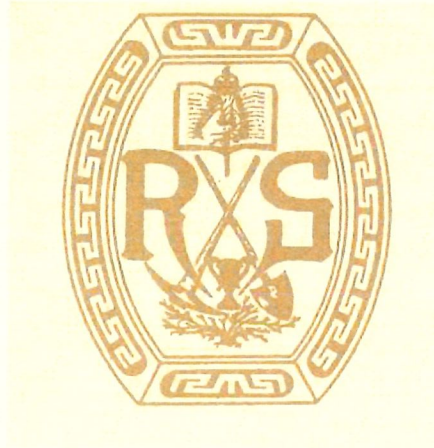




**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**

**FINANCIAL REPORT**

**JUNE 30, 2022**

**SKOGEN,**  
**COMETTO** *Associates* <sup>PC</sup>  
**CERTIFIED PUBLIC ACCOUNTANTS**



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## INDEPENDENT AUDITORS' REPORT

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

### Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Sweetwater County School District No. 1, as of June 30, 2022, 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.

### Basis for Opinions

We conducted our audits 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sweetwater County School District No. 1, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management 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.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sweetwater County School District No. 1's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Sweetwater County School District No. 1's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sweetwater County School District No. 1's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



## 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, the schedules of proportionate share of net pension liability, defined benefit pension contributions, District's OPEB Liability, and Changes in District's OPEB liability, and notes to required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to 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.

### *Supplementary 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 XX, 2022 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 12, 2022



**Sweetwater County School District No. 1**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2022*  
*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, 2022. 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 2022 are as follows:

- ✓ Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$157.62M. Of this amount, the District's unrestricted balance is \$(4.71M). Unrestricted net assets of governmental activities were (\$4.30M); business-type activities amounted to \$(0.41M).
- ✓ Total revenues exceeded expenses increasing net assets by \$18.93M. Governmental activities increased net assets by \$18.74M while business-type activities generated \$0.20M.
- ✓ Total program expenses were \$87.10M; \$84.14M in governmental activities and \$2.96M in business-type activities. Program specific revenues were \$15.80M for governmental activities and \$3.06M for business-type activities. \$87.17M in general governmental revenues were adequate to cover the costs of these programs. \$0.02M in general business-type revenues were used to cover expenses of these programs, resulting in a net position of \$(0.07M) for business-type activities.
- ✓ Employee health insurance plan total assets exceeded liabilities by \$41.34M, all of which is unrestricted for the District's discretionary use. Total revenues exceeded expenses, increasing net assets by \$3.02M. Employee health insurance claims were \$12.82M, which was .17% higher than the prior year.
- ✓ The District had no bonded debt during fiscal year 2022.
- ✓ The Sweetwater County School District Number One Recreation Board's assets exceeded total liabilities by \$10.96M, all of which is restricted for the use of the Recreation Board. Total revenues of \$1.33M exceeded total transfers of \$0.12M, increasing net assets of the Recreation Board by \$1.21M.
- ✓ The Sweetwater One Public School Foundation's assets exceeded total liabilities by \$1.13M; of this amount, \$0.53M is unrestricted for the Foundation's discretionary use. Total expenses exceeded revenues and contributions, decreasing net assets of the Foundation by \$0.08M. Total program expenses were \$0.075M.



**Sweetwater County School District No. 1**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2022*  
*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 major governmental fund of the District.

The district-wide financial statements can be found on pages 16 and 17 of this report.



**Sweetwater County School District No. 1**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2022*  
*Unaudited*

**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 18 through 21 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 statement can be found on pages 22 through 24 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 statement can be found on pages 25 and 26 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 27 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, 2022*  
*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.<br><br>Economic resources focus.                                    | Modified accrual accounting.<br><br>Current financial resources focus.                                                                                                                                                                                                                                          | Accrual accounting.<br><br>Economic resources focus.                                                                                                                    | Accrual accounting.<br><br>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                                                                                                                                                                        | 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, 2022*  
*Unaudited*

|  |  |                                          |  |  |
|--|--|------------------------------------------|--|--|
|  |  | related liability is due<br>and payable. |  |  |
|--|--|------------------------------------------|--|--|

***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 2022 compared to 2021.

**Table 2**  
**Net Position**  
**(In Millions)**

|                                                 | Governmental Activities |                 | Business-Type Activities |                 | Total Primary Government |                 |
|-------------------------------------------------|-------------------------|-----------------|--------------------------|-----------------|--------------------------|-----------------|
|                                                 | 2021                    | 2022            | 2021                     | 2022            | 2021                     | 2022            |
| <u>Assets:</u>                                  |                         |                 |                          |                 |                          |                 |
| Current and Other Assets                        | \$138.12                | \$157.08        | \$1.00                   | \$1.15          | \$139.12                 | \$158.23        |
| Capital Assets, Net                             | 141.82                  | 143.23          | 0.29                     | 0.34            | 142.11                   | 143.57          |
| Total Assets                                    | <u>\$279.94</u>         | <u>\$300.31</u> | <u>\$1.29</u>            | <u>\$1.49</u>   | <u>\$281.23</u>          | <u>\$301.80</u> |
| Deferred Outflows                               | \$18.52                 | \$16.06         | \$0.23                   | \$0.20          | \$18.75                  | \$16.26         |
| <u>Liabilities:</u>                             |                         |                 |                          |                 |                          |                 |
| Current and Other Liabilities                   | 8.98                    | 10.49           | 0.14                     | 0.17            | 9.12                     | 10.66           |
| Long-Term Liabilities                           | 101.98                  | 75.91           | 0.78                     | 1.11            | 102.76                   | 77.02           |
| Total Liabilities                               | <u>110.96</u>           | <u>86.40</u>    | <u>0.92</u>              | <u>1.28</u>     | <u>111.88</u>            | <u>87.68</u>    |
| Deferred Inflows                                | \$49.23                 | \$72.29         | \$0.20                   | \$0.48          | \$49.43                  | \$72.77         |
| <u>Net Position:</u>                            |                         |                 |                          |                 |                          |                 |
| Invested in Capital Assets, net of related debt | 141.62                  | 142.96          | 0.29                     | 0.34            | 141.91                   | 143.30          |
| Restricted                                      | 19.00                   | 19.02           | -                        | -               | 19.00                    | 19.02           |
| Unrestricted                                    | (22.35)                 | (4.30)          | 0.12                     | (0.41)          | (22.23)                  | (4.71)          |
| Prior Period Adjustment                         | <u>0.68</u>             | <u>-</u>        | <u>(0.68)</u>            | <u>-</u>        | <u>-</u>                 | <u>-</u>        |
| Total Net Position                              | <u>\$138.95</u>         | <u>\$157.68</u> | <u>\$(0.27)</u>          | <u>\$(0.07)</u> | <u>\$138.68</u>          | <u>\$157.61</u> |

Total assets of the primary government increased \$20.57M. Cash and cash equivalents increased by \$13.45M, receivables increased by \$5.55M, other current assets increased by \$0.11M, and capital assets increased by \$1.46M. The increase in capital assets is primarily due to the addition of construction in process for the Overland Renovations.

Total liabilities of the primary government decreased \$24.20M. Unearned Revenue and Due to others increased by \$4.23M, the current portion of long-term debt increased by \$0.05M, and the non-current portion of long-term obligations increased by \$0.03M. Net pension liability decreased by \$9.84M and OPEB liability decreased by \$15.93M. The decrease in the OPEB liability is due to an increase in bond



**Sweetwater County School District No. 1**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2022*  
*Unaudited*

rate. Deferred Outflows decreased by \$2.49M, due to the District's proportional share of the net difference between projected and actual earnings on investments of the WRS Public Employees Plan. Deferred Inflows increased by \$23.34M due to higher assessed property tax valuations. See also Note 5.

The primary government's unrestricted net assets increased by \$17.52M. This is mainly due to an increase in cash.

Table 3 reflects the changes in net assets of the primary government for fiscal year 2021 and 2022.

