

**CARBON COUNTY SCHOOL DISTRICT #1**

**FINANCIAL AND COMPLIANCE REPORT**

**JUNE 30, 2014**

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# 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 11, 2014

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, 2014 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, 2014. 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 1830 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 ninth largest state in the U.S. with 97,813 square miles. This provides Wyoming with abundance of natural resources. In 2013 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 ninth 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 582,658 and 83,983 students (2012-2013), 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. In 2010 Carbon County ranked fifth in Agriculture production. In 2009 Carbon County ranked sixth among the counties in Wyoming in natural gas production and tenth in crude oil. Carbon County has approximately 200 operating wind turbines with 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 the permitting phase before construction can start. 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, 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 again trending upward since 2004.

## **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 a recapture 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. This along with the State's progressing funding of Education in Wyoming has allowed the District to continually fund improvements in programs, and facilities in the District.

## 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 the final design phase with a start date of construction in the spring of 2015 with an estimated final completion date of summer 2017. The new CCHEC facility approved by the voters is now finished and serving students for the fall of 2014.

## 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,

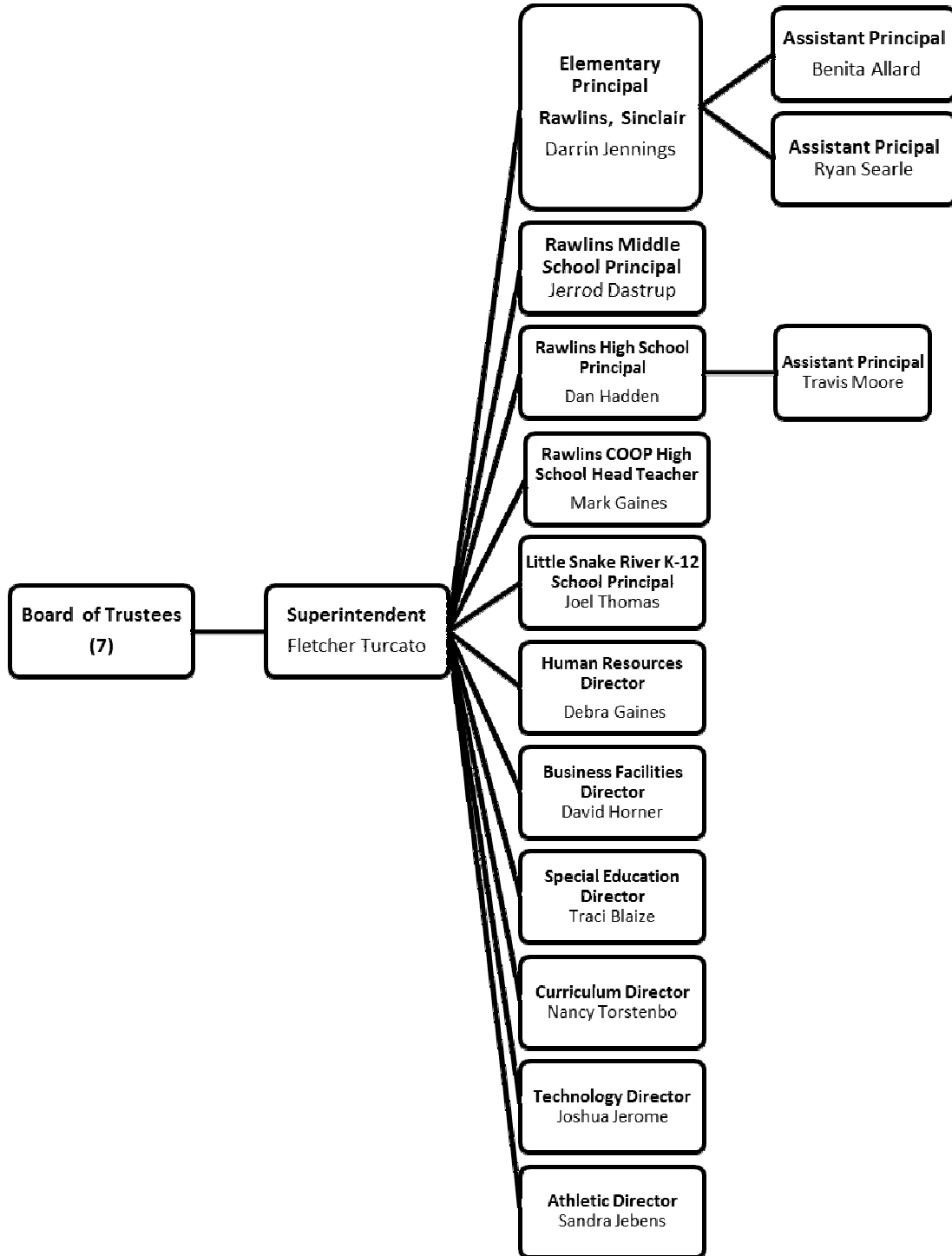


Fletcher Turcato  
Superintendent



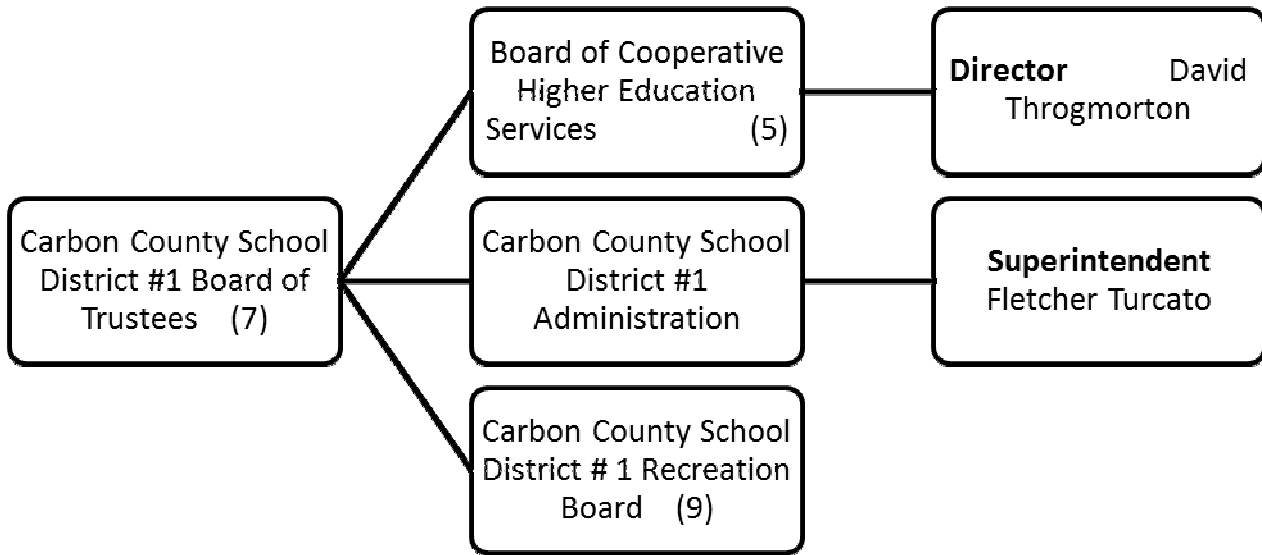
David Horner  
Business Facilities Director

**CARBON COUNTY SCHOOL DISTRICT # 1  
ADMINISTRATIVE ORGANIZATIONAL CHART 2014**





**CARBON COUNTY SCHOOL DISTRICT #1 AND COMPONENT UNITS  
ORGANIZATIONAL CHART 2014**



**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, 2014**

	<u>Term Expires</u>
Mr. Michael Mann, Clerk 2420 Inverness Rawlins, WY 82301	December 2018
Mr. Gilbert Archuleta, Vice Chair 194 LaPaloma Rawlins, WY 82301	December 2018
Ms. Denise Pfeffer 721 Scarlet Drive Rawlins, WY 82301	December 2016
Mr. Dan Butler, Treasurer 1611 Park Drive Rawlins, WY 82301	December 2016
Mr. Jeffrey Mendoza 1215 Lambda Drive Rawlins, WY 82301	December 2016
Ms. Holley Nicholson 1307 Perrine Street Rawlins, WY 82301	December 2018
Mr. R. Matt Feldman PO 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. Dan Butler, 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 2014**

Mr. Mike Mann, Chair  
Rawlins, WY

School Board Appointed

Ms. Holley Nicholson  
Rawlins, WY

School Board Appointed

Mr. Jeff Mendoza  
Rawlins, WY

School Board Appointed

Term Expires

Mr. Don Brinkman  
Rawlins, WY

January 2016

Ms. Sandy Jebens  
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  
Rawlins, WY

January 2018



INDEPENDENT AUDITOR'S REPORT

Honorable Superintendent and  
Board of Trustees  
Carbon County School District #1

**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, 2014, 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, 2014, 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 and budgetary comparison information 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 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 Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit* 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 11, 2014 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 11, 2014

# CARBON COUNTY SCHOOL DISTRICT #1

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014

(UNAUDITED)

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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, 2014. 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 \$56,472,971 at June 30, 2014 which compares to \$53,509,142 at the beginning of the fiscal year, an increase of six percent.

During the year, the District's total governmental activities expenses were \$2,897,601 less than the \$32,729,623 generated in taxes and other revenues for governmental activities.

The District had \$29,553,318 in expenses related to governmental activities; of which \$4,928,568 of these expenses were offset by program specific charges for services or grants and contributions.

The District decreased its outstanding long-term debt by \$1,058,660. The outstanding long-term debt includes \$26,515,162 in bonds for construction that is payable over 15 years, \$403,067 in accrued compensated absences and \$464,282 in lease purchase obligations.

The District made a recapture payment of \$1,449,547 to the State Foundation Program for the 2013 - 2014 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.

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.



# CARBON COUNTY SCHOOL DISTRICT #1

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2014

(UNAUDITED)

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***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, 2014  
 (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, 2014:

**Condensed Statements of Net Position**

	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014
	Governmental Activities		Business-Type Activities		Total	
Current and other assets	\$ 39,495,249	\$ 58,043,985	\$ 156,190	\$ 225,931	\$ 39,651,439	\$ 58,269,916
Capital assets	43,655,655	52,075,668	6,734	9,770	43,662,389	52,085,438
Total assets	83,150,904	110,119,653	162,924	235,701	83,313,828	110,355,354
Other liabilities	1,362,499	2,187,722	1,016	7,565	1,363,515	2,195,287
Long-term liabilities	28,441,171	27,382,511	-	-	28,441,171	27,382,511
Total liabilities	29,803,670	29,570,233	1,016	7,565	29,804,686	29,577,798
Deferred inflows	-	24,304,585	-	-	-	24,304,585
Invested in capital assets net of related debt	41,264,012	44,463,386	6,734	9,770	41,270,746	44,473,156
Restricted						
Wyoming Statute	6,869,277	7,558,306	-	-	6,869,277	7,558,306
Donors	111,743	74,607	-	-	111,743	74,607
Unrestricted	5,102,202	4,148,536	155,174	218,366	5,257,376	4,366,902
Total net position	\$ 53,347,234	\$ 56,244,835	\$ 161,908	\$ 228,136	\$ 53,509,142	\$ 56,472,971

The net investment in capital assets is \$44,473,156, 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 \$7,612,282. 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. The remaining balance of unrestricted net position, or \$4,366,902, may be used to meet the District's ongoing obligations. This surplus is not an indication that the District has significant resources available to meet financial obligations next year, but rather the result of having long-term commitments that are less than currently available resources.

