



SWEETWATER COUNTY SCHOOL DISTRICT NO. 1

FINANCIAL REPORT

JUNE 30, 2021

SKOGEN,
COMETTO *Associates* ^{PC}
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Sweetwater County School District No. 1
Rock Springs, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Sweetwater County School District No. 1, as of and for the year ended June 30, 2021, 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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sweetwater County School District No. 1, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 - 14 and 59 - 61, the schedules of proportionate share of net pension liability, defined benefit pension contributions, District's OPEB Liability, and Changes in District's OPEB liability on pages 62 - 65, and notes to required supplementary information on pages 66 - 68 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sweetwater County School District No. 1's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Accountants' Privity Notification

The accompanying basic financial statements, supplemental information, and our independent auditors' reports are for the purpose of meeting local, state, and federal requirements and for the use of those entities and the 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, supplemental information, and independent auditors' reports are hereby advised that the liability of Skogen, Cometto & Associates, P.C. to third party users who use or rely on this information may be limited pursuant to 1995 Wyoming Session Laws, Chapter 155 creating Wyoming Statute §33-3-201.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2021 on our consideration of Sweetwater County School District No. 1's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Sweetwater County School District No. 1's 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 Sweetwater County School District No. 1's internal control over financial reporting and compliance.

Skogen, Cometto & Associates, P.C.

Casper, Wyoming
December 8, 2021

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

This section of Sweetwater County School District No. 1's annual financial report presents management's discussion and analysis of the District's financial performance and provides an overall review of the financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the financial statements and notes to the financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights of the primary government for 2021 are as follows:

- ✓ Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$138.68M. Of this amount, the District's unrestricted balance is (\$22.22M) due to recognition of pension and OPEB obligations. Unrestricted net assets of governmental activities were (\$22.35M); business-type activities amounted to \$0.12M.
- ✓ Total revenues exceeded expenses increasing net assets by \$19.50M. Governmental activities increased net assets by \$19.04M while business-type activities generated \$0.46M.
- ✓ Total program expenses were \$90.89M; \$88.19M in governmental activities and \$2.70M in business-type activities. Program specific revenues were \$21.59M for governmental activities and \$3.07M for business-type activities. \$85.72M in general governmental revenues were adequate to cover the costs of these programs. \$0.008M in general business-type revenues were used to cover expenses of these programs, resulting in a net position of \$0.42M for business-type activities.
- ✓ Employee health insurance plan total assets exceeded liabilities by \$38.32M, all of which is unrestricted for the District's discretionary use. Total revenues exceeded expenses, increasing net assets by \$8.15M. Employee health insurance claims were \$12.80M, which was .91% lower than the prior year.
- ✓ The District had no bonded debt during fiscal year 2021.
- ✓ The Sweetwater County School District Number One Recreation Board's assets exceeded total liabilities by \$9.75M, all of which is restricted for the use of the Recreation Board. Total revenues of \$1.54M exceeded total transfers of \$.55M, increasing net assets of the Recreation Board by \$0.10M.
- ✓ The Sweetwater One Public School Foundation's assets exceeded total liabilities by \$1.21M; of this amount, \$0.64M is unrestricted for the Foundation's discretionary use. Total revenues and contributions exceeded expenses, increasing net assets of the Foundation by \$0.18M. Total program expenses were \$0.049M. \$0.24M in general Foundation revenues were adequate to cover the costs of these programs.

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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this part), the basic financial statements, and required supplementary information. The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements include three components: 1) district-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

District-wide financial statements. The *district-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to private sector business. These statements contain useful long-term information as well as information for the just completed fiscal year.

The *statement of net position* presents information on all the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or diminishing.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position 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 (e.g. uncollected taxes and earned but unused vacation leave.)

In the statement of net position and statement of activities, the District is divided into three distinct kinds of activities as follows:

Governmental Activities – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of facilities, pupil transportation, and the activities of the Sweetwater County School District Number One Recreation Board.

Business - Type Activities – This service is provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The Food Service, Summer Programs, and Head Start Nutrition enterprise funds are reported as a business activity.

Component Unit Activities – Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The Sweetwater One Public School Foundation is reported as a discretely presented component unit of the District. The Sweetwater County School District Number One Recreation Board is presented as a blended component unit and included as a nonmajor governmental fund of the District.

The district-wide financial statements can be found on pages 15 and 16 of this report.

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
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Fund financial statements. A fund is a grouping of related accounts that are 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 groups of the District are 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 district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental activities statement of net assets and statement of activities. The basic governmental fund financial statements can be found on pages 17 through 20 of this report.

Proprietary funds. Proprietary funds are used to account for activities the District operates similar to private business. Proprietary funds use the accrual basis of accounting, the same as on the district-wide statements. Therefore, the statements will essentially match the business-type activities portion of the district-wide statements. The proprietary fund financial statements can be found on pages 21 through 23 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. The District is the trustee, or fiduciary, for assets that belong to others, such as the student activities funds and employee agency accounts. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund financial statements can be found on pages 24 and 25 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found on pages 26 through 58 of this report.

The basic financial statements are followed by a section of supplementary information. *Required supplementary information* further explains and supports the financial statements by including a comparison of the District's primary government budget data for the year. Budgetary comparison statements have been provided for the major funds to demonstrate compliance with this budget. *Other*

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

supplemental information provides information specific to non-major governmental funds, such as Head Start. The required and other supplementary information can be found on pages 59 through 85 of this report.

Major features of the District's financial statements are shown in the following table (Table 1):

Major Features of the District-wide and Fund Financial Statements

<i>Fund Financial Statements</i>				
	DISTRICT-WIDE STATEMENTS	GOVERNMENTAL	PROPRIETARY	FIDUCIARY
SCOPE	Entire District (except fiduciary funds).	The activity of the District that is not proprietary or fiduciary, such as instructional, support services, and community services. <u>The General, Major Maintenance, Grant Programs, Recreational Board, District Capital Projects, SFD Capital Projects, and Other Governmental funds are reported here.</u>	Activities the District operates similar to private business. <u>Food Service, Summer Programs, Head Start Nutrition, and Internal Service funds are reported here.</u>	Assets held by the District on behalf of someone else. <u>Student Activities and Employees that have funds on deposit with the District are reported here.</u>
REQUIRED FINANCIAL STATEMENTS	Statement of net position, and Statement of activities.	Balance sheet, and Statement of revenues, expenditures and changes in fund balance.	Statement of net position, and Statement of revenues, expenses and changes in net assets, and Statement of cash flows.	Statement of fiduciary net position and Statement of changes in net position.
BASIS OF ACCOUNTING AND MEASUREMENT FOCUS	Accrual accounting. Economic resources focus.	Modified accrual accounting. Current financial resources focus.	Accrual accounting. Economic resources focus.	Accrual accounting. Economic resources focus.
TYPE OF ASSET AND LIABILITY INFORMATION	All assets and liabilities, both financial and capital, short-term and long-term.	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter. No capital assets or long-term liabilities included.	All assets and liabilities, both financial and capital, short-term and long-term.	All assets and liabilities, both financial and capital, short-term and long-term.
TYPE OF INFLOW AND OUTFLOW INFORMATION	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions or deductions during the year, regardless of when cash is received or paid.

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

District-Wide Financial Analysis

Recall that the Statement of Net Position provides the perspective of the District as a whole. Table 2 provides a summary of the primary government's net position for 2021 compared to 2020.

Table 2
Net Position
(In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2021	2020	2021	2020	2021
<u>Assets:</u>						
Current and Other Assets	\$134.18	\$138.12	\$0.70	\$1.00	\$134.88	\$139.12
Capital Assets, Net	134.33	141.82	0.26	0.29	134.59	142.11
Total Assets	\$268.51	\$279.94	\$0.96	\$1.29	\$269.47	\$281.23
Deferred Outflows	\$3.84	\$18.52	\$0.06	\$0.23	\$3.90	\$18.75
<u>Liabilities:</u>						
Current and Other Liabilities	7.27	8.98	0.22	0.14	7.49	9.12
Long-Term Liabilities	95.97	101.98	0.34	0.78	96.31	102.76
Total Liabilities	103.24	110.96	0.56	0.92	103.80	111.88
Deferred Inflows	\$50.28	\$49.23	\$0.11	\$0.20	\$50.39	\$49.43
<u>Net Position:</u>						
Invested in Capital Assets, net of related debt	134.02	141.62	0.26	0.29	134.28	141.91
Restricted	16.45	19.00	-	-	16.45	19.00
Unrestricted	(31.64)	(22.35)	0.10	0.12	(31.54)	(22.23)
Prior Period Adjustment	(0.40)	-	0.40	-	-	-
Total Net Position	\$118.43	\$138.27	\$0.76	\$0.41	\$119.19	\$138.68

Total assets of the primary government increased \$11.76M. Cash and cash equivalents increased by \$15.11M, receivables decreased by \$10.99M, other current assets increased by \$0.12M, and capital assets increased by \$7.53M. The increase in capital assets is primarily due to the addition of construction in process for the Satellite High School.

Total liabilities of the primary government increased \$8.08M. Unearned Revenue increased by \$0.26M, the current portion of long-term debt increased by \$0.16M, and the non-current portion of long-term obligations increased by \$.10M. Net pension liability decreased by \$4.97M and OPEB liability increased by \$11.32M. The increase in the OPEB liability is due to a change in assumptions to better reflect the future anticipated experience in the plan. Deferred Outflows increased by \$14.85M, due to the District's proportional share of the net difference between projected and actual earnings on investments of the WRS Public Employees Plan and an increase in pension and OPEB liability. Deferred Inflows decreased by \$0.96M due to lower assessed property tax valuations. See also Note 5.

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The primary government's unrestricted net assets increased by \$9.31M. This is mainly due to an increase in cash.

Table 3 reflects the changes in net assets of the primary government for fiscal year 2020 and 2021.

Table 3
Change in Net Position
(In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2020	2021	2020	2021	2020	2021
<u>Revenues</u>						
Program Revenues:						
Charges for Services	\$0.12	\$0.10	\$0.56	\$0.16	\$0.68	\$0.26
Operating Grants and Contributions	6.44	10.16	1.98	2.92	8.42	13.08
Capital Grants and Contributions	2.51	11.33	-	-	2.51	11.33
General Revenue:						
Property Taxes	56.91	52.80	-	-	56.91	52.80
Unrestricted Federal and State Aid	33.40	32.81	-	-	33.40	32.81
Earnings on Investments	1.05	.07	-	-	1.05	0.07
Other	0.04	0.04	-	-	0.04	0.04
	<u>100.47</u>	<u>107.31</u>	<u>2.54</u>	<u>3.08</u>	<u>103.01</u>	<u>110.39</u>
<u>Program Expenses</u>						
Instruction	48.99	49.57	-	-	48.99	49.57
Support Services:						
Students and Instructional Staff	10.90	11.13	-	-	10.90	11.13
Board of Education, Administration, Fiscal and Business	11.69	10.97	-	-	11.69	10.97
Operation and Maintenance of Facilities	12.47	11.90	-	-	12.47	11.90
Pupil Transportation	4.95	4.50	-	-	4.95	4.50
Other Support Services	0.03	0.12	-	-	0.03	0.12
Food Service	-	-	2.47	2.65	2.47	2.65
Summer Programs	-	-	0.01	0.01	0.01	0.01
Head Start Nutrition	-	-	0.04	0.04	0.04	0.04
	<u>89.03</u>	<u>88.19</u>	<u>2.52</u>	<u>2.70</u>	<u>91.55</u>	<u>90.89</u>
Transfers	(0.45)	(0.08)	0.45	0.08	-	
Increase (decrease) in Net Position	10.99	19.04	0.47	0.46	11.46	19.50
Net Position-beginning	107.84	118.83	(0.06)	0.35	107.78	119.18
Prior Period Adjustment		0.40	(0.06)	(0.40)	(0.06)	
Net Position-ending	<u>\$118.83</u>	<u>\$138.27</u>	<u>\$0.35</u>	<u>\$0.41</u>	<u>\$119.18</u>	<u>\$138.68</u>

The primary government received \$110.39M in revenues during the most recent fiscal year. Property taxes and unrestricted federal and state aid accounted for 78% of total revenue. Another 22% came

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
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from charges for services, operating grants and contributions, capital grants and contributions, and earnings on investments. The net increase in revenues of \$7.38M is primarily due to an increase in operating and capital grants.

The total cost of all programs and services are predominately related to pupil instruction, operation and maintenance of facilities, student transportation, and student and staff services. Administrative and business activities accounted for 12.07% of total cost, while maintenance and operation of facilities made up 13.09% of total cost. The decrease in expenditures of \$.66M from the prior fiscal year was mainly due to reducing instruction, support services, and other costs during the 2020-2021 school year.

Total revenues exceeded total expenses for 2021, increasing net assets by \$19.50M. Governmental activities increased net assets by \$19.04M; business-type activities contributed \$.46M.

Governmental Activities

The *statement of activities* reflects the cost of program services and the charges for services, sales, grants, and contributions offsetting those services. The statement of activities also identifies the cost of these services supported by tax revenues and federal and state aid. Table 4 indicates the total cost of services and the net cost of services for governmental activities for 2021 compared to 2020.

Table 4
Cost of Services
(In Millions)

	Total Cost of Services		Percent Change	Net Cost of Services		Percent Change
	2020	2021	2020-21	2020	2021	2020-21
Instruction	\$48.99	\$49.58	1.20%	\$44.97	\$44.23	-1.65%
Support Services:						
Students and Instructional Staff	10.90	11.14	2.20%	9.27	9.43	1.73%
Board of Education, Administration, Fiscal and Business	11.69	10.97	-6.16%	11.10	9.68	-12.79%
Operation and Maintenance of Facilities	12.47	11.90	-4.57%	9.73	-1.26	-112.95%
Pupil Transportation	4.95	4.49	-9.29%	4.87	4.41	-9.45%
Other Support Services	0.03	0.11	266.67%	0.01	0.11	1000%
Total	\$89.03	\$88.19	-0.94%	\$79.95	\$66.60	-16.70%

The total cost of governmental activities was \$88.19M. The net cost of governmental activities (\$66.60M) was financed by general revenues, which are primarily made up of property taxes and unrestricted federal and state aid. Due to the unique nature of school funding in Wyoming, certain general revenues are capped by the State School Foundation Funding Model. As such, fluctuations in county property valuations do not have a significant overall effect on the District's funding. The State Foundation Program Guarantee contributed \$81.41M toward the net cost of governmental services. The

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

decrease of 112.95% in the operation and maintenance of facilities was mainly due to receiving the CARES funding. The increase in other support services is due to a decrease in grants received.

Business-Type Activities

Business-Type activities include Food Service, Summer Programs, and the Head Start Nutrition program, all of which are self-supporting. These programs had revenues and other support of \$3,158,499 and expenses of \$2,700,690 resulting in a net income of \$457,809 for fiscal year 2021. The Food Service program provided net income of \$442,026 the Summer Programs contributed net income of \$2,009, while the Head Start Nutrition program had net income of \$13,774.

The District's funds

The District's governmental funds are accounted for on the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$113.76M and expenditures and other financing uses of \$106.30M. The net change in fund balance for the year was most significant in the District Capital Projects Fund and Major Maintenance. The net increase of \$4.70M in District Capital Projects was mainly due to transfers from the General Fund. The net increase in the Recreation Board primarily reflects Recreation mil receipts over transfers to the SFC Capital Projects fund for the Rock Springs High School Track and Field and Scoreboard Projects.

General Fund Budgeting Highlights

The District's Budget is prepared according to Wyoming law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2021, the District amended its General Fund budget as needed. Many of the amendments are due to changes in expenditure priorities in the District's schools and departments. The District uses a site/department-based budgeting system designed to tightly control such budgets, yet provide flexibility for site or department management.

The General Fund actual revenues and other financing were \$87.52M, which is above the original budget estimate of \$84.46M and above the final amended budget of \$86.96M. The \$0.56M variance between the final budget and the June 30, 2021 actual revenues was mainly due to an increase in local resources.

The actual expenditures and other financing uses of the General Fund were \$87.64M, which is below the original budget estimate of \$91.34M and below the final amended budget of \$93.84M. The variance of \$2.50M between the original budget estimate and the final amended budget was due to transfers to the Capital Projects Fund and the Internal Service Fund. The \$6.20M variance between the final amended budget and the June 30, 2021 actual results was due to a) lower special education costs than anticipated, b) lower health insurance claims than expected, c) lower utility costs than estimated, and d) prudent spending of site and department funds.

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Capital Assets

At the end of fiscal year 2021, the primary government had \$142.11M invested in land, buildings, equipment, transportation equipment, and art collection. \$141.82M of this amount is in governmental activities. Table 5 shows the breakdown of net capital assets of the primary government for fiscal year 2021 compared to fiscal year 2020.