**Table 3**  
**Change in Net Position**  
**(In Millions)**

|                                            | Governmental Activities |               | Business-Type Activities |             | Total Primary Government |               |
|--------------------------------------------|-------------------------|---------------|--------------------------|-------------|--------------------------|---------------|
|                                            | 2021                    | 2022          | 2021                     | 2022        | 2021                     | 2022          |
| <u>Revenues</u>                            |                         |               |                          |             |                          |               |
| Program Revenues:                          |                         |               |                          |             |                          |               |
| Charges for Services                       | \$0.10                  | \$0.14        | \$0.16                   | \$0.13      | \$0.26                   | \$0.27        |
| Operating Grants and Contributions         | 10.16                   | 12.22         | 2.92                     | 2.93        | 13.08                    | 15.15         |
| Capital Grants and Contributions           | 11.33                   | 3.44          | -                        | -           | 11.33                    | 3.44          |
| General Revenue:                           |                         |               |                          |             |                          |               |
| Property Taxes                             | 52.80                   | 48.48         | -                        | -           | 52.80                    | 48.48         |
| Unrestricted Federal and State Aid         | 32.81                   | 38.30         | -                        | -           | 32.81                    | 38.30         |
| Earnings on Investments                    | 0.07                    | 0.20          | -                        | 0.01        | 0.07                     | 0.21          |
| Other                                      | 0.04                    | 0.19          | -                        | -           | 0.04                     | 0.19          |
| <b>Total Revenues</b>                      | <b>107.31</b>           | <b>102.97</b> | <b>3.08</b>              | <b>3.07</b> | <b>110.39</b>            | <b>106.04</b> |
| <u>Program Expenses</u>                    |                         |               |                          |             |                          |               |
| Instruction                                | 49.57                   | 44.67         | -                        | -           | 49.57                    | 44.67         |
| Support Services:                          |                         |               |                          |             |                          |               |
| Students and Instructional Staff           | 11.13                   | 11.01         | -                        | -           | 11.13                    | 11.01         |
| Board of Education, Administration,        |                         |               |                          |             |                          |               |
| Fiscal and Business                        | 10.97                   | 11.96         | -                        | -           | 10.97                    | 11.96         |
| Operation and Maintenance of               | 11.90                   | 11.78         | -                        | -           | 11.90                    | 11.78         |
| Facilities                                 |                         |               |                          |             |                          |               |
| Pupil Transportation                       | 4.50                    | 4.45          | -                        | -           | 4.50                     | 4.45          |
| Other Support Services                     | 0.12                    | 0.27          | -                        | -           | 0.12                     | 0.27          |
| Food Service                               | -                       | -             | 2.65                     | 2.90        | 2.65                     | 2.90          |
| Summer Programs                            | -                       | -             | 0.01                     | -           | 0.01                     | -             |
| Head Start Nutrition                       | -                       | -             | 0.04                     | 0.06        | 0.04                     | 0.06          |
| <b>Total Expenses</b>                      | <b>88.19</b>            | <b>84.14</b>  | <b>2.70</b>              | <b>2.96</b> | <b>90.89</b>             | <b>87.10</b>  |
| Transfers                                  | (0.08)                  | (0.10)        | 0.08                     | 0.10        |                          | 0.00          |
| <b>Increase (decrease) in Net Position</b> | <b>19.04</b>            | <b>18.73</b>  | <b>0.46</b>              | <b>0.21</b> | <b>19.50</b>             | <b>18.94</b>  |



**Sweetwater County School District No. 1**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2022*  
*Unaudited*

|                         |                 |                 |               |                 |                 |                 |
|-------------------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|
| Net Position-beginning  | 118.83          | 138.27          | 0.35          | 0.41            | 119.18          | 138.68          |
| Prior Period Adjustment | 0.40            | 0.68            | (0.40)        | (0.68)          |                 |                 |
| Net Position-ending     | <u>\$138.27</u> | <u>\$157.68</u> | <u>\$0.41</u> | <u>\$(0.06)</u> | <u>\$138.68</u> | <u>\$157.62</u> |

The primary government received \$106.04M in revenues during the most recent fiscal year. Property taxes and unrestricted federal and state aid accounted for 82% of total revenue. Another 22% came from charges for services, operating grants and contributions, capital grants and contributions, earnings on investments, and other revenue. The net decrease in revenues of \$4.35M is primarily due to a decrease in 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 13.73% of total cost, while maintenance and operation of facilities made up 13.52% of total cost. The decrease in expenditures of \$3.79M from the prior fiscal year was mainly due to reducing instruction, support services, and other costs during the 2021-2022 school year.

Total revenues exceeded total expenses for 2022, increasing net assets by \$18.94M. Governmental activities increased net assets by \$18.73M; business-type activities contributed \$0.21M.

### 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 2022 compared to 2021.

**Table 4**  
**Cost of Services**  
**(In Millions)**

|                                         | Total Cost of Services |                | Percent Change | Net Cost of Services |                | Percent Change |
|-----------------------------------------|------------------------|----------------|----------------|----------------------|----------------|----------------|
|                                         | 2021                   | 2022           | 2021-22        | 2021                 | 2022           | 2021-22        |
| Instruction                             | \$49.58                | \$44.67        | -9.90%         | \$44.23              | \$37.28        | -15.71%        |
| Support Services:                       |                        |                |                |                      |                |                |
| Students and Instructional Staff        | 11.14                  | 11.01          | -1.17%         | 9.43                 | 8.36           | -11.35%        |
| Board of Education, Administration,     |                        |                |                |                      |                |                |
| Fiscal and Business                     | 10.97                  | 11.96          | 9.02%          | 9.68                 | 10.86          | 12.19%         |
| Operation and Maintenance of Facilities | 11.90                  | 11.78          | -1.01%         | -1.26                | 7.54           | -698.41%       |
| Pupil Transportation                    | 4.49                   | 4.45           | -0.89%         | 4.41                 | 4.27           | -3.17%         |
| Other Support Services                  | 0.11                   | 0.27           | 145.45%        | 0.11                 | 0.03           | -72.73%        |
| Total                                   | <u>\$88.19</u>         | <u>\$84.14</u> | <u>-4.59%</u>  | <u>\$66.60</u>       | <u>\$68.34</u> | <u>2.61%</u>   |



**Sweetwater County School District No. 1**  
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The total cost of governmental activities was \$84.14M. The net cost of governmental activities (\$68.34M) 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 \$78.59M toward the net cost of governmental services. The decrease of 698.41% in the net cost of operation and maintenance of facilities was mainly due to receiving more CARES funding in the prior year. The decrease in the net cost of other support services is due to receiving more CARES funding in fiscal year 2022.

**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 \$3,160,759 and expenses of \$2,964,712 resulting in a net income of \$196,047 for fiscal year 2022. The Food Service program provided net income of \$185,417. The Summer Programs contributed net income of \$1. The Head Start Nutrition program had net income of \$10,629.

***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 \$105.10M and expenditures and other financing uses of \$92.58M. The net change in fund balance for the year was most significant in the District Capital Projects Fund, Major Maintenance, and Recreation Board. The net increase of \$4.39M 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.

***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 2022, 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 \$82.68M, which is above the original budget estimate of \$77.83M and above the final amended budget of \$77.88M. The \$4.80M variance between the final budget and the June 30, 2022 actual revenues was mainly due to an increase in state resources.



**Sweetwater County School District No. 1**  
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*Unaudited*

The actual expenditures and other financing uses of the General Fund were \$76.75M, which is below the original budget estimate of \$83.17M and below the final amended budget of \$83.22M. The variance of \$0.05M 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 \$6.46M variance between the final amended budget and the June 30, 2022 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.

***Capital Assets***

At the end of fiscal year 2022, the primary government had \$143.57M invested in land, buildings, equipment, transportation equipment, and art collection. \$143.23M of this amount is in governmental activities. Table 5 shows the breakdown of net capital assets of the primary government for fiscal year 2022 compared to fiscal year 2021.

**Table 5**  
**Net Capital Assets**  
**(In Millions)**

|                                                 | Governmental<br>Activities |                 | Business-Type<br>Activities |               | Total           |                 |
|-------------------------------------------------|----------------------------|-----------------|-----------------------------|---------------|-----------------|-----------------|
|                                                 | 2021                       | 2022            | 2021                        | 2022          | 2021            | 2022            |
| Land and Improvements                           | \$0.77                     | \$0.77          | \$-                         | \$-           | \$0.77          | \$0.77          |
| Buildings and Improvements                      | 116.30                     | 131.57          | -                           | -             | 116.30          | 131.57          |
| Equipment and Contents                          | 1.04                       | 1.14            | 0.26                        | 0.29          | 1.30            | 1.43            |
| Transportation Equipment                        | 2.64                       | 2.83            | .03                         | .05           | 2.67            | 2.88            |
| Transportation Equipment<br>under Capital Lease | 0.78                       | 0.40            | -                           | -             | 0.78            | 0.40            |
| Art Collection                                  | 0.55                       | 0.55            | -                           | -             | 0.55            | 0.55            |
| Construction in Process                         | 19.74                      | 5.97            | -                           | -             | 19.74           | 5.97            |
| <b>Total</b>                                    | <b>\$141.82</b>            | <b>\$143.23</b> | <b>\$0.29</b>               | <b>\$0.34</b> | <b>\$142.11</b> | <b>\$143.57</b> |

Overall capital assets increased by \$1.46M from fiscal year 2021. 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 2022 were for building improvements and construction in progress. The District finished the Rock Springs Satellite High School, Northpark Rewire, Westridge Rewire, Rock Springs Junior High Rewire, Overland Mechanical Upgrade, Rock Springs Junior High Box Culvert, and Rock Springs High School Parking Lot ADA Access. Additionally, the District acquired transportation vehicles, server equipment, and vocational equipment for students.



**Sweetwater County School District No. 1**  
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Construction in progress includes construction for the Rock Springs High School Track and Field, Overland Renovations, Rock Springs Junior Track and Field, Desert View Air Chillers and Coils, Walnut Air Chillers and Coils, and Rock Springs Junior High 7<sup>th</sup> Grade Wing Direct Digital Controls (DDC).

The District is obligated under construction commitments at June 30, 2022, for certain capital projects including Rock Springs High School Track and Field, Overland Renovations, Lincoln School Demolition, and Desert View Chillers. Construction in progress on all projects amounted to \$7.73M with an outstanding commitment of \$3.21M. 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 42 and 43 of this report.

***Long Term Debt and Obligations***

The District had no bonded debt outstanding at June 30, 2022. The District neither issued nor retired any bonded debt during the fiscal year. The District's legal debt margin for fiscal year 2022 was \$140.78M.

