOWS OF RESOURCES					
Deferred property tax revenue	17,602,647	-	17,602,647	1,190,044	517,785
Pension plan items	897,880	21,138	919,018	57,556	-
Total deferred inflows of resources	18,500,527	21,138	18,521,665	1,247,600	517,785
NET POSITION					
Net investment in capital assets	74,100,629	333	74,100,962	142,535	-
Restricted by Wyoming state statutes	5,152,144	-	5,152,144	-	1,293,451
Restricted by donors	23,393	-	23,393	-	-
Unrestricted	(864,557)	(103,428)	(967,985)	1,049,803	-
Total net position (deficit)	\$ 78,411,609	\$ (103,095)	\$ 78,308,514	\$ 1,192,338	\$ 1,293,451

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF ACTIVITIES

Year Ended June 30, 2016

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction				
Regular instruction	\$ 11,789,157	\$ 152,303	\$ 391,231	\$ -
Special education instruction	5,620,216	-	2,339,213	-
Vocational education	12,540	-	-	-
Support services				
Pupil services	1,553,772	-	-	-
Instructional staff services	577,793	-	-	-
General administration services	1,008,660	-	-	-
School administration services	1,650,585	-	20,846	-
Business services	618,087	-	-	-
Operation and maintenance of plant services	5,153,745	-	-	1,211,786
Pupil transportation services	1,688,503	-	-	-
Central services	2,123,494	-	-	22,559,051
Other support services	111,496	-	-	-
Interest on long-term debt	884,775	-	-	-
Total governmental activities	<u>32,792,823</u>	<u>152,303</u>	<u>2,751,290</u>	<u>23,770,837</u>
Business-type activities				
Food service fund	922,527	206,865	357,324	-
Aquatic center fund	287,295	20,932	125,000	-
Total business-type activities	<u>1,209,822</u>	<u>227,797</u>	<u>482,324</u>	<u>-</u>
Total primary government	<u>\$ 34,002,645</u>	<u>\$ 380,100</u>	<u>\$ 3,233,614</u>	<u>\$ 23,770,837</u>
Component units				
BOCHES	\$ 2,762,662	\$ 257,826	\$ 9,709	\$ -
Recreation Board	708,207	-	-	-
Total component units	<u>\$ 3,470,869</u>	<u>\$ 257,826</u>	<u>\$ 9,709</u>	<u>\$ -</u>

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt services

Property taxes, levied for specific purposes

Recreation

BOCHES

Recapture tax payment

Unrestricted investment earnings

Unrestricted miscellaneous revenue

Insurance recovery

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year

Prior period adjustment

Net position - beginning of year as restated

Net position - end of year

See accompanying notes to financial statements

Net (Expenses) Revenues and Changes in Net Position

Primary Government			Component Unit	Component Unit
Governmental Activities	Business-type Activities	Total	BOCHES	Recreation Board
\$ (11,245,623)	\$ -	\$ (11,245,623)	\$ -	\$ -
(3,281,003)	-	(3,281,003)	-	-
(12,540)	-	(12,540)	-	-
(1,553,772)	-	(1,553,772)	-	-
(577,793)	-	(577,793)	-	-
(1,008,660)	-	(1,008,660)	-	-
(1,629,739)	-	(1,629,739)	-	-
(618,087)	-	(618,087)	-	-
(3,941,959)	-	(3,941,959)	-	-
(1,688,503)	-	(1,688,503)	-	-
20,435,557	-	20,435,557	-	-
(111,496)	-	(111,496)	-	-
(884,775)	-	(884,775)	-	-
(6,118,393)	-	(6,118,393)	-	-
-	(358,338)	(358,338)	-	-
-	(141,363)	(141,363)	-	-
-	(499,701)	(499,701)	-	-
(6,118,393)	(499,701)	(6,618,094)	-	-
-	-	-	(2,495,127)	-
-	-	-	-	(708,207)
-	-	-	(2,495,127)	(708,207)
28,499,168	-	28,499,168	-	-
2,694,740	-	2,694,740	-	-
-	-	-	-	918,072
-	-	-	2,433,804	-
(1,598,040)	-	(1,598,040)	-	-
53,315	235	53,550	1,124	869
65,140	2,120	67,260	-	-
110,698	-	110,698	-	-
(350,000)	350,000	-	-	-
29,475,021	352,355	29,827,376	2,434,928	918,941
23,356,628	(147,346)	23,209,282	(60,199)	210,734
55,054,981	44,251	55,099,232	1,090,338	1,082,717
-	-	-	162,199	-
55,054,981	44,251	55,099,232	1,252,537	1,082,717
\$ 78,411,609	\$ (103,095)	\$ 78,308,514	\$ 1,192,338	\$ 1,293,451

CARBON COUNTY SCHOOL DISTRICT #1

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2016

	General Fund	Grants Fund	Major Maintenance Fund
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 5,561,356	\$ 146,332	\$ 2,736,889
Cash held by fiscal agent	166,662	-	-
Restricted cash - bond proceeds	-	-	-
Property taxes receivable	17,104,721	-	-
Accounts receivable	-	-	-
Due from other governments	458,166	172,531	-
Due from other funds	211,659	-	-
Prepaid items	74,424	-	-
Inventory	31,017	-	-
Restricted investments - bond proceeds	-	-	-
Total assets	<u>\$ 23,608,005</u>	<u>\$ 318,863</u>	<u>\$ 2,736,889</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 259,010	\$ 30,907	\$ 75,753
Due to other funds	20,806	212,315	-
Accrued salaries payable	1,045,234	52,248	-
Total liabilities	<u>1,325,050</u>	<u>295,470</u>	<u>75,753</u>
Deferred inflows of resources			
Deferred property tax revenue	17,459,023	-	-
Total deferred inflows of resources	<u>17,459,023</u>	<u>-</u>	<u>-</u>
Fund balances			
Nonspendable			
Prepaid items	74,424	-	-
Inventory	31,017	-	-
Restricted			
Major maintenance W.S. 21-15-109	-	-	2,661,136
Buildings and equipment W.S. 21-13-504	-	-	-
Bond - capital construction W.S. 21-13-701	-	-	-
Bond covenants W.S. 21-13-701(d)	-	-	-
Donors	-	23,393	-
Debt service	-	-	-
Committed	-	-	-
Unassigned	4,718,491	-	-
Total fund balances	<u>4,823,932</u>	<u>23,393</u>	<u>2,661,136</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 23,608,005</u>	<u>\$ 318,863</u>	<u>\$ 2,736,889</u>

See accompanying notes to financial statements

Capital Construction Fund	Debt Service Fund	Total Governmental Funds
\$ 3,951,837	\$ -	\$ 12,396,414
-	1,666,466	1,833,128
7,681,631	-	7,681,631
-	2,097,087	19,201,808
42,949	-	42,949
3,049,672	-	3,680,369
20,806	-	232,465
-	-	74,424
-	-	31,017
837,852	-	837,852
<u>\$ 15,584,747</u>	<u>\$ 3,763,553</u>	<u>\$ 46,012,057</u>
\$ 4,058,611	\$ 33,928	\$ 4,458,209
-	-	233,121
-	-	1,097,482
<u>4,058,611</u>	<u>33,928</u>	<u>5,788,812</u>
-	2,088,745	19,547,768
-	2,088,745	19,547,768
-	-	74,424
-	-	31,017
-	-	2,661,136
3,704,950	-	3,704,950
-	1,640,880	1,640,880
850,128	-	850,128
-	-	23,393
6,678,576	-	6,678,576
292,482	-	292,482
-	-	4,718,491
<u>11,526,136</u>	<u>1,640,880</u>	<u>20,675,477</u>
<u>\$ 15,584,747</u>	<u>\$ 3,763,553</u>	<u>\$ 46,012,057</u>

CARBON COUNTY SCHOOL DISTRICT #1

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

June 30, 2016

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

Total fund balances - governmental funds		\$ 20,675,477
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		94,823,231
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferred property tax revenue	\$ 1,945,121	
Reimbursements from School Facilities Department - current year	78,890	2,024,011
Deferred outflows and inflows of resources are available revenue or available to pay for current period expenditures and therefore the underlying resources are not reported in the governmental funds.		
Pension plan items - deferred outflows of resources	6,539,384	
Pension plan items - deferred inflows of resources	(897,880)	5,641,504
Internal service funds are used by management to charge the costs of the flex benefit plan. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		34,296
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Series 2012 bonds payable	(22,420,000)	
Series 2012 bonds payable premium, net of amortization	(1,264,388)	
Retainage payable	(82,839)	
Compensated absences	(415,714)	
Net pension liability	(20,139,612)	
Lease purchase obligations	(464,357)	(44,786,910)
Net position of governmental activities		\$ 78,411,609

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2016

	General Fund	Grants Fund	Major Maintenance Fund
Revenues			
Taxes	\$ 26,167,346	\$ -	\$ -
Intergovernmental revenues	1,125,730	2,481,660	1,211,786
Charges for services	152,303	-	-
Investment income	11,390	193	4,319
Miscellaneous	61,574	-	6,332
Recapture tax payment	(1,598,040)	-	-
Total revenues	<u>25,920,303</u>	<u>2,481,853</u>	<u>1,222,437</u>
Expenditures			
Instruction			
Regular instruction	10,171,423	116,236	-
Special education instruction	3,244,516	2,338,596	-
Support services			
Pupil services	2,149,259	-	-
Instructional staff services	540,307	4,670	-
General administration services	381,319	-	-
School administration services	1,552,400	20,799	-
Business services	589,880	-	-
Operation and maintenance of plant services	3,131,570	-	890,296
Pupil transportation services	1,627,283	-	-
Central services	1,507,997	769	-
Other support services	149,539	-	-
Facilities acquisition and construction services	-	-	-
Debt service			
Principal repayments	261,120	-	-
Interest	94,212	-	-
Total expenditures	<u>25,400,825</u>	<u>2,481,070</u>	<u>890,296</u>
Excess (deficiency) of revenues over expenditures	<u>519,478</u>	<u>783</u>	<u>332,141</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(550,000)	-	-
Insurance recovery	-	-	-
Total other financing sources (uses)	<u>(550,000)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(30,522)	783	332,141
Fund balances - beginning of year	4,854,454	22,610	2,328,995
Fund balances - end of year	<u>\$ 4,823,932</u>	<u>\$ 23,393</u>	<u>\$ 2,661,136</u>

See accompanying notes to financial statements

Capital Construction Fund	Debt Service Fund	Total Governmental Funds
\$ -	\$ 2,599,891	\$ 28,767,237
22,545,788	-	27,364,964
-	-	152,303
37,373	-	53,275
36,920	-	104,826
-	-	(1,598,040)
<u>22,620,081</u>	<u>2,599,891</u>	<u>54,844,565</u>
-	-	10,287,659
-	-	5,583,112
-	-	2,149,259
-	-	544,977
-	-	381,319
-	-	1,573,199
-	-	589,880
9,122,142	-	13,144,008
-	-	1,627,283
-	-	1,508,766
-	-	149,539
23,386,282	-	23,386,282
-	1,325,000	1,586,120
-	888,450	982,662
<u>32,508,424</u>	<u>2,213,450</u>	<u>63,494,065</u>
<u>(9,888,343)</u>	<u>386,441</u>	<u>(8,649,500)</u>
200,000	-	200,000
-	-	(550,000)
110,698	-	110,698
<u>310,698</u>	<u>-</u>	<u>(239,302)</u>
(9,577,645)	386,441	(8,888,802)
21,103,781	1,254,439	29,564,279
<u>\$ 11,526,136</u>	<u>\$ 1,640,880</u>	<u>\$ 20,675,477</u>

CARBON COUNTY SCHOOL DISTRICT #1

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2016

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

Net change in fund balances - total governmental funds \$ (8,888,802)

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 and reported as depreciation expense. This is the amount by which capital outlays exceed the depreciation expense and loss on disposal of assets in the current period.

Capital outlay	\$ 32,238,757	
Depreciation expense	(1,871,244)	
Cost basis of asset disposition	(54,284)	
Accumulated depreciation of asset dispositions	<u>36,055</u>	30,349,284

Pension expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Pension liability - prior year	15,997,285	
Pension liability - current year	(20,139,612)	
Pension plan items - prior year	(2,840,565)	
Pension plan items - current year	<u>5,641,504</u>	(1,341,388)

Governmental funds report payments of long-term debt as expenditures and the issuance of long-term debt as revenue. However, in the statement of activities, the issuance of long-term debt and the principal paid on long-term debt is reported as an increase or reduction of the long-term liabilities.