Table 5
Net Capital Assets
(In Millions)

	Governmental Activities		Business-Type Activities		Total	
	2020 CORRECTED	2021	2020	2021	2020 CORRECTED	2021
Land and Improvements	\$0.77	\$0.77	\$-	\$-	\$0.77	\$0.77
Buildings and Improvements	119.39	116.30	-	-	119.39	116.30
Equipment and Contents	0.89	1.04	0.22	0.26	1.11	1.30
Transportation Equipment	2.34	2.64	.04	.03	2.38	2.67
Transportation Equipment under Capital Lease	1.74	.78	-	-	1.74	.78
Art Collection	0.55	0.55	-	-	0.55	0.55
Construction in Process	8.64	19.74	-	-	8.64	19.74
Total	<u>\$134.33</u>	<u>\$141.82</u>	<u>\$0.26</u>	<u>\$0.29</u>	<u>\$134.59</u>	<u>\$142.11</u>

Overall capital assets increased by \$7.53M from fiscal year 2020. The net increase in capital assets was primarily due to the addition of building and improvements, and construction in progress.

The majority of capital assets added during fiscal year 2021 were for building improvements and construction in progress. The District finished the Rock Springs High School Rooftop Replacement, Walnut Waterline, Lowell School Replacement, and Central Administration Building Emergency Generators. Additionally, the District acquired transportation vehicles and copiers.

Construction in progress includes construction for the Satellite High School, Rock Springs High School Track and Field, Rock Springs Junior High Rewire, and Overland Mechanical Upgrade. The entire costs of these projects will not be fully reflected until fiscal year 2022 and beyond.

The District is obligated under construction commitments at June 30, 2021, for certain capital projects including the construction of the Satellite High School, Overland Mechanical Upgrade, Northpark/Westridge Rewire, Rock Springs Junior High Rewire, and Rock Springs High School Track and Field. Construction in progress on all projects amounted to \$26.11M, with an outstanding

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
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commitment of \$7.09M. These commitments will be funded by the State School Facilities Department and the Recreation Board.

Additional information on the District's capital assets can be found in Note 4 on pages 41 and 42 of this report.

Long Term Debt and Obligations

The District had no bonded debt outstanding at June 30, 2021. The District neither issued nor retired any bonded debt during the fiscal year. The District's legal debt margin for fiscal year 2021 was \$111.61M.

The long-term obligations of the District increased by \$6.58M from fiscal year 2020, primarily due to an increase in OPEB obligation. Additional information on the District's long-term obligations can be found in Note 8 on pages 52 through 53 of this report.

Current Issues

The District has experienced a drop in student enrollment the past few years due to a decline in the economic environment and the COVID-19 pandemic. Since the State Foundation Program funding is based largely on average student membership, declining student enrollment has a negative impact on State Foundation Program funding. Additionally, the Wyoming legislature modified the State Foundation Program to include a reduced external cost adjustment, and changed the timeline for collecting ad valorem taxes. Any future changes in the funding model or legislation could have a significant impact on the operations and cash flow of the District.

The COVID-19 pandemic continues to affect the funding and future operations of the District, largely due to a drop in student enrollment and economic uncertainty at the state level. Furthermore, the District is currently in the process of developing spending plans for COVID-19 grant funds, which could affect staffing levels and compensation, facility use, technology needs, and cash flow.

One of the most important variables in the District's financial future is the cost of health insurance for its employees. Current year trends provided an increase in anticipated costs, and the District anticipates this trend to continue. A continued increase in health plan costs could have an impact on other budget areas. Administration has been implementing various cost saving measures and strategies, including various plan design changes to offset the District's portion of this expense, but this issue continues to be a budgetary challenge.

The District is committed to its sound fiscal management to meet the challenges of the future. These current issues require management to plan carefully and prudently to make strategic use of available resources and evaluate various cost saving measures to meet student needs now and in the future. If student enrollments continue to decline and health benefits rise, the Administration and Board of Trustees will be faced with challenges to make further changes in order to keep the District solvent.

Sweetwater County School District No. 1
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Contacting the District's Financial Management

This financial report is designed to provide all those with an interest in the District's finances a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Mr. Scot Duncan
Chief Financial Officer
Sweetwater County School District No. 1
3550 Foothill Boulevard
Rock Springs, Wyoming 82901

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Sweetwater One Public School Foundation
Assets:				
Current assets:				
Cash and investments	\$ 96,285,115	\$ 762,122	\$ 97,047,237	\$ 1,213,055
Cash with fiscal agent	121,168	-	121,168	-
Receivables:				
Property taxes	38,143,916	-	38,143,916	-
Other governments, grants	2,177,969	147,832	2,325,801	-
Other	828,836	1,808	830,644	-
Internal balances	(5,858)	5,858	-	-
Inventories and prepaid expenses	566,265	85,022	651,287	-
Capital assets:				
Land, construction in progress, and art collection	21,063,766	-	21,063,766	-
Other capital assets, net of accumulated depreciation and impairment	120,760,795	292,922	121,053,717	-
Total assets	279,941,972	1,295,564	281,237,536	1,213,055
Deferred Outflows of Resources:				
Post retirement health benefits	13,495,393	132,188	13,627,581	-
Pension plan items	5,024,921	94,524	5,119,445	-
Total deferred outflows of resources	18,520,314	226,712	18,747,026	-
Liabilities:				
Current liabilities:				
Accounts payable	3,508,455	36,508	3,544,963	-
Accrued salaries	918,053	37,367	955,420	-
Unearned revenue	33,202	58,560	91,762	-
Due to others	2,285,591	-	2,285,591	-
Insurance claims payable	1,478,885	-	1,478,885	-
Current portion of long-term obligations	757,130	3,136	760,266	-
Noncurrent liabilities:				
Post retirement health benefits liability	49,758,541	486,970	50,245,511	-
Net pension liability	51,997,560	288,629	52,286,189	-
Noncurrent portion of long-term obligations	226,878	349	227,227	-
Total liabilities	110,964,295	911,519	111,875,814	-
Deferred Inflows of Resources:				
Unavailable property taxes	37,034,419	-	37,034,419	-
Post retirement health benefits	3,873,264	37,939	3,911,203	-
Pension plan items	8,323,059	156,565	8,479,624	-
Total deferred inflows of resources	49,230,742	194,504	49,425,246	-
Net Position:				
Net investment in capital assets	141,617,968	292,922	141,910,890	-
Restricted for:				
Grant programs	82,702	-	82,702	-
Major maintenance	8,171,021	-	8,171,021	-
Recreation District	9,749,215	-	9,749,215	-
Impact Aid	992,512	-	992,512	-
With donor restrictions	-	-	-	574,460
Unrestricted	(22,346,169)	123,331	(22,222,838)	638,595
Total net position	\$ 138,267,249	\$ 416,253	\$ 138,683,502	\$ 1,213,055

See accompanying notes to financial statements.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
Instructional services:				
Regular instruction	\$ 35,620,393	\$ 7,425	\$ 3,328,866	\$ -
Special education	12,625,137	-	1,960,154	-
Vocational education	1,334,252	-	51,913	-
Supporting services:				
Students	7,524,854	-	461,920	-
Instructional staff	3,611,775	-	1,245,987	-
Central services	4,985,704	-	1,035,812	-
School administration	4,170,234	-	66,207	-
Business services	1,189,823	-	16,740	-
Operation and maintenance of facilities	11,903,176	93,439	1,745,686	11,329,040
Pupil transportation	4,490,939	-	74,417	-
General administration	620,246	-	169,254	-
Community services	15,308	-	-	-
Other support services	100,507	-	2,561	-
Total governmental activities	<u>88,192,348</u>	<u>100,864</u>	<u>10,159,517</u>	<u>11,329,040</u>
Business-type activities:				
Food Service	2,651,164	156,104	2,860,379	-
Summer Programs	6,243	2,250	-	-
Head Start Nutrition	43,283	-	57,057	-
Total Business-Type activities	<u>2,700,690</u>	<u>158,354</u>	<u>2,917,436</u>	<u>-</u>
Total primary government	<u>\$ 90,893,038</u>	<u>\$ 259,218</u>	<u>\$ 13,076,953</u>	<u>\$ 11,329,040</u>
Component Units				
Sweetwater One Public School Foundation	49,226	-	-	-
Total component unit	<u>\$ 49,226</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

Property taxes levied for:
 General purposes
 Major building and facility maintenance
 Recreation District
 Federal and state sources not restricted to specific functions/programs:
 Federal sources
 State Foundation Program
 Other State Sources
 Local sources not restricted to specific functions/programs
 Interest and earnings (losses) on investments
 Miscellaneous
 Total general revenues

Change in net position before transfers

Transfers

Change in net position

Net position - beginning
Prior period adjustment
Net assets - beginning as restated

Net position - ending

Net (Expenses) Revenues and Changes in Net Position			
Total Governmental Activities	Primary Government		Component Unit Sweetwater One Public School Foundation
	Business-Type Activities	Total	
\$ (32,284,102)	\$ -	\$ (32,284,102)	\$ -
(10,664,983)	-	(10,664,983)	-
(1,282,339)	-	(1,282,339)	-
(7,062,934)	-	(7,062,934)	-
(2,365,788)	-	(2,365,788)	-
(3,949,892)	-	(3,949,892)	-
(4,104,027)	-	(4,104,027)	-
(1,173,083)	-	(1,173,083)	-
1,264,989	-	1,264,989	-
(4,416,522)	-	(4,416,522)	-
(450,992)	-	(450,992)	-
(15,308)	-	(15,308)	-
(97,946)	-	(97,946)	-
<u>(66,602,927)</u>	<u>-</u>	<u>(66,602,927)</u>	<u>-</u>
-	365,319	365,319	-
-	(3,993)	(3,993)	-
-	13,774	13,774	-
<u>-</u>	<u>375,100</u>	<u>375,100</u>	<u>-</u>
<u>(66,602,927)</u>	<u>375,100</u>	<u>(66,227,827)</u>	<u>-</u>
-	-	-	(49,226)
-	-	-	(49,226)
47,449,661	-	47,449,661	-
3,894,380	-	3,894,380	-
1,457,847	-	1,457,847	-
119,222	-	119,222	-
32,688,316	-	32,688,316	-
145	-	145	-
-	-	-	48,737
73,500	858	74,358	188,287
41,059	-	41,059	-
<u>85,724,130</u>	<u>858</u>	<u>85,724,988</u>	<u>237,024</u>
19,121,203	375,958	19,497,161	187,798
<u>(81,851)</u>	<u>81,851</u>	<u>-</u>	<u>-</u>
<u>19,039,352</u>	<u>457,809</u>	<u>19,497,161</u>	<u>187,798</u>
118,830,507	355,834	119,186,341	1,025,257
397,390	(397,390)	-	-
<u>119,227,897</u>	<u>(41,556)</u>	<u>119,186,341</u>	<u>1,025,257</u>
<u>\$ 138,267,249</u>	<u>\$ 416,253</u>	<u>\$ 138,683,502</u>	<u>\$ 1,213,055</u>

**FUND
FINANCIAL STATEMENTS**

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Major Maintenance	Major Funds District Capital Projects
Assets:			
Cash and investments	\$ 11,469,116	\$ 8,746,508	\$ 26,404,046
Cash with fiscal agent	117,235	-	-
Receivables:			
Property taxes	36,995,116	-	-
Other governments, grants	10,465	-	-
Due from other funds	108,899	-	25
Inventories and prepaid expenses	566,265	-	-
Total assets	<u>\$ 49,267,096</u>	<u>\$ 8,746,508</u>	<u>\$ 26,404,071</u>
Deferred Outflows of Resources:			
Excess Tax Collections	2,048,021	-	-
Total deferred outflows of resources	<u>2,048,021</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 51,315,117</u>	<u>\$ 8,746,508</u>	<u>\$ 26,404,071</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts and retainage payable	\$ 313,422	\$ 341,017	\$ 309,109
Accrued salaries and benefits	788,425	-	-
Due to other funds	-	-	-
Due to others	-	234,470	-
Unearned revenue:			
Grants	-	-	-
Total liabilities	<u>1,101,847</u>	<u>575,487</u>	<u>309,109</u>
Deferred Inflows of Resources:			
Deferred property tax revenue	36,859,105	-	-
Advanced Foundation Guarantee	2,048,021	-	-
Total deferred inflows of resources	<u>38,907,126</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable			
Inventories and prepaid expenses	566,265	-	-
Restricted for			
Grant programs	-	-	-
Recreation District	-	-	-
Major maintenance	-	8,171,021	-
Impact Aid	992,512	-	-
Capital Construction/Projects	-	-	-
Assigned to			
Head Start child care	-	-	-
Projected Budget Deficit	5,336,410	-	-
Minimum fund balance	2,270,762	-	-
Future expenditures	2,140,195	-	-
Capital Construction/Projects	-	-	26,094,962
Unassigned, reported in			
General fund	-	-	-
Total fund balances	<u>11,306,144</u>	<u>8,171,021</u>	<u>26,094,962</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 51,315,117</u>	<u>\$ 8,746,508</u>	<u>\$ 26,404,071</u>

See accompanying notes to financial statements.

SFD Capital Projects	Grant Programs	Recreation Board	Nonmajor Funds	Total Governmental Funds
\$ 718,821	\$ 127,583	\$ 9,803,781	\$ 39,376	\$ 57,309,231
-	-	3,933	-	121,168
-	-	1,148,800	-	38,143,916
1,823,643	263,589	-	80,272	2,177,969
63,962	-	-	-	172,886
-	-	-	-	566,265
<u>\$ 2,606,426</u>	<u>\$ 391,172</u>	<u>\$ 10,956,514</u>	<u>\$ 119,648</u>	<u>\$ 98,491,435</u>
-	-	-	-	2,048,021
-	-	-	-	2,048,021
<u>\$ 2,606,426</u>	<u>\$ 391,172</u>	<u>\$ 10,956,514</u>	<u>\$ 119,648</u>	<u>\$ 100,539,456</u>
\$ 2,421,074	\$ 84,643	\$ -	\$ 39,190	\$ 3,508,455
-	78,809	-	50,819	918,053
-	108,716	63,960	-	172,676
-	3,100	-	-	237,570
-	33,202	-	-	33,202
<u>2,421,074</u>	<u>308,470</u>	<u>63,960</u>	<u>90,009</u>	<u>4,869,956</u>
-	-	1,143,339	-	38,002,444
-	-	-	-	2,048,021
-	-	1,143,339	-	40,050,465
-	-	-	-	566,265
-	82,702	-	-	82,702
-	-	9,749,215	-	9,749,215
-	-	-	-	8,171,021
-	-	-	-	992,512
185,000	-	-	-	185,000
-	-	-	29,639	29,639
-	-	-	-	5,336,410
-	-	-	-	2,270,762
-	-	-	-	2,140,195
352	-	-	-	26,095,314
-	-	-	-	-
<u>185,352</u>	<u>82,702</u>	<u>9,749,215</u>	<u>29,639</u>	<u>55,619,035</u>
<u>\$ 2,606,426</u>	<u>\$ 391,172</u>	<u>\$ 10,956,514</u>	<u>\$ 119,648</u>	<u>\$ 100,539,456</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Major Funds		
	General	Major Maintenance	District Capital Projects
Revenues:			
Local sources	\$ 38,523,944	\$ 81,151	\$ 138,281
County sources	11,302,126	-	-
State sources	37,515,178	3,894,380	-
Federal sources	119,222	-	-
Interest	24,662	5,669	14,630
Total revenues	<u>87,485,132</u>	<u>3,981,200</u>	<u>152,911</u>
Expenditures:			
Current:			
Instructional services:			
Regular instruction	29,165,033	-	-
Special education	11,159,853	-	-
Vocational education	1,343,381	-	-
Supporting services:			
Students	7,297,848	-	-
Instructional staff	2,444,533	-	-
Central services	4,831,987	-	-
School administration	4,245,353	-	-
Business services	1,317,158	-	-
Operation and maintenance			
of facilities	7,216,343	-	-
Pupil transportation	4,188,845	-	-
General administration	479,526	-	-
Community services	8,812	-	-
Other supporting services	211,484	-	-
Food service	-	-	-
Capital outlay	-	2,547,567	1,502,517
Total expenditures	<u>73,910,156</u>	<u>2,547,567</u>	<u>1,502,517</u>
Excess (deficiency) of revenues over (under) expenditures	<u>13,574,976</u>	<u>1,433,633</u>	<u>(1,349,606)</u>
Other financing sources (uses):			
Proceeds from sale of capital assets	1,991	-	-
Operating transfers	(13,577,429)	-	6,049,149
Capital lease proceeds	149,250	-	-
Total other financing sources (uses)	<u>(13,426,188)</u>	<u>-</u>	<u>6,049,149</u>
Net change in fund balance	<u>148,788</u>	<u>1,433,633</u>	<u>4,699,543</u>
Fund balances - beginning	<u>11,157,356</u>	<u>6,737,388</u>	<u>21,395,419</u>
Fund balances - ending	<u>\$ 11,306,144</u>	<u>\$ 8,171,021</u>	<u>\$ 26,094,962</u>

See accompanying notes to financial statements.