The long-term obligations of the District decreased by \$25.34M from fiscal year 2021, primarily due to a decrease in net pension liability. 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. For fiscal year 2022-2023, the Wyoming legislature modified the State Foundation Program to include an external cost adjustment, and increased the limit on operating balances and cash reserves in the General Fund that can be held at year end before any excess is counted against the District funding as a local resource. 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. The District is currently carrying out 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. The District has been implementing various cost saving measures and other



**Sweetwater County School District No. 1**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2022*  
*Unaudited*

strategies, including establishing a stabilization reserve for premiums in the Health Insurance fund and crafting 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.

***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, 2022**

|                                                                         | Primary Government         |                             |                | Component Unit                                |
|-------------------------------------------------------------------------|----------------------------|-----------------------------|----------------|-----------------------------------------------|
|                                                                         | Governmental<br>Activities | Business-type<br>Activities | Total          | Sweetwater One<br>Public School<br>Foundation |
| <b>Assets:</b>                                                          |                            |                             |                |                                               |
| <b>Current assets:</b>                                                  |                            |                             |                |                                               |
| Cash and investments                                                    | \$ 109,636,443             | \$ 921,612                  | \$ 110,558,055 | \$ 1,135,673                                  |
| Cash with fiscal agent                                                  | 65,902                     | -                           | 65,902         | -                                             |
| Receivables:                                                            |                            |                             |                |                                               |
| Property taxes                                                          | 44,786,072                 | -                           | 44,786,072     | -                                             |
| Other governments, grants                                               | 1,676,048                  | 154,203                     | 1,830,251      | -                                             |
| Other                                                                   | 235,717                    | 23                          | 235,740        | -                                             |
| Internal balances                                                       | 3,626                      | (3,626)                     | -              | -                                             |
| Inventories and prepaid expenses                                        | 679,855                    | 76,272                      | 756,127        | -                                             |
| <b>Capital assets:</b>                                                  |                            |                             |                |                                               |
| Land, construction in progress,<br>and art collection                   | 7,293,437                  | -                           | 7,293,437      | -                                             |
| Other capital assets, net of accumulated<br>depreciation and impairment | 135,932,688                | 343,301                     | 136,275,989    | -                                             |
| Total assets                                                            | 300,309,788                | 1,491,785                   | 301,801,573    | 1,135,673                                     |
| <b>Deferred Outflows of Resources:</b>                                  |                            |                             |                |                                               |
| Post retirement health benefits                                         | 12,134,290                 | 118,855                     | 12,253,145     | -                                             |
| Pension plan items                                                      | 3,930,334                  | 78,352                      | 4,008,686      | -                                             |
| Total deferred outflows of resources                                    | 16,064,624                 | 197,207                     | 16,261,831     | -                                             |
| <b>Liabilities:</b>                                                     |                            |                             |                |                                               |
| <b>Current liabilities:</b>                                             |                            |                             |                |                                               |
| Accounts payable                                                        | 2,701,311                  | 71,468                      | 2,772,779      | -                                             |
| Accrued salaries                                                        | 1,132,658                  | 41,654                      | 1,174,312      | -                                             |
| Unearned revenue                                                        | 263,950                    | 50,126                      | 314,076        | 3,200                                         |
| Due to others                                                           | 4,244,055                  | -                           | 4,244,055      | -                                             |
| Insurance claims payable                                                | 1,334,437                  | -                           | 1,334,437      | -                                             |
| Current portion of long-term obligations                                | 811,048                    | 3,136                       | 814,184        | -                                             |
| <b>Noncurrent liabilities:</b>                                          |                            |                             |                |                                               |
| Post retirement health benefits liability                               | 40,003,907                 | 399,999                     | 40,403,906     | -                                             |
| Net pension liability                                                   | 35,648,435                 | 708,970                     | 36,357,405     | -                                             |
| Noncurrent portion of long-term obligations                             | 257,908                    | 4,461                       | 262,369        | -                                             |
| Total liabilities                                                       | 86,397,709                 | 1,279,814                   | 87,677,523     | 3,200                                         |
| <b>Deferred Inflows of Resources:</b>                                   |                            |                             |                |                                               |
| Unavailable property taxes                                              | 40,804,649                 | -                           | 40,804,649     | -                                             |
| Post retirement health benefits                                         | 15,008,982                 | 147,013                     | 15,155,995     | -                                             |
| Pension plan items                                                      | 16,480,005                 | 328,531                     | 16,808,536     | -                                             |
| Total deferred inflows of resources                                     | 72,293,636                 | 475,544                     | 72,769,180     | -                                             |
| <b>Net Position:</b>                                                    |                            |                             |                |                                               |
| Net investment in capital assets                                        | 142,961,960                | 343,301                     | 143,305,261    | -                                             |
| Restricted for:                                                         |                            |                             |                |                                               |
| Grant programs                                                          | 85,722                     | -                           | 85,722         | -                                             |
| Major maintenance                                                       | 6,887,930                  | -                           | 6,887,930      | -                                             |
| Recreation District                                                     | 10,955,087                 | -                           | 10,955,087     | -                                             |
| Impact Aid                                                              | 1,093,831                  | -                           | 1,093,831      | -                                             |
| With donor restrictions                                                 | -                          | -                           | -              | 598,471                                       |
| Unrestricted                                                            | (4,301,463)                | (409,667)                   | (4,711,130)    | 534,002                                       |
| Total net position                                                      | \$ 157,683,067             | \$ (66,366)                 | \$ 157,616,701 | \$ 1,132,473                                  |

See accompanying notes to financial statements.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2022**

| Functions                                  | Expenses      | Program Revenues        |                                          |                                        |
|--------------------------------------------|---------------|-------------------------|------------------------------------------|----------------------------------------|
|                                            |               | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |
| <b>Governmental activities:</b>            |               |                         |                                          |                                        |
| <b>Instructional services:</b>             |               |                         |                                          |                                        |
| Regular instruction                        | \$ 30,802,968 | \$ 65,744               | \$ 3,073,719                             | \$ -                                   |
| Special education                          | 12,128,841    | -                       | 3,475,307                                | -                                      |
| Vocational education                       | 1,045,432     | -                       | 85,809                                   | -                                      |
| Other instruction                          | 690,624       | -                       | 687,023                                  | -                                      |
| <b>Supporting services:</b>                |               |                         |                                          |                                        |
| Students                                   | 7,370,935     | -                       | 1,079,911                                | -                                      |
| Instructional staff                        | 3,643,422     | -                       | 1,576,679                                | -                                      |
| Central services                           | 6,307,420     | -                       | 685,970                                  | -                                      |
| School administration                      | 4,102,423     | -                       | 158,212                                  | -                                      |
| Business services                          | 1,005,940     | -                       | 95,343                                   | -                                      |
| Operation and maintenance<br>of facilities | 11,776,968    | 76,711                  | 717,022                                  | 3,444,428                              |
| Pupil transportation                       | 4,454,376     | -                       | 185,967                                  | -                                      |
| General administration                     | 541,330       | -                       | 154,852                                  | -                                      |
| Community services                         | 8,729         | -                       | -                                        | -                                      |
| Other support services                     | 260,743       | -                       | 242,132                                  | -                                      |
| Total governmental activities              | 84,140,151    | 142,455                 | 12,217,946                               | 3,444,428                              |
| <b>Business-type activities:</b>           |               |                         |                                          |                                        |
| Food Service                               | 2,898,499     | 132,387                 | 2,852,691                                | -                                      |
| Head Start Nutrition                       | 66,213        | -                       | 76,842                                   | -                                      |
| Total Business-Type activities             | 2,964,712     | 132,387                 | 2,929,533                                | -                                      |
| Total primary government                   | \$ 87,104,863 | \$ 274,842              | \$ 15,147,479                            | \$ 3,444,428                           |
| <b>Component Units</b>                     |               |                         |                                          |                                        |
| Sweetwater One Public School Foundation    | 74,549        | -                       | -                                        | -                                      |
| Total component unit                       | \$ 74,549     | \$ -                    | \$ -                                     | \$ -                                   |