Series 2012 bonds payments	1,325,000	
Series 2012 premium amortization	97,887	
Principal payments on lease purchase obligations	261,120	
Retainage	<u>(82,839)</u>	1,601,168

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.

Prior year total liability for compensated absences	424,038	
Current year total liability for compensated absences	<u>(415,714)</u>	8,324

Revenues in the statement of activities that do not provide current financial revenues are not reported as revenues in the funds.

Current year retainage receivable	78,890	
Prior year deferred tax revenue	(396,009)	
Current year deferred tax revenue	<u>1,945,121</u>	1,628,002

The activity of the internal service fund is accounted for in a separate fund that is considered to be a proprietary fund. The interest income is reported with governmental activities.

		<u>40</u>
Changes in net position of governmental activities		<u><u>\$ 23,356,628</u></u>

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service Fund	Aquatic Center Fund	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 53,889	\$ 76,526	\$ 130,415	\$ 35,292
Due from other funds	354	-	354	-
Inventory	11,724	-	11,724	-
Total current assets	<u>65,967</u>	<u>76,526</u>	<u>142,493</u>	<u>35,292</u>
Capital assets, net of accumulated depreciation				
Total assets	<u>66,300</u>	<u>76,526</u>	<u>142,826</u>	<u>35,292</u>
DEFERRED OUTFLOW OF RESOURCES				
Pension plan items	110,554	40,612	151,166	-
Total deferred outflows of resources	<u>110,554</u>	<u>40,612</u>	<u>151,166</u>	<u>-</u>
LIABILITIES				
Current liabilities				
Accounts payable	7,323	496	7,819	-
Accrued salaries payable	927	15,413	16,340	-
Due to employees for flex benefits	-	-	-	996
Total current liabilities	<u>8,250</u>	<u>15,909</u>	<u>24,159</u>	<u>996</u>
Noncurrent liabilities				
Due within one year	3,069	-	3,069	-
Net pension liability	311,047	37,674	348,721	-
Total noncurrent liabilities	<u>314,116</u>	<u>37,674</u>	<u>351,790</u>	<u>-</u>
Total liabilities	<u>322,366</u>	<u>53,583</u>	<u>375,949</u>	<u>996</u>
DEFERRED INFLOW OF RESOURCES				
Pension plan items	15,303	5,835	21,138	-
Total deferred inflows of resources	<u>15,303</u>	<u>5,835</u>	<u>21,138</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	333	-	333	-
Unrestricted	(161,148)	57,720	(103,428)	34,296
Total net position (deficit)	<u>\$ (160,815)</u>	<u>\$ 57,720</u>	<u>\$ (103,095)</u>	<u>\$ 34,296</u>

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service Fund	Aquatic Center Fund	Total	
Operating revenues				
Charges for services	\$ 206,865	\$ 20,932	\$ 227,797	\$ -
Miscellaneous	2,120	-	2,120	-
Total operating revenues	<u>208,985</u>	<u>20,932</u>	<u>229,917</u>	<u>-</u>
Operating expenses				
Salaries	276,578	221,171	497,749	-
Employee benefits	140,569	54,186	194,755	-
Purchased services	10,024	3,548	13,572	-
Supplies and materials	494,554	8,390	502,944	-
Depreciation	802	-	802	-
Total operating expenses	<u>922,527</u>	<u>287,295</u>	<u>1,209,822</u>	<u>-</u>
Operating loss	<u>(713,542)</u>	<u>(266,363)</u>	<u>(979,905)</u>	<u>-</u>
Nonoperating revenues				
Federal subsidy	357,324	-	357,324	-
Grant - Recreation Board	-	125,000	125,000	-
Interest income	155	80	235	40
Total nonoperating revenues	<u>357,479</u>	<u>125,080</u>	<u>482,559</u>	<u>40</u>
Net income (loss) before transfers	(356,063)	(141,283)	(497,346)	40
Transfers in	<u>225,000</u>	<u>125,000</u>	<u>350,000</u>	<u>-</u>
Change in net position	(131,063)	(16,283)	(147,346)	40
Net position (deficit) - beginning of year	<u>(29,752)</u>	<u>74,003</u>	<u>44,251</u>	<u>34,256</u>
Net position (deficit) - end of year	<u>\$ (160,815)</u>	<u>\$ 57,720</u>	<u>\$ (103,095)</u>	<u>\$ 34,296</u>

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 Year Ended June 30, 2016

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service Fund	Aquatic Center Fund	Total	
Cash flows from operating activities				
Cash received from services	\$ 206,865	\$ 20,932	\$ 227,797	\$ -
Cash paid to suppliers for goods and services	(451,690)	(12,447)	(464,137)	-
Cash paid to employees for services	(393,340)	(273,738)	(667,078)	-
Cash paid for other operating expenses	-	-	-	451
Net cash provided by (used in) operating activities	<u>(638,165)</u>	<u>(265,253)</u>	<u>(903,418)</u>	<u>451</u>
Cash flows from noncapital financing activities				
Transfers from other fund	225,000	125,000	350,000	-
Due from other funds	(354)	-	(354)	-
Subsidy received from federal grants	316,897	-	316,897	-
Subsidy received from local grants	-	125,000	125,000	-
Net cash provided by noncapital financing activities	<u>541,543</u>	<u>250,000</u>	<u>791,543</u>	<u>-</u>
Cash flows from investing activities				
Interest income	<u>155</u>	<u>80</u>	<u>235</u>	<u>40</u>
Net cash provided by investing activities	<u>155</u>	<u>80</u>	<u>235</u>	<u>40</u>
Net change in cash and cash equivalents	(96,467)	(15,173)	(111,640)	491
Cash and cash equivalents - beginning of year	<u>150,356</u>	<u>91,699</u>	<u>242,055</u>	<u>34,801</u>
Cash and cash equivalents - end of year	<u>\$ 53,889</u>	<u>\$ 76,526</u>	<u>\$ 130,415</u>	<u>\$ 35,292</u>

(Continued)

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF CASH FLOWS (CONTINUED)

PROPRIETARY FUNDS

Year Ended June 30, 2016

	Business-type Activities Enterprise Fund			Governmental Activities - Internal Service Fund
	Food Service Fund	Aquatic Center Fund	Total	
	<u> </u>	<u> </u>	<u> </u>	
Reconciliation of operating loss to net cash provided by (used in) operating activities				
Operating loss	\$ (713,542)	\$ (266,363)	\$ (979,905)	\$ -
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities				
Depreciation	802	-	802	-
Amortization of pension plan items	17,207	6,560	23,767	-
Commodities - share of federal subsidy	40,427	-	40,427	-
Increase (decrease) in cash and cash equivalents resulting from changes in operating assets, deferred inflows and outflows and liabilities				
Inventory	4,843	-	4,843	-
Deferred outflow - pension plan items	(86,228)	(25,058)	(111,286)	-
Accounts payable/due to employees for flex benefits	5,498	(509)	4,989	451
Accrued salaries payable	927	(6,801)	(5,874)	-
Accrued compensated absences	746	-	746	-
Deferred inflow - pension plan items	20,555	-	20,555	-
Net pension liability	70,600	26,918	97,518	-
Net cash and cash equivalents provided by (used in) operating activities	<u>\$ (638,165)</u>	<u>\$ (265,253)</u>	<u>\$ (903,418)</u>	<u>\$ 451</u>
Non-cash transactions				
The Food Service Fund received USDA commodities	\$ 40,427	\$ -	\$ -	\$ -

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2016

		Agency Funds	
	Private Purpose Trust Fund	Student Activities Fund	Construction Retainage Fund
ASSETS			
Cash	\$ 9,876	\$ 232,947	\$ 3,035,094
Investments	239,295	-	-
Due from other funds	-	302	-
Total assets	<u>249,171</u>	<u>\$ 233,249</u>	<u>\$ 3,035,094</u>
LIABILITIES			
Accounts payable	-	\$ 26,078	\$ -
Retainage payable	-	-	3,035,094
Due to student groups	760	207,171	-
Total liabilities	<u>760</u>	<u>\$ 233,249</u>	<u>\$ 3,035,094</u>
NET POSITION			
Held in trust for scholarships	<u>248,411</u>		
Total net position	<u>\$ 248,411</u>		

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2016

	<u>Private Purpose Trust Fund</u>
Additions	
Scholarship donations	\$ 5,734
Interest income	<u>602</u>
Total additions	<u>6,336</u>
Deductions	
Scholarship awards	<u>8,040</u>
Total deductions	<u>8,040</u>
Change in net position	<u>(1,704)</u>
Net position - beginning of year	<u>250,115</u>
Net position - end of year	<u><u>\$ 248,411</u></u>

See accompanying notes to financial statements

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 1. Summary of Significant Accounting Policies

Reporting Entity

The Board of Trustees (Board) is the level of government which has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of Carbon County School District #1 (District). The Board receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. Generally accepted accounting principles require that the reporting entity include the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's basic financial statements to be misleading or incomplete. The accompanying financial statements present the financial activity of the District discretely presented component units. The discretely presented component units are reported in a separate column in the government-wide financial statements (see note below for descriptions) to emphasize that they are legally separate from the District.

Discretely Presented Component Units

The Board of Cooperative Higher Educational Services (BOCHES) operating as the Carbon County Higher Education Center is governed by a five-member board appointed by the District's Board of Trustees. BOCHES is legally separate from the District. The five-member board is appointed by the District's Board of Trustees. Of the five members four are members of the Board of Trustees. BOCHES provides educational services, including but not limited to postsecondary education, vocational-technical education and adult education, since these services can be provided more effectively through a cooperative effort with Western Wyoming Community College. The Board may impose up to 2 ½ mills on the District's assessed valuation for BOCHES operations. The BOCHES does not prepare separately issued financial statements.

The component unit column in the combined financial statements includes the financial data of the District's Recreation Board. The Recreation Board is a legally separate from the District. The nine-member governing body of the Recreation Board is appointed by the District's Board of Trustees. Only three of the nine members also serve on the District's Board of Trustees. The Recreation Board provides grants to fund public recreation projects within the District's boundaries. The Board can impose a tax not to exceed one mill of the District's assessed valuation for the purpose of operating the Recreation Board. The Recreation Board does not prepare separately issued financial statements.

Government-Wide and Fund Financial Statements

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

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

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property 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 District 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 compensated absences and claims and judgments, are recorded only when payment is due.

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

The District reports the following major governmental funds:

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

The *special revenue fund (Grants fund)* accounts for proceeds from federal, state and other local grant revenue sources that are restricted to expenditures for specific purposes.

The *special revenue fund (Major Maintenance fund)* accounts for the proceeds of specific revenue sources for major maintenance that are restricted to expenditures for specified purposes.

The *capital projects fund (Capital Construction fund)* accounts for the proceeds of specific revenue sources for major capital projects that are restricted to expenditures for specified purposes. This fund also accounts for the depreciation reserve for school building repair established by the Board during the fiscal year 2009 according to Wyoming Statute 21-13-504 and construction financed with Series 2012 bonds and repair and maintenance reserve required by Series 2012 bonds.

The *debt service fund* accounts for tax levy collection and payments on Series 2012 bonds.

The District reports the following major proprietary funds:

The *food service fund* accounts for the activities of the District's breakfast and lunch programs.

The *aquatic center fund* accounts for the activity of the District's aquatic center.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the District reports the following fund types:

The *internal service fund* accounts for District's flex benefit plan.

The *private purpose trust fund* is used to account for donations for scholarship funds that are received by the District that are to be awarded to current and former students for post-secondary education purposes.

The *agency funds* account for resources held by the District in a custodial capacity, and consists of funds that are the property of students or others including construction retainage.

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

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 District's enterprise funds are charges to students and faculty for food services and charges for the use of the aquatic center. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. 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 District's policy to use restricted resources first, then unrestricted resources as they are needed.

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

Deposits and Investments and Restricted Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Wyoming Statutes authorize the types of investment in which districts may invest. Among these authorized investments are certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, and repurchase agreements involving U.S. Government securities.

The District's investments are reported at fair value. Fair value is determined using the latest bid price or by the closing exchange price at the statements of net position date. The District's investments consist of participation in the Wyoming Government Investment Fund (WGIF) investment pool and certificates of deposit. WGIF was established on or after July 1, 1996 according to the Wyoming Statutory Trust Act. Shares of the fund are offered exclusively to Wyoming Governmental entities. Separate accounts are maintained for each entity. The pool invest in obligations of the U.S. Treasury and other investments as authorized by Wyoming Statutes.