**CARBON COUNTY SCHOOL DISTRICT #1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2014

(UNAUDITED)

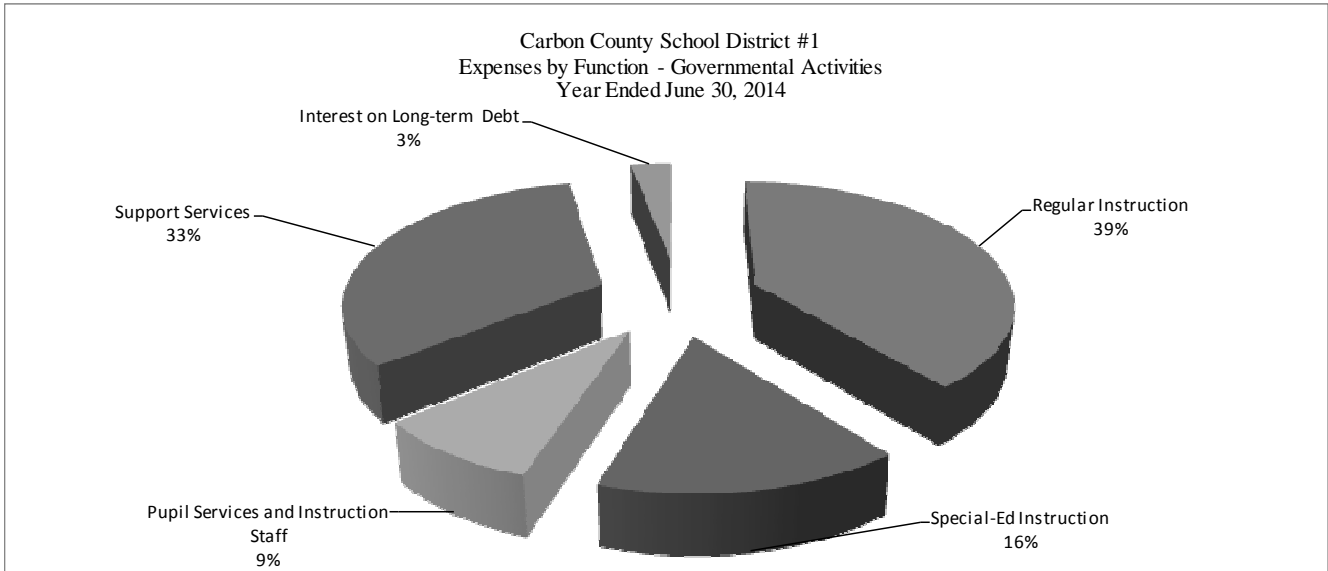
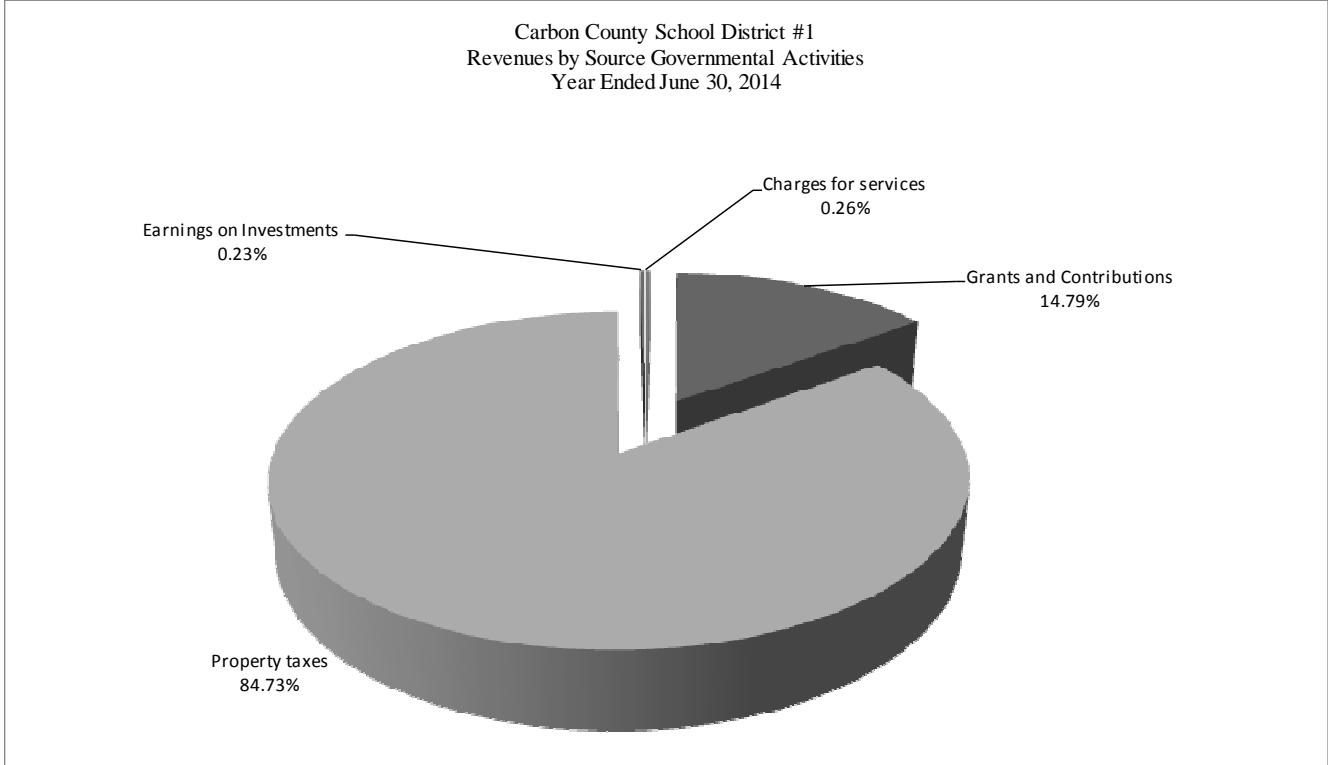
For governmental activities, the District's total net position increased by \$2,897,601 during the year ended June 30, 2014. The total cost of all governmental activities this year was \$29,553,318 and of the business-type activity was \$1,016,079. The amount that taxpayers paid for these activities through property taxes was \$27,759,670 net of recapture in the amount of \$1,449,547.

**Changes in Net Position**

	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014
	Governmental-Type Activities		Business-Type Activities		Total	
Revenues:						
Program revenues:						
Charges for services	\$ 47,078	\$ 83,668	\$ 258,198	\$ 253,786	\$ 305,276	\$ 337,454
Operating grants and contributions	2,594,495	2,162,661	344,803	524,665	2,939,298	2,687,326
Capital grants	1,122,270	2,682,239	-	-	1,122,270	2,682,239
General revenues:						
Taxes	35,521,556	29,209,217	-	-	35,521,556	29,209,217
Investments	30,449	75,110	131	220	30,580	75,330
Recapture payment	(5,217,195)	(1,449,547)	-	-	(5,217,195)	(1,449,547)
Miscellaneous	391,044	(33,725)	1,271	24,932	392,315	(8,793)
Total revenues	34,489,697	32,729,623	604,403	803,603	35,094,100	33,533,226
Expenses:						
Regular instruction	12,070,505	11,588,408	-	-	12,070,505	11,588,408
Special ed instruction	5,218,292	4,681,790	-	-	5,218,292	4,681,790
Pupil services	1,891,463	1,854,382	-	-	1,891,463	1,854,382
Instructional staff services	816,221	791,944	-	-	816,221	791,944
General admin services	1,018,397	806,572	-	-	1,018,397	806,572
School admin services	1,665,402	1,519,732	-	-	1,665,402	1,519,732
Business services	407,196	564,852	-	-	407,196	564,852
O&M of plant services	4,515,369	4,854,862	-	-	4,515,369	4,854,862
Pupil transportation	1,355,030	1,324,311	-	-	1,355,030	1,324,311
Central services	478,467	501,330	-	-	478,467	501,330
Other support services	117,736	177,811	-	-	117,736	177,811
Interest on long-term debt	953,469	887,324	-	-	953,469	887,324
Food service fund	-	-	802,959	854,172	802,959	854,172
Aquatic center fund	-	-	-	161,907	-	161,907
Total expenses	30,507,547	29,553,318	802,959	1,016,079	31,310,506	30,569,397
Excess (deficiency) of revenues over expenditures	3,982,150	3,176,305	(198,556)	(212,476)	3,783,594	2,963,829
Transfers	(250,000)	(278,704)	250,000	278,704	-	-
Change in net position	3,732,150	2,897,601	51,444	66,228	3,783,594	2,963,829
Beginning net position	49,615,084	53,347,234	110,464	161,908	49,725,548	53,509,142
Ending net position	\$ 53,347,234	\$ 56,244,835	\$ 161,908	\$ 228,136	\$ 53,509,142	\$ 56,472,971

**CARBON COUNTY SCHOOL DISTRICT #1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014  
(UNAUDITED)**



**CARBON COUNTY SCHOOL DISTRICT #1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014  
(UNAUDITED)**

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

**Governmental Funds**

***Revenues:***

General fund revenues, net of recapture payment, decreased to \$25,100,401 in FY 2014 from \$26,858,278 in FY 2013 due to a decrease in collections of taxes.

In comparison to the prior year, major maintenance revenues from the State of Wyoming decreased by \$147,113. 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 2014 were \$624,998, an increase of \$20,595 from the prior year. The expenses incurred to provide this program increased by \$51,213 from the prior year. The Food Service fund had a net loss before transfers of \$229,175 in 2014, compared to a net loss before transfers of \$198,556 in 2013. The Aquatic Center Fund was split out from the General Fund to make a more transparent cost of operation for 2014. The revenue was \$28,507 with expenses incurred to provide this program of \$161,907.

**Capital Asset and Debt Administration**

***Capital Assets:***

The District's investment in capital assets for its governmental activities as of June 30, 2014 is \$52,075,668 (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)**

	2012-2013	2013-2014
Land	\$ 934,579	\$ 934,579
Construction in progress	1,708,644	10,339,340
Buildings and improvements	39,820,086	39,476,154
Vehicles	725,267	680,651
Furniture and equipment	467,079	644,944
Total	\$43,655,655	\$52,075,668

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

The District is currently in the design phase of a new Rawlins High School that is funded by the Wyoming School Facilities Department with enhancements funded by the bond approved by the voters of the District. Construction of the new school is scheduled to start in the spring of 2015 and is expected to be completed in 2017. The new BOCHES building that was funded by the bond was opened in the fall of 2014 to serve our students.

**CARBON COUNTY SCHOOL DISTRICT #1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2014  
(UNAUDITED)**

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***Long-Term Debt:***

The following is a summary of debt transactions related to capital leases, Series 2012 bonds, and accrued compensated absences of the District for the year ended June 30, 2014:

Debt outstanding at July 1, 2013	\$ 28,441,171
New debt issued	658,923
Debt retired	<u>1,717,583</u>
Debt outstanding at June 30, 2014	<u><u>\$ 27,382,511</u></u>

***Budgetary information***

During the fiscal year ended June 30, 2014, the District amended its 2013-14 budget to decrease the general fund's Instruction by \$400,000, Instructional Support by \$100,000, Building & Land Acquisition by \$550,000 and increased payment to BOCHES by \$350,000. In addition, the District increased the Depreciation fund's facilities acquisition and construction services by \$700,000.

