

CROOK COUNTY SCHOOL DISTRICT NO. ONE
FINANCIAL REPORT
JUNE 30, 2013

RECEIVED

JAN - 2 2014

WY. DEPT. OF EDUCATION
DATA/TECH SERVICES

LEO RILEY & Co.
Certified Public Accountants

C O N T E N T S

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1 - 3
MANAGEMENT DISCUSSION AND ANALYSIS	4 - 10
STATEMENT OF NET POSITION	11
STATEMENT OF ACTIVITIES	12
GOVERNMENTAL FUND TYPES	
Balance Sheet	13
Reconciliation of the Statement of Net Position of Governmental Funds to the Balance Sheet	14
Statement of Revenues, Expenditures and Changes in Fund Balances	15
Reconciliation of the Governmental Statement of Revenue, Expenditures and Changes in Fund Balances with the Statement of Activities	16
STATEMENT OF NET POSITION - PROPRIETARY FUNDS	17
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS	18
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS	19
STATEMENT OF FIDUCIARY NET POSITION	20
NOTES TO THE BASIC FINANCIAL STATEMENTS	21 - 29
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison - General Fund	30 - 37
Budgetary Comparisons - Special Revenue Fund	38
NOTES TO BUDGETARY COMPARISON SCHEDULES	39
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	40
REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	41 - 42
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133	43 - 44
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	45 - 46
STATUS OF PRIOR YEAR FINDINGS	47

INDEPENDENT AUDITORS' REPORT

Board of Trustees
Crook County School District No. One
Sundance, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Crook County School District No. One as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District'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.

Auditors' Responsibility

Our responsibility is to express an opinion 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, each

major fund and the aggregate remaining fund information of Crook County School District No. One as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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 on pages 4 through 10 and the budgetary comparison information on pages 30 through 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consists 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 limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crook County School District No. One's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations* and is not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and related 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 information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2013 on our consideration of Crook County School District No. One's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Crook County School District No. One's internal control over financial reporting and compliance.

NOTICE

The accompanying financial statements, supplementary information and our independent auditors' reports are for the purpose of meeting local, state and federal requirements and are for the use of those entities, management, and the Board of Trustees, and should not be used or relied upon by any other party for any purpose.

Additional users of these financial statements, supplementary information, and our independent auditors' reports are hereby advised that the liability of Leo Riley & Co., CPAs to third party users who use or rely on this information may be limited pursuant to 1995 Wyo. Sess. Laws, Chapter 155 creating Wyo. Stat. §33-3-201. However, the financial statements, supplementary information, and our independent auditors' report on the financial statements are a matter of public record and their distribution is not limited.

Leo Riley & Co.

December 30, 2013

MANAGEMENT DISCUSSION AND ANALYSIS

CROOK COUNTY SCHOOL DISTRICT NO. ONE

MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2013
(UNAUDITED)

The Management Discussion and Analysis of Crook County School District No. 1 presents a narrative overview and analysis of the financial activities of the District for the year ended June 30, 2013. The intent of this discussion and analysis is to focus on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. We encourage readers to consider the information presented here in conjunction with the District's financial statements, notes to the financial statements, and other supplementary information, which follows this section.

Financial Highlights

- The District's total combined net position was \$30,597,329 at June 30, 2013, which compares to \$29,278,495 at the beginning of the fiscal year, an increase of \$1,318,834.
- During the year, the District's combined expenditures were \$1,155,753 less than the \$23,400,686 generated in taxes and other revenues for governmental activities. This includes all governmental funds including the general fund, the special revenue fund and capital construction fund.
- The total cost of programs provided by the District's governmental funds was \$22,584,148.
- The District incurred additional long-term financing debt and capital leases during the year in the amount of \$564,215 and repaid \$435,843.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an independent 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 contains required 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.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. 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 Services and Internal Service – Escrow Insurance Fund.

Fund Financial Statement. 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 requirements. The fund financial statements provide more detailed information about the District's most significant funds-not the District as a whole.

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 the 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 Assets and the Statement of Activities and the governmental funds are reconciled in the financial statements. The general fund, major maintenance fund, and capital construction fund 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 and short-term financial information. The Enterprise Funds-Food Services and the Internal Service-Escrow Insurance are included 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 assets and a statement of changes in fiduciary net assets. The District has one fund in this category, the Student Activity Fund.

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

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.

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, 2013:

Condensed Statement of Net Position

	Governmental Activities	Business-Type Activities	Total School District
Current & other assets	\$7,572,275	\$37,656	\$7,609,931
Capital assets	24,888,890	664	24,889,554
Total assets	32,461,165	38,320	32,499,485
Current liabilities	1,259,134	(13)	1,259,121
Capital leases payable	643,035	0	643,035
Total liabilities	1,902,169	(13)	1,902,156
Net Position:			
Invested in capital assets, net of related debt	23,886,040	664	23,886,704
Restricted	1,268,689	0	1,268,689
Unrestricted	5,404,267	37,669	5,441,936
Total net assets	<u>\$30,558,996</u>	<u>\$38,333</u>	<u>\$30,597,329</u>

The net investment in capital assets is \$23,886,704, 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. 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. An additional portion of the District's net assets (less than 1% percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$5,441,936 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. The District's total net position increased by \$1,318,834 during the year ended June 30, 2013.

Changes in the District's Net Position

	Governmental Activities	Business-Type Activities	Total School District
General revenues:			
Taxes	\$8,379,704		\$8,379,704
Governmental aid	12,422,615		12,422,615
Other State Revenue	143,353		143,353
Investment Earnings	7,961		7,961
Transfers	(225,000)	200,000	(25,000)
Other	24,261	13	24,274
Total revenues	<u>\$20,752,894</u>	<u>\$200,013</u>	<u>\$20,952,907</u>
Expenses:			
Instruction	\$(10,330,496)		\$(10,330,496)
Instructional support	(1,837,994)		(1,837,994)
General support	(5,727,139)		(5,727,139)
Unallocated depreciation	(1,470,090)		(1,470,090)
Food Service		(268,354)	(268,354)
Total expenses	<u>\$(19,365,719)</u>	<u>\$(268,354)</u>	<u>\$(19,634,073)</u>
Change in net position	<u>\$1,387,175</u>	<u>\$(68,341)</u>	<u>\$1,318,834</u>

Financial Analysis of the District's Funds

Governmental Funds:

Revenues

General fund revenues were \$21,025,245 in FY 2013, an increase of \$1,400,580 from FY 2012. The amount of general fund monies received in FY2013 from government aide was \$12,422,615, which included major maintenance revenue from the State of Wyoming of \$983,347. Capital construction revenue from the State of Wyoming was \$1,021,060.

Expenditures

The total expenditures of all governmental funds, on the modified accrual basis, were \$19,634,073 in FY 2013, a decrease of \$134,397 from FY 2012.

Proprietary Fund:

The total revenue of the Food Services fund was \$383,776, which included \$187,088 of revenue from governmental sources, and \$196,688 generated from operating the food services. In addition, the District transferred \$200,000 from the General Fund. The expenses incurred to provide this program were \$652,130, which was primarily made up of monies paid for purchased services. The Board of Trustees made a decision to

increase the breakfast and lunch prices by \$0.05 per meal for elementary and secondary students.

General Fund Budgetary Highlights

The actual general fund revenues were \$532,359 more than budgeted revenues. The District did not over expend its budget during the year ended June 30, 2013 in the general fund, with actual expenditures \$948,333 less than budgeted expenditures.

Capital Asset and Debt Administration

Capital Assets

The District’s investment in capital assets for its governmental activities as of June 30, 2013 amounts to \$24,888,890. This investment in capital assets includes land, site improvements, buildings and equipment (which include vehicles and buses), and construction.

District’s Capital Assets (Governmental Activities)

(net of depreciation)

Land	\$536,211
Buildings and Building Improvements	31,155,633
Transportation equipment	5,353,100
Furniture and equipment	3,235,271
Construction in progress	1,019,600
Accumulated depreciation	(16,410,925)
Total	<u><u>\$24,888,890</u></u>

Factors Affecting the District’s Future

School construction, average daily membership

There have been and will continue to be several factors that impact the district’s financial picture. The district average daily membership used for funding purposes increased by approximately 1%, which impacted the revenues received from the State in FY 2013. The district also collected a tax shortfall adjustment from the previous year and over collected local tax revenues, increasing the cash balance at the end of FY 2013. The district was able to cover salary schedule step and lane movement and cover the increased cost of health insurance and dental insurance benefits. In the future, the District will need to make expenditure cuts if an ECA (external cost adjustment) is not made to the funding model due to drop in enrollment for FY 2013 causing a decline in the average daily membership used for funding purposes.