SFD Capital Projects	Grant Programs	Recreation Board	Nonmajor Funds	Total Governmental Funds
\$ 185,000	\$ 253,767	\$ -	\$ 3,272	\$ 39,185,415
-	-	1,529,058	-	12,831,184
10,952,187	87,821	-	-	52,449,566
-	7,512,189	-	1,460,366	9,091,777
350	-	6,784	20	52,115
<u>11,137,537</u>	<u>7,853,777</u>	<u>1,535,842</u>	<u>1,463,658</u>	<u>113,610,057</u>
-	2,916,968	-	-	32,082,001
-	887,551	-	940,730	12,988,134
-	35,959	-	-	1,379,340
-	210,781	-	178,846	7,687,475
-	1,193,749	-	25,803	3,664,085
-	849,505	-	156,223	5,837,715
-	10,020	-	-	4,255,373
-	-	-	-	1,317,158
-	1,577,238	-	124,875	8,918,456
-	-	-	34,560	4,223,405
-	168,694	-	41	648,261
-	-	-	-	8,812
-	-	-	-	211,484
-	-	-	2,560	2,560
<u>11,447,467</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,497,551</u>
<u>11,447,467</u>	<u>7,850,465</u>	<u>-</u>	<u>1,463,638</u>	<u>98,721,810</u>
<u>(309,930)</u>	<u>3,312</u>	<u>1,535,842</u>	<u>20</u>	<u>14,888,247</u>
-	-	-	-	1,991
495,280	-	(548,851)	-	(7,581,851)
-	-	-	-	149,250
<u>495,280</u>	<u>-</u>	<u>(548,851)</u>	<u>-</u>	<u>(7,430,610)</u>
<u>185,350</u>	<u>3,312</u>	<u>986,991</u>	<u>20</u>	<u>7,457,637</u>
<u>2</u>	<u>79,390</u>	<u>8,762,224</u>	<u>29,619</u>	<u>48,161,398</u>
<u>\$ 185,352</u>	<u>\$ 82,702</u>	<u>\$ 9,749,215</u>	<u>\$ 29,639</u>	<u>\$ 55,619,035</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENT FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total fund balances for governmental funds \$ 55,619,035

Total net position reported for governmental activities in the statement of net position is different because

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 774,593	
Construction in progress	19,736,173	
Art collection	553,000	
Buildings and improvements, net of \$71,855,204 accumulated depreciation and \$888,100 impairment	116,302,885	
Furniture and equipment, net of \$3,937,270 accumulated depreciation	1,039,996	
Transportation equipment, net of \$6,741,167 accumulated depreciation	2,640,930	
Leased transportation equipment, net of \$445,176 accumulated depreciation	<u>776,984</u>	141,824,561

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

Property tax revenue	\$ 968,025	
Advanced other revenue	<u>(2,048,021)</u>	(1,079,996)

The internal service funds are used by management to charge the costs of the employee health insurance program. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 38,319,767

Long-term liabilities that pertain to governmental funds, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

Obligations under capital leases	\$ (206,593)	
Accrued vacation	<u>(777,415)</u>	(984,008)

The post retirement health benefits activities consists of deferred outflows relating to OPEB obligations and the net post retirement health benefits liability which pertain to governmental activities. Deferred outflows relating to OPEB obligations represent expenditures which apply to future periods. The OPEB obligation activities relates to future periods and therefore are not reported as governmental fund assets or liabilities. The OPEB obligation activities are reported in the statement of net position. Balances at year end are:

Post retirement health benefits - deferred outflows of resource:	\$ 13,495,393	
Post retirement health benefits - deferred inflows of resources:	(3,873,264)	
Post retirement health benefits payable	<u>(49,758,541)</u>	(40,136,412)

The pension activities consists of deferred outflows relating to pensions and the net pension liability which pertain to governmental activities. Deferred outflows relating to pensions represent expenditures which apply to future periods. The pension activities relates to future periods and therefore are not reported as governmental fund assets or liabilities. The pension activities are reported in the statement of net position. Balances at year end are:

Pension plan items - deferred outflows of resources	\$ 5,024,921	
Pension plan items - deferred inflows of resources	(8,323,059)	
Pension expense unfunded obligation	<u>(51,997,560)</u>	<u>(55,295,698)</u>

Total net position of governmental activities \$ 138,267,249

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Net change in fund balances-total governmental funds \$ 7,457,637

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for furniture and equipment, \$50,000 for land and improvements, and buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation and abandonment of assets exceeded capital outlay in the current period.

Capital outlay	\$ 14,062,112	
Depreciation and impairment expense	(6,548,052)	
Disposal of capital assets	<u>(19,062)</u>	7,494,998

Some capital asset additions are financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net position the lease obligation is reported as a liability. Repayment of capital lease principal is an expenditure in the governmental funds, but repayment reduces the lease obligation in the statement of net position.

Other financing source - capital lease	\$ (149,250)	
Principal payments of capital leases	<u>247,457</u>	98,207

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. Amounts received as an advance through the Foundation Guarantee Program in the prior year are reflected as earned resources in the current year governmental activities statements.

Deferred property tax revenue - prior year	\$ (3,100,935)	
Deferred property tax revenue - current year	968,025	
Foundation tax shortfall - prior year	(1,985,533)	
Advanced Foundation Guarantee - current year	<u>(2,048,021)</u>	(6,166,464)

In the statement of activities, certain operating expenses - compensated absences (vacations) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Compensated absences - prior year	\$ 417,182	
Compensated absences - current year	<u>(777,415)</u>	\$ (360,233)

Internal service funds are used by the District to charge the costs of the employees health insurance to individual funds. The net revenue of the internal service funds is reported with governmental activities. 8,145,874

Deferred inflows of resources represent liabilities that will be paid at a future date and are not recorded in the governmental funds.

Post retirement health benefits - current year	\$ 9,622,129	
Post retirement health benefits payable - prior year	40,570,606	
Post retirement health benefits payable - current year	(49,758,541)	
Pension plan items - prior year	2,360,907	
Pension plan items - current year	(3,298,138)	
Net pension liability - prior year	54,869,930	
Net pension liability - current year	<u>(51,997,560)</u>	<u>2,369,333</u>

Change in net position of governmental activities \$ 19,039,352

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Enterprise Funds			Internal Service Fund
	Food Service	Nonmajor Funds	Total Enterprise Funds	
Assets				
Current assets:				
Cash and cash equivalents	\$ 719,409	\$ 42,713	\$ 762,122	\$ 38,975,884
Due from other governments	147,832	-	147,832	-
Due from others	1,808	-	1,808	822,768
Due from other funds	5,858	-	5,858	-
Inventories	85,022	-	85,022	-
Total current assets	<u>959,929</u>	<u>42,713</u>	<u>1,002,642</u>	<u>39,798,652</u>
Capital assets:				
Equipment	1,263,139	-	1,263,139	-
Accumulated depreciation	(970,217)	-	(970,217)	-
Total capital assets	<u>292,922</u>	<u>-</u>	<u>292,922</u>	<u>-</u>
Total assets	<u>1,252,851</u>	<u>42,713</u>	<u>1,295,564</u>	<u>39,798,652</u>
Deferred outflow of resources:				
Post retirement health benefits	132,188	-	132,188	-
Pension plan items	94,524	-	94,524	-
Total deferred outflows of resources	<u>226,712</u>	<u>-</u>	<u>226,712</u>	<u>-</u>
Liabilities and Net Assets				
Liabilities:				
Current liabilities:				
Accounts payable	36,423	85	36,508	-
Accrued expenses	37,367	-	37,367	-
Unearned revenue	58,560	-	58,560	-
Current portion of long-term obligations	3,136	-	3,136	-
Insurance claims payable	-	-	-	1,478,885
Total current liabilities	<u>135,486</u>	<u>85</u>	<u>135,571</u>	<u>1,478,885</u>
Noncurrent liabilities:				
Noncurrent portion of long-term obligations	349	-	349	-
Post retirement health benefits liability	486,970	-	486,970	-
Net pension liability	288,629	-	288,629	-
Total noncurrent liabilities	<u>775,948</u>	<u>-</u>	<u>775,948</u>	<u>-</u>
Total liabilities	<u>911,434</u>	<u>85</u>	<u>911,519</u>	<u>1,478,885</u>
Deferred Inflows of Resources				
Post retirement health benefits	37,939	-	37,939	-
Pension plan items	156,565	-	156,565	-
Total deferred inflows of resources	<u>194,504</u>	<u>-</u>	<u>194,504</u>	<u>-</u>
Net position:				
Net investment in capital assets	292,922	-	292,922	-
Unrestricted	80,703	42,628	123,331	38,319,767
Total net position	<u>\$ 373,625</u>	<u>\$ 42,628</u>	<u>\$ 416,253</u>	<u>\$ 38,319,767</u>

See accompanying notes to financial statements.

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Enterprise Funds			Internal Service Fund
	Food Service	Nonmajor Funds	Total Enterprise Funds	
Operating revenues:				
Charges for services:				
Insurance premium, refunds	\$ -	\$ -	\$ -	\$ 13,426,570
Food service and summer tuition	156,104	2,250	158,354	-
Total operating revenues	<u>156,104</u>	<u>2,250</u>	<u>158,354</u>	<u>13,426,570</u>
Operating expenses:				
Salaries	984,275	20,690	1,004,965	-
Employee benefits	307,117	4,459	311,576	12,802,431
Purchased services	15,989	1,229	17,218	-
Supplies and materials, including food	1,304,714	23,148	1,327,862	-
Depreciation	39,069	-	39,069	-
Total operating expenses	<u>2,651,164</u>	<u>49,526</u>	<u>2,700,690</u>	<u>12,802,431</u>
Operating (loss) income	<u>(2,495,060)</u>	<u>(47,276)</u>	<u>(2,542,336)</u>	<u>624,139</u>
Nonoperating income (losses):				
Earnings on investments	856	2	858	21,735
Operating transfers	75,851	6,000	81,851	7,500,000
Federal sources, including commodity support	2,860,379	57,057	2,917,436	-
Total nonoperating income	<u>2,937,086</u>	<u>63,059</u>	<u>3,000,145</u>	<u>7,521,735</u>
Change in net position	<u>442,026</u>	<u>15,783</u>	<u>457,809</u>	<u>8,145,874</u>
Net position - beginning	328,989	26,845	355,834	30,173,893
Prior Period Adjustment	<u>(397,390)</u>	<u>-</u>	<u>(397,390)</u>	<u>-</u>
Net assets - beginning as restated	<u>(68,401)</u>	<u>26,845</u>	<u>(41,556)</u>	<u>30,173,893</u>
Net position - ending	<u>\$ 373,625</u>	<u>\$ 42,628</u>	<u>\$ 416,253</u>	<u>\$ 38,319,767</u>

See accompanying notes to financial statements.

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Enterprise Funds			Internal Service Fund
	Food Service	Nonmajor Funds	Total Enterprise Funds	
Cash flows from operating activities:				
Receipts from interfund services provided	\$ -	\$ -	\$ -	\$ 13,426,570
Receipts from services provided	147,039	2,250	149,289	-
Payments to suppliers	(1,306,855)	(24,292)	(1,331,147)	-
Payments for medical fees and insurance claims	-	-	-	(12,719,013)
Payments to and on behalf of employees	(1,349,048)	(27,466)	(1,376,514)	-
Net cash (used in) provided by operating activities	(2,508,864)	(49,508)	(2,558,372)	707,557
Cash flows from noncapital financing activities:				
Federal and State subsidy	2,879,736	57,057	2,936,793	-
Operating transfer	3,115	6,000	9,115	7,500,000
Net cash provided by noncapital financing activities	2,882,851	63,057	2,945,908	7,500,000
Cash flows from capital and related financing activities:				
Operating transfer	72,736	-	72,736	-
Acquisition of capital assets	(72,736)	-	(72,736)	-
Net cash provided by capital and related financing activities	-	-	-	-
Cash flows from investing activities:				
Interest received	856	2	858	21,735
Net cash provided by investing activities	856	2	858	21,735
Net increase in cash and cash equivalents	374,843	13,551	388,394	8,229,292
Cash and cash equivalents - beginning	344,566	29,162	373,728	30,746,592
Cash and cash equivalents - ending	\$ 719,409	\$ 42,713	\$ 762,122	\$ 38,975,884
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:				
Operating (loss) income	\$ (2,495,060)	\$ (47,276)	\$ (2,542,336)	\$ 624,139
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:				
Depreciation expense	39,069	-	39,069	-
Value of commodities received	51,168	-	51,168	-
(Increase) Decrease in due from others	2,535	-	2,535	(226,962)
Increase in due from other funds	14,506	-	14,506	-
Increase in inventory	2,826	-	2,826	-
Decrease in due to other funds	-	(2,317)	(2,317)	-
Increase (Decrease) in accounts payable	(54,652)	85	(54,567)	-
Decrease in accrued wages	(16,919)	-	(16,919)	-
Decrease in unearned revenue	(11,600)	-	(11,600)	-
Difference between actuarial calculated pension and post retirement health benefits expense and actual contributions	(40,737)	-	(40,737)	-
Increase in claims payable	-	-	-	310,380
Total adjustments	(13,804)	(2,232)	(16,036)	83,418
Net cash (used in) provided by operating activities	\$ (2,508,864)	\$ (49,508)	\$ (2,558,372)	\$ 707,557
Noncash investing, capital, and financing activities:				
USDA commodities received	\$ 51,168	None	\$ 51,168	None

See accompanying notes to financial statements.

**FIDUCIARY FUND
FINANCIAL STATEMENTS**

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

	Student Activities Fund	Employee Agency Fund
	<u> </u>	<u> </u>
Assets:		
Cash and investments	\$ 734,274	\$ 222,568
	<u> </u>	<u> </u>
Liabilities		
Due to other funds	6,068	-
	<u> </u>	<u> </u>
Net Position		
Restricted for:		
Employee benefits	-	196,547
Teacher housing		26,021
Student groups	728,206	-
Total Net Position	\$ 728,206	\$ 222,568
	<u> </u>	<u> </u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021

	Student Activities Fund	Employee Agency Fund
	<u> </u>	<u> </u>
Additions:		
Student activity fees	\$ 346,752	\$ -
Employee benefit deposits	-	134,692
Teacher housing deposits	-	3,617
Interest	1,087	323
Total Additions	<u>347,839</u>	<u>138,632</u>
Deductions:		
Payments for student activities	335,186	-
Employee benefit payments	-	107,266
Teacher housing refunds	-	1,055
Total Deductions	<u>335,186</u>	<u>108,321</u>
Net change in fiduciary net position	<u>12,653</u>	<u>30,311</u>
Net position - beginning	<u>715,553</u>	<u>192,257</u>
Net position - ending	<u>\$ 728,206</u>	<u>\$ 222,568</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies

REPORTING ENTITY

For financial reporting purposes, the District includes all of the funds, account groups, agencies, and authorities that are controlled by or dependent on the District. Oversight responsibility is determined by the extent of financial interdependency, selection of governing board, and ability to significantly influence operations. Financial interdependency results when a separate agency produces a financial benefit for or imposes a financial burden on a unit of government. Upon that occurrence, that agency becomes part of the reporting entity. Financial interdependency includes responsibility for debt. Oversight also includes accountability for fiscal matters. Fiscal authority normally includes the authority for final approval over budgetary appropriations, responsibility for funding deficits and operating deficiencies, disposal of surplus funds, control over the collection and disbursement of funds, and maintenance of title to assets. The aggregate discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the District.

DISCRETELY PRESENTED COMPONENT UNIT

Sweetwater One Public School Foundation is a legally separate, tax-exempt component unit of the District. The Foundation was organized and shall be operated exclusively to receive, hold, invest in, and administer property for the District; make expenditures to or for the benefit of the District; and intended to be organized and operated as an endowment fund for the benefit of Sweetwater County School District No. 1. The Foundation does not issue separate financial statements.

The Foundation is a private not-for-profit organization that reports its financial results under the Financial Reporting for Not-for-Profit Organizations and Accounting for Contributions Received and Contributions Made Topics of the FASB Accounting Standards Codification (ASC) (Topics). As such, certain presentation features are different from Governmental Accounting Standards Board (GASB) presentation features. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences.

BLENDED COMPONENT UNIT

Sweetwater County School District No. 1 Recreation Board is also a legally separate, tax-exempt component unit of the District. The Recreation Board's funding is a one mill recreation levy imposed by the School Board. At the present time, most proposals for recreation projects will include facilities, construction, maintenance and operation, and equipment used by the District.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

NATURE OF OPERATIONS

The operations of the District consist of providing educational services to the residents of Rock Springs, Wyoming and the surrounding area within Sweetwater County, Wyoming. The District operates under a locally elected seven-member Board form of government and provides educational and supportive services as mandated by the State of Wyoming and/or federal agencies.