**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 |                             |                 |                                               |
|-----------------------------------------------------|-----------------------------|-----------------|-----------------------------------------------|
| Primary Government                                  |                             |                 | Component Unit                                |
| Total<br>Governmental<br>Activities                 | Business-Type<br>Activities | Total           | Sweetwater One<br>Public School<br>Foundation |
| \$ (27,663,505)                                     | \$ -                        | \$ (27,663,505) | \$ -                                          |
| (8,653,534)                                         | -                           | (8,653,534)     | -                                             |
| (959,623)                                           | -                           | (959,623)       | -                                             |
| (3,601)                                             | -                           | (3,601)         | -                                             |
| (6,291,024)                                         | -                           | (6,291,024)     | -                                             |
| (2,066,743)                                         | -                           | (2,066,743)     | -                                             |
| (5,621,450)                                         | -                           | (5,621,450)     | -                                             |
| (3,944,211)                                         | -                           | (3,944,211)     | -                                             |
| (910,597)                                           | -                           | (910,597)       | -                                             |
| (7,538,807)                                         | -                           | (7,538,807)     | -                                             |
| (4,268,409)                                         | -                           | (4,268,409)     | -                                             |
| (386,478)                                           | -                           | (386,478)       | -                                             |
| (8,729)                                             | -                           | (8,729)         | -                                             |
| (18,611)                                            | -                           | (18,611)        | -                                             |
| (68,335,322)                                        | -                           | (68,335,322)    | -                                             |
| -                                                   | 86,579                      | 86,579          | -                                             |
| -                                                   | 10,629                      | 10,629          | -                                             |
| -                                                   | 97,208                      | 97,208          | -                                             |
| (68,335,322)                                        | 97,208                      | (68,238,114)    | -                                             |
| -                                                   | -                           | -               | (74,549)                                      |
| -                                                   | -                           | -               | (74,549)                                      |
| 43,468,382                                          | -                           | 43,468,382      | -                                             |
| 3,709,268                                           | -                           | 3,709,268       | -                                             |
| 1,304,607                                           | -                           | 1,304,607       | -                                             |
| 98,187                                              | -                           | 98,187          | -                                             |
| 38,205,052                                          | -                           | 38,205,052      | -                                             |
| 513                                                 | -                           | 513             | -                                             |
| -                                                   | -                           | -               | 83,629                                        |
| 197,859                                             | 2,185                       | 200,044         | (89,662)                                      |
| 185,260                                             | -                           | 185,260         | -                                             |
| 87,169,128                                          | 2,185                       | 87,171,313      | (6,033)                                       |
| 18,833,806                                          | 99,393                      | 18,933,199      | (80,582)                                      |
| (96,654)                                            | 96,654                      | -               | -                                             |
| 18,737,152                                          | 196,047                     | 18,933,199      | (80,582)                                      |
| 138,267,249                                         | 416,253                     | 138,683,502     | 1,213,055                                     |
| 678,666                                             | (678,666)                   | -               | -                                             |
| 138,945,915                                         | (262,413)                   | 138,683,502     | 1,213,055                                     |
| \$ 157,683,067                                      | \$ (66,366)                 | \$ 157,616,701  | \$ 1,132,473                                  |



**FUND  
FINANCIAL STATEMENTS**

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

|                                                                     |                      |                     | Major Funds               |
|---------------------------------------------------------------------|----------------------|---------------------|---------------------------|
|                                                                     | General              | Major Maintenance   | District Capital Projects |
| <b>Assets:</b>                                                      |                      |                     |                           |
| Cash and investments                                                | \$ 16,790,662        | \$ 7,307,052        | \$ 30,718,549             |
| Cash with fiscal agent                                              | 63,793               | -                   | -                         |
| Receivables:                                                        |                      |                     |                           |
| Property taxes                                                      | 43,445,053           | -                   | -                         |
| Other governments, grants                                           | 29,073               | -                   | -                         |
| Due from other funds                                                | 633,721              | -                   | -                         |
| Due from component unit                                             | -                    | -                   | -                         |
| Inventories and prepaid expenses                                    | 679,855              | -                   | -                         |
| Total assets                                                        | <u>\$ 61,642,157</u> | <u>\$ 7,307,052</u> | <u>\$ 30,718,549</u>      |
| <b>Deferred Outflows of Resources:</b>                              |                      |                     |                           |
| Excess Tax Collections                                              | 4,186,172            | -                   | -                         |
| Total deferred outflows of resources                                | <u>4,186,172</u>     | <u>-</u>            | <u>-</u>                  |
| Total assets and deferred outflows of resources                     | <u>\$ 65,828,329</u> | <u>\$ 7,307,052</u> | <u>\$ 30,718,549</u>      |
| <b>Liabilities and Fund Balances:</b>                               |                      |                     |                           |
| <b>Liabilities:</b>                                                 |                      |                     |                           |
| Accounts and retainage payable                                      | \$ 317,166           | \$ 419,122          | \$ 234,851                |
| Accrued salaries and benefits                                       | 891,734              | -                   | -                         |
| Due to other funds                                                  | 67,931               | -                   | -                         |
| Due to others                                                       | -                    | -                   | -                         |
| Unearned revenue:                                                   |                      |                     |                           |
| Grants                                                              | -                    | -                   | -                         |
| Total liabilities                                                   | <u>1,276,831</u>     | <u>419,122</u>      | <u>234,851</u>            |
| <b>Deferred Inflows of Resources:</b>                               |                      |                     |                           |
| Deferred property tax revenue                                       | 40,855,383           | -                   | -                         |
| Advanced Foundation Guarantee                                       | 4,186,172            | -                   | -                         |
| Total deferred inflows of resources                                 | <u>45,041,555</u>    | <u>-</u>            | <u>-</u>                  |
| <b>Fund Balances:</b>                                               |                      |                     |                           |
| Nonspendable                                                        |                      |                     |                           |
| Inventories and prepaid expenses                                    | 679,855              | -                   | -                         |
| Restricted for                                                      |                      |                     |                           |
| Grant programs                                                      | -                    | -                   | -                         |
| Recreation District                                                 | -                    | -                   | -                         |
| Major maintenance                                                   | -                    | 6,887,930           | -                         |
| Impact Aid                                                          | 1,093,831            | -                   | -                         |
| Capital Construction/Projects                                       | -                    | -                   | -                         |
| Assigned to                                                         |                      |                     |                           |
| Head Start child care                                               | -                    | -                   | -                         |
| Projected Budget Deficit                                            | 9,200,070            | -                   | -                         |
| Minimum fund balance                                                | 3,000,000            | -                   | -                         |
| Future expenditures                                                 | 69,778               | -                   | -                         |
| Contingencies                                                       | 1,000,000            | -                   | -                         |
| Capital Construction/Projects                                       | -                    | -                   | 30,483,698                |
| Unassigned, reported in                                             |                      |                     |                           |
| General fund                                                        | <u>4,466,409</u>     | <u>-</u>            | <u>-</u>                  |
| Total fund balances                                                 | <u>19,509,943</u>    | <u>6,887,930</u>    | <u>30,483,698</u>         |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 65,828,329</u> | <u>\$ 7,307,052</u> | <u>\$ 30,718,549</u>      |

See accompanying notes to financial statements.

| SFD Capital<br>Projects | Grant<br>Programs   | Recreation<br>Board  | Nonmajor<br>Funds | Total<br>Governmental<br>Funds |
|-------------------------|---------------------|----------------------|-------------------|--------------------------------|
| \$ 913,408              | \$ 446,481          | \$ 10,967,912        | \$ 45,113         | \$ 67,189,177                  |
| -                       | -                   | 2,109                | -                 | 65,902                         |
| -                       | -                   | 1,341,019            | -                 | 44,786,072                     |
| 478,308                 | 850,014             | -                    | 318,653           | 1,676,048                      |
| 109,946                 | 53,239              | -                    | -                 | 796,906                        |
| -                       | -                   | -                    | -                 | -                              |
| -                       | -                   | -                    | -                 | 679,855                        |
| <u>\$ 1,501,662</u>     | <u>\$ 1,349,734</u> | <u>\$ 12,311,040</u> | <u>\$ 363,766</u> | <u>\$ 115,193,960</u>          |
| -                       | -                   | -                    | -                 | 4,186,172                      |
| -                       | -                   | -                    | -                 | 4,186,172                      |
| <u>\$ 1,501,662</u>     | <u>\$ 1,349,734</u> | <u>\$ 12,311,040</u> | <u>\$ 363,766</u> | <u>\$ 119,380,132</u>          |
| \$ 1,177,297            | \$ 267,555          | \$ -                 | \$ 285,320        | \$ 2,701,311                   |
| -                       | 192,172             | -                    | 48,752            | 1,132,658                      |
| 138,549                 | 482,452             | 95,646               | -                 | 784,578                        |
| -                       | 57,883              | -                    | -                 | 57,883                         |
| -                       | 263,950             | -                    | -                 | 263,950                        |
| <u>1,315,846</u>        | <u>1,264,012</u>    | <u>95,646</u>        | <u>334,072</u>    | <u>4,940,380</u>               |
| -                       | -                   | 1,260,307            | -                 | 42,115,690                     |
| -                       | -                   | -                    | -                 | 4,186,172                      |
| -                       | -                   | 1,260,307            | -                 | 46,301,862                     |
| -                       | -                   | -                    | -                 | 679,855                        |
| -                       | 85,722              | -                    | -                 | 85,722                         |
| -                       | -                   | 10,955,087           | -                 | 10,955,087                     |
| -                       | -                   | -                    | -                 | 6,887,930                      |
| -                       | -                   | -                    | -                 | 1,093,831                      |
| 185,816                 | -                   | -                    | -                 | 185,816                        |
| -                       | -                   | -                    | 29,694            | 29,694                         |
| -                       | -                   | -                    | -                 | 9,200,070                      |
| -                       | -                   | -                    | -                 | 3,000,000                      |
| -                       | -                   | -                    | -                 | 69,778                         |
| -                       | -                   | -                    | -                 | 1,000,000                      |
| -                       | -                   | -                    | -                 | 30,483,698                     |
| -                       | -                   | -                    | -                 | 4,466,409                      |
| <u>185,816</u>          | <u>85,722</u>       | <u>10,955,087</u>    | <u>29,694</u>     | <u>68,137,890</u>              |
| <u>\$ 1,501,662</u>     | <u>\$ 1,349,734</u> | <u>\$ 12,311,040</u> | <u>\$ 363,766</u> | <u>\$ 119,380,132</u>          |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|                                                              | General                     | Major<br>Maintenance       | Major Funds<br>District Capital<br>Projects |
|--------------------------------------------------------------|-----------------------------|----------------------------|---------------------------------------------|
| <b>Revenues:</b>                                             |                             |                            |                                             |
| Local sources                                                | \$ 33,309,123               | \$ -                       | \$ -                                        |
| County sources                                               | 10,454,862                  | -                          | -                                           |
| State sources                                                | 41,191,729                  | 3,709,268                  | -                                           |
| Federal sources                                              | 98,187                      | -                          | -                                           |
| Interest                                                     | 44,001                      | 15,072                     | 46,947                                      |
| Total revenues                                               | <u>85,097,902</u>           | <u>3,724,340</u>           | <u>46,947</u>                               |
| <b>Expenditures:</b>                                         |                             |                            |                                             |
| Current:                                                     |                             |                            |                                             |
| Instructional services:                                      |                             |                            |                                             |
| Regular instruction                                          | 26,202,236                  | -                          | -                                           |
| Special education                                            | 9,839,251                   | -                          | -                                           |
| Vocational education                                         | 1,124,029                   | -                          | -                                           |
| Other instruction                                            | -                           | -                          | -                                           |
| Supporting services:                                         |                             |                            |                                             |
| Students                                                     | 7,038,038                   | -                          | -                                           |
| Instructional staff                                          | 2,288,064                   | -                          | -                                           |
| Central services                                             | 3,290,960                   | -                          | -                                           |
| School administration                                        | 4,446,024                   | -                          | -                                           |
| Business services                                            | 1,378,145                   | -                          | -                                           |
| Operation and maintenance<br>of facilities                   | 6,911,476                   | -                          | -                                           |
| Pupil transportation                                         | 4,387,461                   | -                          | -                                           |
| General administration                                       | 440,466                     | -                          | -                                           |
| Community services                                           | 5,693                       | -                          | -                                           |
| Other supporting services                                    | 248,385                     | -                          | -                                           |
| Food service                                                 | -                           | -                          | -                                           |
| Capital outlay                                               | -                           | 5,012,556                  | 2,176,069                                   |
| Total expenditures                                           | <u>67,600,228</u>           | <u>5,012,556</u>           | <u>2,176,069</u>                            |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>17,497,674</u>           | <u>(1,288,216)</u>         | <u>(2,129,122)</u>                          |
| <b>Other financing sources (uses):</b>                       |                             |                            |                                             |
| Operating transfers                                          | (9,437,401)                 | 5,125                      | 6,517,858                                   |
| Proceeds from lease purchase obligations                     | 143,526                     | -                          | -                                           |
| Total other financing sources (uses)                         | <u>(9,293,875)</u>          | <u>5,125</u>               | <u>6,517,858</u>                            |
| <b>Net change in fund balance</b>                            | <u>8,203,799</u>            | <u>(1,283,091)</u>         | <u>4,388,736</u>                            |
| <b>Fund balances - beginning</b>                             | <u>11,306,144</u>           | <u>8,171,021</u>           | <u>26,094,962</u>                           |
| <b>Fund balances - ending</b>                                | <u><u>\$ 19,509,943</u></u> | <u><u>\$ 6,887,930</u></u> | <u><u>\$ 30,483,698</u></u>                 |