The District's restricted cash and investments represent proceeds from bonds held in escrow.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, Deferred Inflows and Outflows of Resources and Net Position/Fund Balance (Continued)

Accounts Receivable

The District considers all accounts receivable to be fully collectible at June 30, 2016 and, therefore no allowance for doubtful accounts is deemed necessary.

Interfund Balances

On the 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 activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied on or about August 1 and payable in two installments. The first installment becomes due on September 1 and delinquent on November 10, the second becomes due on March 1 and delinquent on May 10. The County bills and collects its own property taxes and also taxes for all municipalities and political subdivisions within the County, including Carbon County School District #1. District property 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. Property taxes which are not current receivables are offset by deferred revenues on the fund financials, but are reported on the government-wide financial statements as revenue and receivables, with no amount being deferred when levied. Property taxes receivable are recognized as of the lien date; however, revenue is not recognized until the levy date.

The District is required by Wyoming Statutes to levy taxes of twenty-five mills of assessed valuation for all school purposes, exclusive of bond interest and redemption. In addition, a county-wide school property tax of 6 mills is levied, BOCHES district tax for 2.5 mills, bonds and interest of 2.45 mills and a recreation district tax for 1 mill. The combined tax related to finance general school services other than the payment of principal and interest on long-term debt for the year ended June 30, 2016 was 36.95 mills.

Inventories

Inventory is valued at the lower of cost (first-in, first-out) or market. Governmental fund type inventories are recorded using the purchase method whereby they are recorded as expenditures when purchased within the fund level financial statements. On the other hand the consumption method is used for reporting these inventories at the government-wide level.

Enterprise fund inventories are accounted for using the consumption method by which inventory acquisitions are recorded in inventory accounts when purchased or received by other means and are charged to expense when consumed or sold. Inventory in the food service fund consists of food products including USDA food commodities held for consumption.

BOCHES inventory consists of a house construction project that is in process at the end of the year and will be sold in the next fiscal year. The house is constructed by the students in the BOCHES program.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, Deferred Inflows and Outflows of Resources and Net Position/Fund Balance (Continued)

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the District are depreciated using the straight line method over the following estimated useful lives.

Assets	Years
Buildings	50
Building improvements	20
Vehicles	8-12
Property and equipment	3-25

Pensions

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

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the financial statements may include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a decrease of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements may include a separate section for deferred inflow of resources. This separate financial statement element, deferred inflow of resources, represents an increase of net position that applied to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred outflows and deferred inflows of resources as follows:

Unavailable revenues – Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. In the government-wide statement of net position, property tax revenue is reported as a deferred inflow of resources in the year the taxes are levied.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, Deferred Inflows and Outflows of Resources and Net Position/Fund Balance (Continued)

Deferred Outflows and Deferred Inflows of Resources (Continued)

Pension-related amounts – In the government-wide and proprietary funds statement of net position, a deferred outflow or deferred inflow of resources is reported for the unrecognized items not yet charged to pension expense related to the net pension liability. This includes the unamortized portion of the net difference between projected and actual earnings on pension plan investments and other differences between expected and actual experience. Deferred outflows for the net difference between projected and actual investment earnings are recognized over a period of five years, while the deferred inflows or deferred outflows for the differences between expected and actual experience for economic/demographic assumptions are recognized over the remaining service life for all active and inactive members.

Compensated Absences

The District's full-time certified staff earns ten days of sick leave per year and two days of personal leave with unlimited accumulation. Unused personal leave is converted to sick leave. The District's certified staff is compensated for their accumulated sick leave up to a maximum one hundred days based on a graduated scale depending on their length of service. The number of days accumulated, up to the maximum, is paid at the rate of \$8.50 for each accumulated eligible hour at the time the employee leaves the District.

The District's support personnel earn sick leave days each month with unlimited accumulation based on the number of hours worked. Support personnel who have a minimum of ten years of continuous service to the District are compensated for their accumulation, up to a maximum of ninety days at the daily rate of one-half the entry level rate on the salary schedule for each job class. All full-time support personnel are entitled to vacation leave after completing one year of employment with the District. Vacation leave is earned on a graduated scale depending on the length of service. Vacation leave must be taken within the year after it is earned and may not accumulate.

Fund Balance and Net Position

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the District's Board of Trustees, the highest level of authority, through approval of resolutions. Assigned fund balances is a limitation imposed by a designee of the District board. Unassigned fund balance in the General fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes. Proprietary fund equity is classified the same as in the government-wide statements.

When both restricted and unrestricted fund balances are available for use, it is the District's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

The food service fund has a deficit net position as of June 30, 2016. The deficit net position in the food service fund is the result of recognizing the net pension liability as required by governmental accounting standards.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, Deferred Inflows and Outflows of Resources and Net Position/Fund Balance (Continued)

Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2. Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to May 15, the Superintendent submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted by the third Wednesday in July to obtain public comments.

The budget is adopted by the third Thursday of July.

At the request of the Superintendent or upon its own motion after publication of notice, the Board of Trustees may by resolution transfer any unencumbered or unexpended appropriation balance or part thereof from one fund, department or account to another. All appropriations, excluding appropriations for capital projects, lapse at the close of the budget year to the extent they are not expended or encumbered. The level of expenditure control for budget purposes is the department level.

Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, and capital projects funds.

The District adopts all budgets on a cash basis (NON-GAAP). Such basis is not consistent with generally accepted accounting principles (GAAP).

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration during the year. Encumbrances outstanding at year end are immaterial.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 3. Deposits and Investments

As of June 30, 2016, the District had the following investments:

Investment Type	Fair Value	1 year or less	Rate	Rating
District restricted				
Wyoming Government Investment Fund Pool (WGIF)			.875% to	
U.S. Treasury notes	<u>\$ 837,852</u>	<u>\$ 837,852</u>	2.375%	AA+
Private Purpose Trust Fund				
Certificate of Deposit	<u>\$ 239,295</u>	<u>\$ 239,295</u>	0.25%	Not rated

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investments are held in an external pooled investment account, and as a means of limiting its exposure to fair value losses arising from rising interest rates, the District attempts to match its investment maturities to expected cash flow needs. With this investment focus, investments are expected to reach maturity with limited gains or losses.

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Under investment agreements with WGIF, the District has invested monies at a fixed contract rate of interest. WGIF issues audited financial statements which can be obtained through Wyoming School Board Association at 2323 Pioneer Avenue, Cheyenne, Wyoming 82001.

Concentration of credit risk. The District does not have a formal policy that allows for or limits investment in any one issuer that is in excess of a specified percentage of the District's total investments. At June 30, 2016, 100% of the District's investments were with WGIF.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require that the District's deposits in excess of the Federal depository insurance amount be collateralized. At June 30, 2016, the District's deposits were fully collateralized with securities held by the pledging institution's trust department or agent, in joint custody of the bank and the District.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes limit the type of investments the District can use. Statutes limit investments primarily to securities issued or guaranteed by the U.S. Treasury or agencies of the United States government, therefore, reducing the District's exposure to custodial credit risk for its investments. The only other significant exposure is for securities held by securities brokers or other banks.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 4. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has U.S. Treasury notes of \$837,825 that are valued using quoted market prices (Level 1 inputs).

Note 5. Capital Assets

A summary of changes in capital assets for governmental activities follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 934,579	\$ 96,115	\$ -	\$ 1,030,694
Construction in progress	12,460,763	32,066,525	1,046,006	43,481,282
Total capital assets, not being depreciated	<u>13,395,342</u>	<u>32,162,640</u>	<u>1,046,006</u>	<u>44,511,976</u>
Capital assets, being depreciated				
Buildings and improvements	71,078,300	1,046,006	-	72,124,306
Vehicles	3,863,667	38,043	12,986	3,888,724
Property and equipment	1,067,501	38,074	41,298	1,064,277
Total capital assets, being depreciated	<u>76,009,468</u>	<u>1,122,123</u>	<u>54,284</u>	<u>77,077,307</u>
Less accumulated depreciation				
Buildings and improvements	21,515,846	1,510,358	-	23,026,204
Vehicles	2,907,993	262,860	12,988	3,157,865
Property and equipment	507,024	98,026	23,067	581,983
Total accumulated depreciation	<u>24,930,863</u>	<u>1,871,244</u>	<u>36,055</u>	<u>26,766,052</u>
Total capital assets, being depreciated, net	<u>51,078,605</u>	<u>(749,121)</u>	<u>18,229</u>	<u>50,311,255</u>
Governmental activities capital assets, net	<u>\$ 64,473,947</u>	<u>\$ 31,413,519</u>	<u>\$ 1,064,235</u>	<u>\$ 94,823,231</u>

The District has \$1,266,206 assets under capital leases with accumulated amortization of \$523,438. The amortization expense for the fiscal year ended June 30, 2016 was \$153,232.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 5. Capital Assets (Continued)

A summary of changes in the District's business-type activity capital assets follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Business-type activities				
Capital assets, being depreciated				
Buildings and improvements	\$ 173,675	\$ -	\$ -	\$ 173,675
Property and equipment	187,981	-	-	187,981
Total capital assets, being depreciated	<u>361,656</u>	<u>-</u>	<u>-</u>	<u>361,656</u>
Less accumulated depreciation				
Buildings and improvements	173,676	-	-	173,676
Property and equipment	186,845	802	-	187,647
Total accumulated depreciation	<u>360,521</u>	<u>802</u>	<u>-</u>	<u>361,323</u>
Business-type activities capital assets, net	<u>\$ 1,135</u>	<u>\$ (802)</u>	<u>\$ -</u>	<u>\$ 333</u>

A summary of changes in BOCHES capital assets follows:

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Capital assets, not being depreciated				
Land	\$ 165,168	\$ -	\$ -	\$ 165,168
Total capital assets, not being depreciated	<u>165,168</u>	<u>-</u>	<u>-</u>	<u>165,168</u>
Capital assets, being depreciated				
Buildings and improvements	168,255	5,280	-	173,535
Vehicles	134,476	-	-	134,476
Property and equipment	483,709	25,500	44,437	464,772
Total capital assets, being depreciated	<u>786,440</u>	<u>30,780</u>	<u>44,437</u>	<u>772,783</u>
Less accumulated depreciation				
Buildings and improvements	95,563	10,521	-	106,084
Vehicles	95,161	5,019	-	100,180
Property and equipment	351,365	34,133	44,437	341,061
Total accumulated depreciation	<u>542,089</u>	<u>49,673</u>	<u>44,437</u>	<u>547,325</u>
Total capital assets, being depreciated, net	<u>244,351</u>	<u>(18,893)</u>	<u>-</u>	<u>225,458</u>
Total capital assets, net	<u>\$ 409,519</u>	<u>\$ (18,893)</u>	<u>\$ -</u>	<u>\$ 390,626</u>

Depreciation expenses were charged to function/programs of the District as follows:

Governmental activities	
Regular instruction	\$ 98,026
Pupil transportation	262,860
Operation and maintenance of plant services	1,510,358
Total depreciation expenses - governmental activities	<u>\$ 1,871,244</u>
Business-type activities	
Food service fund	\$ 802
Total depreciation expenses - business-type activities	<u>\$ 802</u>

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 6. Long-term Debt

The following is a summary of debt transactions of the District for the year ended June 30, 2016.

	Balance June 30, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Lease purchase obligations	\$ 725,477	\$ -	\$ 261,120	\$ 464,357	\$ 161,604
Series 2012 bonds	23,745,000	-	1,325,000	22,420,000	1,340,000
Premium on Series 2012 bonds	1,362,275	-	97,887	1,264,388	97,887
Retainage payable	65,627	82,839	65,627	82,839	82,839
Accrued compensated absences	424,038	415,714	424,038	415,714	134,980
	<u>26,322,417</u>	<u>498,553</u>	<u>2,173,672</u>	<u>24,647,298</u>	<u>1,817,310</u>
Net pension liability	15,997,285	4,142,327	-	20,139,612	-
	<u>\$ 42,319,702</u>	<u>\$ 4,640,880</u>	<u>\$ 2,173,672</u>	<u>\$ 44,786,910</u>	<u>\$ 1,817,310</u>

Business-type Activities

Accrued compensated absences	\$ 2,323	\$ 3,069	\$ 2,323	\$ 3,069	\$ 3,069
Net pension liability	220,290	128,431	-	348,721	-
	<u>\$ 222,613</u>	<u>\$ 131,500</u>	<u>\$ 2,323</u>	<u>\$ 351,790</u>	<u>\$ 3,069</u>

For the governmental activities, debt is generally liquidated by the general fund except for the retainage payable that is liquidated by the capital construction fund and debt related to Series 2012 bonds which will be liquidated by the debt service fund.