The Moorcroft K-8 school construction is in full swing with occupancy expected summer, 2015. Once this occurs, funding will drop the following year because of the change in grade configuration from K-6 and 7-12 to K-8 and 9-12 in Moorcroft. The District is also in the Planning and Design phase to remedy Sundance Elementary building concerns.

Requests for Information

The 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 Pamela Garman, Business Manager, P. O. Box 830, Sundance, Wyoming, 82729.

CROOK COUNTY SCHOOL DISTRICT NO. ONE

STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 7,106,447	\$ 34,111	\$ 7,140,558
Property taxes receivable	282,338		282,338
Due from other governments	183,490		183,490
Inventories		3,545	3,545
Total current assets	<u>\$ 7,572,275</u>	<u>\$ 37,656</u>	<u>\$ 7,609,931</u>
Capital assets			
Depreciable	\$ 39,744,004	\$ 95,212	\$ 39,839,216
Less accumulated depreciation	<u>(16,410,925)</u>	<u>(94,548)</u>	<u>(16,505,473)</u>
	<u>\$ 23,333,079</u>	<u>\$ 664</u>	<u>\$ 23,333,743</u>
Non-depreciable			
Land	\$ 536,211	\$	\$ 536,211
Construction in progress	1,019,600		1,019,600
	<u>\$ 1,555,811</u>	<u>\$</u>	<u>\$ 1,555,811</u>
Capital assets net	<u>\$ 24,888,890</u>	<u>\$ 664</u>	<u>\$ 24,889,554</u>
Total assets	<u>\$ 32,461,165</u>	<u>\$ 38,320</u>	<u>\$ 32,499,485</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 15,672	\$	\$ 15,672
Accrued expenses	371,687	(13)	371,674
Unearned revenues	365,920		365,920
Compensated absences	146,040		146,040
Current portion of capital lease payable	<u>359,815</u>		<u>359,815</u>
Total current liabilities	<u>\$ 1,259,134</u>	<u>\$ (13)</u>	<u>\$ 1,259,121</u>
Noncurrent liabilities less current portion			
Capital leases payable	<u>643,035</u>		<u>643,035</u>
Total liabilities	<u>\$ 1,902,169</u>	<u>\$ (13)</u>	<u>\$ 1,902,156</u>
NET POSITION			
Invested in capital assets, net of related debt	\$ 23,886,040	\$ 664	\$ 23,886,704
Restricted	1,268,689		1,268,689
Unrestricted	5,404,267	37,669	5,441,936
Total net position	<u>\$ 30,558,996</u>	<u>\$ 38,333</u>	<u>\$ 30,597,329</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

	Program Revenues			Net Revenue (Expenses) and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities							
Instruction	\$ 7,692,557	\$ 56,183	\$ 764,905	\$ 1,021,060	\$(6,615,314)	\$	\$(6,615,314)
Regular instruction	3,045,191				(2,280,286)		(2,280,286)
Special instruction	706,395				(706,395)		(706,395)
Vocational instruction	728,501				(728,501)		(728,501)
Activities							
Instructional support	1,147,577				(1,147,577)		(1,147,577)
Special student services	521,567				(521,567)		(521,567)
Library services	478,142		309,292		(168,850)		(168,850)
Staff development							
General support							
Central administration	410,984				(410,984)		(410,984)
School administration	1,217,718				(1,217,718)		(1,217,718)
Finance	266,150				(266,150)		(266,150)
Board of Education	83,178				(83,178)		(83,178)
Operations and maintenance	2,098,354				(2,098,354)		(2,098,354)
Transportation	1,239,698				(1,239,698)		(1,239,698)
Technology services	411,057				(411,057)		(411,057)
Unallocated depreciation	1,470,090				(1,470,090)		(1,470,090)
Total governmental services	<u>\$ 21,517,159</u>	<u>\$ 56,183</u>	<u>\$ 1,074,197</u>	<u>\$ 1,021,060</u>	<u>\$(19,365,719)</u>	<u>\$</u>	<u>\$(19,365,719)</u>
Proprietary Activities							
Food service operations	\$ 652,130	\$ 196,688	\$ 187,088	\$	\$	\$(268,354)	\$(268,354)
General revenue:							
District property taxes	\$ 6,507,945				\$ 6,507,945		\$ 6,507,945
County property taxes	1,562,944				1,562,944		1,562,944
Fines and forfeitures	308,815				308,815		308,815
State equalization payments	11,439,268				11,439,268		11,439,268
Major maintenance payments	983,347				983,347		983,347
Other state revenue	143,353				143,353		143,353
Transfers	(225,000)				(225,000)	200,000	(25,000)
Investment earnings	7,961				7,961		7,961
Other revenue	24,261				24,261	13	24,274
Total general revenue	<u>\$ 20,752,894</u>				<u>\$ 20,752,894</u>	<u>\$ 200,013</u>	<u>\$ 20,952,907</u>
Change in net position	\$ 1,387,175				\$ 1,387,175	\$(68,341)	\$ 1,318,834
Net position - Beginning of year	29,171,821				29,171,821	106,674	29,278,495
Net position - End of year	<u>\$ 30,558,996</u>				<u>\$ 30,558,996</u>	<u>\$ 38,333</u>	<u>\$ 30,597,329</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	Major Funds		Non Major Fund	Total
	General Fund	Special Revenue Fund	Capital Construction Fund	
ASSETS				
Cash and cash equivalents	\$ 4,447,637	\$ 1,542,641	\$	\$ 5,990,278
Property taxes receivable	159,085			159,085
Grants receivable		199,595	(16,104)	183,491
Total assets	<u>\$ 4,606,722</u>	<u>\$ 1,742,236</u>	<u>\$ (16,104)</u>	<u>\$ 6,332,854</u>
LIABILITIES				
Accounts payable	\$ 15,672	\$	\$	\$ 15,672
Accrued expenses	280,164	91,523		371,687
Unearned revenue		365,920		365,920
Total liabilities	<u>\$ 295,836</u>	<u>\$ 457,443</u>	<u>\$</u>	<u>\$ 753,279</u>
FUND BALANCES				
Restricted	\$	\$ 1,284,793	\$(16,104)	\$ 1,268,689
Unassigned	4,310,886			4,310,886
Total fund balances	<u>\$ 4,310,886</u>	<u>\$ 1,284,793</u>	<u>\$ (16,104)</u>	<u>\$ 5,579,575</u>
Total liabilities and fund balances	<u>\$ 4,606,722</u>	<u>\$ 1,742,236</u>	<u>\$ (16,104)</u>	<u>\$ 6,332,854</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE
 RECONCILIATION OF THE STATEMENT OF NET POSITION
 OF GOVERNMENTAL FUNDS TO THE BALANCE SHEET
 JUNE 30, 2013

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

Total fund balance per balance sheet		\$ 5,579,575
Add capital assets not reported above	\$ 41,299,815	
Less accumulated depreciation	(16,410,925)	
Non depreciable assets	<u>1,555,811</u>	24,888,890
Less liabilities not reported above:		
Compensated absences	\$(146,040)	
Capital lease payable	<u>(1,002,850)</u>	(1,148,890)
Unearned revenues for property taxes receivable as revenue in the government-wide statement of net position		123,252
Net position of the internal service fund not included with the governmental funds		<u>1,116,169</u>
Net position		<u>\$ 30,558,996</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Major Funds		Non Major Fund	Total
	General Fund	Special Revenue Fund	Capital Construction Fund	
REVENUES				
Local sources	\$ 6,806,323	\$ 3,327	\$	\$ 6,809,650
County sources	1,932,308			1,932,308
State sources	11,573,163	1,223,073	1,021,060	13,817,296
Federal sources		834,470		834,470
Interest	6,962			6,962
Total revenue	<u>\$ 20,318,756</u>	<u>\$ 2,060,870</u>	<u>\$ 1,021,060</u>	<u>\$ 23,400,686</u>
EXPENDITURES				
Current -				
Instruction	\$ 11,432,403	\$ 769,953	\$	\$ 12,202,356
Instructional support	1,962,242	309,232		2,271,474
General support	6,375,150	1,496		6,376,646
Capital construction		205,426	1,037,164	1,242,590
Debt service -				
Principal	435,843			435,843
Interest	55,239			55,239
Total expenditures	<u>\$ 20,260,877</u>	<u>\$ 1,286,107</u>	<u>\$ 1,037,164</u>	<u>\$ 22,584,148</u>
REVENUES OVER (UNDER EXPENDITURES)	<u>\$ 57,879</u>	<u>\$ 774,763</u>	<u>\$ (16,104)</u>	<u>\$ 816,538</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term lease obligations	\$ 564,215	\$	\$	\$ 564,215
Operating transfers in (out)	(225,000)			(225,000)
Total other financing sources (uses)	<u>\$ 339,215</u>	<u>\$</u>	<u>\$</u>	<u>\$ 339,215</u>
NET CHANGE IN FUND BALANCE	\$ 397,094	\$ 774,763	\$ (16,104)	\$ 1,155,753
FUND BALANCES AT JUNE 30, 2012	<u>3,913,792</u>	<u>510,030</u>		<u>4,423,822</u>
FUND BALANCES AT JUNE 30, 2013	<u>\$ 4,310,886</u>	<u>\$ 1,284,793</u>	<u>\$ (16,104)</u>	<u>\$ 5,579,575</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