See accompanying notes to financial statements.

| SFD Capital<br>Projects | Grant<br>Programs | Recreation<br>Board  | Nonmajor<br>Funds | Total<br>Governmental<br>Funds |
|-------------------------|-------------------|----------------------|-------------------|--------------------------------|
| \$ 9,084                | \$ 162,075        | \$ -                 | \$ 51,306         | \$ 33,531,588                  |
| -                       | -                 | 1,307,024            | -                 | 11,761,886                     |
| 3,381,397               | 138,000           | -                    | -                 | 48,420,394                     |
| -                       | 9,405,892         | -                    | 1,612,660         | 11,116,739                     |
| 464                     | -                 | 20,492               | 55                | 127,031                        |
| <u>3,390,945</u>        | <u>9,705,967</u>  | <u>1,327,516</u>     | <u>1,664,021</u>  | <u>104,957,638</u>             |
| -                       | 2,706,047         | -                    | -                 | 28,908,283                     |
| -                       | 2,413,234         | -                    | 894,046           | 13,146,531                     |
| -                       | 69,138            | -                    | -                 | 1,193,167                      |
| -                       | 690,624           | -                    | -                 | 690,624                        |
| -                       | 839,254           | -                    | 162,906           | 8,040,198                      |
| -                       | 1,537,578         | -                    | 18,586            | 3,844,228                      |
| -                       | 490,567           | -                    | 165,566           | 3,947,093                      |
| -                       | 92,250            | -                    | -                 | 4,538,274                      |
| -                       | 37,101            | -                    | -                 | 1,415,246                      |
| -                       | 320,652           | -                    | 351,661           | 7,583,789                      |
| -                       | 111,433           | -                    | 29,069            | 4,527,963                      |
| -                       | 155,054           | -                    | 39,447            | 634,967                        |
| -                       | -                 | -                    | -                 | 5,693                          |
| -                       | 172,082           | -                    | -                 | 420,467                        |
| -                       | 68,581            | -                    | 2,685             | 71,266                         |
| <u>3,604,241</u>        | <u>-</u>          | <u>-</u>             | <u>-</u>          | <u>10,792,866</u>              |
| <u>3,604,241</u>        | <u>9,703,595</u>  | <u>-</u>             | <u>1,663,966</u>  | <u>89,760,655</u>              |
| <u>(213,296)</u>        | <u>2,372</u>      | <u>1,327,516</u>     | <u>55</u>         | <u>15,196,983</u>              |
| 213,760                 | 648               | (121,644)            | -                 | (2,821,654)                    |
| -                       | -                 | -                    | -                 | 143,526                        |
| <u>213,760</u>          | <u>648</u>        | <u>(121,644)</u>     | <u>-</u>          | <u>(2,678,128)</u>             |
| <u>464</u>              | <u>3,020</u>      | <u>1,205,872</u>     | <u>55</u>         | <u>12,518,855</u>              |
| <u>185,352</u>          | <u>82,702</u>     | <u>9,749,215</u>     | <u>29,639</u>     | <u>55,619,035</u>              |
| <u>\$ 185,816</u>       | <u>\$ 85,722</u>  | <u>\$ 10,955,087</u> | <u>\$ 29,694</u>  | <u>\$ 68,137,890</u>           |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENT FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

|                                            |               |
|--------------------------------------------|---------------|
| Total fund balances for governmental funds | \$ 68,137,890 |
|--------------------------------------------|---------------|

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. | 143,226,125 |
|--------------------------------------------------------------------------------------------------------------------|-------------|

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   | \$ 1,285,315 |             |
| Advanced other revenue | (4,160,446)  | (2,875,131) |

|                                                                                                                                                                                                                                                   |            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| 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. | 41,339,844 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|

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 lease purchase obligations | \$ (264,165) |             |
| Accrued vacation                             | (804,791)    | (1,068,956) |

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 resources | \$ 12,134,290 |              |
| Post retirement health benefits - deferred inflows of resources  | (15,008,982)  |              |
| Post retirement health benefits payable                          | (40,003,907)  | (42,878,599) |

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 | \$ 3,930,334 |              |
| Pension plan items - deferred inflows of resources  | (16,480,005) |              |
| Pension expense unfunded obligation                 | (35,648,435) | (48,198,106) |

|                                               |                |
|-----------------------------------------------|----------------|
| Total net position of governmental activities | \$ 157,683,067 |
|-----------------------------------------------|----------------|

**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, 2022**

Net change in fund balances-total governmental funds \$ 12,518,855

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. These are the current period differences.

|                                     |              |           |
|-------------------------------------|--------------|-----------|
| Capital outlay                      | \$ 7,637,632 |           |
| Depreciation and impairment expense | (6,236,068)  |           |
| Disposal of capital assets          | -            | 1,401,564 |

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 - lease purchase proceeds | \$ (143,526) |          |
| Principal payments of lease purchase obligations | 85,954       | (57,572) |

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   | \$ (968,025) |             |
| Deferred property tax revenue - current year | 1,311,041    |             |
| Advanced Foundation Guarantee - prior year   | 2,048,021    |             |
| Advanced Foundation Guarantee - current year | (4,186,172)  | (1,795,135) |

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   | \$ 777,415 |             |
| Compensated absences - current year | (804,791)  | \$ (27,376) |

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. 3,020,077

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         | \$ (12,496,821) |           |
| Post retirement health benefits payable - prior year   | 49,758,541      |           |
| Post retirement health benefits payable - current year | (40,003,907)    |           |
| Pension plan items - prior year                        | 3,298,138       |           |
| Pension plan items - current year                      | (12,549,671)    |           |
| Net pension liability - prior year                     | 51,318,894      |           |
| Net pension liability - current year                   | (35,648,435)    | 3,676,739 |

|                                                   |  |               |
|---------------------------------------------------|--|---------------|
| Change in net position of governmental activities |  | \$ 18,737,152 |
|---------------------------------------------------|--|---------------|