***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 Commission's actions.

***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.

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## **BASIC FINANCIAL STATEMENTS**

**CARBON COUNTY SCHOOL DISTRICT #1**

STATEMENT OF NET POSITION

June 30, 2014

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	BOCHES	Recreation Board
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	\$ 8,641,933	\$ 212,102	\$ 8,854,035	\$ 1,425,848	\$ 993,761
Cash held by fiscal agent	1,532,180	-	1,532,180	5,307	2,407
Investments	1,663,382	-	1,663,382	384,985	-
Property taxes receivable	24,469,433	-	24,469,433	1,840,213	799,832
Accounts receivable	22,895	-	22,895	10,784	-
Due from other governments	824,729	5,940	830,669	-	-
Prepaid item	65,859	-	65,859	-	-
Inventory	29,679	7,889	37,568	-	-
Non-current assets					
Restricted bond proceeds					
Cash equivalents	9,802,232	-	9,802,232	-	-
Investments	10,991,663	-	10,991,663	-	-
Capital assets not depreciated					
Land	934,579	-	934,579	165,168	-
Construction in progress	10,339,340	-	10,339,340	-	-
Capital assets, net of accumulated depreciation					
Buildings and improvements	39,476,154	-	39,476,154	80,574	-
Vehicles	680,651	-	680,651	44,507	-
Furniture and equipment	644,944	9,770	654,714	11,692	-
<b>Total assets</b>	<b>110,119,653</b>	<b>235,701</b>	<b>110,355,354</b>	<b>3,969,078</b>	<b>1,796,000</b>
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	1,190,225	7,565	1,197,790	82,501	-
Accrued salaries payable	997,497	-	997,497	3,596	-
Non-current liabilities					
Due within one year	1,676,391	-	1,676,391	8,008	-
Due in more than one year	25,706,120	-	25,706,120	35,950	-
<b>Total liabilities</b>	<b>29,570,233</b>	<b>7,565</b>	<b>29,577,798</b>	<b>130,055</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred property tax revenue	24,304,585	-	24,304,585	1,834,555	794,950
<b>Total deferred inflows of resources</b>	<b>24,304,585</b>	<b>-</b>	<b>24,304,585</b>	<b>1,834,555</b>	<b>794,950</b>
<b>NET POSITION</b>					
Invested in capital assets, net of related debt	44,463,386	9,770	44,473,156	289,777	-
Restricted by Wyoming state statutes	7,558,306	-	7,558,306	-	1,001,050
Restricted by donors	74,607	-	74,607	-	-
Unrestricted	4,148,536	218,366	4,366,902	3,549,246	-
<b>Total net position</b>	<b>\$ 56,244,835</b>	<b>\$ 228,136</b>	<b>\$ 56,472,971</b>	<b>\$ 2,004,468</b>	<b>\$ 1,001,050</b>

See accompanying notes to the financial statements



**CARBON COUNTY SCHOOL DISTRICT #1**

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2014

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction				
Regular instruction	\$ 11,588,408	\$ 83,668	\$ 516,514	\$ -
Special education instruction	4,681,790	-	1,626,875	-
Support services				
Pupil services	1,854,382	-	-	-
Instructional staff services	791,944	-	-	-
General administration services	806,572	-	-	-
School administration services	1,519,732	-	19,272	-
Business services	564,852	-	-	-
Operation and maintenance of plant services	4,854,862	-	-	-
Pupil transportation services	1,324,311	-	-	-
Central services	501,330	-	-	2,682,239
Other support services	177,811	-	-	-
Interest on long-term debt	887,324	-	-	-
Total governmental activities	<u>29,553,318</u>	<u>83,668</u>	<u>2,162,661</u>	<u>2,682,239</u>
Business-type activities				
Food service fund	854,172	249,137	374,665	-
Aquatic center fund	161,907	4,649	150,000	-
Total business-type activities	<u>1,016,079</u>	<u>253,786</u>	<u>524,665</u>	<u>-</u>
Total primary government	<u>\$ 30,569,397</u>	<u>\$ 337,454</u>	<u>\$ 2,687,326</u>	<u>\$ 2,682,239</u>
Component Units				
BOCHES	\$ 4,069,126	\$ 165,789	\$ 13,501	-
Recreation Board	1,138,714	-	-	-
Total component unit	<u>\$ 5,207,840</u>	<u>\$ 165,789</u>	<u>\$ 13,501</u>	<u>\$ -</u>

General revenues

Taxes

Property taxes, levied for general purposes  
Property taxes, levied for debt services  
Property taxes, levied for specific purposes  
  Major building and facility maintenance  
  Recreation  
  BOCHES

Recapture tax payment

Unrestricted investment earnings  
Unrestricted miscellaneous revenue

Transfers

Total general revenues

Change in net assets

Net position - beginning of year

Net position - end of year

See accompanying notes to the 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
\$ (10,988,226)	\$ -	\$ (10,988,226)	\$ -	\$ -
(3,054,915)	-	(3,054,915)	-	-
(1,854,382)	-	(1,854,382)	-	-
(791,944)	-	(791,944)	-	-
(806,572)	-	(806,572)	-	-
(1,500,460)	-	(1,500,460)	-	-
(564,852)	-	(564,852)	-	-
(4,854,862)	-	(4,854,862)	-	-
(1,324,311)	-	(1,324,311)	-	-
2,180,909	-	2,180,909	-	-
(177,811)	-	(177,811)	-	-
(887,324)	-	(887,324)	-	-
(24,624,750)	-	(24,624,750)	-	-
-	(230,370)	(230,370)	-	-
-	(7,258)	(7,258)	-	-
-	(237,628)	(237,628)	-	-
(24,624,750)	(237,628)	(24,862,378)	1,255	768
-	-	-	(3,889,836)	-
-	-	-	-	(1,138,714)
-	-	-	(3,889,836)	(1,138,714)
26,035,461	-	26,035,461	-	-
2,045,657	-	2,045,657	-	-
1,128,099	-	1,128,099	-	-
-	-	-	-	867,567
-	-	-	2,120,135	-
(1,449,547)	-	(1,449,547)	-	-
75,110	220	75,330	1,255	768
(33,725)	24,932	(8,793)	-	-
(278,704)	278,704	-	-	-
27,522,351	303,856	27,826,207	2,121,390	868,335
2,897,601	66,228	2,963,829	(1,768,446)	(270,379)
53,347,234	161,908	53,509,142	3,772,914	1,271,429
\$ 56,244,835	\$ 228,136	\$ 56,472,971	\$ 2,004,468	\$ 1,001,050

**CARBON COUNTY SCHOOL DISTRICT #1**

BALANCE SHEET  
GOVERNMENTAL FUNDS

June 30, 2014

	General Fund	Grants Fund	Major Maintenance Fund
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,446,152	\$ 104,936	\$ 2,136,937
Cash held by fiscal agent	149,222	-	-
Investments	-	-	-
Property taxes receivable	22,903,280	-	-
Accounts receivable	-	-	-
Due from other governments	134,524	47,864	-
Due from other funds	123,644	-	-
Prepaid item	65,859	-	-
Inventory	29,679	-	-
Restricted bond proceeds			
Cash equivalents	-	-	-
Investments	-	-	-
Total assets	<u>\$ 27,852,360</u>	<u>\$ 152,800</u>	<u>\$ 2,136,937</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 133,805	\$ 14,549	\$ 96,436
Due to other funds	-	123,644	-
Accrued salaries payable	997,497	-	-
Total liabilities	<u>1,131,302</u>	<u>138,193</u>	<u>96,436</u>
Deferred inflows of resources			
Deferred receivable from WSBAIT	134,524	-	-
Deferred property tax revenue	22,806,533	-	-
Total deferred inflows of resources	<u>22,941,057</u>	<u>-</u>	<u>-</u>
Fund balances			
Nonspendable			
Inventory	29,679	-	-
Restricted			
Major maintenance W.S. 21-15-109	-	-	2,040,501
Buildings and equipment W.S. 21-13-504	-	-	-
Bond covenants W.S. 21-13-701(d)	-	-	-
Donors	60,000	14,607	-
Debt service	-	-	-
Committed	-	-	-
Unassigned	3,690,322	-	-
Total fund balances	<u>3,780,001</u>	<u>14,607</u>	<u>2,040,501</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,852,360</u>	<u>\$ 152,800</u>	<u>\$ 2,136,937</u>

See accompanying notes to the financial statements

Capital Construction Fund	Debt Service Fund	Total Governmental Funds
\$ 1,919,690	\$ -	\$ 8,607,715
-	1,382,958	1,532,180
1,663,382	-	1,663,382
-	1,566,153	24,469,433
22,895	-	22,895
642,341	-	824,729
-	-	123,644
-	-	65,859
-	-	29,679
9,802,232	-	9,802,232
10,991,663	-	10,991,663
<u>\$ 25,042,203</u>	<u>\$ 2,949,111</u>	<u>\$ 58,133,411</u>

\$ 910,353	\$ 35,082	\$ 1,190,225
-	-	123,644
-	-	997,497
<u>910,353</u>	<u>35,082</u>	<u>2,311,366</u>

-	-	134,524
-	1,561,640	24,368,173
<u>-</u>	<u>1,561,640</u>	<u>24,502,697</u>

-	-	29,679
-	-	2,040,501
3,323,428	1,352,389	4,675,817
841,988	-	841,988
-	-	74,607
19,621,956	-	19,621,956
344,478	-	344,478
-	-	3,690,322
<u>24,131,850</u>	<u>1,352,389</u>	<u>31,319,348</u>

<u>\$ 25,042,203</u>	<u>\$ 2,949,111</u>	<u>\$ 58,133,411</u>
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**CARBON COUNTY SCHOOL DISTRICT #1**

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

June 30, 2013

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

Total fund balances		\$ 31,319,348
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		52,075,668
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	\$ 63,587	
Deferred receivable from WSBAIT	<u>134,524</u>	<u>198,111</u>
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		34,219
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	(25,055,000)	
Series 2012 bonds payable premium, net of amortization	(1,460,162)	
Compensated absences	(403,067)	
Lease purchase obligations	<u>(464,282)</u>	<u>(27,382,511)</u>
Net position of governmental activities		<u><u>\$ 56,244,835</u></u>