RECONCILIATION OF THE GOVERNMENTAL STATEMENT OF REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

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

Total net change in fund balances - governmental funds		\$ 1,155,753
<p>All capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those capital outlays other than non-capitalized items are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period.</p>		
Capital outlay	\$ 1,689,785	
Depreciation expense	<u>(1,237,530)</u>	452,255
<p>Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds. They are, however, recorded as revenues in the statement of activities.</p>		
		(272,351)
<p>Repayment of capital lease principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.</p>		
		435,843
<p>Governmental funds report the issuance of debts as an other financing source. In the governmental activities, however, the issuance of debt is reflected as a liability.</p>		
		(564,215)
<p>Change in balance of internal service fund for employee health insurance payments that are not included in the net change in fund balances - governmental funds.</p>		
		170,735
<p>Change in balance of accrued compensation absences is not reflected as an expenditure in the governmental funds but is shown as an expense in the governmental activities</p>		
		<u>9,155</u>
Total change in net position - governmental activities		<u>\$ 1,387,175</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2013

	Business-Type Activities Enterprise Funds	
	Food Services Fund	Internal Service Fund
ASSETS		
Current assets		
Cash and cash equivalents	\$ 34,111	\$ 1,116,169
Inventories	<u>3,545</u>	
Total current assets	<u>\$ 37,656</u>	<u>\$ 1,116,169</u>
Capital assets	\$ 95,212	\$
Less accumulated depreciation	<u>(94,548)</u>	
Capital assets, net	<u>\$ 664</u>	<u>\$</u>
Total assets	<u>\$ 38,320</u>	<u>\$ 1,116,169</u>
NET POSITION		
Investment in capital assets	\$ 664	\$
Unrestricted	<u>37,669</u>	<u>1,116,169</u>
Total net position	<u>\$ 38,333</u>	<u>\$ 1,116,169</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE
 STATEMENTS OF REVENUES, EXPENDITURES AND
 CHANGES IN NET POSITION - PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2013

	<u>Business-Type Activities</u> <u>Enterprise Funds</u>	
	<u>Food</u> <u>Services</u> <u>Fund</u>	<u>Internal</u> <u>Service</u> <u>Fund</u>
REVENUES:		
User charges	\$ 196,688	\$ 3,237,601
OPERATING EXPENSES:		
Salaries	\$ 234,284	\$
Employee benefits	166,564	
Health care		3,067,864
Purchased services	2,876	
Supplies and materials	14,480	
Direct food costs	217,723	
Commodities	14,984	
Other	1,219	
	<u>\$ 652,130</u>	<u>\$ 3,067,864</u>
OPERATING INCOME (LOSS)	<u>\$(455,442)</u>	<u>\$ 169,737</u>
NON OPERATING REVENUES (EXPENSES)		
Government sources	\$ 187,088	\$
Other	13	999
	<u>\$ 187,101</u>	<u>\$ 999</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	\$(268,341)	\$ 170,736
OPERATING TRANSFERS IN (OUT)	<u>200,000</u>	<u> </u>
CHANGE IN NET POSITION	\$(68,341)	\$ 170,736
TOTAL NET POSITION, JULY 1, 2012	<u>106,674</u>	<u>945,433</u>
TOTAL NET POSITION, JUNE 30, 2013	<u>\$ 38,333</u>	<u>\$ 1,116,169</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2013

	Business-Type Activities Enterprise Funds	
	Food Services Fund	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
User charges	\$ 196,688	\$ 3,237,601
Payments to vendors	(251,282)	
Payments to employees	(234,284)	
Benefit payments	(166,564)	(3,067,864)
Net cash received from (used for) operating activities	<u>\$(455,442)</u>	<u>\$ 169,737</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating grants received	\$ 187,088	\$
Transfer in (out)	200,000	
Other	13	
Net cash received from (used for) noncapital financial activities	<u>\$ 387,101</u>	<u>\$</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	\$	\$ 999
Net cash received from investing activities	<u>\$</u>	<u>\$ 999</u>
Net increase (decrease) in cash and cash equivalents	\$(68,341)	\$ 170,736
Cash and cash equivalents, July 1, 2012	<u>102,452</u>	<u></u>
Cash and cash equivalents, June 30, 2013	<u>\$ 34,111</u>	<u>\$ 170,736</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$(455,442)	\$ 169,737
Adjustments:		
Depreciation	<u></u>	<u></u>
Net cash provided (used) by operating activities	<u>\$(455,422)</u>	<u>\$ 169,737</u>

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013

AGENCY FUND - STUDENT ACTIVITY

ASSETS:

Cash

\$ 435,046

Net Position:

Held in trust for student activities

\$ 435,046

(The notes to the basic financial statements are an integral part of this statement)

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Crook County School District No. One provides education for citizens in Crook County, Wyoming under Wyoming State Statutes.

All operations of the School are controlled by a nine member Board of Trustees, elected in School-wide elections, and responsible for all of the School's activities. The financial statements include all of the School's operations controlled by the Board of Trustees. Based on the criteria for determining the reporting entity (separate legal entity and fiscal or financial dependency on other governments), the School is considered to be an independent reporting entity and has no component units.

Basis of Presentation and Basis of Accounting

Government-wide Statements - The statement of net position and the statement of activities show information about the overall financial position and activities of the school district with the exception of the student activity. Eliminations have been made to minimize the double-counting of internal activities.

These statements are reported using the economic resources measurement focus and the accrual basis of accounting. The activities of the School are generally financed through property taxes, state equalization funding, and federal and state grants. Revenues are recorded when earned and expenses are recorded at the time the liability is incurred, regardless of when the related cash flows take place. On the accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which eligibility requirements have been met.

The Statement of Activities present a comparison between direct expenses and program revenues for each function of the School's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include fees for services (primarily out-of-state tuition, school lunch and breakfast charges) and grants and contributions that are restricted to a particular program. Revenues that are not classified as program revenues, including all property taxes, are presented as general revenues.

Fund Financial Statements - These statements provide information about the School's funds, including a separate statement for the School's fiduciary fund (the student activity fund). The emphasis of fund financial statements is on major governmental funds. All major funds are presented individually in their own column.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. State and other governmental revenues applicable to the current fiscal year and collected within 60 days of year end are recognized as revenue.

Most current property taxes receivable are delinquent at June 30 and amounts collected soon after year end are not significant.

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and payments for compensated absences which are recognized as expenditures when paid. General capital asset acquisitions are reported as expenditures in governmental funds and proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds (school lunch and internal service fund) are reported using the economic resources measurement focus and the accrual basis of accounting similar to the basis used for the government-wide financial statements. Revenues are recorded when earned and expenses are recorded at the time the liability is incurred, regardless of when the related cash flows take place. Operating revenues consist of charges for services, primarily school provided meals, and nonoperating revenues consist of governmental grants, interest, and transfers. Investment earnings, general fund support and governmental grants are reported as non-operating revenues. All assets and liabilities are recorded in the enterprise funds financial statements. The District applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, except those that conflict with Governmental Accounting Standards Board pronouncements.

Funds - Generally accepted accounting principles require that the general fund be reported as a major fund and that all other governmental funds whose assets, liabilities, revenues, or expenditures exceed 10% or more of the total for all government funds or 5% or more of the total for all government and proprietary funds will be reported as major funds.