See accompanying notes to financial statements.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**STATEMENT OF FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2022**

|                                             | Enterprise Funds |                |                        | Internal Service Fund |
|---------------------------------------------|------------------|----------------|------------------------|-----------------------|
|                                             | Food Service     | Nonmajor Funds | Total Enterprise Funds |                       |
| <b>Assets</b>                               |                  |                |                        |                       |
| <b>Current assets:</b>                      |                  |                |                        |                       |
| Cash and cash equivalents                   | \$ 868,354       | \$ 53,258      | \$ 921,612             | \$ 42,447,266         |
| Due from other governments                  | 154,203          | -              | 154,203                | -                     |
| Due from others                             | 23               | -              | 23                     | 227,015               |
| Inventories                                 | 76,272           | -              | 76,272                 | -                     |
| Total current assets                        | 1,098,852        | 53,258         | 1,152,110              | 42,674,281            |
| <b>Capital assets:</b>                      |                  |                |                        |                       |
| Equipment                                   | 1,323,515        | -              | 1,323,515              | -                     |
| Accumulated depreciation                    | (980,214)        | -              | (980,214)              | -                     |
| Total capital assets                        | 343,301          | -              | 343,301                | -                     |
| Total assets                                | 1,442,153        | 53,258         | 1,495,411              | 42,674,281            |
| <b>Deferred outflow of resources:</b>       |                  |                |                        |                       |
| Post retirement health benefits             | 118,855          | -              | 118,855                | -                     |
| Pension plan items                          | 78,352           | -              | 78,352                 | -                     |
| Total deferred outflows of resources        | 197,207          | -              | 197,207                | -                     |
| <b>Liabilities and Net Assets</b>           |                  |                |                        |                       |
| <b>Liabilities:</b>                         |                  |                |                        |                       |
| <b>Current liabilities:</b>                 |                  |                |                        |                       |
| Accounts payable                            | 71,468           | -              | 71,468                 | -                     |
| Accrued expenses                            | 41,654           | -              | 41,654                 | -                     |
| Due to other funds                          | 3,626            | -              | 3,626                  | -                     |
| Unearned revenue                            | 50,126           | -              | 50,126                 | -                     |
| Current portion of long-term obligations    | 3,136            | -              | 3,136                  | -                     |
| Insurance claims payable                    | -                | -              | -                      | 1,334,437             |
| Total current liabilities                   | 170,010          | -              | 170,010                | 1,334,437             |
| <b>Noncurrent liabilities:</b>              |                  |                |                        |                       |
| Noncurrent portion of long-term obligations | 4,461            | -              | 4,461                  | -                     |
| Post retirement health benefits liability   | 399,999          | -              | 399,999                | -                     |
| Net pension liability                       | 708,970          | -              | 708,970                | -                     |
| Total noncurrent liabilities                | 1,113,430        | -              | 1,113,430              | -                     |
| Total liabilities                           | 1,283,440        | -              | 1,283,440              | 1,334,437             |
| <b>Deferred Inflows of Resources</b>        |                  |                |                        |                       |
| Post retirement health benefits             | 147,013          | -              | 147,013                | -                     |
| Pension plan items                          | 328,531          | -              | 328,531                | -                     |
| Total deferred inflows of resources         | 475,544          | -              | 475,544                | -                     |
| <b>Net position:</b>                        |                  |                |                        |                       |
| Net investment in capital assets            | 343,301          | -              | 343,301                | -                     |
| Unrestricted                                | (462,925)        | 53,258         | (409,667)              | 41,339,844            |
| Total net position                          | \$ (119,624)     | \$ 53,258      | \$ (66,366)            | \$ 41,339,844         |

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, 2022**

|                                              | Enterprise Funds |                   |                              |
|----------------------------------------------|------------------|-------------------|------------------------------|
|                                              | Food<br>Service  | Nonmajor<br>Funds | Total<br>Enterprise<br>Funds |
|                                              |                  |                   | Internal<br>Service<br>Fund  |
| <b>Operating revenues:</b>                   |                  |                   |                              |
| Charges for services:                        |                  |                   |                              |
| Insurance premium, refunds                   | \$ -             | \$ -              | \$ -                         |
| Food service and summer tuition              | 132,387          | -                 | 132,387                      |
| Total operating revenues                     | 132,387          | -                 | 132,387                      |
| <b>Operating expenses:</b>                   |                  |                   |                              |
| Salaries                                     | 932,568          | 22,890            | 955,458                      |
| Employee benefits                            | 368,532          | 6,013             | 374,545                      |
| Purchased services                           | 14,557           | -                 | 14,557                       |
| Supplies and materials, including food       | 1,537,960        | 37,310            | 1,575,270                    |
| Depreciation                                 | 44,882           | -                 | 44,882                       |
| Total operating expenses                     | 2,898,499        | 66,213            | 2,964,712                    |
| Operating (loss) income                      | (2,766,112)      | (66,213)          | (2,832,325)                  |
| <b>Nonoperating income (losses):</b>         |                  |                   |                              |
| Earnings on investments                      | 2,184            | 1                 | 2,185                        |
| Operating transfers                          | 96,654           | -                 | 96,654                       |
| Federal sources, including commodity support | 2,852,691        | 76,842            | 2,929,533                    |
| Total nonoperating income                    | 2,951,529        | 76,843            | 3,028,372                    |
| <b>Change in net position</b>                | 185,417          | 10,630            | 196,047                      |
| <b>Net position - beginning</b>              | 373,625          | 42,628            | 416,253                      |
| <b>Prior Period Adjustment</b>               | (678,666)        | -                 | (678,666)                    |
| <b>Net assets - beginning as restated</b>    | (305,041)        | 42,628            | (262,413)                    |
| <b>Net position - ending</b>                 | \$ (119,624)     | \$ 53,258         | \$ (66,366)                  |

See accompanying notes to financial statements.



**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|                                                                                                                      | Enterprise Funds  |                  |                        | Internal Service Fund |
|----------------------------------------------------------------------------------------------------------------------|-------------------|------------------|------------------------|-----------------------|
|                                                                                                                      | Food Service      | Nonmajor Funds   | Total Enterprise Funds |                       |
| <b>Cash flows from operating activities:</b>                                                                         |                   |                  |                        |                       |
| Receipts from interfund services provided                                                                            | \$ -              | \$ -             | \$ -                   | \$ 13,048,066         |
| Receipts from services provided                                                                                      | 125,738           | -                | 125,738                | -                     |
| Payments to suppliers                                                                                                | (1,377,926)       | (37,395)         | (1,415,321)            | -                     |
| Payments for medical fees and insurance claims                                                                       | -                 | -                | -                      | (12,372,976)          |
| Payments to and on behalf of employees                                                                               | (1,327,452)       | (28,903)         | (1,356,355)            | -                     |
| Net cash (used in) provided by operating activities                                                                  | (2,579,640)       | (66,298)         | (2,645,938)            | 675,090               |
| <b>Cash flows from noncapital financing activities:</b>                                                              |                   |                  |                        |                       |
| Federal and State subsidy                                                                                            | 2,725,008         | 76,842           | 2,801,850              | -                     |
| Operating transfer                                                                                                   | 58,597            | -                | 58,597                 | 2,725,000             |
| Net cash provided by noncapital financing activities                                                                 | 2,783,605         | 76,842           | 2,860,447              | 2,725,000             |
| <b>Cash flows from capital and related financing activities:</b>                                                     |                   |                  |                        |                       |
| Operating transfer                                                                                                   | 38,057            | -                | 38,057                 | -                     |
| Acquisition of capital assets                                                                                        | (95,261)          | -                | (95,261)               | -                     |
| Net cash used in capital and related financing activities                                                            | (57,204)          | -                | (57,204)               | -                     |
| <b>Cash flows from investing activities:</b>                                                                         |                   |                  |                        |                       |
| Interest received                                                                                                    | 2,184             | 1                | 2,185                  | 71,292                |
| Net cash provided by investing activities                                                                            | 2,184             | 1                | 2,185                  | 71,292                |
| <b>Net increase in cash and cash equivalents</b>                                                                     | <b>148,945</b>    | <b>10,545</b>    | <b>159,490</b>         | <b>3,471,382</b>      |
| <b>Cash and cash equivalents - beginning</b>                                                                         | <b>719,409</b>    | <b>42,713</b>    | <b>762,122</b>         | <b>38,975,884</b>     |
| <b>Cash and cash equivalents - ending</b>                                                                            | <b>\$ 868,354</b> | <b>\$ 53,258</b> | <b>\$ 921,612</b>      | <b>\$ 42,447,266</b>  |
| <b>Reconciliation of operating (loss) income to net cash (used in) provided by operating activities:</b>             |                   |                  |                        |                       |
| Operating (loss ) income                                                                                             | \$ (2,766,112)    | \$ (66,213)      | \$ (2,832,325)         | \$ 223,785            |
| Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:             |                   |                  |                        |                       |
| Depreciation expense                                                                                                 | 44,882            | -                | 44,882                 | -                     |
| Value of commodities received                                                                                        | 121,312           | -                | 121,312                | -                     |
| (Increase) Decrease in due from others                                                                               | 1,785             | -                | 1,785                  | (226,962)             |
| Decrease in due from other funds                                                                                     | 5,858             | -                | 5,858                  | -                     |
| Decrease in inventory                                                                                                | 8,750             | -                | 8,750                  | -                     |
| (Increase) Decrease in due to other funds                                                                            | 3,626             | -                | 3,626                  | -                     |
| Increase in accounts payable                                                                                         | 35,045            | (85)             | 34,960                 | -                     |
| Increase in accrued wages                                                                                            | 8,399             | -                | 8,399                  | -                     |
| Decrease in unearned revenue                                                                                         | (8,434)           | -                | (8,434)                | -                     |
| Difference between actuarial calculated pension and post retirement health benefits expense and actual contributions | (34,751)          | -                | (34,751)               | -                     |
| Increase in claims payable                                                                                           | -                 | -                | -                      | 310,380               |
| Total adjustments                                                                                                    | 186,472           | (85)             | 186,387                | 83,418                |
| Net cash (used in) provided by operating activities                                                                  | \$ (2,579,640)    | \$ (66,298)      | \$ (2,645,938)         | \$ 307,203            |
| <b>Noncash investing, capital, and financing activities:</b>                                                         |                   |                  |                        |                       |
| USDA commodities received                                                                                            | \$ 121,312        | None             | \$ 121,312             | None                  |

See accompanying notes to financial statements.