The summary of BOCHES debt transactions for the year ended June 30, 2016 was as follows:

	Balance June 30, 2015	Additions	Reductions	Balance June 30, 2016	Due Within One Year
Lease purchase obligations	\$ 4,157	\$ 25,500	\$ 7,024	\$ 22,633	\$ 7,678
Accrued compensated absences	26,131	31,604	26,131	31,604	1,939
	<u>30,288</u>	<u>57,104</u>	<u>33,155</u>	<u>54,237</u>	<u>9,617</u>
Net pension liability	975,991	249,821	-	1,225,812	-
	<u>\$ 1,006,279</u>	<u>\$ 306,925</u>	<u>\$ 33,155</u>	<u>\$ 1,280,049</u>	<u>\$ 9,617</u>

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS
June 30, 2016

Note 6. Long-term Debt (Continued)

As of June 30, 2016 the District had the following outstanding lease purchase obligations:

Lease/purchase obligation on copier equipment; interest rate of 15.19%, due in quarterly installments of \$18,191 including interest through December 2018; collateralized with copiers.	\$ 148,689
Lease/purchase obligation on copier equipment; interest rate of 4.6%, due in quarterly installments of \$3,362 including interest through December 2016; collateralized with copiers.	6,610
Lease/purchase obligations for four buses; interest rate of 3.85%, due in annual installments of \$104,777 including interest through May 2019; collateralized with buses.	<u>309,058</u>
	<u><u>\$ 464,357</u></u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2016, are as follows:

Year ended June 30,	
2017	\$ 184,266
2018	177,542
2019	<u>141,159</u>
Total minimum payments	502,967
Less amount representing interest	<u>38,610</u>
Net future minimum payments	<u><u>\$ 464,357</u></u>

Bonds

In May 2012, the District issued Series 2012 bonds for the purpose of funding construction projects. Principal payments are due June 15th and interest payments are due June 15th and December 15th.

The debt service requirement on the Series 2012 bonds as of June 30, 2016 is as follows:

Year Ending June 30	Interest Rate	Series 2012		Total Principal and Interest
		Principal	Interest	
2017	4.00%	\$ 1,340,000	\$ 872,436	\$ 2,212,436
2018	4.00%	1,395,000	818,836	2,213,836
2019	4.00%	1,450,000	763,036	2,213,036
2020	4.00%	1,510,000	705,036	2,215,036
2021 to 2025	3% to 5%	8,620,000	2,451,280	11,071,280
2026 to 2029	3.1% to 4.5%	8,105,000	749,543	8,854,543
		<u>\$ 22,420,000</u>	<u>\$ 6,360,167</u>	<u>\$ 28,780,167</u>

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 6. Long-term Debt (Continued)

Bonds (Continued)

Premium amortization on the Series 2012 bonds is scheduled as follows:

Year ended June 30,	Series 2012 Premium amortization
2017	\$ 97,887
2018	97,887
2019	97,887
2020	97,887
2021	97,887
2022 to 2026	489,435
2027 to 2029	285,518
	\$ 1,264,388

Note 7. Interfund Receivables, Payables and Transfers

The composition of the interfund balances as of June 30, 2016 is as follows:

	Interfund Receivable	Interfund Payable
Primary government		
General fund	\$ 211,659	\$ 20,806
Grants fund	-	212,315
Capital construction fund	20,806	-
Food service fund	354	-
Student activities fund	302	-
	\$ 233,121	\$ 233,121

The outstanding balance between funds result mainly from the time lag between the dates (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 7. Interfund Receivables, Payables and Transfers (Continued)

During the fiscal year ended June 30, 2016 the District had the following interfund transfers:

	Transfers in	Transfers out
General fund	\$ -	\$ 550,000
Capital construction fund	200,000	-
Food service fund	225,000	-
Aquatic center fund	125,000	-
	<u>\$ 550,000</u>	<u>\$ 550,000</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 8. Pension Plan

The District participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all District full-time employees are eligible to participate. The PEPP provides retirement, disability and death benefits according to predetermined formulas. Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes

PEPP members are required to contribute 8.25% of their annual covered salary and the District is required to contribute 8.37% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees' contribution in addition to the matching contribution. The District currently pays 15.19% of the required employee's contribution and the employees pay 1.43%. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The District's contributions to the PEPP for the years ended June 30, 2016, 2015 and 2014 were \$2,405,446, \$2,290,113, and \$2,147,204, while the employees' portion was \$226,452, \$225,348, and \$230,622, respectively, equal to the required contributions for each year.

BOCHES currently pays 100% of the required employee's contribution to the PEPP. The BOCHES contributions to the PEPP for the years ended June 30, 2016, 2015 and 2014 were \$170,684, \$162,501, and \$152,072, respectively.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 8. Pension Plan (Continued)

Pension Plan Fiduciary Net Position

The Wyoming Retirement System issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plans' fiduciary net position is available in separately issued Wyoming Retirement System financial report. The report may be obtained from the Wyoming Retirement System website at <http://retirement.state.wy.us>.

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

At June 30, 2016, the District and BOCHES reported a total liability of \$20,488,333 and \$1,225,812, respectively, for their proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation January 1, 2016. The proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plans relative to the projected contributions of all participating governmental entities, actuarially determined. The schedule below shows the District's proportionate share of the net pension liability as June 30, 2016, the proportion at the measurement date of December 31, 2015, and the change in the proportion from its proportion measured as of December 31, 2014.

	Pension liability at June 30, 2016	Proportion at December 31, 2015	Increase (decrease) from December 31, 2014
District			
Public Employees' Pension Plan	<u>\$ 20,488,333</u>	0.879573764%	-0.041181004%
BOCHES			
Public Employees' Pension Plan	<u>\$ 1,225,812</u>	0.052624645%	-0.002681906%

For the year ended June 30, 2016, the District and BOCHES recognized pension expense of \$4,013,527 and \$234,100, respectively. At June 30, 2016, the District and BOCHES reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	District	Component Unit BOCHES	District	Component Unit BOCHES
Net difference between projected and actual earnings on pension plan investments	\$ 5,061,974	\$ 303,092	\$ -	\$ -
Difference between actual and expected experience	-	-	433,440	25,933
Change in employer's proportion	-	-	485,578	31,623
Amortizing deferred outflows and deferred inflows	5,061,974	303,092	919,018	57,556
Contributions subsequent to the measurement date	1,628,576	93,400	-	-
Total	<u>\$ 6,690,550</u>	<u>\$ 396,492</u>	<u>\$ 919,018</u>	<u>\$ 57,556</u>

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS
June 30, 2016

Note 8. Pension Plan (Continued)

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

The District and BOCHES reported \$1,628,576 and \$93,400, respectively, as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	District	Component Unit	District	Component Unit
		BOCHES		BOCHES
Year ended June 30,				
2017	\$ 1,348,758	\$ 80,775	\$ 315,423	\$ 19,754
2018	1,348,758	80,775	315,423	19,754
2019	1,348,758	80,775	288,172	18,048
2020	1,015,700	60,767	-	-
	<u>\$ 5,061,974</u>	<u>\$ 303,092</u>	<u>\$ 919,018</u>	<u>\$ 57,556</u>

Actuarial Assumptions

The total pension liability in the December 31, 2015 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions and Methods	
Valuation Date	1/1/2016
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level percent open
Remaining amortization period	30 years
Asset valuation method	5-year
Actuarial assumptions:	
Investment net rate of return	7.75%
inflation)	4.25% to 6.00%
Assumed inflation rate	3.25%
Mortality	RP-2000 Combined Mortality Table, fully generational projected with Scale BB

The current actuarial assumptions and methods used in the January 1, 2016 valuation were based upon an experience study that covered a five-year period ending December 31, 2011. Differences between assumptions and actual experience since the prior valuation are identified as actuarial gains and losses. These gains and losses impact the unfunded actuarial liability and future funding requirements determined in subsequent valuations.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 8. Pension Plan (Continued)

Actuarial Assumptions (Continued)

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

For each major asset class that is included in the pension plan’s target allocation as of January 1, 2016, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.50%	0.25%
Fixed income	15.00%	0.87%
Equity	59.00%	5.13%
Marketable alternatives	15.50%	4.75%
Private markets	8.00%	5.84%
Total	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions for participating governmental entities will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate.

Pension Plan	1% Decrease (6.75)%	Current Discount Rate (7.75)%	1% Increase (8.75)%
District			
Public Employees' Pension Plan	\$ 29,413,997	\$ 20,488,333	\$ 12,942,471
BOCHES			
Public Employees' Pension Plan	\$ 1,759,831	\$ 1,225,812	\$ 774,344

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 8. Pension Plan (Continued)

Payables to the pension plan – At June 30, 2016, the District and BOCHES reported \$306,904 and \$15,423, respectively, as payable to the pension plan.

Note 9. 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. During the year ended June 30, 2016 the District contracted with various insurance companies for property insurance (including boiler and machinery), general liability insurance, professional insurance and vehicle insurance. The coverage's under each type of insurance policy vary in amounts and deductibles. The District has not had significant settlements exceeding insurance coverage in any of the past three fiscal years.

The District pays into the State Worker's Compensation System a premium based on a rate per covered payroll. This rate is calculated based on accident history and administrative cost. For the year ended June 30, 2016, the District paid \$134,549 into the State Worker's Compensation System.

The District participates in the Associated School Boards Workers' Compensation Fund ("Fund"). The Fund provides coverage for the protection of the District, the board of trustees and employees. The Fund provides compensation for work-related injuries arising out of accidental bodily injury or death to persons acting within the scope of their employment. This fund covers the employees that are not covered by the State Worker's Compensation System. The annual premium was paid prior to the end of the year and recorded as a prepaid item on the financial statements.

The District participates in the Wyoming Educator Benefit Trust (WEBT). The District paid \$2,339,028 in premiums to WEBT. After the second renewal with WEBT, the District is required to give WEBT a 45 days' notice of its termination and the eligible claims submitted within six months following the termination date will be paid by WEBT.

Note 10. Transactions with Discretely Presented Component Unit

During the fiscal year ended June 30, 2016, the District received \$125,000 from the Recreation Board to operate the swimming pool.

Note 11. Commitments and Contingencies

The District has an investigation related to an employment matter pending as of June 30, 2016. The District's insurance provides coverage for these claims; however, the District may be liable for its deductible related to any specific case. The deductible has not been accrued since the outcome of these matters is not presently determinable. In management's opinion, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

Note 11. Commitments and Contingencies (Continued)

As of June 30, 2016, the District had the following outstanding contract commitments:

	<u>Contract Amount</u>	<u>Completed Amount</u>	<u>Outstanding Amount</u>
Rawlins High School	\$ 62,786,552	\$ 38,483,396	\$ 24,303,156
Rawlins High School Aquatics Center	752,681	605,948	146,733
Rawlins High School After School	216,742	196,885	19,857
Rawlins High School Bus Barn	519,129	379,459	139,670
Rawlins High School Gym	532,248	427,212	105,036
Rawlins High School Track	920,719	47,652	873,067
Rawlins Middle School	2,579,845	2,526,694	53,151
Rawlins Elementary	1,292,423	773,759	518,664
Rawlins Elementary Playground and Parking	613,584	69,896	543,688
Carbon County School District Central Office	49,495	36,630	12,865
Little Snake River	11,700	10,296	1,404
	<u>\$ 70,275,118</u>	<u>\$ 43,557,827</u>	<u>\$ 26,717,291</u>

Note 12. Prior Period Adjustment

BOCHES identified inventory costs that were inadvertently recorded as expenditure during the fiscal year ended June 30, 2015. BOCHES adjusted its statement of net position for the effect of these changes.

The table below illustrates the inventory and net position as originally stated and restated:

	<u>June 30, 2015</u>	<u>Adjustments</u>	<u>As Restated June 30, 2015</u>
Inventory	\$ -	\$ 162,199	\$ 162,199
Net position	1,090,338	162,199	1,252,537

Note 13. Implementation of Governmental Accounting Standards Board Statements

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements.

GASB Statement No. 82, *Pension Issues – an amendment of GASB Statement No. 67, No. 68, and No. 73*, is designed to improve consistency in the application of the pension standards by clarifying or amending related areas of existing guidance. The District early implemented this standard.

Note 14. Subsequent Events

The District closed the Sinclair Elementary School for the fiscal year 2017.

The District did not have any other subsequent events through December 12, 2016, the date at which the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended June 30, 2016.