Major Funds

General fund. This is the School's primary operating fund and it accounts for all financial resources of the School except those required to be accounted for in other funds.

Special revenue fund. This fund accounts for the proceeds of specific revenues which are legally restricted to expenditures for specific purposes.

Non Major Funds

Capital construction fund. This fund accounts for assets, receipts and expenditures related to the construction of new school facilities which are funded through the State of Wyoming.

Proprietary fund types. The District uses the enterprise fund to account for school lunch activities. This fund is operated on the enterprise concept as it is designated to be self-supporting from an operational point of view. During the course of the year the general fund transferred \$200,000 to the lunchroom fund for operational purposes. The District uses the internal service fund to account for health insurance activities. This fund is operated on the internal service concept as it is a self-insurance fund.

Fiduciary fund types. Agency funds account for assets held in a custodial capacity. The agency fund accounts for monies held for various student groups.

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets

The budgets are prepared on the cash basis of accounting in accordance with Wyoming State Statute. All budgetary appropriations lapse at June 30, the end of the fiscal year.

The original budget is adopted by the School Board and is filed with the Wyoming Department of Education. When amendments are made during the year on approval of the School Board, the amendments are filed with the Wyoming Department of Education.

Under Wyoming Department of Education requirements, the budget should not be exceeded in any major category.

Property Taxes

Property taxes are levied, billed, and collected by Crook County on behalf of the School District. Taxes are levied on or about August 1 and payable in two installments by November 15 and May 15. 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 for the fund financial statements.

For the year ended June 30, 2013, the District assessed within the District 25 mills for general operations. The District also receives the 6 mill county wide tax. The District also assessed ½ mill Board of Cooperative Higher Educational Services.

Inventories

Inventories are accounted for at the lower of cost (first-in, first-out method) or market. Governmental fund type inventory items are recorded as expenditures at the time of purchase and the inventories are offset by an equal fund balance reserve.

Capital Assets

Capital assets are carried at actual or estimated historical cost based on appraisals. Major additions and betterments with a cost in excess of \$500 are recorded as additions to fixed assets. Repairs and maintenance costs are not capitalized. Construction work in process is not depreciated until placed in service. Depreciation is computed using the straight-line method and the estimated useful lives are as follows:

Land improvements	20 - 35 years
Building and improvements	50 years
Equipment	5 - 25 years
Transportation equipment	5 - 10 years

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

The District's policy is to grant twelve vacation days and two personal leave days per year to certain employees. A maximum of twelve and six days of each leave type, respectively, may be accumulated and carried over to the following year. Since unused vacation and personal leave are vested to the employees, the accumulated unused amounts at June 30, 2013 of \$146,040 have been recorded as a liability. Employees are granted ten sick leave days per year and can accumulate up to fifty-five days, however these amounts do not vest to the employee. Therefore, no liability has been recorded.

Cash and Investments

In order to facilitate the recording of cash transactions and to minimize earnings, the District has combined the cash resources of certain of its funds and maintains accountability for such funds' equity in the pooled cash. The District is allowed to invest in the following types of investments: short-term certificates of deposit, repurchase agreements, money market deposit accounts, mutual funds, government pools, and U.S. Treasury Obligations. For purposes of the statements of cash flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any of this type of item.

In addition to liabilities, the statement of financial 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 does not have any of this type of item.

Fund Balance

Beginning with fiscal year 2011, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance - amounts that are not in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

WESTON COUNTY SCHOOL DISTRICT NO. ONE

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Committed fund balance - amounts constrained to specific purposes by the District itself enacted by resolution of the School Board. Committed fund balances cannot be used for any other purpose unless the commitment expires as set forth in the resolution, or a new Board resolution amends the commitment.
- Assigned fund balance - amounts the School Board intends to use for a specific purpose. Intent can be expressed by the School Board or by an official or body to which the School Board delegates the authority.
- Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The District utilizes restricted fund balances first followed by committed resources, and then assigned resources.

Beginning fund balances for the District's governmental funds have been restated to reflect the above classifications.

Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

New GASB Pronouncements

The Governmental Accounting Standards Board has issued several new pronouncements that the District has reviewed for application to their accounting and reporting.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, is effective for periods beginning after December 15, 2011. This standard provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The District has implemented this reporting for the year ended June 30, 2013. The components of net position were renamed to reflect the requirements of this statement.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, is effective for financial statements for periods beginning after December 15, 2012. This statement improves financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The District has implemented this statement in the year ended June 30, 2013. This change does not result in any adjustment to prior period balances.

NOTE 2. CASH AND INVESTMENTS

Cash consists of checking accounts held at institutions within the District and certificates of deposit. All cash deposits of the District are fully insured and collateralized at June 30, 2013.

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Wyoming statute authorizes the School District to invest in obligations of the U.S. Treasury, U.S. guaranteed real estate mortgages, Farm Home Administration (FHA) insured notes, FHA debentures and savings certificates and certificates of deposit which are federally insured, or secured by a pledge of assets, provided the pledge is authorized by the FDIC or FSLIC.

The District invests in the Wyoming Government Investment Fund which is administered by the Wells Fargo Bank. These approved investments are carried at cost, which approximates market and may be liquidated as needed. These investment pools have not been assigned a risk category since the District is not issued securities, but rather owns an undivided beneficial interest in the assets of these pools. Due to the short-term nature of the pool's assets and liabilities, the carrying value as recorded in the statement of assets and liabilities approximates fair value. The following table reflects the District balance in each of the investment pools at June 30, 2013:

	<u>Cash Fund</u>
General Fund	\$ 4,447,637
Special Revenue Fund	1,542,641
Internal Service Fund	<u>1,116,169</u>
	<u>\$ 7,106,447</u>

As these investment maturities are less than 90 days they are reflected as a cash equivalent on these financial statements.

NOTE 3. CAPITAL ASSETS

Capital asset activity during 2013 was as follows:

	Cost of Assets				Balance June 30, 2013
	Balance June 30, 2012	Additions	Deletions	Transfers	
Governmental Activities					
Non-depreciable assets					
Land	\$ 471,211	\$ 65,000	\$	\$	\$ 536,211
Construction in progress	47,436	972,164			1,019,600
	<u>\$ 518,647</u>	<u>\$ 1,037,164</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,555,811</u>
Depreciable assets					
Buildings	\$ 31,046,537	\$	\$	\$	\$ 31,046,537
Land improvements	109,096				109,096
Equipment	3,148,623	126,832	40,184		3,235,271
Transportation equipment	4,787,127	784,926	218,953		5,353,100
	<u>\$ 39,091,383</u>	<u>\$ 911,758</u>	<u>\$ 259,137</u>	<u>\$</u>	<u>\$ 39,744,004</u>
	<u>\$ 39,610,030</u>	<u>\$ 1,948,922</u>	<u>\$ 259,137</u>	<u>\$</u>	<u>\$ 41,299,815</u>
Proprietary Activities					
Depreciable assets					
Equipment	\$ 99,023	\$	\$ 3,811	\$	\$ 95,212
	<u>\$ 99,023</u>	<u>\$</u>	<u>\$ 3,811</u>	<u>\$</u>	<u>\$ 95,212</u>

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 3. CAPITAL ASSETS (Continued)

	Accumulated Depreciation				Balance June 30, 2013
	Balance June 30, 2012	Additions	Deletions	Transfers	
Governmental Activities					
Depreciable assets					
Buildings	\$ 9,938,313	\$ 850,996	\$	\$	\$ 10,789,309
Land improvements	24,801	3,976			28,777
Equipment	2,528,146	299,748	40,184		2,787,710
Transportation equipment	2,682,135	341,947	218,953		2,805,129
	<u>\$ 15,173,395</u>	<u>\$ 1,496,667</u>	<u>\$ 259,137</u>	<u>\$</u>	<u>\$ 16,410,925</u>
Proprietary Activities					
Depreciable assets	<u>\$ 98,360</u>	<u>\$</u>	<u>\$ 3,811</u>	<u>\$</u>	<u>\$ 94,548</u>

NOTE 4. LONG-TERM DEBT

Capital Leases Payable

At June 30, 2013, the District was obligated for nine separate capital lease obligations for the purchase of school buses.