BASIS OF PRESENTATION

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements:

The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of net position presents the financial condition of the governmental activities of the District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Program revenues also include interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

Fund Financial Statements

During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

DESCRIPTION OF FUNDS

The District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the District typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the funds from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

Governmental funds are organized as major funds or nonmajor funds with an emphasis placed on major funds. A fund is considered major if it is a primary operating fund of the District and meets the following criteria:

Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

In addition, any other governmental fund that the District believes is particularly important to the financial statement users may be reported as a major fund.

The following are the District's major governmental funds:

General Fund - The General Fund is the operating fund of the District and is used to account for all financial resources except those that are required to be accounted for in another fund. The instructional and most of the support service programs of the District are accounted for in the General Fund. The revenue of the fund consists primarily of local

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

property taxes and federal and state funds. The general fund balance is available for any purpose provided it is expended or transferred according to the laws of the State of Wyoming.

Major Maintenance Fund – The Major Maintenance fund is a special revenue fund that accounts for the proceeds from capital maintenance property taxes levied on the District's behalf. Capital maintenance expenditures provided for these sources are recorded in this fund.

District Capital Projects/Special Purpose Fund - The District Capital Projects Fund was established pursuant to Wyoming Statute §21-13-504 to account for financial resources accumulated and payments made for the purpose of purchasing or replacing specified equipment or as a depreciation reserve for equipment and school building repair. Annual transfers from the General Fund cannot exceed ten percent (10%) of the total General Fund budget.

SFD Capital Projects Fund – The SFD Capital Projects Fund accounts for the proceeds of specific revenue sources restricted by the Wyoming School Facilities Department to expenditures for construction and renovation of schools and district facilities.

Grant Programs Fund – The Grant Programs Fund is used to account for the proceeds of specific revenue sources (other than the Head Start Program) that are legally restricted to expenditures for specified purposes. The revenue of the Special Revenue Funds consists primarily of federal and state grants.

Recreation District Fund – The Recreation District Fund is used to account for the 1 mill recreation tax levy to be used for recreation projects including facilities, construction, maintenance and operations, and equipment used by the District.

Proprietary Funds

Proprietary Funds focus on the determination of changes in net position, financial position, and cash flows.

Enterprise Funds – The Enterprise Funds are also organized as major funds and nonmajor funds with the emphasis placed on major funds. The Food Service Fund is a major enterprise fund used to account for the operations of the school breakfast and lunch program on a self-supporting basis. The fund is sustained by charges for lunch, government subsidized meal costs and food commodities, and transfers from the General Fund.

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

The Summer Program is a nonmajor enterprise fund. The fund is sustained by tuition charged for participation in the summer programs.

The Head Start Nutrition program is a nonmajor enterprise fund, and used to account for the Head Start snack and lunch program on a self-supporting basis. The fund is sustained by government subsidized meals costs.

Internal Service Fund – Internal Service Funds are used to account for the financing of goods or services provided by the District to the District itself on a cost reimbursement basis. The District's employee health insurance plan is accounted for as an internal service fund.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The agency funds are custodial in nature. The District's agency funds account for those student activity programs which have student participation in the activity and have students involved in the management of the programs and employee agency accounts in which funds are held on behalf of employees.

SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Sweetwater County School District No. 1 have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Significant accounting policies followed by the District are as follows:

a) Measurement Focus and Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The government-wide, proprietary, and fiduciary fund financial statements are prepared using the economic resources and accrual basis of accounting. Governmental funds use the current financial resources measurement focus and modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

Revenues – Exchange and Nonexchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 60 days of fiscal year-end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, donations, and State recapture payments. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, fees, and rentals. Also, under the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Federal and State Grants and Entitlements

Federal and state grants and entitlements are recognized as revenue in the period the District is entitled to the resources and the amounts are available. Expenditure-driven programs currently reimbursable are recognized as revenue when the qualifying expenditures have been incurred and the amounts are available. Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned Revenue

On governmental fund financial statements, receivables that will not be collected within the available period, including property taxes, have also been reported as unearned revenue.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement focus of governmental fund accounting is on decreases in financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation are not recognized in governmental funds.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and services. It also includes all revenue and expenses not related to capital and financing activities, noncapital financing, or investing activities. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

b) Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. Property taxes are levied in the first week of August of each year and are payable in two installments on September 1 and March 1. The County bills and collects its own property taxes and also taxes for all municipalities and political subdivision within the County, including Sweetwater County School District No. 1. District property tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period.

The District is required by Wyoming Statutes to levy taxes of twenty-five mills of assessed valuation for all school purposes, exclusive of bond interest and redemption. In addition, a county-wide school property tax of six mills is levied as well as one mill for recreation district is levied. The combined tax related to finance general school services for the year ended June 30, 2021 was thirty-two mills.

c) Cash, Cash Equivalents, and Investments

For purposes of the Proprietary Funds statement of cash flows, the Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. The cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

d) Other Receivables

Other receivables consist of stop loss insurance recoveries and student school unpaid meals. The District considers all other receivables to be reasonably collectible at June 30, 2021.

e) Internal Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “due to/from other funds”. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental, business-type activities, and student activities.

f) Inventories and Prepaid Items

Inventories are accounted for at the lower of cost (first-in, first-out method) or market using the consumption method by which inventory acquisitions are recorded in inventory accounts when purchased or received by other means and are charged to expense when consumed or sold. Inventories in governmental fund types are equally offset by a fund balance reserve, which indicates that they do not constitute “available spendable resources” even though they are a component of net current assets.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

g) Due from Other Governments

Due from other governments includes grant and reimbursements receivable from other governmental entities. Due to the date of collection of certain receivables, these balances impact reconciliations and revenue recognition.

h) Capital Assets

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

All capital assets are recorded at cost, if purchased, or at fair market value as of the date of the gift if received as a donation. The District maintains a tiered capitalization policy which

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

is based on the asset category. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets utilized by the enterprise funds is also capitalized.

All reported capital assets except land, land improvements, the collection of art, and construction in progress are depreciated. Improvements are depreciated over the useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	20 – 50 years	
Furniture and equipment	5 – 15 years	7 years
Transportation equipment	5 – 12 years	5 – 8 years

i) Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time when earned for all eligible employees. The entire compensated absence liability is reported on the government-wide financial statements.

All eligible employees of the District receive a maximum of five to twelve days of sick leave each year, depending on their classification. In accordance with the provisions of the Governmental Accounting Standards Board, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. The District also has implemented a sick leave bank for full-time eligible employees for catastrophic accident and illness.

j) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an expense, expenditure, or reduction of revenue until then. Deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as revenue until then.

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

Both deferred inflows and outflows are reported in the statement of net position or fund balance sheet, but are not recognized in the financial statements as revenues, reduction of revenues, expenses, and reduction of liabilities or increase as assets until the period(s) to which they related. The District reports the following deferred inflows and outflows of resources:

Unavailable revenues and advance collection of revenues – unavailable revenue and advance collection of revenues is reported in the governmental funds' balance sheet. The government funds report unavailable revenues from taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide statement of net position, property tax revenue is reported as a deferred inflow of resources in the year the taxes are levied. The government funds report excess taxes collected as an outflow of resources in the period that the amounts are determined. In the government-wide statement of net position, the amount of excess taxes collected is reported and due to others and in the government-wide statement of activities as a reduction of revenue and will be withheld from the coming year's Foundation Guarantee.

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

k) Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements and all payables, accrued liabilities and long-term obligation payables from enterprise funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. Capital leases are recognized as a liability on the governmental fund financial statements when due.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

l) Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

m) Fund Balance

The District uses the fund balance definitions in GASB Codification Section 1800 for financial reporting for all governmental fund types. The classifications are intended to depict the nature of net resources that are reported in a governmental fund. An individual fund could include any combination of these classifications.

Nonspendable Fund Balance

These fund balances are the net balance of assets and liabilities that are either legally or contractually required to be maintained intact or are “not in spendable” form. This includes all legally or contractually restricted balances as well as prepaid expenses, inventory, and other items considered “not in spendable” form.

Restricted Fund Balance

These fund balances are the net balance of assets and liabilities that have provisions that are externally imposed. These are grants or other funds that are restricted by the debt covenants, grantor, contributor, or by laws or regulations of external governments. In general, these include legally enforceable requirements that the resources be used only for the specific purposes stipulated in the grant, debt covenant, or by law.

Committed Fund Balance

The Board of Trustees is the District’s highest level of decision-making authority. The formal action required to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board at the District’s Board meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

1. The Reporting Entity, Nature of Operations, Basis of Presentation, Description of Funds, and Significant Accounting Policies (Continued)

Assigned Fund Balance

Assigned fund balances are the net amounts of assets and liabilities constrained by the intent of the Board of Trustees. The intent will not be done by formal action of the Board of Trustees, but will be part of items such as the adopted budget or in a statement by the Board or by an official or body to which the Board delegates the authority. The District's fund balance policy establishes that the Superintendent and the Chief Financial Officer or his designee are the officials permitted to assign amounts to a specific purpose.

Unassigned Fund Balance

Typically, unassigned fund balances will be limited to the General Fund and by definition they are the residual balance for fund balance.

When an expenditure is incurred for purposes for which a combination of fund balances is available, the District will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

n) Estimates

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

o) Pensions

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

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. Stewardship, Compliance, and Accountability

The District procedures for establishing the budget each year are as follows:

- During March and April, the District's Superintendent and Chief Financial Officer, compute, estimate, and review information to prepare the proposed budget. The District requires a significant portion of the revenue estimates from the Wyoming Department of Education.
- Proposed budgets are submitted to the Board of Trustees at the regular meeting in May of each year.
- From May through July each year, these budgets are reviewed by Superintendent, Chief Financial Officer, and Board of Trustees, and refined as necessary.
- Final budget hearings are held at the July board meeting, which takes place not later than the third Monday in July, at which time the budget is legally enacted through the passage of a resolution for the fiscal year beginning July 1 of each year.
- During the year, the District monitors the budget and amends through a budget hearing when necessary.

While the District is reporting financial position, results of operations, and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The statements of revenues, expenditures, and changes in fund balance – budget (non-GAAP) and actual presented for the General, Major Maintenance, and Grant Programs Funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are that:

- a) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- b) Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- c) Proceeds from capital leases and the associated capital outlay expenditure are not recorded on the cash basis (budget), but are recorded on the GAAP basis.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

3. Cash and Investments

Deposits and investments at June 30, 2021 consist of and appear in the financial statements as summarized below:

Cash and investments, statement of net position	\$	97,047,237
Cash and investments, statement of fiduciary net position		956,842
	\$	<u>98,004,079</u>
Cash in bank	\$	13,339,062
WGIF		84,665,017
	\$	<u>98,004,079</u>

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require that the District’s deposits in excess of Federal depository insurance amount be collateralized.

Authorized deposits are controlled by state statute and include but are not limited to deposits in banks, certificates of deposit, money market accounts, and treasury notes. Statutes also authorize the District to participate in the Wyoming Government Investment Fund (WGIF), which was established pursuant to the Wyoming Statutory Trust Act. Funds residing in these pools may have a maturity of less than three months. An annual report may be obtained for this entity at: 401 West 19th Street, Suite 300, Cheyenne, WY 82001.

The carrying amount of bank deposits for the District at June 30, 2021 is \$12,805,594 and the bank balance is \$13,261,395. The differences between the carrying amount and the bank balances are due to outstanding checks and deposits not yet processed by the bank. Of the book balance, \$1,700,243 is covered by federal depository insurance and \$11,105,351 was collateralized by securities held by the financial institutions in the District’s name and accordingly considered credit risk category 1.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The WGIF fund continues to hold an AAAM rating by Standard & Poor’s (S&P) indicating that “safety is excellent,” and the pool has “superior capacity to maintain principal value and limit exposure to loss.” The rate of return depends on the underlying portfolio. The District attempts to match its investment maturities to expected cash flow needs. As of June 30, 2021, the 7-day yield of WGIF was 0.035%.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

3. Cash and Investments (Continued)

Concentration of Credit Risk

The District does not have a formal policy regarding the concentration of credit risk. The investment in WGIF represents 100% of the total investments of the District.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The WGIF's investment policy limits its exposure to market value fluctuations due to changes in interest rates by requiring that the Fund's portfolio maintain a dollar-weighted average maturity of less than 60 days. The weighted average maturity of the Funds entire portfolio at June 30, 2021 was 53 days.

Investments Held by the Foundation

The Foundation accounts for its investments at fair value. Unrealized gains and losses are included in the change in net position. The Foundation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Foundation's investments are classified and disclosed based on quoted prices available in active markets (Level 1 inputs).

As of June 30, 2021, the Foundation had the following investments:

Investment Types	Fair Value	Interest Rate	Investment Maturities 1 year or less
Mutual Funds	\$ 901,855	n/a	\$ 739,719
Exchange Traded & Closed End Funds	72,148	n/a	72,148

The Foundation is allowed to invest in mutual funds. The Foundation is not subject to the state statutes which restrict investments to governmental securities. The mutual funds noted above consist of a variety of equities and fixed income securities and are not rated by Moody's or Standard and Poor's.

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 774,593	\$ -	\$ -	\$ 774,593
Construction in progress	8,640,256	11,788,220	(692,303)	19,736,173
Art Collection	553,000	-	-	553,000
Total capital assets, not being depreciated	9,967,849	11,788,220	(692,303)	21,063,766
Capital assets, being depreciated:				
Buildings and improvements	186,784,506	2,261,683	-	189,046,189
Furniture and equipment	4,817,561	393,171	(233,466)	4,977,266
Transportation equipment	7,636,155	154,656	1,591,286	9,382,097
Transportation equipment under capital lease	2,913,210	149,250	(1,840,300)	1,222,160
Total capital assets, being depreciated	202,151,432	2,958,760	(482,480)	204,627,712
Accumulated depreciation for:				
Buildings and improvements	(66,810,660)	(5,293,558)	249,014	(71,855,204)
Furniture and equipment	(3,926,834)	(232,275)	221,839	(3,937,270)
Transportation equipment	(5,294,125)	(606,336)	(840,706)	(6,741,167)
Transportation equipment under capital lease	(1,174,268)	(111,614)	840,706	(445,176)
Total	(77,205,887)	(6,243,783)	470,853	(82,978,817)
Impairment	(583,831)	(304,269)	-	(888,100)
Total accumulated depreciation	(77,789,718)	(6,548,052)	470,853	(83,866,917)
Total capital assets, being depreciated, net	124,361,714	(3,589,292)	(11,627)	120,760,795
Governmental activities capital assets, net	<u>\$ 134,329,563</u>	<u>\$ 8,198,928</u>	<u>\$ (703,930)</u>	<u>\$ 141,824,561</u>
	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Equipment	\$ 1,025,620	\$ 72,736	\$ -	\$ 1,098,356
Transportation equipment	164,783	-	-	164,783
Total capital assets, being depreciated	1,190,403	72,736	-	1,263,139
Accumulated depreciation for:				
Equipment	(805,576)	(30,667)	-	(836,243)
Transportation equipment	(125,572)	(8,402)	-	(133,974)
Total accumulated depreciation	(931,148)	(39,069)	-	(970,217)
Business-type activities capital assets, net	<u>\$ 259,255</u>	<u>\$ 33,667</u>	<u>\$ -</u>	<u>\$ 292,922</u>

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

4. Capital Assets (Continued)

Depreciation expense was charged to governmental functions as follows:

Governmental activities:	
Instructional services	
Regular instruction	\$ 5,009,637
Special education	9,448
Vocational education	16,904
Supporting services:	
Students	19,397
Central services	161,145
Business	20,872
Operation and maintenance of facilities	255,040
Pupil transportation	738,995
Community services	8,010
Other support services	4,335
Total depreciation expense, governmental activities	<u>\$ 6,243,783</u>

5. Defined Benefit Pension Plans

a) Plan Descriptions

Substantially all qualified employees of the State, Public School Systems, and other political subdivisions of Wyoming which have elected to participate are eligible for the Public Employee Pension Plan, a cost-sharing, multiple employer defined benefit pension plan administered by the Wyoming Retirement System (WRS). Benefit provisions under the Plan are established by State statute. WRS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information can be found on the WRS website. That report may be obtained by writing to Wyoming Retirement System, Herschler Building, Cheyenne, WY 82002 or by calling (307) 777-7691.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through the date of termination or, if they are vested, they may elect to remain in the Plan and be eligible for retirement benefits at age 50 (Tier 1 employees) and 60 (Tier 2 employees).

b) Benefits Provided

WRS Public Employees Plan provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two joint and survivor forms of benefits – 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost-of-living adjustments (COLA) provided to retirees must be granted by the State Legislature or elected as a self-funded COLA benefit

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

5. Defined Benefit Pension Plans (Continued)

option by the participant. In addition, a cost-of-living adjustment will not be approved by the legislature unless the Plan is 100% funded after the COLA is awarded.