REQUIRED SUPPLEMENTARY INFORMATION

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 GENERAL FUND
 Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Local sources	\$ 24,191,700	\$ 24,191,700	\$ 22,436,187	\$ (1,755,513)
County sources	5,494,785	5,494,785	4,899,521	(595,264)
State sources	482,611	482,611	290,654	(191,957)
Other sources	300,000	300,000	-	(300,000)
Total revenues	30,469,096	30,469,096	27,626,362	(2,842,734)
Expenses				
Instruction	17,144,518	17,144,518	14,493,588	2,650,930
Instructional support	2,799,261	2,799,261	1,616,391	1,182,870
Support services - general support	11,158,879	11,158,879	9,361,270	1,797,609
Facilities acquisition and construction	500,000	500,000	-	500,000
Payment to other government units	1,500,000	1,500,000	1,324,782	175,218
Total expenditures	33,102,658	33,102,658	26,796,031	6,306,627
Excess (deficiency) of revenues over expenditures	<u>(2,633,562)</u>	<u>(2,633,562)</u>	<u>830,331</u>	<u>3,463,893</u>
Other financing uses				
Interest expense	(45,000)	(45,000)	(57,956)	(12,956)
Transfers out	(1,071,438)	(1,071,438)	(550,000)	521,438
Total other financing uses	(1,116,438)	(1,116,438)	(607,956)	508,482
Net change in fund balance	(3,750,000)	(3,750,000)	222,375	\$ 3,972,375
Fund balance - beginning of year	<u>4,589,538</u>	<u>4,589,538</u>	<u>4,589,538</u>	
Fund balance - end of year	<u>\$ 839,538</u>	<u>\$ 839,538</u>	<u>\$ 4,811,913</u>	

Note to the budgetary presentation

The payment to other governmental units represents the BOCHES property taxes that are levied and paid to the District by the County Treasurer. The District acts as the pass through agency for the taxes and budgets the estimated taxes as local source revenue and a related expense. The excess expenditure represents additional taxes that were collected in excess of the amount estimated for the budget and paid out to BOCHES.

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 GRANTS FUND
 Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Federal sources	\$ 4,451,514	\$ 4,451,514	\$ 1,864,435	\$ (2,587,079)
State sources	700,000	700,000	604,331	(95,669)
Local sources	120,000	120,000	-	(120,000)
Investment earnings	-	-	192	192
Total revenues	<u>5,271,514</u>	<u>5,271,514</u>	<u>2,468,958</u>	<u>(2,802,556)</u>
Expenditures				
Instruction	4,350,000	4,350,000	2,532,483	1,817,517
Instructional support	200,000	200,000	4,270	195,730
Support services	450,000	450,000	20,799	429,201
Total expenditures	<u>5,000,000</u>	<u>5,000,000</u>	<u>2,557,552</u>	<u>2,442,448</u>
Excess (deficiency) of revenues over expenditures	271,514	271,514	(88,594)	<u>\$ (360,108)</u>
Fund balance - beginning of year	<u>22,611</u>	<u>22,611</u>	<u>22,611</u>	
Fund balance (deficit) - end of year	<u>\$ 294,125</u>	<u>\$ 294,125</u>	<u>\$ (65,983)</u>	

See accompanying notes to required supplementary information

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 MAJOR MAINTENANCE FUND
 Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$ 1,342,818	\$ 1,342,818	\$ 1,218,118	\$ (124,700)
Interest	5,000	5,000	4,319	(681)
Total revenues	<u>1,347,818</u>	<u>1,347,818</u>	<u>1,222,437</u>	<u>(125,381)</u>
Expenditures				
Capital outlay	4,013,427	4,013,427	1,123,097	2,890,330
Total expenditures	<u>4,013,427</u>	<u>4,013,427</u>	<u>1,123,097</u>	<u>2,890,330</u>
Excess (deficiency) of revenues over expenditures	(2,665,609)	(2,665,609)	99,340	<u>\$ 2,764,949</u>
Fund balance - beginning of year	<u>2,637,549</u>	<u>2,637,549</u>	<u>2,637,549</u>	
Fund balance (deficit) - end of year	<u>\$ (28,060)</u>	<u>\$ (28,060)</u>	<u>\$ 2,736,889</u>	

See accompanying notes to required supplementary information

CARBON COUNTY SCHOOL DISTRICT NO 1

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 fiscal years**
(Unaudited)

	2016	2015	2014	2013
Public Employees' Pension Plan - District				
Proportion of the net pension liability (asset)	0.879573764%	0.920754768%	*	*
Proportionate share of the net pension liability (asset)	\$ 20,488,333	\$ 16,248,488	*	*
Covered-employee payroll	15,340,416	15,739,497	*	*
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	133.56%	103.23%	*	*
Plan fiduciary net position as a percentage of the total pension liability	73.40%	79.08%	*	*
Public Employees' Pension Plan - BOCHES				
Proportion of the net pension liability (asset)	0.052624645%	0.055306551%	*	*
Proportionate share of the net pension liability (asset)	\$ 1,225,812	\$ 975,991	*	*
Covered-employee payroll	917,813	945,417	*	*
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	133.56%	103.23%	*	*
Plan fiduciary net position as a percentage of the total pension liability	73.40%	79.08%	*	*

*Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

**The amounts presented for each fiscal year were determined as of 12/31.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

CARBON COUNTY SCHOOL DISTRICT NO 1

SCHEDULE OF PENSION CONTRIBUTIONS

Last 10 fiscal years
(Unaudited)

	2016	2015	2014	2013
Public Employees' Pension Plan - District				
Contractually required contribution	\$ 2,631,898	\$ 2,515,461	*	*
Contributions in relations to the contractually required contributions	(2,631,898)	(2,515,461)	*	*
Contribution deficiency (excess)	\$ -	\$ -	*	*
Covered-employee payroll	\$ 15,835,728	\$ 15,850,416	*	*
Contributions as a percentage of covered-employee payroll	16.62%	15.87%	*	*
Public Employees' Pension Plan - BOCHES				
Contractually required contribution	\$ 170,684	\$ 162,501	*	*
Contributions in relations to the contractually required contributions	(170,684)	(162,501)	*	*
Contribution deficiency (excess)	\$ -	\$ -	*	*
Covered-employee payroll	\$ 1,026,980	\$ 1,023,951	*	*
Contributions as a percentage of covered-employee payroll	16.62%	15.87%	*	*

*Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

2012	2011	2010	2009	2008	2007
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2016

Note 1. Explanation of Differences Between Budgetary Basis and GAAP Basis

	General Fund	Grants Fund	Major Maintenance Fund
Revenues			
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 27,626,362	\$ 2,468,958	\$ 1,222,437
Differences - Budget Basis to GAAP			
Accrual of property taxes receivable	(354,251)	-	-
Intergovernmental revenue	(27,026)	12,895	-
Taxes recorded in BOCHES	(1,324,782)	-	-
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 25,920,303</u>	<u>\$ 2,481,853</u>	<u>\$ 1,222,437</u>
Expenditures			
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 26,796,031	\$ 2,557,552	\$ 1,123,097
Differences - Budget Basis to GAAP			
Accrual of accounts payable	(145,042)	(38,415)	(232,801)
Accrual of accrued salaries payable	21,184	(38,067)	-
Prepaid item	(3,544)	-	-
Inventory	(981)	-	-
Interest	57,959	-	-
Taxes recorded in BOCHES	(1,324,782)	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 25,400,825</u>	<u>\$ 2,481,070</u>	<u>\$ 890,296</u>

Note 2. Budgeting

Annual budgets are adopted on the cash basis for all governmental funds. Legal spending control for the District monies is at the function level. The District may amend the budget after it is appropriated using the same procedures necessary to approve the original budget at the functional level. Management monitors expenditures at budgetary line item levels within each fund to enhance the accounting control system and may amend the budget at this level as long as the functional level budget is maintained.

Note 3. Explanation of Changes to the Pension Plan

Changes of assumptions – There have been no changes of assumptions in the Public Employees’ Pension Plan since the prior valuation.

Change in benefits – There has been no changes in benefit provisions in the Public Employees’ Pension Plan since the prior valuation.

OTHER SUPPLEMENTARY INFORMATION

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL (BUDGETARY BASIS)

CAPITAL CONSTRUCTION FUND - CAPITAL PROJECTS

Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 50,000,000	\$ 50,000,000	\$ 22,165,595	\$ (27,834,405)
Total revenues	<u>50,000,000</u>	<u>50,000,000</u>	<u>22,165,595</u>	<u>(27,834,405)</u>
Expenditures				
Capital outlay	50,181,162	50,181,162	22,407,020	27,774,142
Total expenditures	<u>50,181,162</u>	<u>50,181,162</u>	<u>22,407,020</u>	<u>27,774,142</u>
Excess (deficiency) of revenues over expenditures	(181,162)	(181,162)	(241,425)	<u>\$ (60,263)</u>
Fund balance - beginning of year	<u>536,161</u>	<u>536,161</u>	<u>536,161</u>	
Fund balance - end of year	<u>\$ 354,999</u>	<u>\$ 354,999</u>	<u>\$ 294,736</u>	

Note to the budgetary presentation

The Capital Projects fund is combined with the Capital Construction fund on the Balance Sheet and Statement of Revenues and Expenditures - Governmental Funds.

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL (BUDGETARY BASIS)

CAPITAL CONSTRUCTION FUND - DEPRECIATION RESERVE

Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues				
Interest	\$ 10,000	\$ 10,000	\$ 2,104	\$ (7,896)
Other sources	-	-	900	900
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>3,004</u>	<u>(6,996)</u>
Expenditures				
Capital outlay	4,006,015	4,006,015	21,277	3,984,738
Total expenditures	<u>4,006,015</u>	<u>4,006,015</u>	<u>21,277</u>	<u>3,984,738</u>
Excess (deficiency) of revenues over expenditures	<u>(3,996,015)</u>	<u>(3,996,015)</u>	<u>(18,273)</u>	<u>3,977,742</u>
Other financing sources				
Transfers in	-	-	200,000	200,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
Net change in fund balance	(3,996,015)	(3,996,015)	181,727	<u>\$ 4,177,742</u>
Fund balance - beginning of year	<u>3,496,180</u>	<u>3,496,180</u>	<u>3,496,180</u>	
Fund balance - end of year	<u>\$ (499,835)</u>	<u>\$ (499,835)</u>	<u>\$ 3,677,907</u>	

Note to the budgetary presentation

The Depreciation Reserve fund is combined with the Capital Construction fund on the Balance Sheet and Statement of Revenues and Expenditures - Governmental Funds.

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL (BUDGETARY BASIS)

CAPITAL CONSTRUCTION FUND - BOND CONSTRUCTION

Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other sources - investment income	\$ 150,000	\$ 150,000	\$ 38,382	\$ (111,618)
Miscellaneous	200,000	200,000	-	(200,000)
Total revenues	<u>350,000</u>	<u>350,000</u>	<u>38,382</u>	<u>(311,618)</u>
Expenditures				
Capital outlay	<u>17,610,554</u>	<u>17,610,554</u>	<u>9,649,342</u>	<u>7,961,212</u>
Total expenditures	<u>17,610,554</u>	<u>17,610,554</u>	<u>9,649,342</u>	<u>7,961,212</u>
Excess (deficiency) of revenues over expenditures	(17,260,554)	(17,260,554)	(9,610,960)	<u>\$ 7,649,594</u>
Fund balance - beginning of year	<u>17,280,316</u>	<u>17,280,316</u>	<u>17,280,316</u>	
Fund balance - end of year	<u>\$ 19,762</u>	<u>\$ 19,762</u>	<u>\$ 7,669,356</u>	

Note to the budgetary presentation

The Bond Construction fund is combined with the Capital Construction fund on the Balance Sheet and Statement of Revenues and Expenditures - Governmental Funds.

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 CAPITAL CONSTRUCTION FUND - REPAIR AND MAINTENANCE BOND RESERVE
 Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other sources - investment income	\$ 9,000	\$ 9,000	\$ 210	\$ (8,790)
Total revenues	9,000	9,000	210	(8,790)
Expenditures				
Capital outlay	100,000	100,000	-	100,000
Total expenditures	100,000	100,000	-	100,000
Excess (deficiency) of revenues over expenditures	(91,000)	(91,000)	210	<u>\$ 91,210</u>
Fund balance - beginning of year	849,917	849,917	849,917	
Fund balance - end of year	<u>\$ 758,917</u>	<u>\$ 758,917</u>	<u>\$ 850,127</u>	

Note to the budgetary presentation

The Repair and Maintenance Bond Reserve fund is combined with the Capital Construction fund on the Balance Sheet and Statement of Revenues and Expenditures - Governmental Funds.