The following schedule summarizes information regarding these bus leases:

Lease	Maturity Date	Interest Rate	Annual Payments	Asset Cost
# 1	June, 2014	4.50%	\$ 22,451	\$ 99,208
# 2	June, 2014	4.50%	43,038	191,040
# 3	June, 2014	4.50%	17,510	79,275
# 4	June, 2015	4.50%	33,659	149,460
# 5	June, 2015	4.50%	40,025	173,386
# 6	June, 2016	4.00%	88,451	395,805
# 7	June, 2016	4.00%	30,210	137,636
# 8	June, 2017	4.00%	23,193	103,500
# 9	June, 2017	4.00%	102,479	460,715
			<u>\$ 401,016</u>	<u>\$ 1,790,025</u>

Since the leases provide for transfer of title to the District upon completion of payments, they have been classified as capital leases. These leases are cancelable at the option of the District, and in prior years have been retired by the general fund.

Debt service requirements to maturity (including principal and interest) are as follows:

Year Ending June 30	Principal	Interest	Total
2014	\$ 359,815	\$ 41,201	\$ 401,016
2015	291,944	26,074	318,018
2016	230,252	14,082	244,334
2017	120,839	4,734	125,573
	<u>\$ 1,002,850</u>	<u>\$ 86,091</u>	<u>\$ 1,088,941</u>

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 4. LONG-TERM DEBT (Continued)

A summary of the changes in long-term debt for the year ended June 30, 2013 is presented below:

	Balance June 30, 2012	Additions	Principal Reductions	Balance June 30, 2013
Equipment lease	\$ 874,478	\$ 564,215	\$ 435,843	\$ 1,002,850
Compensated absences	155,196		9,156	146,040
	<u>\$ 1,029,674</u>	<u>\$ 564,215</u>	<u>\$ 444,999</u>	<u>\$ 1,148,890</u>

NOTE 6. RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has transferred its risk by purchasing insurance from a commercial enterprise. There has been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 7. PENSION PLAN

The District participates in the Wyoming Retirement System ("System"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all District full-time employees are eligible to participate. The 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 issues a publicly available financial report which includes audited financial statements and required supplementary information for the System. The report may be obtained by writing to the Wyoming Retirement System, First Floor East, Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82002.

Plan members are required to contribute 7.00% of their annual covered salary and the District is required to contribute 7.12% of the covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employee's contribution in addition to the matching contribution. The District currently pays 100% of the required employee's contribution. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The District's contributions to the System for the years ended June 30, 2013, 2012 and 2011 were \$1,478,804, \$1,415,020, and \$1,362,633, respectively, equal to the required contributions for each year.

NOTE 8. INTERFUND TRANSFERS

Operating Transfers In (Out) consist of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$	\$ 225,000
Enterprise Fund - School Lunch Program	200,000	
Agency Fund - Activity Fund	25,000	
	<u>\$ 225,000</u>	<u>\$ 225,000</u>

CROOK COUNTY SCHOOL DISTRICT NO. ONE
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 9. FUND EQUITY AND NET POSITION

Specific restrictions of fund balance and net position accounts are summarized below:

Special Revenue Fund

Major Maintenance - to segregate the portion of fund balance/net position to be used for capital outlay expenditures which meet the Wyoming Department of Education's definition of major maintenance.

Capital Projects Fund

Buildings and equipment - to segregate the portion of fund balance/net position that is not available for general expenditure or expense but rather restricted for future property, plant, and equipment major repair or replacement.

The financial statements reflect a negative fund balance for the capital construction fund due to overpayments to be refunded or withheld from future payments from the State of Wyoming School Facilities Commission.

NOTE 10. SUBSEQUENT EVENT - MOORCROFT SCHOOL CONSTRUCTION

On August 21, 2013, the District entered into a construction contract with a contractor for construction of a new elementary school in Moorcroft, Wyoming. The cost is \$18,492,589 and will be funded 97.58% from the Wyoming School Facilities Commission and the District will fund 2.42%. Estimated completion date is December of 2014.

NOTE 11. CONSTRUCTION COMMITMENTS

In connection with the construction of a new elementary school, the District has entered into a contract for design of the new facility in the amount of \$1,431,202. Through June 30, 2013, \$958,588 has been expended under this contract leaving a commitment of \$472,614. This is funded 97.58% from a grant with the Wyoming School Facilities Commission.

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - REVENUE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
LOCAL SOURCES:				
Taxes -				
Special district taxes	\$ 5,615,741	\$ 5,615,741	\$ 5,873,310	\$ 257,569
Motor vehicle taxes	696,000	696,000	731,390	35,390
Car company tax	13,000	13,000	12,582	(418)
Penalties and interest	17,000	17,000	70,346	53,346
	<u>\$ 6,341,741</u>	<u>\$ 6,341,741</u>	<u>\$ 6,687,628</u>	<u>\$ 345,887</u>
Other -				
Pupil activities - other	\$ 4,500	\$ 4,500	\$ 3,529	\$(971)
Tuition	65,426	65,426	43,235	(22,191)
Refund of expenditures	5,000	5,000	5,843	843
Rental of school facilities	9,000	9,000	9,418	418
Governmental reimbursements	500	500	1,007	507
Miscellaneous	1	1	1,454	1,453
	<u>\$ 84,427</u>	<u>\$ 84,427</u>	<u>\$ 64,486</u>	<u>\$(19,941)</u>
Total Local Sources	<u>\$ 6,426,168</u>	<u>\$ 6,426,168</u>	<u>\$ 6,752,114</u>	<u>\$ 325,946</u>
INTEREST	<u>\$ 8,200</u>	<u>\$ 8,200</u>	<u>\$ 7,180</u>	<u>\$(1,020)</u>
COUNTY SOURCES:				
Taxes -				
County equalization tax	\$ 1,342,378	\$ 1,342,378	\$ 1,409,594	\$ 67,216
County motor vehicle tax	167,000	167,000	175,534	8,534
Car company tax	3,000	3,000	3,020	20
Penalties and interest	4,000	4,000	16,883	12,883
Fines, forfeitures and protested taxes	275,000	275,000	314,788	39,788
Forest Service	12,000	12,000	9,458	(2,542)
Total County Sources	<u>\$ 1,803,378</u>	<u>\$ 1,803,378</u>	<u>\$ 1,929,277</u>	<u>\$ 125,899</u>
STATE SOURCES:				
Foundation program	\$ 11,446,224	\$ 11,446,224	\$ 11,439,268	\$(6,956)
Taylor grazing	22,000	22,000	13,878	(8,122)
Other state restricted			120,016	120,016
Total State Sources	<u>\$ 11,468,224</u>	<u>\$ 11,468,224</u>	<u>\$ 11,573,162</u>	<u>\$ 104,938</u>
OTHER				
Sale of capital assets	\$ 5,000	\$ 5,000	\$	\$(5,000)
Compensation for losses	34,362	34,362	15,958	(18,404)
Total other	<u>\$ 39,362</u>	<u>\$ 39,362</u>	<u>\$ 15,958</u>	<u>\$(23,404)</u>
Total Revenues	<u>\$ 19,745,332</u>	<u>\$ 19,745,332</u>	<u>\$ 20,277,691</u>	<u>\$ 532,359</u>

(Continued)