See accompanying notes to the financial statements

**CARBON COUNTY SCHOOL DISTRICT #1**

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

Year Ended June 30, 2014

	General Fund	Grants Fund	Major Maintenance Fund
Revenues			
Taxes	\$ 25,336,160	\$ -	\$ -
Intergovernmental revenues	927,467	1,888,414	1,128,095
Charges for services	83,668	-	-
Investment income	5,541	226	3,425
Miscellaneous	197,112	19,720	-
Recapture payment	(1,449,547)	-	-
Total revenues	<u>25,100,401</u>	<u>1,908,360</u>	<u>1,131,520</u>
Expenditures			
Instruction			
Regular instruction	10,885,944	267,073	-
Special education instruction	3,026,085	1,658,770	-
Total instruction	<u>13,912,029</u>	<u>1,925,843</u>	<u>-</u>
Support services			
Pupil services	2,537,963	-	-
Instructional staff services	791,944	-	-
General administration services	244,561	-	-
School administration services	1,500,664	19,653	-
Business services	586,800	-	-
Operation and maintenance of plant services	3,237,131	-	655,543
Pupil transportation services	1,324,311	-	-
Central services	1,621,402	-	-
Other support services	322,226	-	-
Facilities acquisition and construction services	17,616	-	-
Debt service			
Principal repayments	262,969	-	-
Interest	55,007	-	-
Total support services	<u>12,502,594</u>	<u>19,653</u>	<u>655,543</u>
Total expenditures	<u>26,414,623</u>	<u>1,945,496</u>	<u>655,543</u>
Excess (deficiency) of revenues over expenditures	<u>(1,314,222)</u>	<u>(37,136)</u>	<u>475,977</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	(341,259)	-	-
Proceeds from capital lease	255,856	-	-
Total other financing sources (uses)	<u>(85,403)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	<u>(1,399,625)</u>	<u>(37,136)</u>	<u>475,977</u>
Fund balances - beginning of year	5,179,626	51,743	1,564,524
Fund balances - end of year	<u>\$ 3,780,001</u>	<u>\$ 14,607</u>	<u>\$ 2,040,501</u>

See accompanying notes to the financial statements

Capital Construction Fund	Debt Service Fund	Total Governmental Funds
\$ -	\$ 2,043,974	\$ 27,380,134
2,682,239	-	6,626,215
-	-	83,668
65,881	-	75,073
-	-	216,832
-	-	(1,449,547)
<u>2,748,120</u>	<u>2,043,974</u>	<u>32,932,375</u>
-	-	11,153,017
-	-	4,684,855
<u>-</u>	<u>-</u>	<u>15,837,872</u>
-	-	2,537,963
-	-	791,944
-	-	244,561
-	-	1,520,317
(1,774)	-	585,026
6,752,072	-	10,644,746
-	-	1,324,311
-	-	1,621,402
-	-	322,226
1,638,353	-	1,655,969
-	970,000	1,232,969
-	930,183	985,190
<u>8,388,651</u>	<u>1,900,183</u>	<u>23,466,624</u>
<u>8,388,651</u>	<u>1,900,183</u>	<u>39,304,496</u>
<u>(5,640,531)</u>	<u>143,791</u>	<u>(6,372,121)</u>
-	62,555	62,555
-	-	(341,259)
-	-	255,856
<u>-</u>	<u>62,555</u>	<u>(22,848)</u>
(5,640,531)	206,346	(6,394,969)
29,772,381	1,146,043	37,714,317
<u>\$ 24,131,850</u>	<u>\$ 1,352,389</u>	<u>\$ 31,319,348</u>

**CARBON COUNTY SCHOOL DISTRICT #1**

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2014

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

Net change in fund balances - total governmental funds		\$ (6,394,969)
<p>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.</p>		
Capital outlay	\$ 9,977,330	
Depreciation expense	(1,539,346)	
Cost basis of asset disposition	(64,330)	
Accumulated depreciation of asset dispositions	<u>46,359</u>	8,420,013
<p>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.</p>		
Capital lease	(255,856)	
Series 2012 bonds payments	970,000	
Series 2012 premium amortization	97,867	
Principal payments on lease purchase obligations	<u>262,969</u>	1,074,980
<p>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. This adjustment combines changes in compensated absences and retainage payable.</p>		
Prior year total liability for compensated absences	384,223	
Current year total liability for compensated absences	(403,067)	
Prior year retainage payable	<u>2,524</u>	(16,320)
<p>Revenues in the statement of activities that do not provide current financial revenues are not reported as revenues in the funds.</p>		
Prior year deferred receivable from WSBAIT	(134,524)	
Prior year deferred tax revenue	(113,888)	
Current year deferred tax revenue	<u>63,588</u>	(184,824)
<p>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.</p>		
		<u>(1,279)</u>
Changes in net position of governmental activities		<u><u>\$ 2,897,601</u></u>

See accompanying notes to the financial statements



**CARBON COUNTY SCHOOL DISTRICT #1**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS

June 30, 2014

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service Fund	Aquatic Fund	Total	
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 73,663	\$ 138,439	\$ 212,102	\$ 34,219
Due from other governments	5,940	-	5,940	-
Inventory	7,889	-	7,889	-
Total current assets	87,492	138,439	225,931	34,219
Capital assets				
Property and equipment, net	9,770	-	9,770	-
Total assets	97,262	138,439	235,701	34,219
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	5,825	1,740	7,565	-
Total liabilities	5,825	1,740	7,565	-
<b>NET POSITION</b>				
Invested in capital assets, net of related debt	9,770	-	9,770	-
Unrestricted	81,667	136,699	218,366	34,219
Total net position	\$ 91,437	\$ 136,699	\$ 228,136	\$ 34,219

See accompanying notes to the financial statements

**CARBON COUNTY SCHOOL DISTRICT #1**

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
Year Ended June 30, 2014

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service Fund	Aquatic Fund	Total	
Operating revenues				
Charges for services	\$ 249,137	\$ 28,507	\$ 277,644	\$ -
Miscellaneous	1,074	-	1,074	-
Total operating revenues	<u>250,211</u>	<u>28,507</u>	<u>278,718</u>	<u>-</u>
Operating expenses				
Salaries	245,740	85,884	331,624	-
Employee benefits	91,370	10,671	102,041	1,318
Purchased services	6,902	16,701	23,603	-
Supplies and materials	504,494	48,651	553,145	-
Depreciation	5,667	-	5,667	-
Total operating expenses	<u>854,173</u>	<u>161,907</u>	<u>1,016,080</u>	<u>1,318</u>
Total loss from operations	(603,962)	(133,400)	(737,362)	(1,318)
Nonoperating revenues				
Federal subsidy	374,666	-	374,666	-
Grant - Recreation Board	-	150,000	150,000	-
Interest income	121	99	220	39
Total nonoperating revenues	<u>374,787</u>	<u>150,099</u>	<u>524,886</u>	<u>39</u>
Net income (loss) before transfers	(229,175)	16,699	(212,476)	(1,279)
Transfers in	<u>158,704</u>	<u>120,000</u>	<u>278,704</u>	<u>-</u>
Change in net position	(70,471)	136,699	66,228	(1,279)
Net position - beginning of year	<u>161,908</u>	<u>-</u>	<u>161,908</u>	<u>35,498</u>
Net position - end of year	<u>\$ 91,437</u>	<u>\$ 136,699</u>	<u>\$ 228,136</u>	<u>\$ 34,219</u>

See accompanying notes to the financial statements

**CARBON COUNTY SCHOOL DISTRICT #1**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 Year Ended June 30, 2014

	Business-type Activities Enterprise Funds			Governmental Activities - Internal Service Fund
	Food Service Fund	Aquatic Fund	Total	
Cash flows from operating activities				
Cash received from services	\$ 251,153	\$ 28,507	\$ 279,660	\$ -
Cash paid to suppliers for goods and services	(459,723)	(63,612)	(523,335)	-
Cash paid to employees for services	(337,110)	(96,555)	(433,665)	(1,318)
Cash paid for other operating expenses	-	-	-	(1,790)
Net cash used in operating activities	<u>(545,680)</u>	<u>(131,660)</u>	<u>(677,340)</u>	<u>(3,108)</u>
Cash flows from noncapital financing activities				
Transfers	158,704	120,000	278,704	-
Subsidy received from federal grants	328,832	-	328,832	-
Subsidy received from local grants	-	150,000	150,000	-
Net cash provided by noncapital financing activities	<u>487,536</u>	<u>270,000</u>	<u>757,536</u>	<u>-</u>
Cash flows from capital and related financing activities				
Purchase of capital assets	(8,704)	-	(8,704)	-
Net cash used in capital and related financing activities	<u>(8,704)</u>	<u>-</u>	<u>(8,704)</u>	<u>-</u>
Cash flows from investing activities				
Interest income	121	99	220	39
Net cash provided by investing activities	<u>121</u>	<u>99</u>	<u>220</u>	<u>39</u>
Net change in cash and cash equivalents	(66,727)	138,439	71,712	(3,069)
Cash and cash equivalents - beginning of year	<u>140,390</u>	<u>-</u>	<u>140,390</u>	<u>37,288</u>
Cash and cash equivalents - end of year	<u>\$ 73,663</u>	<u>\$ 138,439</u>	<u>\$ 212,102</u>	<u>\$ 34,219</u>

(Continued)

See accompanying notes to the financial statements

**CARBON COUNTY SCHOOL DISTRICT #1**

STATEMENT OF CASH FLOWS (CONTINUED)  
 PROPRIETARY FUNDS  
 Year Ended June 30, 2014

	Business-type Activities Enterprise Fund			Governmental
	Food Service Fund	Aquatic Fund	Total	Activities - Internal Service Fund
Reconciliation of operating (loss) to net cash used in operating activities				
Operating loss	\$ (603,962)	\$ (133,400)	\$ (737,362)	\$ (1,318)
Adjustments to reconcile operating loss to net cash used in operating activities				
Commodities expense related to noncash grant	45,835	-	45,835	-
Depreciation	5,667	-	5,667	-
Increase (decrease) in cash resulting from changes in operating assets and liabilities				
Due from other governments	2,016	-	2,016	-
Inventory	2,989	-	2,989	-
Accounts payable/due to employees for flex benefits	1,775	1,740	3,515	(1,790)
	<u>\$ (545,680)</u>	<u>\$ (131,660)</u>	<u>\$ (677,340)</u>	<u>\$ (3,108)</u>

Non-cash transactions

The Food Service Fund received USDA commodities valued at \$45,835.

**CARBON COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF FIDUCIARY NET POSITION**

June 30, 2014

		Agency Funds	
	Private Purpose Trust Fund	Student Activities Fund	Construction Retainage Fund
<b>ASSETS</b>			
Cash	\$ 9,314	\$ 210,759	\$ 585,276
Investments	240,240	-	-
Total assets	249,554	210,759	585,276
<b>LIABILITIES</b>			
Scholarships payable	5,000	-	-
Retainage payable	-	-	585,276
Due to student groups	760	210,759	-
Total liabilities	5,760	210,759	585,276
<b>NET POSITION</b>			
Held in trust for scholarships	243,794	-	-
Total net position	\$ 243,794	\$ -	\$ -

See accompanying notes to the financial statements

**CARBON COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
Year Ended June 30, 2014

	<u>Private Purpose Trust Fund</u>
Additions	
Scholarship donations	\$ 4,000
Interest income	<u>603</u>
Total additions	<u>4,603</u>
Deductions	
Scholarship awards	<u>5,626</u>
Total deductions	<u>5,626</u>
Change in net position	<u>(1,023)</u>
Net position - beginning of year	<u>244,817</u>
Net position - end of year	<u><u>\$ 243,794</u></u>

See accompanying notes to the financial statements

# CARBON COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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### **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 changes in net position) 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, 2014

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### 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, 2014

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### **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.

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

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 fund are charges to students and faculty for food services. 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 of Resources and Net Position***

##### ***Deposits and Investments and Restricted 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 investments represent proceeds from bonds held in escrow.

**CARBON COUNTY SCHOOL DISTRICT #1**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2014

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

***Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)***

***Accounts Receivable***

The District considers all accounts receivable to be fully collectible at June 30, 2014 and, therefore no allowance for doubtful accounts is deemed necessary. Effective July 1, 2013, the District withdrew from WSBAIT, public risk insurance pool, resulting in a receivable of \$403,572 representing the District's prorata share of WSBAIT's net position at July 1, 2012. This amount is receivable in three equal installments. The District received \$134,524 in 2014 and 2013 and the remaining amount of \$134,524 is included in due from other governments.