STATISTICAL INFORMATION
(Unaudited)

CARBON COUNTY SCHOOL DISTRICT #1
NET POSITION BY COMPONENT
LAST 10 YEARS
(Unaudited)

Governmental Activities	2016	2015	2014	2013
Net investment in capital assets	\$ 74,100,629	\$ 53,630,056	\$ 44,463,386	\$ 41,264,012
Restricted	5,175,537	8,012,141	7,632,913	6,981,020
Unrestricted	(864,557)	(5,587,216)	(8,493,275)	5,102,202
Total primary government net position	<u>\$ 78,411,609</u>	<u>\$ 56,054,981</u>	<u>\$ 43,603,024</u>	<u>\$ 53,347,234</u>

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 41,366,461	\$ 40,984,314	\$ 29,390,149	\$ 16,534,830	\$ 14,430,317	\$ 10,809,932
4,651,094	7,347,945	3,472,334	-	-	-
<u>4,627,054</u>	<u>4,993,212</u>	<u>8,276,318</u>	<u>9,065,827</u>	<u>8,308,713</u>	<u>5,578,125</u>
<u>\$ 50,644,609</u>	<u>\$ 53,325,471</u>	<u>\$ 41,138,801</u>	<u>\$ 25,600,657</u>	<u>\$ 22,739,030</u>	<u>\$ 16,388,057</u>

CARBON COUNTY SCHOOL DISTRICT #1
CHANGES IN NET POSITION
LAST 10 YEARS
(Unaudited)

Expenses	2016	2015	2014	2013
Instructional programs	\$ 17,421,913	\$ 16,847,953	\$ 16,270,198	\$ 17,288,797
Support services				
Pupil transportation	1,688,503	1,580,354	1,324,311	1,355,030
Other support services	12,797,632	13,792,828	11,071,485	10,910,251
BOCHES	-	-	-	-
IBNR claims expense	-	-	-	-
Nutrition services	922,527	827,393	854,172	802,959
Aquatic center	287,295	282,089	161,907	-
Interest on long-term debt	884,775	899,374	887,324	953,469
Total expenses	34,002,645	34,229,991	30,569,397	31,310,506
Program revenue				
Charges for services	380,100	285,739	337,454	305,276
Operating grants and contributions	3,233,614	3,217,348	2,687,326	2,939,298
Capital grants	23,770,837	10,377,812	2,682,239	1,122,270
Total program revenues	27,384,551	13,880,899	5,707,019	4,366,844
General Revenues				
Taxes	31,193,908	30,839,762	29,209,217	35,521,556
Investments	53,550	70,411	75,330	30,580
Recapture	(1,598,040)	(54,890)	(1,449,547)	(5,217,195)
Insurance recovery	110,698	725,250	-	-
Miscellaneous	67,260	224,224	(8,793)	392,315
Total revenues	57,211,927	45,685,656	33,533,226	35,094,100
Changes in net position	\$ 23,209,282	\$ 11,455,665	\$ 2,963,829	\$ 3,783,594

2012	2011	2010	2009	2008	2007
\$ 17,486,377	\$ 16,765,568	\$ 16,355,136	\$ 13,695,178	\$ 11,669,817	\$ 13,143,082
1,301,515	1,162,602	1,069,416	1,247,277	1,249,827	1,008,269
11,676,364	12,118,677	9,074,607	9,100,576	8,499,619	7,919,040
2,934,382	2,824,583	2,737,299	2,746,942	2,698,414	2,440,668
350,446	-	-	-	-	-
803,904	747,581	737,048	671,628	634,728	568,918
-	-	-	-	-	-
41,760	25,172	28,414	16,324	18,609	28,999
<u>34,594,748</u>	<u>33,644,183</u>	<u>30,001,920</u>	<u>27,477,925</u>	<u>24,771,014</u>	<u>25,108,976</u>
674,716	655,859	679,486	742,499	792,177	689,107
3,960,845	4,074,920	3,694,212	2,954,095	2,434,756	2,868,543
970,573	12,630,341	12,817,780	-	-	-
<u>5,606,134</u>	<u>17,361,120</u>	<u>17,191,478</u>	<u>3,696,594</u>	<u>3,226,933</u>	<u>3,557,650</u>
34,348,744	29,057,277	45,521,368	34,716,336	36,020,500	36,411,660
41,854	53,801	101,835	119,043	215,601	280,974
(5,268,576)	(708,299)	(17,259,281)	(8,135,913)	(8,425,945)	(14,436,820)
-	-	-	-	-	-
162,363	32,291	16,960	(12,666)	92,768	6,104
<u>34,890,519</u>	<u>45,796,190</u>	<u>45,572,360</u>	<u>30,383,394</u>	<u>31,129,857</u>	<u>25,819,568</u>
<u>\$ 295,771</u>	<u>\$ 12,152,007</u>	<u>\$ 15,570,440</u>	<u>\$ 2,905,469</u>	<u>\$ 6,358,843</u>	<u>\$ 710,592</u>

CARBON COUNTY SCHOOL DISTRICT #1
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST 10 YEARS
(Unaudited)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund				
Unspendable	\$ 105,441	\$ 100,917	\$ 29,679	\$ 30,270
Restricted	-	60,000	60,000	60,000
Unassigned	4,718,491	4,693,537	3,690,322	5,089,356
Total General Fund	<u>\$ 4,823,932</u>	<u>\$ 4,854,454</u>	<u>\$ 3,780,001</u>	<u>\$ 5,179,626</u>
All Other Governmental Funds				
Restricted				
Major maintenance	\$ 2,661,136	\$ 2,328,995	\$ 2,040,501	\$ 1,564,524
Buildings and equipment	3,704,950	3,496,180	4,675,817	4,465,994
Bond - capital construction	1,640,880	1,254,439	-	-
Bond covenants	850,128	849,917	841,988	838,759
Donors	23,393	22,610	14,607	51,743
Debt service	6,678,576	15,766,139	19,621,956	24,949,992
BOCHES	-	-	-	-
Committed				
Capital construction	292,482	991,545	344,478	663,679
Total all other governmental funds	<u>\$ 15,851,545</u>	<u>\$ 24,709,825</u>	<u>\$ 27,539,347</u>	<u>\$ 32,534,691</u>

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 26,076	\$ 55,226	\$ 58,892	\$ 41,269	\$ 33,840	\$ 33,841
120,000	-	1,404,486	-	-	-
<u>5,148,385</u>	<u>4,966,604</u>	<u>2,972,790</u>	<u>4,172,576</u>	<u>4,582,897</u>	<u>2,610,849</u>
<u>\$ 5,294,461</u>	<u>\$ 5,021,830</u>	<u>\$ 4,436,168</u>	<u>\$ 4,213,845</u>	<u>\$ 4,616,737</u>	<u>\$ 2,644,690</u>
\$ 1,101,928	\$ 1,011,721	\$ 744,292	\$ 694,056	\$ 1,116,574	\$ 1,177,729
2,765,654	2,753,839	2,728,042	1,600,000	-	-
-	-	-	-	-	-
27,516,850	-	-	-	-	-
52,505	42,961	(11,268)	27,053	86,102	22,929
-	-	-	-	-	-
3,611,007	3,582,385	3,869,084	2,651,551	2,466,255	1,885,545
<u>4,293</u>	<u>133,041</u>	<u>132,960</u>	<u>139,822</u>	<u>147,225</u>	<u>59,752</u>
<u>\$ 35,052,237</u>	<u>\$ 7,523,947</u>	<u>\$ 7,463,110</u>	<u>\$ 5,112,482</u>	<u>\$ 3,816,156</u>	<u>\$ 3,145,955</u>

CARBON COUNTY SCHOOL DISTRICT #1
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST 10 YEARS
(Unaudited)

	2016	2015	2014	2013
Revenues				
Taxes	\$ 28,767,237	\$ 27,595,644	\$ 27,380,134	\$ 32,463,713
Intergovernmental revenues	27,364,964	16,001,340	6,626,215	6,717,793
Charges for services	152,303	56,003	83,668	47,078
Investment income	53,275	70,240	75,073	30,393
Miscellaneous	104,826	211,293	216,832	132,543
Public contributions	-	-	-	-
Repayment to State Foundation	-	-	-	-
Recapture tax payment	(1,598,040)	(54,890)	(1,449,547)	(5,217,195)
Total revenues	54,844,565	43,879,630	32,932,375	34,174,325
Expenditures				
Instruction	15,870,771	15,853,143	15,837,872	16,574,141
Support services	21,668,230	16,117,905	19,592,496	13,924,126
Facilities acquisition and construction	23,386,282	12,076,957	1,655,969	652,322
Debt service				
Principal	1,586,120	1,560,503	1,232,969	743,756
Interest	982,662	997,261	985,190	1,051,355
Total expenditures	63,494,065	46,605,769	39,304,496	32,945,700
Excess (deficiency) of revenues over expenditures	(8,649,500)	(2,726,139)	(6,372,121)	1,228,625
Other financing sources (uses)				
Transfers in	200,000	172,343	62,555	931,578
Transfers out	(550,000)	(622,343)	(341,259)	(1,181,578)
Insurance recovery	110,698	725,250	-	-
Proceeds from sale of assets	-	184,122	-	-
Proceeds from bond issuance	-	-	-	-
Proceeds from bond premium	-	-	-	-
Proceeds from lease purchase obligations	-	511,698	255,856	-
Total other financing sources (uses)	(239,302)	971,070	(22,848)	(250,000)
Net changes in fund balances	(8,888,802)	(1,755,069)	(6,394,969)	978,625
Fund balance				
Beginning of year	29,564,279	31,319,348	37,714,317	40,346,698
Prior period adjustment	-	-	-	(3,611,006)
Beginning of year, as restated	29,564,279	31,319,348	37,714,317	36,735,692
Change in inventory	-	-	-	-
End of year	\$ 20,675,477	\$ 29,564,279	\$ 31,319,348	\$ 37,714,317

2012	2011	2010	2009	2008	2007
\$ 32,090,098	\$ 26,453,598	\$ 43,720,800	\$ 32,681,790	\$ 31,861,617	\$ 31,138,943
6,438,873	18,957,325	17,760,655	5,915,332	7,333,440	9,142,655
403,431	390,845	416,481	460,550	470,220	405,770
41,509	53,078	100,900	118,149	214,071	270,175
483,136	29,844	22,032	20,683	94,482	33,287
145,000	5,000	-	-	-	-
-	(29,924)	-	(54,878)	(31,648)	(119,322)
(5,268,576)	(708,299)	(17,259,281)	(8,135,913)	(8,425,945)	(14,436,820)
34,333,471	45,151,467	44,761,587	31,005,713	31,516,237	26,434,688
17,972,732	17,404,217	15,956,965	15,192,569	13,399,286	14,431,652
15,825,743	14,236,773	13,581,537	14,051,794	12,310,094	11,566,331
999,401	12,630,260	12,856,190	931,154	2,820,415	-
268,442	154,883	152,192	199,948	254,281	256,323
51,462	26,071	28,612	17,102	19,913	30,770
35,117,780	44,452,204	42,575,496	30,392,567	28,803,989	26,285,076
(784,309)	699,263	2,186,091	613,146	2,712,248	149,612
188,059	81,547	1,100,000	1,600,000	85,568	353,421
(338,059)	(171,547)	(1,180,000)	(1,640,000)	(155,568)	(83,130)
-	-	-	-	-	-
28,519	-	-	-	-	-
26,500,000	-	-	-	-	-
1,664,073	-	-	-	-	-
542,638	37,236	466,860	320,288	-	-
28,585,230	(52,764)	386,860	280,288	(70,000)	270,291
27,800,921	646,499	2,572,951	893,434	2,642,248	419,903
12,545,777	11,899,278	9,326,327	8,432,893	5,790,645	5,189,319
-	-	-	-	-	184,998
12,545,777	11,899,278	9,326,327	8,432,893	5,790,645	5,374,317
-	-	-	-	-	(3,575)
\$ 40,346,698	\$ 12,545,777	\$ 11,899,278	\$ 9,326,327	\$ 8,432,893	\$ 5,790,645

CARBON COUNTY SCHOOL DISTRICT #1
DEMOGRAPHIC AND ECONOMIC STATISTICS
(Unaudited)