(See accompanying notes to budgetary comparison schedules)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - EXPENDITURE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:				
General Instruction -				
Elementary -				
Salaries	\$ 2,674,775	\$ 2,674,775	\$ 2,576,793	\$ 97,982
Employee benefits	1,339,102	1,339,102	1,442,814	(103,712)
Purchased services	46,989	46,989	40,210	6,779
Supplies	169,201	169,201	125,901	43,300
Capital outlay	87,548	87,548	82,909	4,639
Other objects	8,823	8,823	5,520	3,303
Total Elementary	<u>\$ 4,326,438</u>	<u>\$ 4,326,438</u>	<u>\$ 4,274,147</u>	<u>\$ 52,291</u>
Elementary Distance Learning				
Purchased services	\$ 9,969	\$ 9,969	\$ 9,969	\$
Middle School -				
Salaries	\$ 666,680	\$ 666,680	\$ 667,465	\$(785)
Employee benefits	295,560	295,560	312,836	(17,276)
Purchased services	27,306	27,306	19,688	7,618
Supplies	64,837	64,837	39,666	25,171
Capital outlay	29,697	29,697	20,957	8,740
Other objects	150	150	225	(75)
Total Middle School	<u>\$ 1,084,230</u>	<u>\$ 1,084,230</u>	<u>\$ 1,060,837</u>	<u>\$ 23,393</u>
Secondary -				
Salaries	\$ 1,393,290	\$ 1,393,290	\$ 1,396,100	\$(2,811)
Employee benefits	671,681	671,681	673,095	(1,414)
Purchased services	54,620	54,620	53,873	748
Supplies	173,752	173,752	169,816	3,936
Capital outlay	70,688	70,688	71,649	(961)
Other objects	2,150	2,150	1,636	514
Total Secondary	<u>\$ 2,366,181</u>	<u>\$ 2,366,181</u>	<u>\$ 2,366,169</u>	<u>\$ 12</u>
Vocational Education -				
Salaries	\$ 448,994	\$ 448,944	\$ 447,965	\$ 979
Employee benefits	208,443	208,443	207,582	861
Purchased services	3,986	3,986		3,986
Supplies	48,528	48,528	43,624	4,904
Capital outlay	10,770	10,770	7,006	3,764
Total Vocational Education	<u>\$ 720,671</u>	<u>\$ 720,671</u>	<u>\$ 706,177</u>	<u>\$ 14,494</u>
Tuition -				
Purchased services	\$ 191,002	\$ 191,002	\$ 191,002	\$
Activities -				
Salaries	\$ 379,692	\$ 379,692	\$ 367,259	\$ 12,443
Employee benefits	104,089	104,089	106,304	(2,215)
Purchased services	208,347	208,347	183,229	25,118
Supplies	49,658	49,658	46,270	3,388
Capital outlay	6,142	6,142	5,265	877
Other objects	37,270	37,270	37,706	(436)
Total Activities	<u>\$ 785,198</u>	<u>\$ 785,198</u>	<u>\$ 746,033</u>	<u>\$ 39,165</u>
Total General Instruction	<u>\$ 9,483,689</u>	<u>\$ 9,483,689</u>	<u>\$ 9,354,334</u>	<u>\$ 129,355</u>

(Continued)

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - EXPENDITURE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:				
Special Instruction -				
Students with Disabilities -				
Salaries	\$ 1,287,636	\$ 1,287,636	\$ 1,221,898	\$ 65,738
Employee benefits	849,492	849,492	814,175	35,317
Purchased services	11,650	11,650	10,614	1,036
Supplies	21,204	21,204	8,048	13,156
Capital outlay	4,500	4,500	619	3,881
Total Students with Disabilities	<u>\$ 2,174,482</u>	<u>\$ 2,174,482</u>	<u>\$ 2,055,354</u>	<u>\$ 119,128</u>
Gifted and Talented -				
Purchased services	\$ 3,440	\$ 3,440	\$ 3,440	\$
Supplies	497	497	497	
Other objects	7,938	7,938	6,388	1,550
Total Gifted and Talented	<u>\$ 11,875</u>	<u>\$ 11,875</u>	<u>\$ 10,325</u>	<u>\$ 1,550</u>
Homebound Programs -				
Salaries	\$ 2,000	\$ 2,000	\$ 264	\$ 1,736
Employee benefits			543	(543)
Purchased services			200	(200)
Total Homebound Programs	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 1,007</u>	<u>\$ 993</u>
Other Special Programs -				
Salaries	\$ 25,460	\$ 25,460	\$ 25,460	\$
Employee benefits	5,632	5,632	5,542	90
Purchased services	3,655	3,655	3,655	
Total Other Special Programs	<u>\$ 34,747</u>	<u>\$ 34,747</u>	<u>\$ 34,657</u>	<u>\$ 90</u>
Total Special Instruction	<u>\$ 2,223,104</u>	<u>\$ 2,223,104</u>	<u>\$ 2,101,343</u>	<u>\$ 121,761</u>
Total Instruction	<u>\$ 11,706,793</u>	<u>\$ 11,706,793</u>	<u>\$ 11,455,677</u>	<u>\$ 251,116</u>
Instructional Support -				
Social Guidance -				
Salaries	\$ 237,900	\$ 237,900	\$ 237,900	\$
Employee benefits	88,110	88,110	90,100	(1,990)
Purchased services			479	(479)
Supplies	7,214	7,214	2,977	4,237
Capital outlay			795	(795)
Other objects			200	(200)
Total Social Guidance	<u>\$ 333,224</u>	<u>\$ 333,224</u>	<u>\$ 332,451</u>	<u>\$ 773</u>
Counseling Service -				
Purchased services	\$ 70,862	\$ 70,862	\$ 71,635	\$(773)

(Continued)

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - EXPENDITURE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:				
Instructional Support (continued) -				
Health Programs -				
Salaries	\$ 104,695	\$ 104,695	\$ 101,683	\$ 3,012
Employee benefits	77,435	77,435	59,659	17,776
Purchased services	1,115	1,115	1,038	77
Supplies	4,080	4,080	2,817	1,263
Capital outlay	30	30	795	(765)
Other objects	335	335	125	210
Total Health Programs	<u>\$ 187,690</u>	<u>\$ 187,690</u>	<u>\$ 166,117</u>	<u>\$ 21,573</u>
Psychological Services -				
Salaries	\$ 74,835	\$ 74,835	\$ 74,835	\$
Employee benefits	34,349	34,349	34,341	8
Purchased services	42,500	42,500	3,129	39,371
Supplies	3,400	3,400	3,213	187
Total Psychological Services	<u>\$ 155,084</u>	<u>\$ 155,084</u>	<u>\$ 115,518</u>	<u>\$ 39,566</u>
Speech Services -				
Salaries	\$ 126,786	\$ 87,588	\$ 82,373	\$ 5,215
Employee benefits	79,553	56,344	33,240	23,104
Purchased services	247,331	227,331	208,169	19,162
Supplies	5,500	5,500	2,519	2,981
Capital outlay	2,000	2,000	619	1,381
Total Speech Services	<u>\$ 461,170</u>	<u>\$ 378,763</u>	<u>\$ 326,920</u>	<u>\$ 51,843</u>
Therapy Services -				
Salaries	\$ 63,500	\$ 63,500	\$ 63,500	\$
Employee benefits	31,933	31,933	31,592	(19)
Supplies	99,000	99,000	53,879	45,121
Purchased services	2,200	2,200	2,000	200
Total Therapy Services	<u>\$ 196,633</u>	<u>\$ 196,633</u>	<u>\$ 151,331</u>	<u>\$ 45,302</u>
Staff Development -				
Salaries	\$ 93,668	\$ 93,668	\$ 84,775	\$ 8,893
Employee benefits	35,434	35,434	35,817	(383)
Purchased services	23,026	23,026	35,780	(12,754)
Supplies	3,050	3,050	2,304	746
Other objects	13,895	13,895	10,234	3,661
Total Staff Development	<u>\$ 169,073</u>	<u>\$ 169,073</u>	<u>\$ 168,910</u>	<u>\$ 163</u>
Library Services -				
Salaries	\$ 297,408	\$ 297,408	\$ 300,939	\$(3,531)
Employee benefits	153,471	153,471	156,123	(2,652)
Purchased services	19,805	19,805	19,278	527
Supplies	42,552	42,552	42,248	304
Capital outlay	7,815	7,815	2,615	5,200
Other objects	516	516	364	152
Total School Library Services	<u>\$ 521,567</u>	<u>\$ 521,567</u>	<u>\$ 521,567</u>	<u>\$</u>

(Continued)