***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.

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 six mills is levied, BOCHES district tax for three mills and a recreation district tax for one 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, 2014 was thirty-five 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.

**CARBON COUNTY SCHOOL DISTRICT #1**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2014

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

*Assets, Liabilities, Deferred Inflows of Resources and Net Position (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
Furniture, machinery, equipment, and software	3-25

***Deferred Inflows***

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualify for reporting in this category. Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide Statement of Net Position, only property taxes are reported as a deferred inflow of resources. Property taxes are recognized as an inflow of resources in the year they are levied.

***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.

# CARBON COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

#### *Assets, Liabilities, Deferred Inflows of Resources and Net Position (Continued)*

##### *Compensated Absences (Continued)*

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*

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.

##### *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.

**CARBON COUNTY SCHOOL DISTRICT #1**

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

***Budgets and Budgetary Accounting (Continued)***

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.

The District amended its 2013-14 budget to decrease the general fund's instruction, instructional support and building and land acquisition functions by \$400,000, \$100,000 and \$550,000, respectively. The budget was amended to increase transfers to BOCHES by \$350,000. In addition, the District increased the Depreciation fund's facilities acquisition and construction services by \$700,000.

**Note 3. Detailed Notes on All Funds**

***Deposits and Investments***

As of June 30, 2014, the District had the following investments:

Investment Type	Fair Value	1 year or less	1 to 5 years	Rate	Rating
Certificates of Deposit	\$ 1,663,382	\$ 1,663,382	\$ -	0.15%	Not rated
	\$ 1,663,382	\$ 1,663,382	\$ -		
District restricted					
Wyoming Government Investment Fund Pool (WGIF)	\$ 10,991,663	\$ 9,717,549	\$ 1,274,114	.25% to 4.625%	Not rated (*)
	\$ 10,991,663	\$ 9,717,549	\$ 1,274,114		
Private Purpose Trust Fund Certificate of Deposit	\$ 240,240	\$ 240,240	\$ 240,240	0.25%	Not rated

\*includes investments rated from AA-1 to AAAm

**CARBON COUNTY SCHOOL DISTRICT #1**

**NOTES TO FINANCIAL STATEMENTS**

June 30, 2014

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

**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. Because the security is essentially a written contract, there is no rating available for such an investment; however, under Wyoming statutes, underlying providers are required to have the highest rating from at least one of the nationally recognized rating organizations. 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, 2014, 87% of the District's investments were with WGIF and 13% in Certificates of Deposit.

**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, 2014, 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.

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**CARBON COUNTY SCHOOL DISTRICT #1**

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

**Capital Assets**

A summary of changes in capital assets follows:

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 934,579	\$ -	\$ -	\$ 934,579
Construction in progress	1,708,644	9,142,362	511,666	10,339,340
Total capital assets, not being depreciated	<u>2,643,223</u>	<u>9,142,362</u>	<u>511,666</u>	<u>11,273,919</u>
Capital assets, being depreciated				
Buildings and improvements	58,659,185	885,187	-	59,544,372
Vehicles	3,407,903	147,870	22,229	3,533,544
Furniture and equipment	902,754	313,577	42,101	1,174,230
Total capital assets, being depreciated	<u>62,969,842</u>	<u>1,346,634</u>	<u>64,330</u>	<u>64,252,146</u>
Less accumulated depreciation				
Buildings and improvements	18,839,099	1,229,119	-	20,068,218
Vehicles	2,682,636	192,486	22,229	2,852,893
Furniture and equipment	435,675	117,741	24,130	529,286
Total accumulated depreciation	<u>21,957,410</u>	<u>1,539,346</u>	<u>46,359</u>	<u>23,450,397</u>
Total capital assets, being depreciated, net	<u>41,012,432</u>	<u>(192,712)</u>	<u>17,971</u>	<u>40,801,749</u>
Governmental activities capital assets, net	<u>\$ 43,655,655</u>	<u>\$ 8,949,650</u>	<u>\$ 529,637</u>	<u>\$ 52,075,668</u>

The District has \$1,745,404 assets under capital leases with accumulated amortization of \$1,003,180. The amortization expense for the fiscal year ended June 30, 2014 was \$165,270.

**CARBON COUNTY SCHOOL DISTRICT #1**

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

**Capital Assets (Continued)**

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Business-type activities				
Capital assets, being depreciated				
Buildings and improvements	\$ 173,675	\$ -	\$ -	\$ 173,675
Equipment	200,347	8,703	12,366	196,684
Total capital assets, being depreciated	374,022	8,703	12,366	370,359
Less accumulated depreciation				
Buildings and improvements	170,205	3,471	-	173,676
Equipment	197,083	2,196	12,366	186,913
Total accumulated depreciation	367,288	5,667	12,366	360,589
Business-type activities capital assets, net	\$ 6,734	\$ 3,036	\$ -	\$ 9,770

A summary of changes in BOCHES capital assets follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Capital assets, not being depreciated				
Land	\$ 165,168	\$ -	\$ -	\$ 165,168
Total capital assets, not being depreciated	165,168	-	-	165,168
Capital assets, being depreciated				
Buildings and improvements	168,255	-	-	168,255
Vehicles	134,476	-	-	134,476
Furniture and equipment	350,919	-	7,846	343,073
Total capital assets, being depreciated	653,650	-	7,846	645,804
Less accumulated depreciation				
Buildings and improvements	79,800	7,881	-	87,681
Vehicles	79,289	10,680	-	89,969
Furniture and equipment	325,543	13,440	7,602	331,381
Total accumulated depreciation	484,632	32,001	7,602	509,031
Total capital assets, being depreciated, net	169,018	(32,001)	244	136,773
Total capital assets, net	\$ 334,186	\$ (32,001)	\$ 244	\$ 301,941



**CARBON COUNTY SCHOOL DISTRICT #1**

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

***Capital Assets (Continued)***

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

Governmental activities	
Regular instruction	\$ 117,741
Pupil transportation	192,486
Operation and maintenance of plant services	<u>1,229,119</u>
Total depreciation expenses - governmental activities	<u><u>\$ 1,539,346</u></u>
Business-type activities	
Food service fund	<u>\$ 5,667</u>
Total depreciation expenses - business-type activities	<u><u>\$ 5,667</u></u>

***Long-term Debt***

Long-term liability activity for the year ended June 30, 2014, was as follows:

	<u>Balance</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2014</u>	<u>Due Within</u> <u>One Year</u>
Lease purchase obligations	\$ 471,395	\$ 255,856	\$ 262,969	\$ 464,282	\$ 149,450
Series 2012 bonds	26,025,000	-	970,000	25,055,000	1,310,000
Premium on Series 2012 bonds	1,558,029	-	97,867	1,460,162	97,887
Retainage payable	2,524	-	2,524	-	-
Accrued compensated absences	384,223	403,067	384,223	403,067	119,054
	<u><u>\$ 28,441,171</u></u>	<u><u>\$ 658,923</u></u>	<u><u>\$ 1,717,583</u></u>	<u><u>\$ 27,382,511</u></u>	<u><u>\$ 1,676,391</u></u>

For the governmental activities, debt is generally liquidated by the general fund, and debt related to Series 2012 bonds will be liquidated by the debt service fund.

**CARBON COUNTY SCHOOL DISTRICT #1**

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

***Long-term Debt (Continued)***

BOCHES, long-term liability activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease purchase obligations	\$ 19,782	\$ -	\$ 7,618	\$ 12,164	\$ 8,008
Accrued compensated absences	31,794	-	-	31,794	-
	<u>\$ 51,576</u>	<u>\$ -</u>	<u>\$ 7,618</u>	<u>\$ 43,958</u>	<u>\$ 8,008</u>

As of June 30, 2014 the District had the following outstanding capital lease 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.	\$ 233,207
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.	31,589
Lease/purchase obligations for four buses; interest rate of 4.10%, due in annual installments of \$106,384 including interest through May 2016; collateralized with buses.	199,486
	<u>464,282</u>
Less current	149,450
Long term debt	<u>\$ 314,832</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2014, are as follows:

Year Ending June 30	Total Principal and Interest
2015	\$ 192,598
2016	192,598
2017	79,490
2018	72,765
2019	36,383
Total minimum lease payments	<u>573,834</u>
Less: amount representing interest	109,552
Present value of minimum lease payments	<u>\$ 464,282</u>

**CARBON COUNTY SCHOOL DISTRICT #1**

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

***Long-term Debt (Continued)***

***Bonds***

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

The debt service requirement on the Series 2012 bonds as of June 30, 2014 is as follows:

Year Ending June 30	Interest Rate	Series 2012		Total Principal and Interest
		Principal	Interest	
2015	3.00%	\$ 1,310,000	\$ 902,098	\$ 2,212,098
2016	1.00%	1,325,000	888,998	2,213,998
2017	1.25%	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 to 2024	4% to 5%	8,260,000	2,813,880	11,073,880
2025 to 2029	3.0% to 4.5%	9,975,000	1,091,979	11,066,979
		<u>\$ 25,055,000</u>	<u>\$ 8,151,263</u>	<u>\$ 33,206,263</u>

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

Year Ending June 30	Series 2012
	Premium amortization
2015	\$ 97,887
2016	97,887
2017	97,887
2018	97,887
2019	97,887
2020 to 2024	489,435
2025 to 2029	481,292
	<u>\$ 1,460,162</u>

***Operating Leases***

The District leases certain portable classroom buildings, other office classroom space, and equipment under non-cancelable operating leases. For the year ended June 30, 2014, total rental expense was approximately \$129,000.

**CARBON COUNTY SCHOOL DISTRICT #1**

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

***Interfund Receivables, Payables and Transfers***

The composition of the interfund balances as of June 30, 2014 is as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Primary government		
General Fund	\$ 123,644	\$ -
Grants Fund	-	123,644
	<u>\$ 123,644</u>	<u>\$ 123,644</u>

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.

During the fiscal year ended June 30, 2014 the District had the following interfund transfers:

	<u>Transfers in</u>	<u>Transfers out</u>
General Fund	\$ -	\$ 341,259
Debt Service Fund	62,555	-
Food Service Fund	158,704	-
Aquatics Fund	120,000	-
	<u>\$ 341,259</u>	<u>\$ 341,259</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.

***Retirement Plan***

The District contributes to the Wyoming Retirement System ("System"), a statewide cost-sharing multiple-employer public employee retirement system (PERS). The System provides retirement, disability and death benefits according to predetermined formulas. Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes. The System issued a publicly available financial report that includes audited financial statements and required supplementary information for the System. The report may be obtained by writing to the Wyoming Retirement System, Fifth Floor West, 6101 Yellowstone Road, Cheyenne, Wyoming 82002.

# CARBON COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

June 30, 2014

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

#### ***Retirement Plan (Continued)***

The System statutorily requires 14.62% of the covered employee's salary to be contributed to the plan of which 1.43% is paid by the employee and the remaining 13.19% is paid by the District. The District's contributions to the System, excluding BOCHES, for the years ending June 30, 2014, 2013 and 2012 were approximately \$2,170,248, \$2,121,924, and \$2,133,908, respectively, which equaled 100% of the required contributions for each respective year.