Benefits are determined based on two tiers:

Tier 1 – members who joined WRS by August 31, 2012. The Plan allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50 or 25 years of service. Benefits are calculated as 2.125% of employee's highest average salary for each year of credited service for the first 15 years of service plus 2.25% of the highest average salary for any years of service credit exceeding 15 years. This amount is reduced by 5% per year the employee is under age 60.

Tier 2 – members who joined WRS after August 31, 2012. The Plan allows for normal retirement after four years of service and attainment of age 65. Early retirement is allowed provided the employee has completed four years of service and attained age 55 or 25 years of service. Benefits are calculated as 2% of employee's highest average salary for each year of credited service. This amount is reduced by 5% per year the employee is under age 65.

All employees may also retire upon normal retirement on the basis of the sum of the employee's age and service is at least 85.

c) Contributions

The Plan statutorily required 18.12% of the participant's salary to be contributed to the Plan. Contributions consist of 9.00% of the participant's salary as employee contributions and 9.12% as employer contributions. The amount of contributions designated as employee contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers may elect to cover all or a portion of the employee's contribution at their discretion. The District has elected to fund 14.94% with employees' contributing 3.18%.

The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District's contribution to the Wyoming Retirement System for the years ending June 30, 2021, 2020, and 2019 were approximately \$8,115,863, \$7,635,729, and \$7,032,493, equal to the required contributions for each year.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

5. Defined Benefit Pension Plans (Continued)

d) Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the District reported a net pension liability of \$52,286,189 as its proportionate share of the net pension liability of the Plan.

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of December 31, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021 using generally accepted actuarial procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan as of December 31, 2020 was 2.405777%, which was an increase of .0562313% from its 2.3495457% proportionate share at December 31, 2019.

For the year ended December 31, 2020, the District recognized a pension credit of \$1,971,208. At June 30, 2021, the District portion of the reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Pension contributions subsequent to measurement date	\$ 4,137,200	\$ -
Change in Employer's proportion and differences between the employer's contribution and the employer's proportionate share of contributions	982,245	-
Net difference between projected and actual earnings on plan investments		8,479,624
	<u>\$ 5,119,445</u>	<u>\$ 8,479,624</u>

The \$4,137,200 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

5. Defined Benefit Pension Plans (Continued)

<u>Year Ended June 30</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
2022	339,149	2,119,906
2023	339,149	2,119,906
2024	303,947	2,119,906
2025	-	2,119,906
	<u>\$ 982,245</u>	<u>\$ 8,479,624</u>

e) Actuarial Assumptions

Total pension liabilities in the January 1, 2021 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	January 1, 2021
Actuarial Cost Method	Individual Entry - Age Normal
Amortization Method	Level Percent Closed
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation	2.25%
Projected Salary Increase	2.5% to 6.5%
Investment Rate of Return	7.00%
Post-Retirement Mortality	RP-2014 Healthy Annuitant Mortality Table
Pre-Retirement Mortality	RP-2014 Employee Annuitant Mortality Table

f) Discount Rate

The discount rate used to measure the total pension liability was 7.00% for the Plan. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Wyoming State Statutes. Based on those assumptions, the WRS fiduciary net position was projected to be available to make all the projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

5. Defined Benefit Pension Plans (Continued)

DISCOUNT RATE			
	Long-Term Expected Rate of Return	Long-Term Municipal Bond Rate*	Last year ending December 31 in the 2020 to 2120 projection period for which projected benefit payments are fully funded
Single Discount Rate	7.00%	2.00%	2120
7.00%	7.00%	2.00%	2120

*Source: "State & local bonds" rate based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index".

In determining the long-term expected rate of return, the Plan assumes a long-term investment rate of return of 7.00%. The long-term rate of return is determined through a 4.75% net real rate of return and an inflation rate of 2.25%. The following table represents a comparison of an annual money-weighted rate of return, net of investments expenses compared to the expected real rate of return.

Annual money-weighted rate of return, net of expenses for the fiscal year ended December 31, 2020	Expected Rate of Return net investment expenses
7.00%	4.75%

The table below reflects the assumed asset allocation of the Plan's portfolio, the long-term expected rate of return for each asset class and the expected rate of return is presented arithmetic and geometric. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	Target Allocation	30 Year Arithmetic Expected Real Return	30 Year Geometric Expected Real Return
Cash	2.00%	-1.00%	-1.00%
Fixed Income	21.00%	1.34%	1.00%
Equity	48.50%	7.34%	5.23%
Marketable Alternatives	19.00%	4.50%	3.47%
Private Markets	9.50%	5.82%	4.53%
Total Plan (Real Return)	100.00%		

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

5. Defined Benefit Pension Plans (Continued)

g) Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for each Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 6.00%	Current Discount 7.00%	1% Increase 8.00%
Discount Proportion Share of the Net Pension Liability	\$ 81,926,506	\$ 52,286,189	\$ 27,551,084

h) Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued WRS financial reports.

Payable to the Pension Plan

The District had no outstanding payable of contributions to the pension plan required for the year ended June 30, 2021.

6. Post Retirement Health Benefits (OPEB) Plan

a) Plan Description

Retired employees have access to group medical, dental, and vision coverage through the District's group plans. The District pays the premium for those that retired under the Early Retiree Incentive Program. The plan provides that the employee (and dependents) shall be allowed to remain under the District's health plan (including Dental and Vision), until the employee dies or attains 65 years of age, whichever occurs first. Surviving spouses are also eligible until they die or attain 65 years of age, whichever occurs first. The retiree pays 15% of the premium for the coverage. The plan is considered an "Other Post – Employment Benefit" (OPEB). The plan is administered through a non-qualifying trust per paragraph 4, item (b), of the Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

b) OPEB Liability and Deferred Outflows/Inflows Related to OPEB

The District's total OPEB liability of \$50,245,511 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

6. Post Retirement Health Benefits (OPEB) Plan (Continued)

The table below shows the cumulative amounts to be shown as Deferred Outflows and Inflows of Resources. Changes in Total OPEB Liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in OPEB Expense over the expected remaining service life of all employees (active and retired) in the postretirement plan. Differences in projected and actual earnings over the measurement period are recognized over a 5-year period. Amounts not yet recognized are summarized below:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 3,911,203
Changes in assumptions	13,627,581	
	<u>\$ 13,627,581</u>	<u>\$ 3,911,203</u>

Subsequent to the measurement date, the following amounts will be recognized in OPEB Expense in the upcoming years:

<u>Year Ended June 30</u>	Net Deferred Outflows/ Inflows
2022	981,255
2023	981,255
2024	981,255
2025	981,255
2026	981,255
Thereafter	4,810,103
	<u>\$ 9,716,378</u>

Expected benefit payments: Subsequent to the Measurement Date, the following amounts are expected to be paid out in benefits in upcoming years:

<u>Year Ended June 30</u>	
2022	731,393
2023	766,381
2024	853,996
2025	898,311
2026	974,495

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

6. Post Retirement Health Benefits (OPEB) Plan (Continued)

c) Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods including in the measurements, unless otherwise specified:

To select assumptions to be used in the valuation, a number of factors are considered. These factors include the level of benefits provided by the plan, the ages at which these benefits become available, recent experience of the group, experience of employees in the Wyoming Retirement System (WRS), the insights and observations of the administration, and the actuary's best estimate of the likelihood of certain events, given experience with other plans under similar circumstances.

It was not possible to develop reasonable pre-retirement decrement assumptions for withdrawal, mortality and disability rates based on the experience of the District due to its size. To obtain more reliable experience, other sources were used. Mortality, withdrawal, and disability assumptions are from the Wyoming Retirement System January 1, 2021 actuarial valuation. Retirement assumptions are based on District experience.

The discount assumption reflects the time value of money as of the valuation date. The Discount Rate was decreased from 3.50% for the Fiscal Year-Ended June 30, 2020 to 2.16% to better reflect the current high-quality fixed income environment. The underlying index used is the High Quality 20-Tax-Exempt Bond G.O. Index. The rate has been updated to the current Fiscal Year-End based on changes in market conditions as reflected in the index. The rate selected is as of June 24, 2021, and is the most recent rate available prior to the Measurement Date.

Other significant assumptions are as follows:

Valuation Date	June 30, 2021			
Discount Rate,				
Beginning of Year	3.50%			
End of Year	2.16%			
Total Payroll Increases	2.50%			
Blended Premium Rates				
	<u>Under Age 65</u>		<u>Age 65 & Over</u>	
	<u>Retiree</u>	<u>Spouse</u>	<u>Retiree</u>	<u>Spouse</u>
\$1,000 Deductible Plan	\$ 11,532	\$ 10,140	\$ 6,084	\$ 4,572

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

6. Post Retirement Health Benefits (OPEB) Plan (Continued)

Healthcare Cost Trend Rates

	First-Year Trend	Initial Trend	Ultimate Trend	Amount of Trend Decrease
\$1,000 Deductible Plan	4.90%	6.50%	5.00%	0.50%
	Years Between Trend Decreases	Year Ultimate Trend Reached		
	2	2028		

Claims	Age-grading factors used to calculate claims for all ages
Election at Retirement	All Age Groups - 65
Spousal Election	Of those employees assume to elect coverage at retirement, 50% are assumed to elect spousal coverage. Female spouses are assumed to be three years younger than male spouses.

The changes in the assumptions for the plan were made to better reflect the future anticipated experience in the plan. The changes in assumptions resulted in a net increase in the Total OPEB Liability in the current year of approximately \$10,600,000. The differences between expected and actual experience resulted in a net decrease of approximately \$1,870,000.

Changes in the total OPEB liability for the year ended June 30, 2021 are as follows:

	Total OPEB Liability
Balance at 6/30/20	\$ 40,967,996
Changes for the year	
Service cost	1,455,043
Interest cost	1,420,322
Change in benefit terms	(1,584,660)
Changes in assumptions/amortization	8,719,135
Benefit payments	(732,325)
Net changes	9,277,515
Balance at 6/30/21	\$ 50,245,511

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

6. Post Retirement Health Benefits (OPEB) Plan (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.16 percent) or one percentage point higher (3.16 percent) than the current discount rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability \$	62,444,514	\$ 50,245,511	\$ 41,018,607

7. Deferred Compensation Plan

The District offers its employees a deferred compensation plan (Plan) that is structured in accordance with the provisions of Internal Revenue Code Section 457. The Plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

As of November 24, 1998, in order to comply with the Small Business Job Protection Act of 1996, the Plan, under the control of Wyoming Deferred Compensation, Inc., was amended. The Plan assets and the income attributable to the Plan assets are now set aside in a trust arrangement for the exclusive benefit of the participant or the participant's beneficiary.

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SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

8. Long-Term Obligations

During the year ended June 30, 2021 the following changes occurred in long-term liabilities:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Obligations under capital leases	\$ 304,800	\$ 149,250	\$ (247,457)	\$ 206,593	\$ 57,456
Accrued vacation	417,182	735,697	(375,464)	777,415	699,674
Net pension liability	54,869,930	-	(2,872,370)	51,997,560	-
Net OPEB obligation	40,570,606	9,912,745	(724,810)	49,758,541	-
Total governmental activities long-term liabilities	<u>\$ 96,162,518</u>	<u>\$ 10,797,692</u>	<u>\$ (4,220,101)</u>	<u>\$ 102,740,109</u>	<u>\$ 757,130</u>
Business-type activities:					
Accrued vacation	\$ 5,286	\$ 2,957	\$ (4,758)	\$ 3,485	\$ 3,136
Net pension liability	342,661	-	(54,032)	288,629	-
Net OPEB obligation	397,390	97,095	(7,515)	486,970	-
Total business-type activities long-term liabilities	<u>\$ 745,337</u>	<u>\$ 100,052</u>	<u>\$ (66,305)</u>	<u>\$ 779,084</u>	<u>\$ 3,136</u>

The OPEB obligation as of June 30, 2020 is being split between governmental activities and business-type activities resulting in a prior period adjustment and restatement in the amount of \$397,390.

Capital leases – The District leases certain transportation equipment under capital leases, of which provide for the purchase of leased buses for nominal amounts at the end of the lease term. The interest rates on the leases are 1.77% to 2.12% with an average for the leases at June 30, 2021 of approximately 1.95%. Interest expense of \$6,452 as a result of capital lease obligations is included in the government-wide statement of activities.

The following is a schedule by years of minimum future lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2021:

<u>Payable during the year ended June 30,</u>	Governmental activities
2022	\$ 61,540
2023	61,540
2024	61,540
2025	31,501
	<u>216,121</u>
Less amount representing interest	(9,528)
Minimum Future Lease Payments	<u>\$ 206,593</u>

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

8. Long-Term Obligations (Continued)

Accrued vacation – Twelve-month full-time classified personnel are entitled to initial vacation leave after completing six months of service, increasing thereafter depending on the length of service. Professional staff will be granted twenty days of paid vacation leave on July 1, increasing thereafter depending on the length of service. Vacation days accumulated are generally not paid if not used, except for twelve-month administrators and classified support personnel who can be paid up to fifty days of unused vacation upon termination.

9. Self-Funded Health Insurance

Sweetwater County School District No. 1 does not purchase commercial insurance for employee health and accident risk of loss. Instead, UMR has been retained to service claims for the District's employees. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The liability is the District's and UMR's best estimate based on available information. The insurance companies maintain a stop-loss insurance policy to pay annual losses exceeding \$225,000 specific per person and \$11,937,546 aggregate for the plan year to further protect the District.

See the statement of fund net position and statement of revenues, expenses, and changes in fund net position for further details on the activities of the insurance plan.

10. Fund Equity and Net Position

The nonspendable fund balance account is summarized below:

Inventories and prepaid items – represents a portion of fund balance segregated for future use and is therefore not available for future appropriation or expenditure for general use.

Specific restrictions of fund balance and net position are summarized below.

Grant Programs – grant proceeds for which the District has met the eligibility requirements and thus recorded the revenue, but has yet to spend the funds on the specific program.

Major Maintenance – funds segregated to be used for capital outlay expenditures which meet the Wyoming Department of Education's definition of major maintenance.

Capital Projects – funds segregated for future capital project needs.

Recreation District – funds segregated for future recreation projects.

Impact Aid – Section 8003 (b) payments to be used by the District in accordance with Federal requirements. Allowable expenditures include salaries, textbooks, computers, instructional materials, and special programs.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

10. Fund Equity and Net Position (Continued)

Specific assignments of fund balance accounts are summarized below:

Capital construction/projects – to segregate the portion of fund balance/net position that is not available for general expenditure or expense but rather assigned for future property, plant, and equipment major repair or replacement.

Head Start child care – to segregate a portion of the fund balance assigned to cover future child care costs in the Head Start Fund.

Projected budget deficit – to segregate a portion of the fund balance which has been reserved by the Board to cover the expected fiscal 2021 budget shortfall.

Minimum Fund Balance – to segregate available fund balance which has been assigned by the Board through budget authority to establish an optimum minimum fund balance.

Future Expenditures – to segregate a portion of fund balance which has been assigned by the Board through budget authority to cover future operating expenditures in the General Fund.

The District has no committed fund balances as of June 30, 2021.

As of June 30, 2021, Sweetwater One Public School Foundation, a component unit of the District, had \$638,595 net assets without donor restrictions, Board designated; \$413,675 net assets with donor restrictions, restricted for program purposes, and \$160,785 net assets with donor restrictions, permanently restricted. The interest earned on the permanently restricted funds can be used for operations or program purposes, and the principal has to be held in perpetuity as part of the Foundation's endowment fund.

The Governmental Activities unrestricted net position is negative due to the effects of GASB 68 *Accounting and Reporting for Pensions*. The Activities include net pension and OPEB liabilities and deferred outflows and inflows of resources which in total reduced the unrestricted net position of the Governmental Activities by \$95,432,110. Without this change, Governmental Activities unrestricted net position would have been positive balances of \$73,085,941.

11. Risk Management Programs

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The District currently manages said risk through the purchase of commercial insurance and participation in the Wyoming Workers' Compensation Program.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

11. Risk Management Programs (Continued)

Policy limits include approximately \$268 million real and personal property; \$2,000,000 general liability aggregate; \$3,000,000 excess liability aggregate; \$2,000,000 abuse or molestation liability; \$2,000,000 educators' management liability aggregate; \$2,000,000 professional liability aggregate; \$1,000,000 cyber liability and crime coverage; \$2,000,000 employee benefits liability aggregate; and miscellaneous other coverages.