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - EXPENDITURE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXPENDITURES:				
Instructional Support (continued) -				
Special Ed Director -				
Salaries	\$ 82,103	\$ 82,103	\$ 82,103	\$
Employee benefits	35,898	35,898	35,912	(14)
Purchased services	5,900	5,900	6,165	(265)
Supplies	500	500		500
Other objects	550	550	215	335
Total Special Ed Director	<u>\$ 124,951</u>	<u>\$ 124,951</u>	<u>\$ 124,395</u>	<u>\$ 556</u>
Total Instructional Support	<u>\$ 2,220,254</u>	<u>\$ 2,137,847</u>	<u>\$ 1,978,844</u>	<u>\$ 159,000</u>
Administrative and General Support -				
Central Administration -				
Salaries	\$ 205,216	\$ 205,216	\$ 205,729	\$(512)
Employee benefits	89,047	89,047	89,480	(434)
Purchased services	103,319	103,319	102,475	844
Supplies	8,251	8,251	7,362	889
Capital outlay	4,932	4,932	4,932	
Other objects	3,967	3,967	3,967	
Total Central Administration	<u>\$ 414,732</u>	<u>\$ 414,732</u>	<u>\$ 413,945</u>	<u>\$ 787</u>
School Administration -				
Salaries	\$ 732,940	\$ 778,981	\$ 775,917	\$ 3,064
Employee benefits	401,064	401,064	409,409	(8,345)
Purchased services	34,422	34,422	27,654	6,768
Supplies	8,513	8,513	7,141	1,372
Capital outlay	5,846	5,846	7,598	(1,752)
Other objects	4,789	4,789	5,808	(1,019)
Total School Administration	<u>\$ 1,187,584</u>	<u>\$ 1,233,615</u>	<u>\$ 1,233,527</u>	<u>\$ 88</u>
Business Administration -				
Salaries	\$ 114,081	\$ 114,081	\$ 114,081	\$
Employee benefits	109,654	109,654	109,654	
Purchased services	37,033	37,033	37,033	
Supplies	4,028	4,028	4,028	
Capital outlay	786	786	786	
Other objects	1,268	1,268	1,268	
Total Business Administration	<u>\$ 266,850</u>	<u>\$ 266,850</u>	<u>\$ 266,850</u>	<u>\$</u>
Board Expenses -				
Purchased services	\$ 60,855	\$ 60,855	\$ 61,010	\$(155)
Supplies	3,000	3,000	2,318	682
Capital outlay			528	(528)
Other objects	19,406	19,406	19,406	
Total Board Expenses	<u>\$ 83,261</u>	<u>\$ 83,261</u>	<u>\$ 83,262</u>	<u>\$(1)</u>

(Continued)

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - EXPENDITURE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES:				
Administrative and General Support (continued) -				
Supervision Operation Maintenance of Plant Services -				
Salaries	\$ 90,420	\$ 90,420	\$ 90,420	\$
Employee benefits	34,377	34,377	42,602	(8,225)
Purchased services			458	(458)
Supplies	4,000	4,000	2,930	1,070
Capital outlay	16,030	16,030	9,780	6,250
Other objects	1,600	1,600	237	1,363
Total Supervision Operation Maintenance of Plant Services	<u>\$ 146,427</u>	<u>\$ 146,427</u>	<u>\$ 146,427</u>	<u>\$</u>
Building Services -				
Salaries	\$ 716,656	\$ 749,776	\$ 744,651	\$ 5,125
Employee benefits	375,285	378,531	395,639	(17,108)
Purchased services	139,891	139,891	99,241	40,650
Supplies	433,574	433,574	455,148	(21,574)
Capital outlay	80,157	80,157	86,665	(6,508)
Other objects	400	400	957	(557)
Total Building Services	<u>\$ 1,745,963</u>	<u>\$ 1,782,329</u>	<u>\$ 1,782,301</u>	<u>\$ 28</u>
Care/Upkeep of Grounds -				
Salaries	\$ 35,500	\$ 35,500	\$ 35,630	\$(130)
Employee benefits	5,940	5,940	10,939	(4,999)
Purchased services	2,600	2,600	476	2,124
Supplies	24,074	24,074	29,426	(5,352)
Capital outlay	12,440	12,440	4,049	8,391
Total Care/Upkeep of Grounds	<u>\$ 80,554</u>	<u>\$ 80,554</u>	<u>\$ 80,520</u>	<u>\$ 34</u>
Care/Upkeep of Equipment -				
Purchased services	\$ 544	\$ 544	\$ 544	\$
Supplies	140	140		140
Total Care/Upkeep of Equipment	<u>\$ 684</u>	<u>\$ 684</u>	<u>\$ 544</u>	<u>\$ 140</u>
Vehicle Operating Maintenance Services -				
Purchased services	\$ 3,500	\$ 3,500	\$ 1,478	\$ 2,022
Supplies	17,910	17,910	17,105	805
Total Vehicle Operating Maintenance Services	<u>\$ 21,410</u>	<u>\$ 21,410</u>	<u>\$ 18,583</u>	<u>\$ 2,827</u>
Vehicle Operating Activities -				
Salaries	\$ 93,977	\$ 93,977	\$ 96,112	\$(2,135)
Employee benefits			18,799	(18,799)
Purchased services	51,738	51,738	43,088	8,650
Supplies	57,457	57,457	53,378	4,079
Capital outlay	148,345	148,345	138,823	9,522
Other objects	250	250	51	199
Total Vehicle Operating Activities	<u>\$ 351,767</u>	<u>\$ 351,767</u>	<u>\$ 350,251</u>	<u>\$ 1,516</u>

(Continued)

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - EXPENDITURE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXPENDITURES:				
Administrative and General Support (continued) -				
Non-reimbursed Transportation Services -				
Salaries	\$	\$	\$ 944	\$(944)
Employee benefits			8,142	(8,142)
Purchased services	41,871	41,871	40,256	1,615
Supplies	66,600	66,600	65,158	1,442
Capital outlay			1,055	(1,055)
Other objects	<u>75</u>	<u>75</u>	<u>94</u>	<u>(19)</u>
Total Non-reimbursed Transportation Services	<u>\$ 108,546</u>	<u>\$ 108,546</u>	<u>\$ 115,649</u>	<u>\$(7,103)</u>
Transportation -				
Salaries	\$ 565,279	\$ 565,279	\$ 521,763	\$ 43,516
Employee benefits	147,474	147,474	160,748	(13,274)
Purchased services	217,739	217,739	212,655	5,084
Supplies	152,115	152,115	171,645	(19,530)
Capital outlay	352,268	352,268	362,206	(9,938)
Other objects	<u>3,840</u>	<u>3,840</u>	<u>2,160</u>	<u>1,680</u>
Total Transportation	<u>\$ 1,438,715</u>	<u>\$ 1,438,715</u>	<u>\$ 1,431,177</u>	<u>\$ 7,538</u>
Staff Services -				
Purchased services	\$ 470	\$ 470	\$ 470	\$
Other objects	<u>220</u>	<u>220</u>	<u>220</u>	<u></u>
Total Staff Services	<u>\$ 690</u>	<u>\$ 690</u>	<u>\$ 690</u>	<u>\$</u>
Technology Services -				
Salaries	\$ 158,753	\$ 158,753	\$ 158,753	\$
Employee benefits	68,191	68,191	75,769	(7,578)
Purchased services	45,925	45,925	40,244	5,681
Supplies	23,348	23,348	20,050	3,298
Capital outlay	108,988	108,988	110,173	(1,185)
Other objects	<u>4,700</u>	<u>4,700</u>	<u>4,915</u>	<u>(215)</u>
Total Technology Services	<u>\$ 409,905</u>	<u>\$ 409,905</u>	<u>\$ 409,904</u>	<u>\$ 1</u>
Total Administrative and General Support	<u>\$ 6,257,678</u>	<u>\$ 6,339,485</u>	<u>\$ 6,333,630</u>	<u>\$ 5,855</u>
Total Expenditures	<u>\$ 20,184,125</u>	<u>\$ 20,184,125</u>	<u>\$ 19,768,151</u>	<u>\$ 415,974</u>

(Continued)

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE

GENERAL FUND - EXPENDITURE DETAIL
 BUDGET AND ACTUAL (NON-GAAP BASIS)
 FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$(438,793)	\$(438,793)	\$ 509,540	<u>\$ 948,333</u>
OTHER FINANCING SOURCES (USES):				
Transfer - Agency Fund	\$(25,000)	\$(25,000)	\$(25,000)	\$
Transfer - Lunch Fund	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>\$</u>
	<u>\$(225,000)</u>	<u>\$(225,000)</u>	<u>\$(225,000)</u>	<u>\$</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$(663,793)	\$(663,793)	\$ 284,540	<u>\$ 948,333</u>
FUND BALANCE - Beginning	<u>3,975,348</u>	<u>3,975,348</u>	<u>3,975,348</u>	
FUND BALANCE - Ending	<u>\$ 3,311,555</u>	<u>\$ 3,311,555</u>	<u>\$ 4,259,888</u>	