Year	Estimated Population	Per Capita Personal Income	Percent Growth Personal Income	Total County Estimated Personal Income (1)	10 year Percent change in Total Personal Income
2002	15,256	26,128	2.5	398,614	2.7
2003	15,240	27,847	6.6	424,393	6.5
2004	15,236	29,178	4.8	444,563	4.8
2005	15,077	32,854	12.6	495,338	11.4
2006	15,136	36,836	12.1	557,544	12.6
2007	15,494	39,468	7.1	611,521	9.7
2008	15,658	43,168	9.4	675,917	10.5
2009	15,977	36,881	(17.0)	589,253	(14.7)
2010	15,837	37,972	(3.0)	601,356	(2.1)
2011	15,817	42,918	13.0	678,841	12.9
2012	15,678	45,013	4.9	705,710	4.0
2013	15,787	45,902	2.0	724,654	2.7
2014	15,856	48,013	4.6	761,288	5.1
2015	15,559	49,787	3.7	774,632	1.8
2016	*	*	*	*	*

(1) Total personal income estimates are in thousands of dollars,
not adjusted for inflation

Source: US Department of Commerce Bureau of Economic Analysis

* Information not available

**CARBON COUNTY SCHOOL DISTRICT #1
CAPITAL ASSET FACILITIES INFORMATION**

As of June 30, 2016

(Unaudited)

Building	Year of Original Construction	Square Footage	Enrollment 10/2016	Average Age of Building (in years)
Elementary Schools				
Sinclair	1936	10,865	-	80
Rawlins Elementary K-1 (Highland Hills)	1982	36,228	317	34
Rawlins Elementary K2-5	2011	986,358	611	5
Total		<u>1,033,451</u>		
Middle Schools				
Rawlins Middle School	1978	91,846	339	38
Total		<u>91,846</u>		
High Schools				
Rawlins High School	1957	219,176	438	59
Total		<u>219,176</u>		
K-12 Building				
Little Snake River	1972	55,837	187	44
Total		<u>55,837</u>		
Other Buildings				
Administrative Office and COOP High School	1949	28,270	46	67
Custodian Storage	1957	2,400		59
Maintenance Facility	1978	6,758		38
Stadium	1982	23,659		34
Bus Garage Baggs	1980	4,500		36
Track Storage Baggs	1987	1,772		29
Higher Education Building	2014	28,000		2
After School Building	2015	6,500		1
Total		<u>101,859</u>		

Many buildings have undergone remodels or additions since original construction

Source: Wyoming School Facilities Division, Carbon County School District #1 records

CARBON COUNTY SCHOOL DISTRICT #1
OPERATIONAL STATISTICS
LAST 10 YEARS
(Unaudited)

Year Ended June 30	Students (1)	General Fund Operational Costs	General Fund Per Student Operational Costs	Nutritional Services Program Breakfast	
				Paid	Free or Reduced
2007	1753	20,470,192	11,677	5,701	14,255
2008	1815	20,323,183	11,197	11,703	15,469
2009	1787	22,350,690	12,507	7,566	11,173
2010	1803	22,829,775	12,662	7,588	18,217
2011	1822	24,836,562	13,631	5,338	11,056
2012	1814	26,880,262	14,818	9,784	22,768
2013	1866	25,791,535	13,822	12,816	25,208
2014	1876	26,482,662	14,117	8,229	20,586
2015	1832	26,465,979	14,446	6,946	14,974
2016	1832	25,400,825	13,865	9,588	20,407

(1) Fall Enrollment

Source: Wyoming Department of Education and Carbon County School District #1 records

Nutritional Services Program

Lunch

Paid	Free or Reduced	Total Meals	Students Free and Reduced	Percent of Total Enrollment
106,908	68,180	195,044	506	28
119,509	69,714	216,395	550	31
102,472	79,006	200,217	718	40
94,968	90,379	211,152	680	37
93,498	90,428	200,320	669	36
83,689	75,581	191,822	648	36
81,914	72,920	192,858	657	36
73,837	75,474	178,126	679	37
65,903	66,054	153,877	652	36
64,362	74,313	168,670	709	39

CARBON COUNTY SCHOOL DISTRICT #1
OPERATIONAL STATISTICS (CONTINUED)
LAST 10 YEARS
(Unaudited)

Student Transportation

Year Ended June 30	Total Buses	Total Miles	Students Transported Daily	Percent of Students (ADM) Transported
2007	39	229,399	610	35.88
2008	39	259,889	742	41.33
2009	39	234,510	741	41.06
2010	39	289,749	676	37.74
2011	39	309,793	652	35.12
2012	39	317,749	853	46.71
2013	39	310,936	936	51.03
2014	39	349,008	965	51.85
2015	39	223,593	743	41.07
2016	39	298,122	845	45.81

(1) Fall Enrollment

Source: Wyoming Department of Education and Carbon County School District #1

CARBON COUNTY SCHOOL DISTRICT #1
MILL LEVY HISTORY
TAX YEARS 2011 - 2016
(Unaudited)

	Tax Year	2011	2012	2013	2014	2015	2016
	Fiscal Year	2012	2013	2014	2015	2016	2017
County 6 Mill School		6.000	6.000	6.000	6.000	6.000	6.000
General County		12.000	12.000	12.000	12.000	12.000	12.000
County Wide Weed & Pest District		0.796	0.957	0.957	1.000	1.000	1.000
State Foundation Program		12.000	12.000	12.000	12.000	12.000	12.000
State/County Total		30.796	30.957	30.957	31.000	31.000	31.000
K-12 Education Mills							
School District No. 1							
School Rec. Levy		1.000	1.000	1.000	1.000	1.000	1.000
25-Mill Mandatory Levy		25.000	25.000	25.000	25.000	25.000	25.000
School District Bonds and Interest		0.000	2.450	2.450	2.450	2.950	2.950
Adult Education		1.500	1.500	1.500	1.500	1.500	1.500
BOCHES		1.000	1.000	1.000	1.000	1.000	1.000
District Total		28.500	30.950	30.950	30.950	31.450	31.450
<hr/>							
School District No. 1	Total						
Mills Levied County-wide		59.296	61.907	61.907	61.950	62.450	62.450
<hr/>							
Total Mills - Rawlins		67.296	69.907	69.907	69.950	70.450	70.450
Total Mills - Sinclair		67.296	69.907	69.907	69.950	70.450	70.450
Total Mills - Baggs		67.296	69.907	69.907	69.950	70.450	70.450
Total Mills - Dixon		67.296	69.907	69.907	69.950	70.450	70.450

Note: Each of the municipalities levies 8.00 mills for general operations.

Source: Wyoming Property Taxation Guide, Wyoming Taxpayers Association, Carbon County Assessor

CARBON COUNTY SCHOOL DISTRICT #1
TAX COLLECTIONS - CARBON COUNTY
TAX YEARS 2008 - 2016
(Unaudited)

<u>Tax Year</u>	<u>Total Tax Levy</u>	<u>Total Tax Collections</u>	<u>Percentage of Taxes Collected</u>
2016	17,403,514	9,448,875	54.29%
2015	25,343,267	10,967,259	43.27%
2014	22,425,463	22,004,298	98.12%
2013	21,972,406	21,934,482	99.83%
2012	26,557,789	26,533,602	99.91%
2011	25,845,705	25,829,452	99.94%
2010	21,349,839	21,345,287	99.98%
2009	35,849,159	35,847,497	100.00%
2008	25,704,254	25,702,779	99.99%

**As of November 30, 2016*

Source: Carbon County Treasurer

The above information represents total taxes and collections for all entities in Carbon County

CARBON COUNTY SCHOOL DISTRICT #1
PROPERTY TAX COLLECTIONS - SWEETWATER COUNTY
TAX YEARS 2012 - 2016
(Unaudited)

TAX YEAR	AS LEVIED	COLLECTIONS & ADJUSTMENTS	BALANCE UNPAID	%	ASSESSED VALUATION
2016					69,638,832
25 Mill	1,740,911.94	7,503.56	1,733,408.38	0.4310%	
Recreation	69,636.12	299.93	69,336.19	0.4307%	
Adult Ed	104,454.70	450.20	104,004.50	0.4310%	
BOCES	69,636.84	300.27	69,336.57	0.4312%	
6 Mill (SD1C Share)	8,260.94	3,937.50	4,323.44	47.6641%	
	<u>1,992,900.54</u>	<u>12,491.46</u>	<u>1,980,409.08</u>	0.6268%	
2015					139,588,617
25 Mill	3,489,715.43	2,581.11	3,487,134.32	0.0740%	
Recreation	139,589.00	230.82	139,358.18	0.1654%	
Adult Ed	209,383.00	346.41	209,036.59	0.1654%	
BOCES	139,588.00	231.11	139,356.89	0.1656%	
Bond Redemption	411,786.00	-	411,786.00	0.0000%	
6 Mill (SD1C Share)	28,101.59	9,913.73	18,187.86	35.2782%	
	<u>4,418,163.02</u>	<u>13,303.18</u>	<u>4,404,859.84</u>	0.3011%	
2014					159,019,562
25 Mill	3,975,489.00	3,975,134.41	354.59	99.9911%	
Recreation	159,020.00	159,277.01	(207.01)	100.1302%	
Adult Ed	238,529.00	238,839.77	(310.77)	100.1303%	
BOCES	159,020.00	159,244.88	(224.88)	100.1414%	
Bond Redemption	389,598.00	390,147.27	(549.27)	100.1410%	
6 Mill (SD1C Share)	26,849.86	27,127.80	(277.94)	101.0352%	
	<u>4,948,505.86</u>	<u>4,949,771.14</u>	<u>(1,215.28)</u>	100.0246%	
2013					173,117,688
25 Mill	4,327,942.00	4,327,902.51	39.72	99.9991%	
Recreation	173,118.00	173,115.78	1.60	99.9991%	
Adult Ed	259,677.00	259,674.11	2.38	99.9991%	
BOCES	173,118.00	173,116.53	1.60	99.9991%	
Bond Redemption	424,138.00	424,134.11	3.88	99.9991%	
6 Mill (SD1C Share)	24,042.68	61.01	50.81	99.7887%	
	<u>5,382,035.68</u>	<u>5,358,004.05</u>	<u>99.99</u>	99.9981%	
2012					189,429,112
25 Mill	4,735,728.00	4,629,924.50	11.86	99.9997%	
Recreation	189,429.00	185,196.48	0.46	99.9998%	
Adult Ed	284,144.00	277,795.30	0.70	99.9998%	
BOCES	189,430.00	185,197.35	0.48	99.9997%	
Bond Redemption	464,101.00	453,732.16	1.16	99.9998%	
6 Mill (SD1C Share)	34,028.86	77.77	22.97	99.9325%	
	<u>5,896,860.86</u>	<u>5,731,923.56</u>	<u>37.63</u>	99.9994%	

CARBON COUNTY SCHOOL DISTRICT #1
SCHOOL TAX LEVIES
LAST 10 YEARS
(Unaudited)

Year Ended June 30	State School Foundation	Mandatory County	Operating	Bond and Interest	BOCHES	Vocational and Adult
2007	12.000	6.000	25.000	0.000	1.000	1.500
2008	12.000	6.000	25.000	0.000	1.000	1.500
2009	12.000	6.000	25.000	0.000	1.000	1.500
2010	12.000	6.000	25.000	0.000	1.000	1.500
2011	12.000	6.000	25.000	0.000	1.000	1.500
2012	12.000	6.000	25.000	2.450	1.000	1.500
2013	12.000	6.000	25.000	2.450	1.000	1.500
2014	12.000	6.000	25.000	2.450	1.000	1.500
2015	12.000	6.000	25.000	2.450	1.000	1.500
2016	12.000	6.000	25.000	2.450	1.000	1.500

Source: Wyoming Department of Education, Carbon and Sweetwater Counties' Assessors Office.

Recreation	Total
1.000	46.500
1.000	46.500
1.000	46.500
1.000	46.500
1.000	46.500
1.000	48.950
1.000	48.950
1.000	48.950
1.000	48.950
1.000	49.450

CARBON COUNTY SCHOOL DISTRICT #1
BONDED INDEBTEDNESS
LAST 10 YEARS
(Unaudited)

Year Ended June 30	Assessed Valuation	Debt	Amount Approved	Bonds Issued	Refunding Issued	Bonds Refunded
2007	956,032,175	-	-	-	-	-
2008	976,170,512	-	-	-	-	-
2009	1,267,346,637	-	-	-	-	-
2010	766,843,510	-	-	-	-	-
2011	930,128,120	-	-	-	-	-
2012	947,268,208	26,500,000	26,500,000	26,500,000	-	-
2013	796,683,212	26,025,000	-	-	-	-
2014	795,764,592	25,055,000	-	-	-	-
2015	850,836,909	23,745,000	-	-	-	-
2016	536,484,666	22,420,000	-	-	-	-

(1) Percent of capacity does not take county treasurer's cash balances into account.