All risk management activities are accounted for in the General Fund. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years. The District also participates in Workers' Compensation and Unemployment Compensation programs, both administered by the Wyoming Department of Workforce Services. Amounts paid by the District to the State for Worker's Compensation during fiscal year 2021 were \$256,219. The Unemployment program requires the District to pay the cost of actual claims incurred. Changes in the balances of unemployment claim liabilities during fiscal year 2021 are as follows:

Unpaid claims, beginning of fiscal year	\$ 120,789
Incurred claims	104,125
Claim payments	<u>(213,254)</u>
Unpaid claims, end of fiscal year	<u><u>\$ 11,660</u></u>

12. Commitments and Contingencies

Construction Commitments

The District is obligated at June 30, 2021 under construction commitments for several projects at various schools within the district for building and renovation projects. Total approved contracts as of June 30, 2021 are \$26.1 million with \$19 million completed and \$7.1 million still committed. The majority of the commitment will be financed by additional funds from the Wyoming Schools Facilities Department and transfers from the Recreation Board.

Federal and State Compliance

The District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received in these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund, or other applicable funds. However, in the opinion of management any such disallowed claims would not have a material adverse effect on the overall financial position of the District as of June 30, 2021.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

12. Commitments and Contingencies (Continued)

Other

The COVID-19 pandemic remains an evolving situation. The COVID-19 outbreak is disrupting supply chains and impacting individuals in the United States and the world. The extent of the impact of COVID-19 on the Board's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and the impact on taxpayers, state funding decisions, employees, and vendors, all of which are uncertain.

Possible or Pending Litigation

The District is involved in ongoing litigation and asserted claims. The District's insurance provides coverage for these claims, however, the District may be liable for its deductible. The deductible has not been accrued as the outcome of these matters are not presently determinable. In management's opinion, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

13. Internal Balances and Activity

The composition of internal balances, which have been eliminated for the government-wide basic financial statements, as of June 30, 2021 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grant Programs Fund	\$ 102,831
General Fund	Agency Fund	6,068
Food Service Fund	Grant Programs Fund	5,858
SFD Capital Projects Fund	Recreation District	63,960
SFD Capital Projects Fund	Grant Programs Fund	2
District Capital Projects Fund	Grant Programs Fund	25

These balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting systems, and (3) payments between funds are made. All amounts will be repaid within the next fiscal year.

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**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

13. Internal Balances and Activity (Continued)

Transfers for the year are as follows:

Transfer To Receiving Fund	Transfer From Paying Fund	Amount
SFD Capital Projects Fund	Recreation District	\$ 495,280
General Fund	Recreation District	53,571
District Capital Projects Fund	General Fund	6,125,000
Internal Service Fund	General Fund	7,500,000
Food Service Fund	General Fund	6,000
Food Service Fund	District Capital Projects Fund	75,851

14. Related Party Transactions

Sweetwater One Public School Foundation is a component unit of the District as described in Note 1. During the year, the District paid insurance, supplies, and miscellaneous expenses for the Sweetwater One Public School Foundation in the amount of \$3,736 during the fiscal year ended 2021.

One of the members of the Board of Trustees is the Vice President of a local construction company owned by his family. During the year ended June 30, 2021, the District used the company for construction projects paying the company \$153,000.

15. Issued Standards Not Yet Implemented

GASB Statement No. 87, *Leases*, requires leases to be reported as financing transactions. Accordingly, governments that lease assets from others (lessees) will report liabilities for all of their leases of land, buildings, and equipment (except for short-term leases and contracts that transfer ownership). This includes leases that previously were considered operating leases and, therefore, were not reported as liabilities. In addition, all lease liabilities under Statement 87 will be disclosed in the schedule of changes in long-term liabilities. The lease standard will be effective for reporting periods beginning after June 15, 2021. Management has not completed its assessment of the effects of implementing this standard.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, defines subscription-based information technology arrangement (SBITA) for governmental entities. Further, it also explains how to account for SBITAs and what financial statement disclosures are required. This is especially significant considering no previous accounting guidance or disclosure requirements exist for SBITAs under GASB. The standard outlines how to determine whether you have a SBITA, by defining it as “a contract that conveys control of the right to use another party’s (a SBITA vendor’s) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

15. Issued Standards Not Yet Implemented (Continued)

or exchange-like transaction.” If a SBITA is identified, a subscription liability and a subscription asset are recognized on the statement of financial position at the commencement of the SBITA’s subscription term. The reporting standard will be effective for reporting periods beginning after June 15, 2021. Management has not completed its assessment of the effects of implementing this standard.

16. Prior Period Adjustment

A prior period adjustment was made to move part of the OPEB obligation to the enterprise fund based on the percentage of payroll incurred by that fund. Net position of governmental activities increased and net position of business-type activities decreased by \$397,390.

17. Subsequent Events

The District did not have any subsequent events through December 8, 2021, the date at which the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources	\$ 36,729,459	\$ 38,069,642	\$ 38,491,885	\$ 422,243
County sources	10,960,991	11,210,991	11,315,920	104,929
State sources	36,479,139	37,389,956	37,515,178	125,222
Federal sources	60,000	60,000	119,222	59,222
Interest income	110,000	110,000	27,643	(82,357)
Total revenues	<u>84,339,589</u>	<u>86,840,589</u>	<u>87,469,848</u>	<u>629,259</u>
Expenditures:				
Current:				
Instructional services:				
Regular instruction	32,768,780	29,643,839	29,141,343	502,496
Special education	15,404,445	13,562,293	11,197,759	2,364,534
Vocational and other education	3,678,414	1,380,718	1,380,031	687
Supporting services:				
Students	8,265,345	7,851,210	7,257,048	594,162
Instructional staff	3,152,149	2,569,362	2,444,561	124,801
Central services	4,413,844	5,065,591	4,952,629	112,962
School administration	4,667,753	4,299,431	4,250,425	49,006
Business	2,453,297	1,520,026	1,324,170	195,856
Operation and maintenance of facilities	9,043,639	8,026,062	7,276,168	749,894
Pupil transportation	5,547,563	4,469,273	4,052,477	416,796
General administration	626,110	568,760	512,395	56,365
Community services	35,905	35,905	9,061	26,844
Other supporting services	1,003,356	196,805	211,904	(15,099)
Food service	10,000	5,000	-	5,000
Capital outlay	16,000	-	-	-
Total expenditures	<u>91,086,600</u>	<u>79,194,275</u>	<u>74,009,971</u>	<u>5,184,304</u>
Excess (deficiency) of revenues over (under) expenditures	(6,747,011)	7,646,314	13,459,877	5,813,563
Other financing sources (uses):				
Operating transfers in	120,500	120,500	53,571	(66,929)
Operating transfers out	(255,296)	(14,648,621)	(13,631,000)	1,017,621
Sale of capital assets	10,328	10,328	1,991	(8,337)
Total other financing sources (uses)	<u>(124,468)</u>	<u>(14,517,793)</u>	<u>(13,575,438)</u>	<u>942,355</u>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>(6,871,479)</u>	<u>(6,871,479)</u>	<u>(115,561)</u>	<u>\$ 6,755,918</u>
Fund balances - beginning	<u>6,871,479</u>	<u>6,871,479</u>	<u>6,871,479</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,755,918</u>	

See accompanying notes to required supplementary information.

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) TO ACTUAL
MAJOR MAINTENANCE FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources	\$ -	\$ -	\$ 81,151	\$ 81,151
State sources	2,954,189	4,128,850	4,128,850	-
Interest	19,800	19,800	5,669	(14,131)
Total revenues	<u>2,973,989</u>	<u>4,148,650</u>	<u>4,215,670</u>	<u>67,020</u>
Expenditures:				
Capital outlay	10,331,169	11,505,830	2,745,191	8,760,639
Total expenditures	<u>10,331,169</u>	<u>11,505,830</u>	<u>2,745,191</u>	<u>8,760,639</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,357,180)</u>	<u>(7,357,180)</u>	<u>1,470,479</u>	<u>\$ 8,827,659</u>
Fund balances - beginning	<u>7,357,180</u>	<u>7,357,180</u>	<u>7,357,180</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,827,659</u>	

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
BUDGETARY COMPARISON SCHEDULE
BUDGET (NON-GAAP) TO ACTUAL
GRANT PROGRAMS FUND
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources	\$ 696,111	\$ 488,110	\$ 293,666	\$ (194,444)
State sources	92,000	88,000	88,000	-
Federal sources	7,088,937	17,097,240	7,432,658	(9,664,582)
Total revenues	<u>7,877,048</u>	<u>17,673,350</u>	<u>7,814,324</u>	<u>(9,859,026)</u>
Expenditures:				
Current:				
Instructional services:				
Regular instruction	2,951,738	3,622,695	2,868,220	754,475
Special education	1,679,231	3,857,396	889,772	2,967,624
Vocational education	-	48,658	35,959	12,699
Other instruction	-	1,016,144	-	1,016,144
Supporting services:				
Students	323,331	647,288	208,781	438,507
Instructional staff	2,339,215	2,177,888	1,156,025	1,021,863
Central services	338,918	1,179,967	1,011,903	168,064
School administration	-	10,020	10,020	-
Operation and maintenance of facilities	28,495	4,727,803	1,559,528	3,168,275
General administration	159,163	268,800	-	268,800
Community services	179	-	-	-
Other	-	59,913	-	59,913
Total expenditures	<u>7,820,270</u>	<u>17,616,572</u>	<u>7,740,208</u>	<u>9,876,364</u>
Excess of revenues over (under) expenditures	56,778	56,778	74,116	17,338
Other financing sources:				
Operating transfers in	1,011	1,011	-	(1,011)
Total other financing sources	<u>1,011</u>	<u>1,011</u>	<u>-</u>	<u>(1,011)</u>
Revenues in excess of expenditures	57,789	57,789	74,116	<u>\$ 16,327</u>
Fund balances - beginning	<u>(57,789)</u>	<u>(57,789)</u>	<u>(57,789)</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,327</u>	

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021**

Proportionate Share of the Net Pension Liability - A Schedule of the Sweetwater County School District No. 1's proportionate share of the net pension liability follows:

	2020	2019	2018
December 31:			
Program Proportion of the Net Pension Liability	2.405777000%	2.349545700%	2.367198700%
Program Proportionate Share of the Net Pension Liability (Asset)	\$ 52,286,189	\$ 55,212,592	\$ 72,088,086
Program Covered Employee Payroll	\$ 44,789,517	\$ 43,335,615	\$ 41,257,414
Program Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Employee	116.74%	127.41%	174.73%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	79.24%	76.83%	69.17%

Amounts were presented for the System year ended December 31, 2020 for both Tier 1 and Tier 2 combined as the breakdown was not available from the WRS. Going forward, a full 10-year schedule will be presented as it becomes available.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
2.502386800%	2.681405400%	2.603098736%	2.639420650%
\$ 57,037,916	\$ 64,822,981	\$ 45,936,681	\$ 46,577,651
\$ 41,917,478	\$ 47,511,896	\$ 42,742,765	\$ 43,110,092
136.07%	136.44%	107.47%	108.04%
76.35%	73.42%	73.40%	79.08%

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
DEFINED BENEFIT PENSION CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2021

Defined Benefit Pension Contributions - A Schedule of the Sweetwater County School District No. 1's pension contributions to the System follows:

	2021	2020	2019	2018
Contractually required program contributions	\$ 8,115,864	\$ 7,635,729	\$ 7,032,493	\$ 6,966,685
Program contributions in relation to the contractually required contributions	<u>8,115,864</u>	<u>7,635,729</u>	<u>7,032,493</u>	<u>6,966,685</u>
Program contribution deficiency (excess)	-	-	-	-
Program covered employee payroll	<u>\$ 44,789,517</u>	<u>\$ 43,335,615</u>	<u>\$ 41,257,414</u>	<u>\$ 41,917,478</u>
Program contributions as a percentage of covered employee payroll	18.12%	17.62%	17.05%	16.62%

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 7,896,477	\$ 7,103,849	\$ 6,841,573	\$ 6,692,014	\$ 6,186,865	\$ 6,183,765
<u>7,896,477</u>	<u>7,103,849</u>	<u>6,841,573</u>	<u>6,692,014</u>	<u>6,186,865</u>	<u>6,183,765</u>
-	-	-	-	-	-
<u>\$ 47,511,896</u>	<u>\$ 42,742,765</u>	<u>\$ 43,110,092</u>	<u>\$ 45,872,802</u>	<u>\$ 43,816,300</u>	<u>\$ 43,794,359</u>
16.62%	16.62%	15.87%	14.59%	14.12%	14.12%

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF DISTRICT'S OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021

Proportionate Share of the Net OPEB Liability - A Schedule of the Sweetwater County School District No. 1's proportionate share of the net pension liability follows:

June 30,	2021	2020	2019
District's OPEB liability	\$ 50,245,511	\$ 40,967,996	\$ 38,649,925
Covered Employee Payroll	\$ 44,789,517	\$ 43,335,615	\$ 45,730,096
Total OPEB Liability as a Percentage of Covered Employee Payroll	112.18%	94.54%	84.52%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is showing each years' presentation.

<u>2018</u>	<u>2017</u>
\$ 34,577,440	\$ 32,617,065
\$ 41,917,478	\$ 47,114,121
82.49%	69.23%

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF CHANGES IN DISTRICT'S OPEB LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021

A Schedule of the Changes in the District's OPEB Liability follows:

	2021	2020	2019
Service cost	\$ 1,455,043	\$ 1,501,736	\$ 1,641,068
Interest	1,420,322	1,406,739	1,331,125
Changes in assumptions/amortization	7,134,475	164,875	1,813,623
Benefit payments	<u>(732,325)</u>	<u>(755,279)</u>	<u>(713,331)</u>
Net change in total OPEB liability	9,277,515	2,318,071	4,072,485
Total OPEB liability - beginning	<u>40,967,996</u>	<u>38,649,925</u>	<u>34,577,440</u>
Total OPEB liability - ending	<u><u>\$ 50,245,511</u></u>	<u><u>\$ 40,967,996</u></u>	<u><u>\$ 38,649,925</u></u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District is showing each years' presentation.

2018		2017	
\$	1,378,403	\$	1,511,527
	1,185,681		1,123,156
	-		-
	(603,709)		(671,612)
	<u>1,960,375</u>		<u>1,963,071</u>
	<u>32,617,065</u>		<u>30,653,994</u>
\$	<u><u>34,577,440</u></u>	\$	<u><u>32,617,065</u></u>

SWEETWATER COUNT SCHEDULE DISTRICT NO. 1
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

1. Budgetary Basis of Accounting

While the District is reporting financial position, results of operations, and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements. The statements of revenues, expenditures, and changes in fund balance – budget (non-GAAP) and actual presented for the General Fund, Major Maintenance Fund, and Grant Programs Fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are that:

- a) Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
- b) Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- c) Proceeds from capital leases and the associated capital outlay expenditure are not recorded on the cash basis (budget), but are recorded on the GAAP basis.

An explanation of differences between the budgetary basis and GAAP basis follows:

	General Fund	Major Maintenance Fund	Grant Programs Fund
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Actual amounts (budgetary basis)			
from budgetary comparison schedule	\$ 87,469,848	\$ 4,215,670	\$ 7,814,324
Differences - budget to GAAP			
Accrual of property tax receivable	15,284	-	-
Recognition of overpayment from other government	-	(234,470)	
Accrual of due from other governments	-	-	39,453
	<u> </u>	<u> </u>	<u> </u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds	<u>\$ 87,485,132</u>	<u>\$ 3,981,200</u>	<u>\$ 7,853,777</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. Budgetary Basis of Accounting (Continued)

	General Fund	Major Maintenance Fund	Grant Programs Fund
	<u> </u>	<u> </u>	<u> </u>
Expenditures:			
Actual amounts (budgetary basis)			
from budgetary comparison schedule	\$ 74,009,971	\$ 2,745,191	\$ 7,740,208
Differences - budget to GAAP			
Accrual for accounts payable, prepaid items, and other expenditures	(219,933)	(197,624)	110,257
Inventory adjustment	(29,132)	-	-
Capital outlay via capital lease	149,250	-	-
	<u> </u>	<u> </u>	<u> </u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds	<u>\$ 73,910,156</u>	<u>\$ 2,547,567</u>	<u>\$ 7,850,465</u>
Other financing sources (uses):			
Actual amounts (budgetary basis)			
from budgetary comparison schedule	\$(13,575,438)	\$ -	\$ -
Differences - budget to GAAP			
Capital lease proceeds	149,250	-	-
	<u> </u>	<u> </u>	<u> </u>
Total other financing sources (uses) as reported on the statement of revenues, expenditures, and changes in fund balances - Governmental Funds	<u>\$(13,426,188)</u>	<u>\$ -</u>	<u>\$ -</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUE)

1. Budgetary Basis of Accounting (Continued)

The following table summarizes the General Fund budget at the level required by Wyoming Statute:

	Revised Budget	Actual (Non-GAAP) Budgetary Basis	Variance
Revenues	\$ 86,850,917	\$ 87,469,848	\$ 618,931
Expenditures			-
Instruction	45,975,374	43,063,466	2,911,908
Instructional support	9,032,048	8,357,276	674,772
General support	24,145,948	22,580,168	1,565,780
Non-Instructional support	40,905	9,061	31,844
Operating transfers			-
Transfers in	120,500	53,571	(66,929)
Transfers out	(14,648,621)	(13,631,000)	1,017,621

2. Explanations of Changes to Pension Plan

Changes of assumptions – For 2021, average future lifetime for current pensioners decreased from 15.9 years to 15.7 years over 2020.