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**JUNE 30, 2022**

|                      | Student<br>Activities<br>Fund | Employee<br>Agency<br>Fund  |
|----------------------|-------------------------------|-----------------------------|
|                      | <u>                    </u>   | <u>                    </u> |
| <b>Assets:</b>       |                               |                             |
| Cash and investments | \$ 821,859                    | \$ 253,582                  |
|                      | <u>                    </u>   | <u>                    </u> |
| <b>Liabilities</b>   |                               |                             |
| Due to other funds   | 8,702                         | -                           |
|                      | <u>                    </u>   | <u>                    </u> |
| <b>Net Position</b>  |                               |                             |
| Restricted for:      |                               |                             |
| Employee benefits    | -                             | 228,336                     |
| Teacher housing      |                               | 25,246                      |
| Student groups       | 813,157                       | -                           |
| Total Net Position   | \$ 813,157                    | \$ 253,582                  |
|                      | <u>                    </u>   | <u>                    </u> |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**CUSTODIAL FUNDS**  
**JUNE 30, 2022**

|                                          | Student<br>Activities<br>Fund | Employee<br>Agency<br>Fund   |
|------------------------------------------|-------------------------------|------------------------------|
| <b>Additions:</b>                        |                               |                              |
| Student activity fees                    | \$ 490,367                    | \$ -                         |
| Employee benefit deposits                | -                             | 148,194                      |
| Teacher housing deposits                 | -                             | 11,647                       |
| Interest                                 | 1,035                         | 420                          |
| Total Additions                          | <u>491,402</u>                | <u>160,261</u>               |
| <b>Deductions:</b>                       |                               |                              |
| Payments for student activities          | 406,451                       | -                            |
| Employee benefit payments                | -                             | 116,825                      |
| Teacher housing refunds                  | -                             | 12,422                       |
| Total Deductions                         | <u>406,451</u>                | <u>129,247</u>               |
| <br>Net change in fiduciary net position | <br><u>84,951</u>             | <br><u>31,014</u>            |
| <br>Net position - beginning             | <br><u>728,206</u>            | <br><u>222,568</u>           |
| <br>Net position - ending                | <br><u><u>\$ 813,157</u></u>  | <br><u><u>\$ 253,582</u></u> |

See accompanying notes to financial statements.



## **NOTES TO FINANCIAL STATEMENTS**



**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

**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, 2022 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, 2022.

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<br>Activities Estimated<br>Lives | Business-Type<br>Activities Estimated<br>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 as 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 lease purchase obligations 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.

p) Standards Issued and 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).

**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)

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 District's leases provide for the purchase of leased buses for nominal amounts at the end of the lease term and are considered financing obligations and are not within the scope of Statement 87.

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, 2022 consist of and appear in the financial statements as summarized below:

|                                                           |                              |
|-----------------------------------------------------------|------------------------------|
| Cash and investments, statement of net position           | \$ 110,558,055               |
| Cash and investments, statement of fiduciary net position | <u>1,075,441</u>             |
|                                                           | <u><u>\$ 111,633,496</u></u> |
|                                                           |                              |
| Cash in bank                                              | \$ 17,976,350                |
| WGIF                                                      | <u>93,657,146</u>            |
|                                                           | <u><u>\$ 111,633,496</u></u> |

The carrying amount of bank deposits for the District at June 30, 2022 is \$17,976,350 and the bank balance is \$21,334,546. 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, \$1,960,415 is covered by federal depository insurance, \$15,537,981, was collateralized by securities held by the financial institutions in the District's name, and \$727,594 is in a retainage account deemed owned by the associated contractor.

*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.

*Credit Risk*

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 19<sup>th</sup> Street, Suite 300, Cheyenne, WY 82001.

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, 2022, the yield for the District's funds held by WGIF was 0.90%.

**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, 2022 was 31 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, 2022, the Foundation had the following investments:

| Investment Types                   | Fair Value | Interest Rate | Investment     |
|------------------------------------|------------|---------------|----------------|
|                                    |            |               | Maturities     |
|                                    |            |               | 1 year or less |
| Money Market                       | \$ 5,859   | 0.72%         | \$ 5,859       |
| Mutual Funds                       | 801,056    | n/a           | 739,719        |
| Exchange Traded & Closed End Funds | 82,623     | n/a           | 82,623         |

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, 2022 was as follows:

|                                              | Beginning<br>Balance  | Increases            | Decreases/<br>Transfers | Ending<br>Balance     |
|----------------------------------------------|-----------------------|----------------------|-------------------------|-----------------------|
| Governmental activities:                     |                       |                      |                         |                       |
| Capital assets, not being depreciated        |                       |                      |                         |                       |
| Land                                         | \$ 774,593            | \$ -                 | \$ -                    | \$ 774,593            |
| Construction in progress                     | 19,736,173            | 6,423,223            | (20,193,552)            | 5,965,844             |
| Art Collection                               | 553,000               | -                    | -                       | 553,000               |
| Total capital assets, not being depreciated  | 21,063,766            | 6,423,223            | (20,193,552)            | 7,293,437             |
| Capital assets, being depreciated:           |                       |                      |                         |                       |
| Buildings and improvements                   | 189,046,189           | 20,677,881           | (2,313,058)             | 207,411,012           |
| Furniture and equipment                      | 4,977,266             | 333,195              | (337,254)               | 4,973,207             |
| Transportation equipment                     | 10,604,257            | 463,236              | (305,191)               | 10,762,302            |
| Transportation equipment under capital lease | -                     | -                    | -                       | -                     |
| Total capital assets, being depreciated      | 204,627,712           | 21,474,312           | (2,955,503)             | 223,146,521           |
| Accumulated depreciation for:                |                       |                      |                         |                       |
| Buildings and improvements                   | (71,855,204)          | (5,302,523)          | 1,611,102               | (75,546,625)          |
| Furniture and equipment                      | (3,937,270)           | (228,947)            | 334,902                 | (3,831,315)           |
| Transportation equipment                     | (7,186,343)           | (704,598)            | 357,496                 | (7,533,445)           |
| Transportation equipment under capital lease | -                     | -                    | -                       | -                     |
| Total                                        | (82,978,817)          | (6,236,068)          | 2,303,500               | (86,911,385)          |
| Impairment                                   | (888,100)             | -                    | 585,652                 | (302,448)             |
| Total accumulated depreciation               | (83,866,917)          | (6,236,068)          | 2,889,152               | (87,213,833)          |
| Total capital assets, being depreciated, net | 120,760,795           | 15,238,244           | (66,351)                | 135,932,688           |
| Governmental activities capital assets, net  | <u>\$ 141,824,561</u> | <u>\$ 21,661,467</u> | <u>\$ (20,259,903)</u>  | <u>\$ 143,226,125</u> |
| Business-type activities:                    |                       |                      |                         |                       |
| Equipment                                    | \$ 1,098,356          | \$ 57,204            | \$ -                    | \$ 1,155,560          |
| Transportation equipment                     | 164,783               | 38,057               | (34,885)                | 167,955               |
| Total capital assets, being depreciated      | 1,263,139             | 95,261               | (34,885)                | 1,323,515             |
| Accumulated depreciation for:                |                       |                      |                         |                       |
| Equipment                                    | (836,243)             | (30,771)             | -                       | (867,014)             |
| Transportation equipment                     | (133,974)             | (14,111)             | 34,885                  | (113,200)             |
| Total accumulated depreciation               | (970,217)             | (44,882)             | 34,885                  | (980,214)             |
| Business-type activities capital assets, net | <u>\$ 292,922</u>     | <u>\$ 50,379</u>     | <u>\$ -</u>             | <u>\$ 343,301</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                                 | \$ 5,003,700        |
| Special education                                   | 3,531               |
| Vocational education                                | 22,356              |
| Supporting services:                                |                     |
| Students                                            | 16,553              |
| Central services                                    | 153,681             |
| Business                                            | 21,761              |
| Operation and maintenance of facilities             | 339,202             |
| Pupil transportation                                | 663,089             |
| Community services                                  | 3,036               |
| Other support services                              | 9,159               |
| Total depreciation expense, governmental activities | <u>\$ 6,236,068</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 18.62% of the participant's salary to be contributed to the Plan. Contributions consist of 9.25% of the participant's salary as employee contributions and 9.37% 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 3.68%.

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, 2022, 2020, and 2019 were approximately \$7,886,898, \$8,115,863, and \$7,635,729, 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, 2022, the District reported a net pension liability of \$36,357,405 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, 2021, 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, 2022 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, 2021 was 2.3845276%, which was a decrease of .0212494% from its 2.405777% proportionate share at December 31, 2021.