Effective July 1, 2014, the employer contribution rate will increase by 0.50% from 7.12% to 7.62%. Similarly, the employee contribution rate will increase by 0.75% from 7.50% to 8.25%. The District will have the option to pay or not pay the additional employee contribution.

#### ***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, 2014 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, 2014, the District paid approximately \$234,000 into the State Worker's Compensation System.

In June 2014, the District joined 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. The annual premium was paid prior to year end and recorded as a prepaid item on the financial statements.

The District participates in the Wyoming Educator Benefit Trust (WEBT). The District paid \$2,019,660 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.

#### ***Transactions with discretely presented component units***

During the fiscal year ended June 30, 2014, the District received \$150,000 from the Recreation Board to operate the swimming pool. BOCHES paid the District \$21,000 in rental fees and \$1,417,288 to reimburse the District for non-construction costs associated with the new BOCHES facility.

#### ***Commitments and Contingencies***

The District is involved in ongoing litigation and several asserted claims. 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, 2014

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

***Commitments and Contingencies (Continued)***

As of June 30, 2014, the District had the following outstanding contract commitments:

	Contract Amount	Completed Amount	Outstanding Amount
Carbon County Higher Education Center	\$ 7,709,060	\$ 7,109,887	\$ 599,173
Rawlins High School Aquatics Center	557,724	332,380	225,344
Rawlins High School	2,901,935	1,682,873	1,219,062
Rawlins High School Stadium Renovation	226,460	125,615	100,845
Rawlins Middle School	1,777,892	470,525	1,307,367
Rawlins Elementary School Kitchen Remodel	1,996,636	234,678	1,761,958
Sinclair Elementary	962,070	302,566	659,504
Rawlins Bus Barn Facility	316,000	13,608	302,392
Little Snake River	431,375	43,345	388,030
Major maintenance - Little Snake River Gym Roof	28,460	23,863	4,597
	<u>\$ 16,907,612</u>	<u>\$ 10,339,340</u>	<u>\$ 6,568,272</u>

***Subsequent Events***

Subsequent to year end, the District entered into a lease for the purchase of four buses in the amount of \$511,698.

Subsequent events were evaluated through the date of the report December 11, 2014. The date, at which the financial statements were available to be issued, for event requiring recording or disclosure in the financial statements year ended June 30, 2014.

***Accounting Standards Issued, But Not Implemented***

As of June 30, 2014, the Governmental Accounting Standards Board has issued the following standards which the Carbon County School District No. 1 may implement in its next fiscal year.

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, was issued to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Governmental Accounting Standards Board Statement No. 71, *Pensions Transitions for Contributions Made Subsequent to the Measurement Date (an amendment of GASB Statement No. 68)*, amends Statement 68 related to transition provisions for certain pension contributions made to defined benefit pension plans prior to implementation of Statement 68 by employers and non-employer contributing entities.

Management has not concluded its assessment of the effect of implementing this guidance.

**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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Local sources	\$ 21,056,469	\$ 21,056,469	\$ 22,019,310	\$ 962,841
County sources	5,479,140	5,479,140	4,425,967	(1,053,173)
State sources	20,000	20,000	174,404	154,404
Other sources	500,000	500,000	40,134	(459,866)
Total revenues	<u>27,055,609</u>	<u>27,055,609</u>	<u>26,659,815</u>	<u>(395,794)</u>
<b>Expenses</b>				
Instruction	16,405,435	16,005,435	14,868,329	1,137,106
Instructional support	2,886,767	2,786,767	2,164,368	622,399
Support services - general support	9,247,336	9,247,335	9,146,570	100,765
Facilities acquisition and construction	575,000	25,000	17,616	7,384
Payment to other government units	1,200,000	1,550,000	1,291,767	258,233
Total expenditures	<u>30,314,538</u>	<u>29,614,537</u>	<u>27,488,650</u>	<u>2,125,887</u>
Excess (deficiency) of revenues over expenditures	<u>(3,258,929)</u>	<u>(2,558,928)</u>	<u>(828,835)</u>	<u>1,730,093</u>
<b>Other financing (uses)</b>				
Interest expense	(20,000)	(20,000)	(22,106)	2,106
Transfers out	(500,000)	(500,000)	(382,555)	117,445
	<u>(520,000)</u>	<u>(520,000)</u>	<u>(404,661)</u>	<u>117,445</u>
Net change in fund balance	<u>(3,778,929)</u>	<u>(3,078,928)</u>	<u>(1,233,496)</u>	<u>\$ 1,847,538</u>
Fund balance - beginning of year	<u>4,835,972</u>	<u>4,835,972</u>	<u>4,835,972</u>	
Fund balance - end of year	<u>\$ 1,057,043</u>	<u>\$ 1,757,044</u>	<u>\$ 3,602,476</u>	

See accompanying note to the 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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$ 1,128,095	\$ 1,128,095	\$ 1,128,095	\$ -
Interest	20,000	20,000	3,425	(16,575)
Total revenues	<u>1,148,095</u>	<u>1,148,095</u>	<u>1,131,520</u>	<u>(16,575)</u>
Expenditures				
Capital outlay	2,748,245	2,748,245	595,110	2,153,135
Total expenditures	<u>2,748,245</u>	<u>2,748,245</u>	<u>595,110</u>	<u>2,153,135</u>
Excess (deficiency) of revenues over expenditures	(1,600,150)	(1,600,150)	536,410	<u>\$ 2,136,560</u>
Fund balance - beginning of year	<u>1,600,527</u>	<u>1,600,527</u>	<u>1,600,527</u>	
Fund balance - end of year	<u>\$ 377</u>	<u>\$ 377</u>	<u>\$ 2,136,937</u>	

See accompanying note to the required supplementary information

**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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Federal sources	\$ 4,014,324	\$ 4,014,324	\$ 1,634,403	\$ (2,379,921)
State sources	700,000	700,000	630,723	(69,277)
Local sources	120,000	120,000	19,720	(100,280)
Investment earnings	-	-	226	226
Total revenues	<u>4,834,324</u>	<u>4,834,324</u>	<u>2,285,072</u>	<u>(2,549,252)</u>
Expenditures				
Instruction	4,350,000	4,350,000	1,928,396	2,421,604
Instructional support	200,000	200,000	-	200,000
Support services	450,000	450,000	22,131	427,869
Total expenditures	<u>5,000,000</u>	<u>5,000,000</u>	<u>1,950,527</u>	<u>3,049,473</u>
Excess (deficiency) of revenues over expenditures	(165,676)	(165,676)	334,545	<u>500,221</u>
Fund deficit - beginning of year	<u>(353,253)</u>	<u>(353,253)</u>	<u>(353,253)</u>	
Fund deficit - end of year	<u>\$ (518,929)</u>	<u>\$ (518,929)</u>	<u>\$ (18,708)</u>	

See accompanying note to the required supplementary information

**CARBON COUNTY SCHOOL DISTRICT #1**

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2014

**1. Explanation of Differences between Budgetary Basis and GAAP Basis**

	General Fund	Grants Fund	Major Maintenance Fund
	<u>          </u>	<u>          </u>	<u>          </u>
Revenues			
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 26,659,815	\$ 2,285,072	\$ 1,131,520
Differences - Budget Basis to GAAP			
Accrual of property taxes receivable	(267,647)	-	-
Intergovernmental revenue	-	(376,712)	-
Taxes recorded in BOCHES	<u>(1,291,767)</u>	<u>-</u>	<u>-</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 25,100,401</u></u>	<u><u>\$ 1,908,360</u></u>	<u><u>\$ 1,131,520</u></u>
Expenditures			
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 27,488,650	\$ 1,950,527	\$ 595,110
Differences - Budget Basis to GAAP			
Accrual of accounts payable	195,634	(5,031)	60,433
Taxes recorded in BOCHES	<u>(1,269,661)</u>	<u>-</u>	<u>-</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u><u>\$ 26,414,623</u></u>	<u><u>\$ 1,945,496</u></u>	<u><u>\$ 655,543</u></u>

**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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 50,000,000	\$ 50,000,000	\$ 706,363	\$ (49,293,637)
Total revenues	<u>50,000,000</u>	<u>50,000,000</u>	<u>706,363</u>	<u>(49,293,637)</u>
Expenditures				
Capital outlay	50,674,515	50,674,515	1,122,529	49,551,986
Total expenditures	<u>50,674,515</u>	<u>50,674,515</u>	<u>1,122,529</u>	<u>49,551,986</u>
Excess (deficiency) of revenues over expenditures	(674,515)	(674,515)	(416,166)	<u>\$ 258,349</u>
Fund balance - beginning of year	<u>675,810</u>	<u>675,810</u>	<u>675,810</u>	
Fund balance - end of year	<u>\$ 1,295</u>	<u>\$ 1,295</u>	<u>\$ 259,644</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Interest	\$ 10,000	\$ 10,000	\$ 3,478	\$ (6,522)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>3,478</u>	<u>(6,522)</u>
Expenditures				
Capital outlay	3,779,950	4,479,950	-	4,479,950
Total expenditures	<u>3,779,950</u>	<u>4,479,950</u>	<u>-</u>	<u>4,479,950</u>
Excess (deficiency) of revenues over expenditures	<u>(3,769,950)</u>	<u>(4,469,950)</u>	<u>3,478</u>	<u>4,473,428</u>
Other financing sources				
Transfers in	500,000	500,000	50,000	(450,000)
Total other financing sources	<u>500,000</u>	<u>500,000</u>	<u>50,000</u>	<u>(450,000)</u>
Change in fund balance	(3,269,950)	(3,969,950)	53,478	<u>\$ 4,023,428</u>
Fund balance - beginning of year	<u>3,269,950</u>	<u>3,269,950</u>	<u>3,269,950</u>	
Fund balance - end of year	<u>\$ -</u>	<u>\$ (700,000)</u>	<u>\$ 3,323,428</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other sources - investment income	\$ 125,000	\$ 125,000	\$ 1,471,879	\$ 1,346,879
Total revenues	<u>125,000</u>	<u>125,000</u>	<u>1,471,879</u>	<u>1,346,879</u>
Expenditures				
Capital outlay	25,106,658	25,106,658	6,498,788	18,607,870
Total expenditures	<u>25,106,658</u>	<u>25,106,658</u>	<u>6,498,788</u>	<u>18,607,870</u>
Excess (deficiency) of revenues over expenditures	(24,981,658)	(24,981,658)	(5,026,909)	<u>\$ 19,954,749</u>
Fund balance - beginning of year	<u>24,978,817</u>	<u>24,978,817</u>	<u>24,978,817</u>	
Fund balance (deficit) - end of year	<u>\$ (2,841)</u>	<u>\$ (2,841)</u>	<u>\$ 19,951,908</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, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other sources - investment income	\$ 5,000	\$ 5,000	\$ 3,228	\$ (1,772)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>3,229</u>	<u>(1,771)</u>
Expenditures				
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	5,000	5,000	3,229	<u><u>\$ (1,771)</u></u>
Fund balance - beginning of year	<u>838,759</u>	<u>838,759</u>	<u>838,759</u>	
Fund balance - end of year	<u><u>\$ 843,759</u></u>	<u><u>\$ 843,759</u></u>	<u><u>\$ 841,988</u></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	2014	2013	2012	2011
Invested in capital assets, net of related debt	\$ 44,463,386	\$ 41,264,012	\$ 41,366,461	\$ 40,984,314
Restricted	7,632,913	6,981,020	4,651,094	7,347,945
Unrestricted	4,148,536	5,102,202	4,627,054	4,993,212
Total primary government net position	<u>\$ 56,244,835</u>	<u>\$ 53,347,234</u>	<u>\$ 50,644,609</u>	<u>\$ 53,325,471</u>