Changes in benefits - There were no changes in benefits for January 2021 reporting purposes.

3. Explanations of Changes to OPEB Plan

Changes of assumptions – There were several changes in assumptions for June 2021 reporting purposes, including a decrease in the discount rates from 3.5% to 2.16% and reflecting a 3-year differential between male and female participants.

Changes in benefits - There were no changes in benefits for June 2021 reporting purposes.

OTHER SUPPLEMENTAL INFORMATION

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Head Start
Assets:	
Cash and investments	\$ 39,376
Receivables:	
Other governments	80,272
Total assets	\$ 119,648
Liabilities:	
Accounts payable	\$ 39,190
Accrued expenses	50,819
Total liabilities	90,009
Fund balances:	
Assigned for:	
Head Start child care	29,639
Total fund balances	29,639
Total liabilities and fund balances	\$ 119,648

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Head Start
Revenues:	
Local sources	\$ 3,272
Federal sources	1,460,366
Interest	20
	1,463,658
Expenditures:	
Current:	
Instructional services:	
Special education	940,730
Supporting services:	
Student	178,846
Instructional staff	25,803
Central services	156,223
Operation and maintenance of facilities	124,875
Pupil transportation	34,560
General support	41
Food services	2,560
	1,463,638
Net change in fund balance	20
Fund balances - beginning	29,619
Fund balances - ending	\$ 29,639

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF BALANCE SHEETS
SFD CAPITAL CONSTRUCTION FUND
JUNE 30, 2021

	District Projects	Sat HS Construction	Farson School	Eastside 5-6 New K-4
Assets:				
Cash and investments	\$ -	\$ 533,471	\$ -	\$ -
Receivables:				
Other governments	-	1,788,531	-	-
Due from other funds	63,960	-	-	2
Total assets	<u>\$ 63,960</u>	<u>\$ 2,322,002</u>	<u>\$ -</u>	<u>\$ 2</u>
Liabilities:				
Accounts payable	<u>\$ 63,960</u>	<u>\$ 2,322,002</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>63,960</u>	<u>2,322,002</u>	<u>-</u>	<u>-</u>
Fund balances:				
Assigned for capital construction	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
Total liabilities and fund balances	<u>\$ 63,960</u>	<u>\$ 2,322,002</u>	<u>\$ -</u>	<u>\$ 2</u>

<u>Washington Renovation</u>	<u>Lincoln Demolition</u>	<u>Total Capital Construction Fund</u>
\$ 185,350	\$ -	\$ 718,821
-	35,112	1,823,643
-	-	63,962
<u>\$ 185,350</u>	<u>\$ 35,112</u>	<u>\$ 2,606,426</u>
<u>\$ -</u>	<u>\$ 35,112</u>	<u>\$ 2,421,074</u>
<u>-</u>	<u>35,112</u>	<u>2,421,074</u>
<u>185,350</u>	<u>-</u>	<u>185,352</u>
<u>185,350</u>	<u>-</u>	<u>185,352</u>
<u>\$ 185,350</u>	<u>\$ 35,112</u>	<u>\$ 2,606,426</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
SFD CAPITAL CONSTRUCTION FUND
FOR THE YEAR ENDED JUNE 30, 2021

	District Projects	Sat HS Construction	Farson School	Eastside 5-6 New K-4
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	10,905,369	5,116	-
Interest	-	-	-	-
Total revenues	<u>-</u>	<u>10,905,369</u>	<u>5,116</u>	<u>-</u>
Expenditures:				
Capital outlay	<u>495,280</u>	<u>10,905,369</u>	<u>5,116</u>	<u>-</u>
Total expenditures	<u>495,280</u>	<u>10,905,369</u>	<u>5,116</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(495,280)	-	-	-
Other financing sources:				
Operating transfers	<u>495,280</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2</u>

Washington Renovation	Lincoln Demolition	Total Capital Construction Fund
\$ 185,000	\$ -	\$ 185,000
-	41,702	10,952,187
<u>350</u>	<u>-</u>	<u>350</u>
<u>185,350</u>	<u>41,702</u>	<u>11,137,537</u>
<u>-</u>	<u>41,702</u>	<u>11,447,467</u>
<u>-</u>	<u>41,702</u>	<u>11,447,467</u>
185,350	-	(309,930)
<u>-</u>	<u>-</u>	<u>495,280</u>
<u>185,350</u>	<u>-</u>	<u>185,350</u>
<u>-</u>	<u>-</u>	<u>2</u>
<u>\$ 185,350</u>	<u>\$ -</u>	<u>\$ 185,352</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF BALANCE SHEETS
GRANT PROGRAMS
JUNE 30, 2021

Grantor/Program Title	Pass-Through Grantor's Number	ASSETS		
		Cash	Due from Other Governments	Total Assets
<u>U.S. Department of Education</u>				
School Improvement Grants FY21	2019011003SUBR1900	\$ -	\$ 40,245	\$ 40,245
School Improvement Grants FY20	1919011003SUBR1800	-	-	-
School Improvement Grants FY16	15190143G1A0 FY15 SIG	-	-	-
Title I-Schoolwide FY21	211901T1SUBR2000	-	-	-
Title I-Schoolwide FY20	201901T1SUBR1900	-	-	-
Title I-Schoolwide FY19	191901TIPA1800 FY19	-	-	-
Title I- D FY21	211901T1NDSP22000	-	-	-
Title I- D FY20	201901T1NDSP21900	-	-	-
Perkins Vocation Education FY21	211901PERKSUBS2000	-	-	-
Perkins Vocation Education FY20	201901PERKSUBS1900	-	-	-
Perkins Vocation Education FY20	FY20 Cutting Edge	-	25,000	25,000
Perkins Workforce Discovery	211901??A0	-	104	104
Title VI-B 611 FY21	211901SPEDSUBR2000	-	13,376	13,376
Title VI-B 611 FY20	201901SPEDSUBR1900	-	28,788	28,788
Title VI-B 611 FY19	191901SPED6111800	3,384	-	3,384
Title VI-B 611 FY16	1619016T6100 FY16	-	-	-
Title VI-B 619 FY20	201901PSCSUBR1900	-	813	813
Title III FY21	211901T3SUBR2000	-	-	-
Title III FY20	201901T3SUBR1900	-	-	-
Title III Immigrant FY20	201901T3LEA1900	-	-	-
Title IIA FY21	211901T2SUBR2000	-	25,639	25,639
Title IIA FY20	201901T2SUBR1900	-	-	-
Student Support and Academic Enrichment FY21	211901T4SUBR2000	-	1,823	1,823
Student Support and Academic Enrichment FY20	201901T4SUBR1900	-	-	-
Student Support and Academic Enrichment FY19	191901T4ASSAE1800	-	12,383	12,383
After School Learning Center FY21	211901CCLCSUBR20R2	-	3,669	3,669
After School Learning Center FY20	201901CCLCSUBR19R2	-	-	-
After School Learning Center FY19	191901CCLCSUBR18R2	-	-	-
Education Stabilization Fund	201901ESSERSUB2000	-	20,570	20,570
Education Stabilization Fund	201901GEERSUBR2000	-	-	-
Coronavirus Relief Fund	125TECH20	-	-	-
Coronavirus Relief Fund	125PPE20	33,202	-	33,202
<u>Wyoming Department of Education and Other</u>				
BOCES Misc Grants	N/A	5,455	85,494	90,949
BOCES-Concurrent Courses	N/A	-	-	-
National Board Certified Teachers	N/A	-	-	-
National Board Certification Program	N/A	-	-	-
Pro Community Programs	N/A	-	-	-
AHEC-UW Grant	N/A	-	-	-
Other District Programs		85,542	5,685	91,227
		<u>\$ 127,583</u>	<u>\$ 263,589</u>	<u>\$ 391,172</u>

LIABILITIES

Accounts Payable	Accrued Expenses	Deferred Revenue	Due to/(from) Other Funds	Due to Others	Fund Equity	Total Liabilities and Fund Equity
\$ 9,526	\$ 30,719	\$ -	\$ -	\$ -	\$ -	\$ 40,245
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	25,000	-	-	25,000
-	-	-	104	-	-	104
-	13,376	-	-	-	-	13,376
28,788	-	-	-	-	-	28,788
284	-	-	-	3,100	-	3,384
-	-	-	-	-	-	-
813	-	-	-	-	-	813
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	25,639	-	-	-	-	25,639
-	-	-	-	-	-	-
1,182	641	-	-	-	-	1,823
-	-	-	-	-	-	-
12,232	151	-	-	-	-	12,383
-	3,669	-	-	-	-	3,669
-	-	-	-	-	-	-
-	-	-	-	-	-	-
20,570	-	-	-	-	-	20,570
-	-	-	-	-	-	-
-	-	33,202	-	-	-	33,202
-	-	-	-	-	-	-
11,248	4,614	-	75,055	-	32	90,949
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	8,557	-	82,670	91,227
<u>\$ 84,643</u>	<u>\$ 78,809</u>	<u>\$ 33,202</u>	<u>\$ 108,716</u>	<u>\$ 3,100</u>	<u>\$ 82,702</u>	<u>\$ 391,172</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF REVENUES AND EXPENDITURES
GRANT PROGRAMS
FOR THE YEAR ENDED JUNE 30, 2021

Grantor/Program Title	Pass-Through Grantor's Number	REVENUES		
		Local	Federal	State
U.S. Department of Education				
School Improvement Grants FY21	2019011003SUBR1900	\$ -	\$ 82,374	\$ -
School Improvement Grants FY20	1919011003SUBR1800	-	21,169	-
School Improvement Grants FY16	15190143G1A0 FY15 SIG	-	(140)	-
Title I-Schoolwide FY21	211901T1SUBR2000	-	1,373,362	-
Title I-Schoolwide FY20	201901T1SUBR1900	-	391,125	-
Title I-Schoolwide FY19	191901T1SUBR1800	-	1	-
Title I- D FY21	211901T1NDSP22000	-	1,605	-
Title I- D FY20	201901T1NDSP21900	-	12,954	-
Perkins Vocation Education FY21	211901PERKSUBS2000	-	130,082	-
Perkins Vocation Education FY20	201901PERKSUBS1900	-	47,534	-
Perkins Vocation Education FY20	FY20 Cutting Edge	-	25,000	-
Perkins Workforce Discovery	211901??A0	-	104	-
Title VI-B 611 FY21	211901SPEDSUBR2000	-	49,158	-
Title VI-B 611 FY20	201901SPEDSUBR1900	-	1,190,788	-
Title VI-B 611 FY19	191901SPED6111800	-	65,362	-
Title VI-B 611 FY16	1619016T6100 FY16	-	(2,389)	-
Title VI-B 619 FY20	201901PSCHSUBR1900	-	11,782	-
Title III FY21	211901T3SUBR2000	-	22,336	-
Title III FY20	201901T3SUBR1900	-	12,960	-
Title III Immigrant FY20	201901T3LEA1900	-	80	-
Title IIA FY21	211901T2SUBR2000	-	287,958	-
Title IIA FY20	201901T2SUBR1900	-	126,530	-
Student Support and Academic Enrichment FY21	211901T4SUBR2000	-	143,480	-
Student Support and Academic Enrichment FY20	201901T4SUBR1900	-	70,949	-
Student Support and Academic Enrichment FY19	191901T4ASSAE1800	-	15,753	-
After School Learning Center FY21	211901CCLCSUBR20R2	-	39,900	-
After School Learning Center FY20	201901CCLCSUBR19R2	-	93,561	-
After School Learning Center FY19	191901CCLCSUBR18R2	-	7,991	-
Education Stabilization Fund	201901ESSERSUB2000	-	1,498,196	-
Education Stabilization Fund	201901GEERSUBR2000	-	34,926	-
Coronavirus Relief Fund	125TECH20	-	249,500	-
Coronavirus Relief Fund	125PPE20	-	1,508,198	-
Wyoming Department of Education and Other				
BOCES Misc Grants	N/A	182,179	-	-
BOCES-Concurrent Courses	N/A	3,290	-	-
National Board Certified Teachers	N/A	-	-	88,000
National Board Certification Program	N/A	-	-	(179)
Pro Community Programs	N/A	-	-	-
AHEC-UW Grant	N/A	-	-	-
Other District Programs		68,298	-	-
		<u>\$ 253,767</u>	<u>\$ 7,512,189</u>	<u>\$ 87,821</u>

EXPENDITURES				
Total Revenue	Instruction	Instructional Support	General Support	Total Expenditures
\$ 82,374	\$ 82,374	\$ -	\$ -	\$ 82,374
21,169	21,145	24	-	21,169
(140)	-	(140)	-	(140)
1,373,362	1,058,641	149,593	165,128	1,373,362
391,125	272,191	40,486	78,448	391,125
1	-	-	1	1
1,605	1,605	-	-	1,605
12,954	12,954	-	-	12,954
130,082	129,532	550	-	130,082
47,534	47,534	-	-	47,534
25,000	25,000	-	-	25,000
104	104	-	-	104
49,158	36,984	12,174	-	49,158
1,190,788	425,395	682,130	83,263	1,190,788
65,362	51,219	9,678	4,465	65,362
(2,389)	-	(2,389)	-	(2,389)
11,782	11,782	-	-	11,782
22,336	22,336	-	-	22,336
12,960	12,960	-	-	12,960
80	80	-	-	80
287,958	-	284,656	3,302	287,958
126,530	-	126,530	-	126,530
143,480	118,905	24,575	-	143,480
70,949	60,281	10,668	-	70,949
15,753	13,472	2,281	-	15,753
39,900	21,990	408	17,502	39,900
93,561	48,350	7,260	37,951	93,561
7,991	1,811	916	5,264	7,991
1,498,196	694,404	-	803,792	1,498,196
34,926	30,857	-	4,069	34,926
249,500	26,921	13,360	209,219	249,500
1,508,198	314,795	12,525	1,180,878	1,508,198
182,179	179,951	2,228	-	182,179
3,290	3,290	-	-	3,290
88,000	88,000	-	-	88,000
(179)	-	-	-	-
-	-	-	-	-
-	-	-	-	-
68,298	64,807	-	-	64,807
<u>\$ 7,853,777</u>	<u>\$ 3,879,670</u>	<u>\$ 1,377,513</u>	<u>\$ 2,593,282</u>	<u>\$ 7,850,465</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF BALANCE SHEETS
HEAD START GRANTS
JUNE 30, 2021

<u>Grantor/Program Title</u>	<u>Pass-Through Grantor's Number</u>	<u>ASSETS</u>		
		<u>Cash</u>	<u>Due from Other Governments</u>	<u>Total Assets</u>
<u>U.S. Department of Health and Human Services</u>				
Head Start Program	08CH01054503-00,01,02	\$ 9,737	\$ 80,272	\$ 90,009
Head Start Program	08CH01054502	-	-	-
Child Care and Development Program	N/A	29,639	-	29,639
Community Services Block Grant	FY 21	-	-	-
Community Services Block Grant	FY 20	-	-	-
		<u>\$ 39,376</u>	<u>\$ 80,272</u>	<u>\$ 119,648</u>

<u>LIABILITIES</u>				
<u>Accounts Payable</u>	<u>Accrued Expenses</u>	<u>Due to other funds</u>	<u>Fund Equity</u>	<u>Total Liabilities and Fund Equity</u>
\$ 39,190	\$ 50,819	\$ -	\$ -	\$ 90,009
-	-	-	-	-
-	-	-	29,639	29,639
-	-	-	-	-
-	-	-	-	-
<u>\$ 39,190</u>	<u>\$ 50,819</u>	<u>\$ -</u>	<u>\$ 29,639</u>	<u>\$ 119,648</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES (USES)
HEAD START GRANTS
FOR THE YEAR ENDED JUNE 30, 2021

<u>Grantor/Program Title</u>	<u>Pass-Through Grantor's Number</u>	<u>REVENUES</u>				<u>School District In-Kind Match</u>
		<u>Federal</u>	<u>Local</u>	<u>Interest</u>		
<u>U.S. Department of Health and Human Services</u>						
Head Start Program	08CH01054503-00,01,02	\$ 1,388,732	\$ 3,272	\$ -		\$ 404,010
Head Start Program	08CH01054502	37,971	-	-		-
Child Care and Development Program	N/A	-	-	20		-
Community Services Block Grant	FY 21	22,918	-	-		-
Community Services Block Grant	FY 20	10,745	-	-		-
		<u>\$ 1,460,366</u>	<u>\$ 3,272</u>	<u>\$ 20</u>		<u>\$ 404,010</u>

Note - the recognition of in-kind match is mandated by the Head Start grant, but is not in accordance with generally accepted accounting principles and therefore does not carry forward to the governmental statement of revenue and expenditures.