District can be bonded to 10% of assessed valuation.

Source: Wyoming Department of Education, Carbon and Sweetwater Counties' Assessors Office.

Principal Paid	Interest Paid	Debt 6/30	% of Capacity Obligated (1)
-	-	-	0%
-	-	-	0%
-	-	-	0%
-	-	-	0%
-	-	-	0%
-	-	26,500,000	2.80%
475,000	972,473	26,025,000	3.27%
970,000	931,199	25,055,000	3.15%
1,310,000	902,099	23,745,000	2.79%
1,325,000	888,999	22,420,000	4.18%

CARBON COUNTY SCHOOL DISTRICT #1
HISTORICAL ASSESSED VALUATIONS
LAST 20 YEARS
(Unaudited)

Year Ended June 30	Assessed Valuation	Percent Increase (Decrease)
1997	300,944,538	0.29
1998	319,890,530	0.06
1999	251,745,345	-0.21
2000	290,730,277	0.15
2001	538,717,857	0.85
2002	502,358,573	-0.07
2003	361,253,785	-0.28
2004	549,273,641	0.52
2005	687,871,624	0.25
2006	951,619,394	0.38
2007	956,032,175	0
2008	976,170,512	0.02
2009	1,267,346,637	0.3
2010	766,843,510	-0.39
2011	930,128,120	0.21
2012	947,268,208	0.018
2013	796,683,212	-0.159
2014	795,764,592	-0.001
2015	850,836,909	0.069
2016	536,484,666	-0.369

Source: Wyoming Department of Education, Carbon and Sweetwater Counties' Assessors Office.

CARBON COUNTY SCHOOL DISTRICT #1
DETAIL OF CARBON COUNTY ASSESSED VALUATION
LAST 10 YEARS
(Unaudited)

Year Ended June 30	Agricultural Lands & Improvements	Commercial Lands & Improvements	Residential Lands & Improvements	Total Real Property	Mineral Production	
					Coal	Natural Gas
2007	8,495,565	13,197,917	61,643,389	83,336,871	*	586,480,586
2008	8,404,925	14,365,703	77,381,140	100,151,768	3,811,351	530,169,868
2009	8,689,890	17,647,288	80,585,225	106,922,403	6,749,862	744,469,866
2010	9,491,328	18,859,877	79,638,056	107,989,261	6,987,193	368,885,934
2011	10,270,109	19,760,603	81,412,747	111,443,459	2,352,305	482,176,186
2012	10,722,162	26,433,356	83,837,304	120,992,822	*	434,012,189
2013	11,544,187	20,765,727	88,603,820	120,913,734	*	287,277,378
2014	14,003,633	21,094,452	91,848,038	126,946,123	380,560	*
2015	14,672,573	22,355,786	95,348,815	132,377,174	317,845	*
2016	17,820,918	24,801,460	98,183,993	140,806,371	-	175,772,285

Source: Wyoming Department of Education, Carbon and Sweetwater Counties' Assessors Office,
State Board of Equalization

* Information not available.

Mineral Production

Oil	Miscellaneous Minerals	Total Minerals
88,579,826	1,352,635	676,413,047
89,901,463	1,653,617	625,536,299
117,613,768	1,978,534	870,812,030
81,478,110	2,236,137	459,587,374
96,743,708	1,866,732	583,138,931
96,736,758	1,100,664	531,849,611
104,623,532	2,169,068	394,069,978
*	*	*
*	*	*
108,524,465	1,105,566	285,402,316

CARBON COUNTY SCHOOL DISTRICT #1
HISTORICAL ENROLLMENT
LAST 20 YEARS
(Unaudited)

Year as of 10/1	Students (1)	Percent Increase (Decrease)	Year as of 10/1	Students (1)	Percent Increase (Decrease)
1997	2076	(0.06)	2007	1753	0.00
1998	1992	(0.04)	2008	1815	0.04
1999	1965	(0.01)	2009	1787	(0.02)
2000	1946	(0.01)	2010	1803	0.01
2001	1923	(0.01)	2011	1822	0.01
2002	1778	(0.08)	2012	1814	0.00
2003	1728	(0.03)	2013	1866	0.03
2004	1664	(0.04)	2014	1876	0.01
2005	1727	0.04	2015	1832	(0.02)
2006	1753	0.02	2016	1832	0.00

(1) Fall Enrollment

Source: Wyoming Department of Education

CARBON COUNTY SCHOOL DISTRICT #1
AVERAGE STUDENT TO TEACHER RATIO
LAST 10 YEARS
(Unaudited)

Year as of 10/1	Students (1)	Full-Time Equivalent Teaching Staff	Ratio of Students to Teaching Staff
2007	1753	143	12.26 : 1
2008	1815	148	12.26 : 1
2009	1787	153	11.68 : 1
2010	1803	157	11.48 : 1
2011	1822	154	11.83 : 1
2012	1814	160	11.34 : 1
2013	1866	160	11.66 : 1
2014	1876	158	11.87 : 1
2015	1832	153	11.97 : 1
2016	1832	153	11.97 : 1

(1) Fall Enrollment

CARBON COUNTY SCHOOL DISTRICT #1
VALUATION DOLLARS PER AVERAGE DAILY MEMBERSHIP (ADM)
LAST 10 YEARS
(Unaudited)

Year Ended June 30	ADM	Valuation \$ per ADM
2007	1700	562,262
2008	1795	543,728
2009	1805	702,310
2010	1791	428,148
2011	1827	509,891
2012	1792	528,609
2013	1834	434,397
2014	1861	427,601
2015	1835	463,671
2016	1864	287,814

Source: Wyoming Department of Education
ADM - 3 year rolling average from WED-100 report

CARBON COUNTY SCHOOL DISTRICT #1
STAFFING FULL TIME EQUIVALENT (FTE)
LAST 10 YEARS
(Unaudited)

Year as of 10/1	Teachers	Instructional Aids	Instructional Support Staff	General Support Staff	Total FTE
2007	142.73	37.61	42.87	79.72	302.93
2008	147.84	35.77	35.64	82.05	301.30
2009	152.79	35.32	39.62	75.58	303.31
2010	154.40	44.59	47.69	84.36	331.04
2011	159.72	29.55	64.87	74.22	328.36
2012	160.37	25.47	69.20	74.35	329.39
2013	160.37	60.40	34.28	92.18	347.23
2014	157.97	57.77	35.49	93.91	345.14
2015	152.09	48.03	28.75	95.00	323.87
2016	152.70	56.70	20.10	95.00	324.50

Source: Wyoming Department of Education

FEDERAL FINANCIAL ASSISTANCE REPORTS

CARBON COUNTY SCHOOL DISTRICT #1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass - through Entity Identifying Number	Federal CFDA Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Passed through Wyoming Department of Education				
<i>Child Nutrition Cluster</i>				
School Breakfast Program	-	10.553	-	\$ 43,930
National School Lunch Program	-	10.555	-	270,120
National School Lunch Program - USDA Commodities	-	10.555	-	40,427
Summer Food Service Program for Children	-	10.559	-	29,118
Total Child Nutrition Cluster				<u>383,595</u>
Fresh Fruit and Vegetable Program	-	10.582	-	2,847
Total U.S. Department of Agriculture				<u>386,442</u>
U.S. Department of Labor				
Passed through Wyoming Department of Workforce Services				
WIA/WIOA Youth Activities	-	17.259	-	5,294
Total U.S. Department of Labor				<u>5,294</u>
National Endowment for the Arts				
Passed through the Wyoming Arts Council				
Promotion of the Arts - Partnership Agreements	-	45.025	-	950
Total National Endowment for the Arts				<u>950</u>
U.S. Department of Education				
Passed Through Wyoming Department of Education				
Title I Grants to Local Educational Agencies	1404014T1A00	84.010A	-	1,855
Title I Grants to Local Educational Agencies	1504015T1A00	84.010A	-	188,006
Title I Grants to Local Educational Agencies	1604016T1A00	84.010A	-	515,880
Title I Grants to Local Educational Agencies	1504154AIA0	84.010A	-	114,369
Title I Grants to Local Educational Agencies	1604154AIA0	84.010A	-	42,390
Total Title I Grants to Local Educational Agencies				<u>862,500</u>
<i>Special Education Cluster (IDEA)</i>				
Special Education - Grants to States	1504015T6100	84.027A	-	54,321
Special Education - Grants to States	1604016T6100	84.027A	-	499,131
				<u>553,452</u>
Special Education - Preschool Grants	1404014T6900	84.173A	-	2,101
Special Education - Preschool Grants	1504015T6900	84.173A	-	3,169
				<u>5,270</u>
Total Special Education Cluster (IDEA)				<u>558,722</u>
Career and Technical Education - Basic Grants to States	1504015VEA00	84.048A	-	14,884
Career and Technical Education - Basic Grants to States	1604016VEA00	84.048A	-	45,055
Total Career and Technical Education - Basic Grants to States				<u>59,939</u>

(Continued)

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass through Entity Identifying Number	Federal CFDA Number	Pass Through to Subrecipients	Total Federal Expenditures
US Department of Education (Continued)				
Passed Through Wyoming Department of Education (Continued)				
English Language Acquisition State Grants	1404014T3E00	84.365A	-	\$ 1,257
English Language Acquisition State Grants	1504015T3E00	84.365A	-	6,026
English Language Acquisition State Grants	1604016T3E00	84.365A	-	<u>3,430</u>
Total English Language Acquisition State Grants				<u>10,713</u>
Supporting Effective Instruction State Grant	1504015T2A00	84.367A	-	204,150
Supporting Effective Instruction State Grant	1604016T2A00	84.367A	-	<u>58,430</u>
Total Supporting Effective Instruction State Grant				<u>262,580</u>
School Improvement Grants	14040143GIA0	84.377	-	41,106
School Improvement Grants	16040163GIA0	84.377	-	<u>90,389</u>
Total School Improvement Grants				<u>131,495</u>
Total U.S. Department of Education				<u>1,885,949</u>
Total Expenditures of Federal Awards				<u><u>\$ 2,278,635</u></u>

CARBON COUNTY SCHOOL DISTRICT #1

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2016

Note 1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards, “the Schedule”, includes the Federal grant activity of Carbon County School District #1 under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Carbon County School District #1, it is not intended to and does not present the financial position, change in net assets, or cash flows of Carbon County School District #1.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* or the Uniform Guidance, as applicable, wherein certain types of expenditure are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustment or credit made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

Carbon County School District #1 has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4. Commodities

Carbon County School District #1 purchases commodities from the United States Department of Agriculture at discounted prices. The value of commodities in the amount of \$40,427 was included in the Nutrition Cluster on the Schedule.



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

INDEPENDENT AUDITOR'S REPORT

To the Honorable Superintendent and Members
of the Board of Trustees
Carbon County School District #1
Rawlins, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carbon County School District #1, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Carbon County School District #1's basic financial statements, and have issued our report thereon dated December 12, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Carbon County School District #1's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Carbon County School District #1's internal control. Accordingly, we do not express an opinion on the effectiveness of Carbon County School District #1's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Carbon County School District #1's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management and the Board in a separate letter dated December 12, 2016.

Purpose of this Report

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



Porter, Muirhead, Cornia & Howard
Certified Public Accountants

Casper, Wyoming
December 12, 2016



REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE

INDEPENDENT AUDITOR'S REPORT

To the Honorable Superintendent and Members
of the Board of Trustees
Carbon County School District # 1
Rawlins, Wyoming

Report on Compliance for Each Major Federal Program

We have audited Carbon County School District #1's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Carbon County School District #1's major federal programs for the year ended June 30, 2016. Carbon County School District #1's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Carbon County School District #1's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Carbon County School District #1's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Carbon County School District #1's compliance.

Opinion on Each Major Federal Program

In our opinion, Carbon County School District #1 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of Carbon County School District #1 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Carbon County School District #1's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Carbon County School District #1's internal control over compliance.

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

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

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



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming
December 12, 2016

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2016

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

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

Internal control over financial reporting:

 Material weaknesses identified? No

 Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

 Material weaknesses identified? No

 Significant deficiencies identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
	<i>Special Education Cluster (IDEA)</i>
84.027A	Special Education – Grants to States
84.173A	Special Education – Preschool Grants

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

Auditee qualified as low-risk auditee? Yes

CARBON COUNTY SCHOOL DISTRICT #1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2016

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

CARBON COUNTY SCHOOL DISTRICT #1

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

June 30, 2016

None.