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 29,390,149	\$ 16,534,830	\$ 14,430,317	\$ 10,809,932	\$ 10,331,931	\$ 10,115,675
3,472,334	-	-	-	-	-
<u>8,276,318</u>	<u>9,065,827</u>	<u>8,308,713</u>	<u>5,578,125</u>	<u>5,507,157</u>	<u>5,289,020</u>
<u><u>\$ 41,138,801</u></u>	<u><u>\$ 25,600,657</u></u>	<u><u>\$ 22,739,030</u></u>	<u><u>\$ 16,388,057</u></u>	<u><u>\$ 15,839,088</u></u>	<u><u>\$ 15,404,695</u></u>

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

Expenses	2014	2013	2012	2011
Instructional programs	\$ 16,270,198	\$ 17,288,797	\$ 17,486,377	\$ 16,765,568
Support services				
Pupil transportation	1,324,311	1,355,030	1,301,515	1,162,602
Other support services	11,071,485	10,910,251	11,676,364	12,118,677
BOCHES	-	-	2,934,382	2,824,583
INBR claims expense	-	-	350,446	-
Nutrition services	854,172	802,959	803,904	747,581
Aquatic center	161,907	-	-	-
Interest on long-term debt	887,324	953,469	41,760	25,172
<b>Total expenses</b>	<b>30,569,397</b>	<b>31,310,506</b>	<b>34,594,748</b>	<b>33,644,183</b>
Program revenue				
Charges for services	337,454	305,276	674,716	655,859
Operating grants and contributions	2,687,326	2,939,298	3,960,845	4,074,920
Capital grants	2,682,239	1,122,270	970,573	12,630,341
<b>Total program revenues</b>	<b>5,707,019</b>	<b>4,366,844</b>	<b>5,606,134</b>	<b>17,361,120</b>
General Revenues				
Taxes	29,209,217	35,521,556	34,348,744	29,057,277
Governmental aid	-	-	-	-
Investments	75,330	30,580	41,854	53,801
Recapture	(1,449,547)	(5,217,195)	(5,268,576)	(708,299)
Miscellaneous	(8,793)	392,315	162,363	32,291
<b>Total revenues</b>	<b>33,533,226</b>	<b>35,094,100</b>	<b>34,890,519</b>	<b>45,796,190</b>
<b>Changes in net position</b>	<b>\$ 2,963,829</b>	<b>\$ 3,783,594</b>	<b>\$ 295,771</b>	<b>\$ 12,152,007</b>

2010	2009	2008	2007	2006	2005
\$ 16,355,136	\$ 13,695,178	\$ 11,669,817	\$ 13,143,082	\$ 12,264,231	\$ 10,208,395
1,069,416	1,247,277	1,249,827	1,008,269	838,941	948,078
9,074,607	9,100,576	8,499,619	7,919,040	6,458,814	6,991,170
2,737,299	2,746,942	2,698,414	2,440,668	1,850,407	1,678,861
-	-	-	-	-	-
737,048	671,628	634,728	568,918	527,918	447,057
-	-	-	-	-	-
28,414	16,324	18,609	28,999	37,318	34,276
<u>30,001,920</u>	<u>27,477,925</u>	<u>24,771,014</u>	<u>25,108,976</u>	<u>21,977,629</u>	<u>20,307,837</u>
679,486	742,499	792,177	689,107	634,962	502,934
3,694,212	2,954,095	2,434,756	2,868,543	2,066,508	1,766,328
12,817,780	-	-	-	-	-
<u>17,191,478</u>	<u>3,696,594</u>	<u>3,226,933</u>	<u>3,557,650</u>	<u>2,701,470</u>	<u>2,269,262</u>
45,521,368	34,716,336	36,020,500	36,411,660	30,539,387	19,990,833
-	-	-	-	468,744	1,315,988
101,835	119,043	215,601	280,974	364,168	100,655
(17,259,281)	(8,135,913)	(8,425,945)	(14,436,820)	(11,790,054)	(3,500,549)
16,960	(12,666)	92,768	6,104	131,218	(200,000)
<u>45,572,360</u>	<u>30,383,394</u>	<u>31,129,857</u>	<u>25,819,568</u>	<u>22,414,933</u>	<u>19,976,189</u>
<u>\$ 15,570,440</u>	<u>\$ 2,905,469</u>	<u>\$ 6,358,843</u>	<u>\$ 710,592</u>	<u>\$ 437,304</u>	<u>\$ (331,648)</u>

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

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund				
Unspendable	\$ 29,679	\$ 30,270	\$ 26,076	\$ 55,226
Restricted	60,000	60,000	120,000	-
Unassigned	<u>3,690,322</u>	<u>5,089,356</u>	<u>5,148,385</u>	<u>4,966,604</u>
<b>Total General Fund</b>	<b><u>\$ 3,780,001</u></b>	<b><u>\$ 5,179,626</u></b>	<b><u>\$ 5,294,461</u></b>	<b><u>\$ 5,021,830</u></b>
All Other Governmental Funds				
Restricted				
Buildings and equipment	\$ 2,040,501	\$ 1,564,524	\$ 1,101,928	\$ 1,011,721
Bond covenants	4,675,817	4,465,994	2,765,654	2,753,839
Repair and maintenance	841,988	838,759	27,516,850	-
Debt service	19,621,956	24,949,992	-	-
BOCHES	-	-	3,611,007	3,582,385
Committed				
Capital Construction	344,478	663,679	4,293	133,041
Unassigned				
Grant Fund	14,607	51,743	52,505	42,961
Other Governmental Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total all other governmental funds</b>	<b><u>\$ 27,539,347</u></b>	<b><u>\$ 32,534,691</u></b>	<b><u>\$ 35,052,237</u></b>	<b><u>\$ 7,523,947</u></b>

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 58,892	\$ 41,269	\$ 33,840	\$ 33,841	\$ 37,416	\$ 404,566
1,404,486	-	-	-	-	-
<u>2,972,790</u>	<u>4,172,576</u>	<u>4,582,897</u>	<u>2,610,849</u>	<u>2,785,370</u>	<u>3,570,551</u>
<u>\$ 4,436,168</u>	<u>\$ 4,213,845</u>	<u>\$ 4,616,737</u>	<u>\$ 2,644,690</u>	<u>\$ 2,822,786</u>	<u>\$ 3,975,117</u>
\$ 744,292	\$ 694,056	\$ 1,116,574	\$ 1,177,729	\$ 934,482	\$ 237,265
2,728,042	1,600,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,869,084	2,651,551	2,466,255	1,885,545	1,422,477	1,017,342
132,960	139,822	147,225	59,752	-	-
(11,268)	27,053	86,102	22,929	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,574</u>	<u>45,635</u>
<u>\$ 7,463,110</u>	<u>\$ 5,112,482</u>	<u>\$ 3,816,156</u>	<u>\$ 3,145,955</u>	<u>\$ 2,366,533</u>	<u>\$ 1,300,242</u>

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

	2014	2013	2012	2011
Revenues				
Taxes	\$ 27,380,134	\$ 32,463,713	\$ 32,090,098	\$ 26,453,598
Intergovernmental revenues	6,626,215	6,717,793	6,438,873	18,957,325
Charges for services	83,668	47,078	403,431	390,845
Investment income	75,073	30,393	41,509	53,078
Miscellaneous	216,832	132,543	483,136	29,844
Public contributions	-	-	145,000	5,000
Repayment to State Foundation	-	-	-	(29,924)
Recapture payment	(1,449,547)	(5,217,195)	(5,268,576)	(708,299)
Total revenues	<u>32,932,375</u>	<u>34,174,325</u>	<u>34,333,471</u>	<u>45,151,467</u>
Expenditures				
Instruction	15,837,872	16,574,141	17,972,732	17,404,217
Support services	19,592,496	13,924,126	15,825,743	14,236,773
Facilities acquisition and construction	1,655,969	652,322	999,401	12,630,260
Debt service				
Principal	1,232,969	743,756	268,442	154,883
Interest	985,190	1,051,355	51,462	26,071
Total expenditures	<u>39,304,496</u>	<u>32,945,700</u>	<u>35,117,780</u>	<u>44,452,204</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,372,121)</u>	<u>1,228,625</u>	<u>(784,309)</u>	<u>699,263</u>
Other financing sources (uses)				
Transfers in	62,555	931,578	188,059	81,547
Transfers (out)	(341,259)	(1,181,578)	(338,059)	(171,547)
Proceeds from sale of assets	-	-	28,519	-
Proceeds from bond issuance	-	-	26,500,000	-
Proceeds from bond premium	-	-	1,664,073	-
Proceeds from capital lease	255,856	-	542,638	37,236
Total other financing sources (uses)	<u>(22,848)</u>	<u>(250,000)</u>	<u>28,585,230</u>	<u>(52,764)</u>
Net changes in fund balances	<u>(6,394,969)</u>	<u>978,625</u>	<u>27,800,921</u>	<u>646,499</u>
Fund balance				
Beginning of year	37,714,317	40,346,698	12,545,777	11,899,278
Prior period adjustment	-	(3,611,006)	-	-
Fund balances, beginning of year as restated	37,714,317	36,735,692	12,545,777	11,899,278
Change in inventory	-	-	-	-
End of year	<u>\$ 31,319,348</u>	<u>\$ 37,714,317</u>	<u>\$ 40,346,698</u>	<u>\$ 12,545,777</u>



2010	2009	2008	2007	2006	2005
\$ 43,720,800	\$ 32,681,790	\$ 31,861,617	\$ 31,138,943	\$ 23,797,293	\$ 15,112,694
17,760,655	5,915,332	7,333,440	9,142,655	8,832,472	4,232,534
416,481	460,550	470,220	405,770	408,935	278,955
100,900	118,149	214,071	270,175	354,591	-
22,032	20,683	94,482	33,287	138,390	136,732
-	-	-	-	-	-
-	(54,878)	(31,648)	(119,322)	-	-
(17,259,281)	(8,135,913)	(8,425,945)	(14,436,820)	(11,790,054)	-
44,761,587	31,005,713	31,516,237	26,434,688	21,741,627	19,760,915
15,956,965	15,192,569	13,399,286	14,431,652	11,714,390	11,354,415
13,581,537	14,051,794	12,310,094	11,566,331	9,555,236	6,234,885
12,856,190	931,154	2,820,415	-	537,125	1,738,151
152,192	199,948	254,281	256,323	326,578	238,851
28,612	17,102	19,913	30,770	38,327	34,276
42,575,496	30,392,567	28,803,989	26,285,076	22,171,656	19,600,578
2,186,091	613,146	2,712,248	149,612	(430,029)	160,337
1,100,000	1,600,000	85,568	353,421	-	-
(1,180,000)	(1,640,000)	(155,568)	(83,130)	(63,336)	(48,000)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
466,860	320,288	-	-	415,803	158,498
386,860	280,288	(70,000)	270,291	352,467	110,498
2,572,951	893,434	2,642,248	419,903	(77,562)	270,835
9,326,327	8,432,893	5,790,645	5,189,319	5,275,359	4,976,484
-	-	-	184,998	-	-
9,326,327	8,432,893	5,790,645	5,374,317	5,275,359	4,976,484
-	-	-	(3,575)	(8,478)	28,040
\$ 11,899,278	\$ 9,326,327	\$ 8,432,893	\$ 5,790,645	\$ 5,189,319	\$ 5,275,359