<u>Total Revenue</u>	<u>EXPENDITURES</u>					<u>OTHER FINANCING SOURCES (USES)</u>
	<u>Instruction</u>	<u>Instructional Support</u>	<u>General Support</u>	<u>School District In-Kind Match</u>	<u>Total Expenditures</u>	<u>Fund Transfers</u>
\$ 1,796,014	\$ 930,519	\$ 164,268	\$ 303,682	\$ 404,010	\$ 1,802,479	\$ 6,465
37,971	10,211	6,718	14,577	-	31,506	(6,465)
20	-	-	-	-	-	-
22,918	-	22,918	-	-	22,918	-
10,745	-	10,745	-	-	10,745	-
<u>\$ 1,867,668</u>	<u>\$ 940,730</u>	<u>\$ 204,649</u>	<u>\$ 318,259</u>	<u>\$ 404,010</u>	<u>\$ 1,867,648</u>	<u>\$ -</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
COMBINING STATEMENT OF FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
JUNE 30, 2021

	<u>Summer Programs</u>	<u>Head Start Nutrition</u>	<u>Total Nonmajor Enterprise Funds</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 6,737	\$ 35,976	\$ 42,713
Total current assets	<u>6,737</u>	<u>35,976</u>	<u>42,713</u>
Liabilities and Net Assets			
Liabilities:			
Current liabilities:			
Accounts payable	<u>-</u>	<u>85</u>	<u>85</u>
Total current liabilities	<u>-</u>	<u>85</u>	<u>85</u>
Net position:			
Unrestricted	<u>6,737</u>	<u>35,891</u>	<u>42,628</u>
Total net position	<u>\$ 6,737</u>	<u>\$ 35,891</u>	<u>\$ 42,628</u>

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Summer Programs	Head Start Nutrition	Total Nonmajor Enterprise Funds
Operating revenues:			
Charges for services:			
Summer tuition	\$ 2,250	\$ -	\$ 2,250
Total operating revenues	<u>2,250</u>	<u>-</u>	<u>2,250</u>
Operating expenses:			
Salaries	3,994	16,696	20,690
Employee benefits	918	3,541	4,459
Purchased services	1,229	-	1,229
Supplies and materials, including food	102	23,046	23,148
Total operating expenses	<u>6,243</u>	<u>43,283</u>	<u>49,526</u>
Operating loss	<u>(3,993)</u>	<u>(43,283)</u>	<u>(47,276)</u>
Nonoperating income:			
Earnings on investments	2	-	2
Operating transfers	6,000	-	6,000
Federal sources, including commodity support	-	57,057	57,057
Total nonoperating income	<u>6,002</u>	<u>57,057</u>	<u>63,059</u>
Change in net position	<u>2,009</u>	<u>13,774</u>	<u>15,783</u>
Net position - beginning	<u>4,728</u>	<u>22,117</u>	<u>26,845</u>
Net position - ending	<u>\$ 6,737</u>	<u>\$ 35,891</u>	<u>\$ 42,628</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Summer Programs	Head Start Nutrition	Total Nonmajor Enterprise Funds
Cash flows from operating activities:			
Receipts from services provided	\$ 2,250	\$ -	\$ 2,250
Payments to suppliers	(1,331)	(22,961)	(24,292)
Payments to and on behalf of employees	(7,229)	(20,237)	(27,466)
Net cash provided by (used in) operating activities	<u>(6,310)</u>	<u>(43,198)</u>	<u>(49,508)</u>
Cash flows from noncapital financing activities:			
Federal subsidy	-	57,057	57,057
Operating transfer	6,000	-	6,000
Net cash provided by noncapital financing activities	<u>6,000</u>	<u>57,057</u>	<u>63,057</u>
Cash flows from capital and related financing activities:			
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Interest received	<u>2</u>	<u>-</u>	<u>2</u>
Net cash provided by investing activities	<u>2</u>	<u>-</u>	<u>2</u>
Net (decrease) increase in cash and cash equivalents	<u>(308)</u>	<u>13,859</u>	<u>13,551</u>
Cash and Cash Equivalents - beginning	<u>7,045</u>	<u>22,117</u>	<u>29,162</u>
Cash and Cash Equivalents - ending	<u>\$ 6,737</u>	<u>\$ 35,976</u>	<u>\$ 42,713</u>
Reconciliation of operating loss to net cash provided by (used in) operating activities:			
Operating loss	\$ (3,993)	\$ (43,283)	\$ (47,276)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Increase in accounts payable	-	85	85
Decrease in due to other funds	(2,317)	-	(2,317)
Total adjustments	<u>(2,317)</u>	<u>85</u>	<u>(2,232)</u>
Net cash provided by (used in) operating activities	<u>\$ (6,310)</u>	<u>\$ (43,198)</u>	<u>\$ (49,508)</u>
Noncash investing, capital, and financing activities:	<u>None</u>	<u>None</u>	<u>None</u>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND - STUDENT ACTIVITIES
JUNE 30, 2021

	Net Assets at July 1, 2020	Transfers	Additions	Deductions	Net Assets at June 30, 2021
Assets:					
Cash and investments	\$ 722,267	\$ -	\$ 347,839	\$ 335,832	\$ 734,274
Liabilities:					
Internal balances	6,714	-	-	646	6,068
Net Position:					
Restricted for					
Student organizations:					
Stagecoach	5,019	-	1,677	3,010	3,686
Desert View	7,986	(268)	1,628	1,620	7,726
RSJH	163,511	-	39,741	30,824	172,428
Farson	56,221	-	20,205	24,249	52,177
Black Butte	4,748	(17)	4,247	3,628	5,350
Northpark	10,680	-	1,136	2,175	9,641
Overland	1,080	-	2,392	1,770	1,702
RSHS	393,934	17	270,439	244,830	419,560
Sage	2,447	-	848	281	3,014
Walnut	12,616	-	-	-	12,616
Wamsutter	12,724	-	58	1,760	11,022
Westridge	5,525	-	3,674	3,070	6,129
Pilot Butte	35,914	268	976	15,468	21,690
Eastside	3,148	-	818	2,501	1,465
Total net position	\$ 715,553	\$ -	\$ 347,839	\$ 335,186	\$ 728,206

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
DETAIL SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

District

25 Mill district tax	\$ 35,021,774
Motor vehicle tax	3,053,312
Car company tax	63,657
Penalties, interest, and other	70,491
Rent of school property	93,439
Enrollment tuition and fees	7,425
Miscellaneous	15,784
Refund of prior year's expenditures	25,275
Sale and compensation for losses of fixed assets	1,991
Erate Rebate	21,010
Indirect cost revenue passed through	151,777
	<hr/>
Total District	38,525,935

County

6 Mill county tax	9,997,443
Motor vehicle tax	705,349
Car company tax	13,716
Penalties, interest, and other	21,775
Fines and forfeitures	562,657
Forest reserve	1,186
	<hr/>
Total County	11,302,126

State

Foundation program entitlement	36,672,931
Taylor Grazing	145
Other restricted	842,102
	<hr/>
Total State	37,515,178

Federal

Impact aid	119,222
	<hr/>
Total Federal	119,222

Interest

<hr/>	24,662
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Operating Transfers In

<hr/>	53,571
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Proceeds from Capital Leases

<hr/>	149,250
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SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
DETAIL SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

Instruction	
Salaries	\$ 28,589,954
Employee benefits	12,061,541
Purchased services	1,312,071
Supplies and materials	1,012,974
Capital outlay	36,314
Other	27,199
	<hr/>
Total Instruction	43,040,053
	<hr/>
Instructional Support	
Salaries	4,647,055
Employee benefits	2,090,326
Purchased services	1,325,937
Supplies and materials	305,799
Other	1,478
	<hr/>
Total Instructional Support	8,370,595
	<hr/>
General Support	
Salaries	10,965,254
Employee benefits	4,610,674
Purchased services	2,761,216
Supplies and materials	3,688,787
Capital outlay	394,154
Other	70,611
	<hr/>
Total General Support	22,490,696
	<hr/>
Community Support	
Purchased services	8,795
Supplies and materials	17
	<hr/>
Total Community Support	8,812
	<hr/>
Operating Transfers Out	13,631,000
	<hr/>

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Grantor's Number	Expenditures
U.S. Department of Education			
Passed through Wyoming Department of Education:			
Title I Grants to Local Educational Agencies	84.010A	15190143G1A0 FY15 SIG	\$ (140)
Title I Grants to Local Educational Agencies	84.010A	211901T1NDSP22000	1,605
Title I Grants to Local Educational Agencies	84.010A	201901T1NDSP21900	12,954
Title I Grants to Local Educational Agencies	84.010A	211901T1SUBR2000	1,373,362
Title I Grants to Local Educational Agencies	84.010A	191901TIPA1800 FY19	1
Title I Grants to Local Educational Agencies	84.010A	2019011003SUBR1900	82,374
Title I Grants to Local Educational Agencies	84.010A	1919011003SUBR1800	21,169
Title I Grants to Local Educational Agencies	84.010A	201901T1SUBR1900	391,125
Total Title I			1,882,450
Career and Technical Education	84.048A	211901PERKSUBS2000	130,082
Career and Technical Education	84.048A	FY20 Cutting Edge	25,000
Career and Technical Education	84.048A	201901PERKSUBS1900	47,534
Career and Technical Education	84.048A	211901??A0	104
Total Career and Technical Education			202,720
Special Education Cluster:			
Special Education	84.027A	211901SPEDSUBR2000	49,158
Special Education	84.027A	201901SPEDSUBR1900	1,190,788
Special Education	84.027A	191901SPED6111800	65,362
Special Education	84.027A	1619016T6100 FY16	(2,389)
Total Special Education			1,302,919
Title VI-B Preschool	84.173A	201901PSCHSUBR1900	11,782
Total Special Education Cluster			1,314,701
English Language Acquisition Grants	84.365A	201901T3LEA1900	80
English Language Acquisition Grants	84.365A	201901T3SUBR1900	12,960
English Language Acquisition Grants	84.365A	211901T3SUBR2000	22,336
Total English Language Acquisition Grants			35,376
Improving Teacher Quality Grants	84.367A	201901T2SUBR1900	126,530
Improving Teacher Quality Grants	84.367A	211901T2SUBR2000	287,958
Total Improving Teacher Quality Grants			414,488
Twenty-First Century Community Learning Centers	84.287C	201901CCLCSUBR19R2	93,561
Twenty-First Century Community Learning Centers	84.287C	191901CCLCSUBR18R2	7,991
Twenty-First Century Community Learning Centers	84.287C	211901CCLCSUBR20R2	39,900
Total Twenty-First Century Community Learning Centers			141,452
Student Support and Academic Enrichment	84.424A	211901T4SUBR2000	143,480
Student Support and Academic Enrichment	84.424A	191901T4ASSAE1800	15,753
Student Support and Academic Enrichment	84.424A	201901T4SUBR1900	70,949
Total Student Support and Academic Enrichment			230,182
Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act	84.425C	201901GEERSUBR2000	34,926
Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act	84.425D	201901ESSERSUB2000	1,498,196
Total Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act			1,533,122
Total U.S. Department of Education			5,754,491

(continued)

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA Number	Grantor's Number	Expenditures
<u>U.S. Department of Agriculture</u>			
Passed through Wyoming Department of Education:			
Child Nutrition Cluster:			
National School Breakfast	10.553	N/A	4,640
National School Lunch Program	10.555	N/A	35,150
National School Lunch Program Commodities	10.555	N/A	51,168
Summer Food Service Program	10.559	N/A	2,671,518
Total Child Nutrition Cluster			<u>2,762,476</u>
Child and Adult Care Food Program	10.558	N/A	57,057
Fresh Fruit and Vegetable Program	10.582	N/A	62,903
Total U.S. Department of Agriculture			<u>2,882,436</u>
<u>U.S. Department of Health and Human Services</u>			
Direct Programs:			
Head Start Program	93.600	08CH01054502	37,971
Head Start Program	93.600	08CH01054503-00,01,02	1,388,732
Total Head Start Program			<u>1,426,703</u>
Passed through Sweetwater County Tripartite Board			
Community Services Block Grant	93.569	N/A	10,745
Community Services Block Grant	93.569	N/A	22,918
Total Community Services Block Grant			<u>33,663</u>
Total U.S. Department of Health and Human Services			<u>1,460,366</u>
<u>U.S. Department of Treasury</u>			
Passed through Wyoming Department of Education:			
Coronavirus Relief Fund	21.019	125NUTR20	35,000
Coronavirus Relief Fund	21.019	125TECH20	249,500
Coronavirus Relief Fund	21.019	125PPE20	1,508,198
Total Coronavirus Relief Fund			<u>1,792,698</u>
Total U.S. Department of Treasury			<u>1,792,698</u>
Total Expenditures of Federal Awards			<u>\$ 11,889,991</u>

See accompanying notes to schedule of expenditures of federal awards.

SWEETWATER COUNT SCHEDULE DISTRICT NO. 1
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal award activity of Sweetwater County School District No. 1 under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (Uniform Guidance). All federal financial awards received directly from federal agencies as well as federal financial awards passed through from other governmental agencies are included in the schedule. Of the federal expenditures presented in the schedule, the District provided no federal awards to subrecipients. Because the schedule presents only a selected portion of the operations of Sweetwater County School District No. 1, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Sweetwater County School District No. 1.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the same basis of accounting used in preparation of the fund financial statements from which the information was derived as described in Note 1 to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Categorical block grants are recorded at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Cost-reimbursement grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Note 3. Commodities

Nonmonetary assistance, such as food received from the United States Department of Agriculture, is reported as revenue, at fair market value, on the date received by the District.

Note 4. Indirect Cost Rates

Sweetwater County School District No. 1 does not utilize the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance. The District uses an indirect cost rate that ranges from 4.68% - 6.29% as approved by the Wyoming Department of Education.

Note 5. Subrecipients

No funds have been passed on to subrecipients.

Note 6. School Assistance in Federally Affected Areas – Impact Aid CFDA Number 84.041

The District receives funding through the School Assistance in Federally Affected Areas. No expenditures were incurred during the fiscal year and the funds are reflected as restricted at year end.

**INDEPENDENT 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***

To the Board of Trustees
Sweetwater County School District No. 1
Rock Springs, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Sweetwater County School District No. 1 as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 8, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sweetwater County School District No. 1's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sweetwater County School District No. 1's internal control. Accordingly, we do not express an opinion on the effectiveness of Sweetwater County School District No. 1's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sweetwater County School District No. 1's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Skogen, Cometto & Associates, P.C.

Casper, Wyoming
December 8, 2021

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Sweetwater County School District No. 1
Rock Springs, Wyoming

Report on Compliance for Each Major Federal Program

We have audited Sweetwater County School District No. 1's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Sweetwater County School District No. 1's major federal programs for the year ended June 30, 2021. Sweetwater County School District No. 1'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Sweetwater County School District No. 1's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sweetwater County School District No. 1's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Sweetwater County School District No. 1's compliance.

Opinion on Each Major Federal Program

In our opinion, Sweetwater County School District No. 1 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Sweetwater County School District No. 1 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sweetwater County School District No. 1's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sweetwater County School District No. 1's internal control over compliance.

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

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

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

Skogen, Cometto & Associates, P.C.

Casper, Wyoming
December 8, 2021

SWEETWATER COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
UNIFORM GUIDANCE
FOR THE YEAR ENDED JUNE 30, 2021

1. SUMMARY OF AUDITORS' RESULTS

(d)(1)(i)	Type of auditors' report issued?	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control noted at the financial statement level?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control noted at the financial statement level ?	None reported
(d)(1)(iii)	Was there any material non-compliance noted at the financial statement level?	No
(d)(1)(iv)	Were there any material weaknesses in internal control noted for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control noted for major federal programs ?	None reported
(d)(1)(v)	Type of major programs' compliance opinion?	Unmodified
(d)(1)(vi)	Are there any reportable findings under § 2 CFR 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	
	Name of Federal Program or Cluster	CFDA Numbers
	Title 1 Grants to Local Education	84.010
	Coronavirus Relief Fund	21.019
	Education Stabilization Fund	84.425
	Head Start	93.600
(d)(1)(viii)	Dollar threshold: Type A/B programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low risk auditee?	Yes

2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

No matters reported.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

No matters reported.