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE
SPECIAL REVENUE FUND - REVENUE AND EXPENDITURE DETAIL
BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:				
Local Sources	\$ 500	\$ 500	\$ 3,327	\$ 2,827
State Sources -				
Major maintenance	1,169,516	1,527,716	1,411,098	(116,618)
Federal Sources	<u>954,400</u>	<u>980,899</u>	<u>779,479</u>	<u>(201,420)</u>
Total Revenues	<u>\$ 2,124,416</u>	<u>\$ 2,509,115</u>	<u>\$ 2,193,904</u>	<u>\$ (315,211)</u>
EXPENDITURES:				
Instruction	\$ 809,000	\$ 873,708	\$ 760,416	\$ 113,292
Instructional Support	400,000	768,839	309,232	459,607
General Support	<u>1,216,693</u>	<u>1,479,183</u>	<u>205,426</u>	<u>1,273,757</u>
Total Expenditures	<u>\$ 2,425,693</u>	<u>\$ 3,121,730</u>	<u>\$ 1,275,074</u>	<u>\$ 1,846,656</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$(301,277)	\$(612,615)	\$ 918,830	<u>\$ 1,531,445</u>
FUND BALANCE - Beginning	<u>623,811</u>	<u>623,811</u>	<u>623,811</u>	
FUND BALANCE - Ending	<u>\$ 322,534</u>	<u>\$ 11,196</u>	<u>\$ 1,542,641</u>	

(See accompanying notes to budgetary comparison schedule)

CROOK COUNTY SCHOOL DISTRICT NO. ONE
 NOTES TO BUDGETARY COMPARISON SCHEDULES

NOTE 1. The financial statement Statement of Revenues, Expenditures and Changes in fund Balance on page 15 of this report is prepared on the generally accepted accounting principles (GAAP) basis. The required supplementary information - Budgetary Comparison - General Fund contained on pages 31 through 39 of this report is prepared on the legally enacted basis (cash basis). This results in differences when revenue and expenses are recognized for accounting purposes. Under the GAAP basis, revenues are recognized when measurable and available while the cash basis recognizes revenues when received. For expenditures, the GAAP basis recognizes them when incurred while the cash basis recognizes expenditures when paid.

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

<u>General Fund</u>	
Resources/inflows budgetary basis	\$ 20,277,691
Differences - budget to GAAP	
Property taxes receivable at June 30, 2012 received in the year ending June 30, 2013 included in 2013 budget data	(118,020)
Property taxes receivable at June 30, 2013 for GAAP purposes revenues not included in 2013 budget data	159,085
Revenues GAAP basis	<u>\$ 20,318,756</u>
Total outflows budgetary basis	\$ 19,768,151
Differences in accrued wages payable from June 30, 2012 to June 30, 2013	(71,488)
Assets acquired under capital leases that are included as an expenditure under the GAAP basis but not an outflow under the budgetary basis	564,214
Total expenditures GAAP Basis	<u>\$ 20,260,877</u>
<u>Special Revenue Fund</u>	
Resources/inflows budgetary basis	\$ 2,193,904
Differences - budget to GAAP	
Grants receivable at June 30, 2012	(218,328)
Grants receivable at June 30, 2013	199,595
Deferred grant revenue June 30, 2012	251,650
Deferred grant revenue June 30, 2013	(365,920)
Other differences	(31)
	<u>\$ 2,060,870</u>
Total outflows budgetary basis	\$ 1,275,074
Increase in accrued wages payable at June 30, 2013	11,033
	<u>\$ 1,286,107</u>

CROOK COUNTY SCHOOL DISTRICT NO. ONE
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant/Pass-Through Grantor	Federal CFDA Number		Federal Expenditures
U.S. Department of Agriculture:			
Passed through Wyoming State Department of Education -			
National School Breakfast/Lunch Food	10.555	Cash	\$ 187,087
		Commodity	<u>16,563</u>
			<u>\$ 203,650</u>
U.S. Department of Education:			
Passed through Wyoming State Department of Education -			
Title 1	84.010		\$ 287,245
Title VIB (Cluster)	84.027		\$ 260,816
	84.173		<u>731</u>
			261,547
Perkins	84.048		24,009
Title II	84.367		129,558
School Improvement Grant	84.377		81,201
Education Jobs	84.410 ARRA		<u>24,471</u>
			<u>\$ 808,031</u>
Total Expenditures of Federal Awards			<u>\$ 1,011,681</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. NATIONAL SCHOOL LUNCH PROGRAM (10.555)

Federal reimbursement for the National School Lunch Program are based on approved rates for services provided and are not reimbursements for specific expenditures. Therefore, this amount represents cash received rather than federal expenditures.

NOTE 3. CONTINGENCIES

The School District receives funds under various federal grant programs and such assistance is to be expended in accordance with the provisions of the various grants. Compliance with the grants is subject to audit by various government agencies which may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would not have a material financial impact.

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

Board of Trustees
Crook County School District No. One
Sundance, Wyoming

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Crook County School District No. One as of and for the year ended June 30, 2013, which collectively comprise Crook County School District No. One's basic financial statements and have issued our report thereon dated December 30, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Crook County School District No. One's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Crook County School District No. One's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Crook County School District No. One'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 the 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. (See item 13-1.)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Crook County School District No. One'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*.

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.

Leo Riley & Co.

December 30, 2013

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

Board of Trustees
Crook County School District No. One
Sundance, Wyoming

Report on Compliance for Each Major Federal Program

We have audited the Crook County School District No. One'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 Crook County School District No. One's major federal programs for the year ended June 30, 2013. Crook County School District No. One's major federal programs are identified in the summary of auditors' 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 Crook County School District No. One'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 Nonprofit 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 Crook County School District No. One'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 Crook County School District No. One's compliance.

Opinion on Each Major Federal Program

In our opinion Crook County School District No. One complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133. Our opinion on each major federal program is not modified.

Report on Internal Control Over Compliance

Management of Crook County School District No. One is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Crook County School District No. One'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 Crook County School District No. One's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 requirements of a federal program will not be prevented, or detected and corrected, on a timely basis. 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.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 13-2 to be a significant deficiency.

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.


December 30, 2013

CROOK COUNTY SCHOOL DISTRICT NO. ONE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Crook County School District No. One.
2. One significant deficiency disclosed during the audit of the financial statements is reported in the Schedule of Findings and Questioned Costs. This condition is not reported as a material weakness.
3. No instances of noncompliance material to the financial statements of Crook County School District No. One were disclosed during the audit.
4. One significant deficiency disclosed during the audit of the major federal award programs is reported in the Schedule of Findings and Questioned Costs. This condition is not reported as a material weakness.
5. The auditors' report on compliance for the major federal award programs for Crook County School District No. One expresses an unqualified opinion on all major federal programs.
6. Audit findings relative to the major federal award programs for Crook County School District No. One are reported in this Schedule.
7. The program tested as major program was U.S. Department of Education - Title I (CFDA 84.010).
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Crook County School District No. One was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

REPORTABLE CONDITIONS

13-1 Separation of Duties

Criteria: An effective internal control structure of an organization will include procedures and actions to:

1. Protect its assets against theft and waste.
2. Ensure compliance with the organization's policies, procedures and statutory requirements.
3. Evaluate the performance of personnel to promote efficient operations.
4. Ensure accurate and reliable operating and accounting data.

Separation of duties requires that someone other than the employee responsible for safeguarding the asset must maintain the accounting records for that asset. When an organization separates duties of the employees, it minimizes the probability of an error or irregularity occurring and not being timely detected.

CROOK COUNTY SCHOOL DISTRICT NO. ONE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013

FINDINGS - FINANCIAL STATEMENTS AUDIT (Continued)

REPORTABLE CONDITIONS (Continued)

Condition: Due to the small size of the accounting department of the School District, the possibility of adequate separation of duties over certain transaction cycles is limited.

Recommendation: While we recognize that it is impractical for the School District to achieve complete separation of duties over all transaction cycles within the School District, it is important that the Board be aware of the chance of errors and irregularities not being timely detected is elevated.

Auditee Response: The District has separated duties to the extent possible and has implemented compensating controls to monitor the accounting activities.

FINDINGS - MAJOR FEDERAL AWARDS PROGRAMS AUDIT

DEPARTMENT OF EDUCATION (Passed through Wyoming Department of Education)

13-2 CFDA 84.010 - Title I

Significant Deficiency: Refer to Item 13-1 in the Findings - Financial Statements Audit for discussion regarding this item.

CROOK COUNTY SCHOOL DISTRICT NO. ONE

STATUS OF PRIOR YEAR FINDINGS

12-1 and 12-3

Separation of Duties

Ongoing comment and condition reflected as Finding 13-1 and 13-2 in current year.

12-2 Student Activity Funds

The District drafted, approved and implemented a policy and procedure manual to govern student activity during the year.