**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
2001	15,185	\$ 26,418	8.4	\$ 401,164	5.6
2002	15,224	27,068	2.5	412,083	2.7
2003	15,183	28,741	6.2	436,381	5.9
2004	15,185	29,894	4.0	453,940	4.0
2005	15,012	34,599	15.7	519,399	14.4
2006	15,042	37,697	9.0	567,032	9.2
2007	15,397	39,408	4.5	606,770	7.0
2008	15,564	43,132	9.4	671,300	10.6
2009	15,720	39,556	(8.3)	621,821	(7.4)
2010	15,834	38,291	(3.2)	606,298	(2.5)
2011	15,786	41,165	7.0	649,829	6.7
2012	15,666	44,882	9.0	703,119	8.2
2013	*	*	*	*	*
2014	*	*	*	*	*

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

Source: US Department of Commerce Bureau of Economic Analysis  
Carbon County, U.S. Bureau of Census 2010

\* Information not available

**CARBON COUNTY SCHOOL DISTRICT #1**  
**CAPITAL ASSET FACILITIES INFORMATION**  
AS OF JUNE 30, 2014  
(Unaudited)

Building	Year of Original Construction	Square Footage	Enrollment 10/2014	Average Age of Building (in years)
<b>Elementary Schools</b>				
Sinclair	1936	10,865	36	78
Rawlins Elementary K-1 (Highland Hills)	1982	36,228	271	32
Rawlins Elementary K2-5	2011	986,358	520	3
Total		<u>1,033,451</u>		
<b>Middle Schools</b>				
Rawlins Middle School	1978	91,846	369	36
Total		<u>91,846</u>		
<b>High Schools</b>				
Rawlins High School	1957	230,325	432	57
Total		<u>230,325</u>		
<b>K-12 Building</b>				
Little Snake River	1972	55,837	120	42
Total		<u>55,837</u>		
<b>Other Buildings</b>				
Administrative Office and COOP High School	1949	28,270	24	65
Maintenance Facility	1978	6,758		36
Stadium	1982	23,659		32
Bus Garage Rawlins (1)	1976	21,250		38
Bus Garage Baggs	1980	4,500		34
Track Storage Baggs	1987	1,772		27
Total		<u>86,209</u>		

(1) Building to be demolished 2014-15

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
2005	1727	15,408,441	8,922	\$ 2,192	\$ 9,752
2006	1753	17,555,105	10,014	4,367	13,960
2007	1815	20,470,192	11,278	5,701	14,255
2008	1787	20,323,183	11,373	11,703	15,469
2009	1803	22,350,690	12,396	7,566	11,173
2010	1822	22,829,775	12,530	7,588	18,217
2011	1856	24,836,562	13,382	5,338	11,056
2012	1826	26,880,262	14,721	10,953	25,899
2013	1866	25,791,535	13,822	12,816	25,208
2014	1861	26,414,623	14,194	9,407	23,407

(1) Fall Enrollment

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

Nutritional Services Program

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Lunch

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	Paid	Free or Reduced	Total Meals	Students Free and Reduced	Percent of Total Enrollment
\$	67,408	\$ 60,981	\$ 140,333	521	30
	88,020	71,246	177,593	493	28
	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
	51,043	128,848	216,743	648	35
	81,914	72,920	192,858	636	35
	83,714	85,772	205,300	675	36

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

Student Transportation

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Year Ended June 30	Total Buses	Total Miles	Students Transported Daily	Percent of Students (ADM) Transported
2005	53	305,581	492	29.84
2006	53	255,002	607	35.31
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

(1) Fall Enrollment

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

**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
2005	12.000	6.000	25.000	0.000	1.000	1.500
2006	12.000	6.000	25.000	0.000	1.000	1.500
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	0.000	1.000	1.500
2013	12.000	6.000	25.000	0.000	1.000	1.500
2014	12.000	6.000	25.000	0.000	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	46.500
1.000	46.500
1.000	46.500
1.000	46.500
1.000	46.500



**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
2004	\$ 549,273,641	\$ -	\$ -	\$ -	\$ -	\$ -
2005	687,871,624	-	-	-	-	-
2006	951,619,394	-	-	-	-	-
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	-	-	-	-

(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%
-	-	-	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%

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

Year Ended June 30	Assessed Valuation	Percent Increase (Decrease)
1995	\$ 217,005,083	-0.08
1996	232,813,739	0.07
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

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
2005	\$ 8,574,397	\$ 11,810,099	\$ 45,856,394	\$ 66,240,890	\$ 3,051,584	\$ 447,125,250
2006	8,893,032	12,610,642	49,399,893	70,903,567	*	657,795,481
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	*	*	*	*	*	*

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

\* Information not available.

Mineral Production

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Oil	Miscellaneous Minerals	Total Minerals
\$ 61,475,195	\$ 486,072	\$ 512,138,101
71,674,063	988,489	730,458,033
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
*	*	*

**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)
1994	2224	(0.05)	2004	1664	(0.04)
1995	2240	0.01	2005	1727	0.04
1996	2216	(0.01)	2006	1753	0.02
1997	2076	(0.06)	2007	1815	0.04
1998	1992	(0.04)	2008	1787	(0.02)
1999	1965	(0.01)	2009	1803	0.01
2000	1946	(0.01)	2010	1822	0.01
2001	1923	(0.01)	2011	1814	0.00
2002	1778	(0.08)	2012	1866	0.03
2003	1728	(0.03)	2013	1882	0.01
			2014	1832	-0.03

(1) Fall Enrollment

Source: Wyoming Department of Education

\* Information not available

**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
2005	1727	138	12.52 : 1
2006	1753	143	12.26 : 1
2007	1815	148	12.28 : 1
2008	1787	153	11.70 : 1
2009	1803	156	11.57 : 1
2010	1822	154	11.80 : 1
2011	1856	160	11.60 : 1
2012	1826	160	11.41 : 1
2013	1866	160	11.66 : 1
2014	1832	160	11.45 : 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
2005	1649	417,146
2006	1719	553,569
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

Source: Wyoming Department of Education



**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
2005	134.87	25.99	27.87	77.62	266.35
2006	137.91	31.98	30.81	76.76	277.46
2007	142.73	37.61	42.87	79.72	302.93
2008	147.84	35.77	35.64	82.05	301.3
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	347.22
2013	*	*	*	*	*
2014	*	*	*	*	*

Source: Wyoming Department of Education

\*Information not available

**FEDERAL FINANCIAL ASSISTANCE REPORTS**

**CARBON COUNTY SCHOOL DISTRICT #1**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Pass through Grantors Numbers	CFDA #	Expenditures
U.S. Department of Agriculture			
Passed through Wyoming Department of Education			
<i>Child Nutrition Cluster</i>			
School Breakfast Program	-	10.553	\$ 44,966
National School Lunch Program	-	10.555	277,097
National School Lunch Program - USDA Commodities	-	10.555	45,835
Total Child Nutrition Cluster			<u>367,898</u>
Summer Food Service Program for Children	-	10.559	<u>5,940</u>
Passed through Carbon County			
<i>Forest Service Schools and Roads Cluster</i>			
Schools and Roads - Grants to States	-	10.665	11,886
Total Forest Service Schools and Roads Cluster			<u>11,886</u>
Total U.S. Department of Agriculture			<u>385,724</u>
National Endowment for the Arts			
Passed through the Wyoming Arts Council			
Promotion of the Arts - Partnership Agreements	-	45.025	2,000
Total National Endowment for the Arts			<u>2,000</u>
National Endowment for the Humanities			
Passed through the Wyoming Humanities Council			
Promotion of the Humanities - Federal/State Partnership	-	45.129	1,292
Total National Endowment for the Humanities			<u>1,292</u>
U.S. Department of Education			
Passed Through Wyoming Department of Education			
Title I Grants to Local Educational Agencies	1204012T1A00	84.010A	1,014
Title I Grants to Local Educational Agencies	1304013T1A00	84.010A	74,714
Title I Grants to Local Educational Agencies	1404014T1A00	84.010A	623,778
Title I Grants to Local Educational Agencies	12040123AIA0	84.010A	19,743
Title I Grants to Local Educational Agencies	1404144AIA0	84.010A	3,414
			<u>722,663</u>
<i>Special Education Cluster (IDEA)</i>			
Special Education - Grants to States	1304013T6100	84.027A	111,975
Special Education - Grants to States	1404014T6100	84.027A	239,632
			<u>351,607</u>
Special Education - Preschool Grants	1304013T6900	84.173A	1,835
Special Education - Preschool Grants	1404014T6900	84.173A	1,156
			<u>2,991</u>
Total Special Education Cluster (IDEA)			<u>354,598</u>
Career and Technical Education - Basic Grants to States	1304013VEA00	84.048A	6,114
Career and Technical Education - Basic Grants to States	1404014VEA00	84.048A	42,488
			<u>48,602</u>

(Continued)

**CARBON COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Pass thru Grantors Numbers	CFDA #	Expenditures
US Department of Education (continued)			
Passed Through Wyoming Department of Education (continued)			
English Language Acquisition State Grants	1304013T3E00	84.365A	\$ 2,109
English Language Acquisition State Grants	1404014T3E00	84.365A	2,650
			<u>4,759</u>
Improving Teacher Quality State Grants	1304013T2A00	84.367A	42,134
Improving Teacher Quality State Grants	1404014T2A00	84.367A	56,483
			<u>98,617</u>
School Improvement Grants	13040133GIA0	84.377	102,192
School Improvement Grants	12040123GIA0	84.377	1,699
			<u>103,891</u>
Total U.S. Department of Education			<u>1,333,130</u>
Total Federal Financial Assistance			<u>\$ 1,722,146</u>

Notes:

- (1) Schedule of was prepared on the cash basis.
- (2) The value of non-cash awards for USDA commodities was \$45,835.
- (3) During the fiscal year ended June 30, 2014, the District transferred \$75,000 from Improving Teacher Quality grant, CFDA 84.367A to Title I Grants to Local Educational Agencies, CFDA 84.010A.



REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF THE BASIC 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, 2014, 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 11, 2014.

***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 11, 2014.

***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 11, 2014



REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT 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 Circular A-133 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, 2014. 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 the requirements of laws, regulations, contracts, and grants 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2014.

### **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 OMB Circular A-133, 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming  
December 11, 2014



**CARBON COUNTY SCHOOL DISTRICT #1**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2014

**Section I – Summary of Auditor’s Results**

***Financial Statements***

Type of auditor’s report issued:	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 section 510 (a) of Circular A-133?	No

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
	<i>Child Nutrition Cluster</i>
10.553	School Breakfast Program
10.555	National School Lunch Program
10.555	National School Lunch Program – USDA Commodities
84.010A	Title I Grants to Local Educational Agencies
84.377	School Improvement Grants

Dollar threshold used to distinguish between type A and type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	No

**CARBON COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2014**

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**Section II - Financial Statement Findings**

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*None*

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**Section III - Federal Award Findings and Questioned Costs**

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*None*

**CARBON COUNTY SCHOOL DISTRICT #1**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2014**

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*None*