For the year ended December 31, 2021, the District recognized a pension expense of \$6,489,112. At June 30, 2022, the District portion of the reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                                                                                   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Pension contributions subsequent to measurement date                                                                                              | \$ 4,008,686                         | \$ -                                |
| Change in Employer's proportion and differences<br>between the employer's contribution and the<br>employer's proportionate share of contributions |                                      | 328,570                             |
| Net difference between projected and actual earnings<br>on plan investments                                                                       |                                      | 16,479,966                          |
|                                                                                                                                                   | <u>\$ 4,008,686</u>                  | <u>\$ 16,808,536</u>                |

The \$4,008,686 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, 2023. 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<br/>Outflows</u> | <u>Deferred<br/>Inflows</u> |
|---------------------------|------------------------------|-----------------------------|
| 2023                      | -                            | 4,253,248                   |
| 2024                      | -                            | 4,253,248                   |
| 2025                      | -                            | 4,182,049                   |
| 2025                      | -                            | 4,119,991                   |
|                           | <u>\$ -</u>                  | <u>\$ 16,808,536</u>        |

e) Actuarial Assumptions

Total pension liabilities in the January 1, 2022 actuarial valuations were determined using the following actuarial assumptions:

|                           |                                            |
|---------------------------|--------------------------------------------|
| Valuation Date            | January 1, 2022                            |
| Actuarial Cost Method     | Individual Entry - Age Normal              |
| Amortization Method       | Level Percent Closed                       |
| Asset Valuation Method    | 5 year smoothed market                     |
| Actuarial Assumptions:    |                                            |
| Discount Rate             | 6.80%                                      |
| Inflation                 | 2.25%                                      |
| Projected Salary Increase | 2.5% to 6.5%                               |
| Investment Rate of Return | 6.80%                                      |
| Post-Retirement Mortality | RP-2010 General Healthy<br>Mortality Table |
| Pre-Retirement Mortality  | RP-2010 General Active<br>Mortality Table  |

f) Discount Rate

The discount rate used to measure the total pension liability was 6.80% 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        |                                            |                                      |                                                                                                                                   |
|----------------------|--------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Single Discount Rate | Long-Term<br>Expected<br>Rate of<br>Return | Long-Term<br>Municipal<br>Bond Rate* | Last year ending December 31 in<br>the 2021 to 2121 projection<br>period for which projected benefit<br>payments are fully funded |
| 6.80%                | 6.80%                                      | 1.84%                                | 2121                                                                                                                              |

\*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 6.80%. The long-term rate of return is determined through a 4.55% 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<br>for the fiscal year ended December 31, 2021 | Expected Rate of Return net<br>investment expenses |
|------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| 6.80%                                                                                                | 4.55%                                              |

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<br>Allocation | 30 Year<br>Arithmetic<br>Expected Real<br>Return | 30 Year<br>Geometric<br>Expected Real<br>Return |
|--------------------------|----------------------|--------------------------------------------------|-------------------------------------------------|
| Cash                     | 2.00%                | -0.50%                                           | -0.50%                                          |
| Fixed Income             | 21.00%               | 1.63%                                            | 1.32%                                           |
| Equity                   | 48.50%               | 7.54%                                            | 5.63%                                           |
| Marketable Alternatives  | 19.00%               | 4.63%                                            | 3.74%                                           |
| Private Markets          | 9.50%                | 5.99%                                            | 4.87%                                           |
| 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<br>5.80% | Current Discount<br>6.80% | 1% Increase<br>7.80% |
|-----------------------------------------------------------|----------------------|---------------------------|----------------------|
| Discount Proportion Share of<br>the Net Pension Liability | \$ 67,078,965        | \$ 36,357,405             | \$ 10,890,977        |

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, 2022.

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 \$40,403,906 was measured as of June 30, 2022, 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<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|----------------------------------------------------|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ -                                 | \$ 3,518,022                        |
| Changes in assumptions                             | 12,253,145                           | 11,637,973                          |
|                                                    | <u>\$ 12,253,145</u>                 | <u>\$ 15,155,995</u>                |

Contributions subsequent to the Measurement Date may be recognized as a reduction to the Net OPEB Liability. The amount is not known as of the date of this report. 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<br>Outflows/<br>Inflows |
|---------------------------|--------------------------------------|
| 2023                      | \$ 196,678                           |
| 2024                      | 196,678                              |
| 2025                      | 196,678                              |
| 2026                      | 196,678                              |
| 2027                      | 196,678                              |
| Thereafter                | 1,919,460                            |
|                           | <u>\$ 2,902,850</u>                  |

c) Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2022 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.

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

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

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, 2022 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 increased from 2.16% for the Fiscal Year-Ended June 30, 2020 to 3.54% 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 30, 2022, and is the most recent rate available prior to the Measurement Date.

Other significant assumptions are as follows:

|                         |               |           |               |          |
|-------------------------|---------------|-----------|---------------|----------|
| Valuation Date          | June 30, 2022 |           |               |          |
| Discount Rate,          |               |           |               |          |
| Beginning of Year       | 2.16%         |           |               |          |
| End of Year             | 3.54%         |           |               |          |
| Total Payroll Increases | 2.50%         |           |               |          |
| Blended Premium Rates   |               |           |               |          |
|                         | Under Age 65  |           | Age 65 & Over |          |
|                         | Retiree       | Spouse    | Retiree       | Spouse   |
| \$1,000 Deductible Plan | \$ 11,532     | \$ 10,140 | \$ 6,084      | \$ 4,572 |

Healthcare Cost Trend Rates

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

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

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

|                        |                                                                                                                                                                               |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 decrease in the Total OPEB Liability in the current year of approximately \$13,000,000.

Changes in the total OPEB liability for the year ended June 30, 2022 are as follows:

|                                     | Total OPEB<br>Liability |
|-------------------------------------|-------------------------|
| Balance at 6/30/21                  | \$ 50,245,511           |
| Changes for the year                |                         |
| Service cost                        | 2,671,591               |
| Interest cost                       | 1,076,489               |
| Changes in assumptions/amortization | (12,858,292)            |
| Benefit payments                    | (731,393)               |
| Net changes                         | (9,841,605)             |
| Balance at 6/30/22                  | <u>\$ 40,403,906</u>    |

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 (2.54 percent) or one percentage point higher (4.54 percent) than the current discount rate:

|                      | 1% Decrease<br>(2.54%) | Current Discount<br>Rate (3.54%) | 1% Increase<br>(4.54%) |
|----------------------|------------------------|----------------------------------|------------------------|
| Total OPEB liability | \$ 49,196,197          | \$ 40,403,906                    | \$ 33,654,951          |

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.

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

7. Deferred Compensation Plan (Continued)

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.

8. Long-Term Obligations

During the year ended June 30, 2022 the following changes occurred in long-term liabilities:

|                                                         | Restated<br>Beginning<br>Balance | Additions         | Reductions             | Ending<br>Balance    | Due Within<br>One Year |
|---------------------------------------------------------|----------------------------------|-------------------|------------------------|----------------------|------------------------|
| Governmental activities:                                |                                  |                   |                        |                      |                        |
| Lease purchase obligations                              | \$ 206,593                       | \$ 143,526        | \$ (85,954)            | \$ 264,165           | \$ 86,737              |
| Accrued vacation                                        | 777,415                          | 727,049           | (699,674)              | 804,791              | 724,311                |
| Net pension liability                                   | 51,318,894                       | -                 | (15,670,459)           | 35,648,435           | -                      |
| Net OPEB obligation                                     | 49,758,541                       | -                 | (9,754,634)            | 40,003,907           | -                      |
| Total governmental activities<br>long-term liabilities  | <u>\$102,061,443</u>             | <u>\$ 870,575</u> | <u>\$ (26,210,721)</u> | <u>\$ 76,721,298</u> | <u>\$ 811,048</u>      |
| Business-type activities:                               |                                  |                   |                        |                      |                        |
| Accrued vacation                                        | \$ 3,485                         | \$ 7,248          | \$ (3,136)             | \$ 7,597             | \$ 3,136               |
| Net pension liability                                   | 967,295                          | -                 | (258,325)              | 708,970              | -                      |
| Net OPEB obligation                                     | 486,970                          | -                 | (86,971)               | 399,999              | -                      |
| Total business-type activities<br>long-term liabilities | <u>\$ 1,457,750</u>              | <u>\$ 7,248</u>   | <u>\$ (348,432)</u>    | <u>\$ 1,116,566</u>  | <u>\$ 3,136</u>        |

Due to payroll allocation between activities, the pension obligation at the beginning of the year reports a prior period adjustment and restatement in the amount of \$678,666 between governmental activities and business-type activities.

Lease purchase obligations – The District finances the purchase of certain transportation equipment under lease purchase obligations, 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 1.40% to 2.12% with an average for the leases at June 30, 2022 of approximately 1.75%. Interest expense of \$5,356 as a result of lease purchase obligations is included in the government-wide statement of activities.

The following is a schedule by years of minimum future payments under lease purchase obligations together with the present value of the net minimum payments as of June 30, 2022:

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

8. Long-Term Obligations (Continued)

| <u>Payable during the year ended June 30,</u> | <u>Governmental<br/>activities</u> |
|-----------------------------------------------|------------------------------------|
| 2022                                          | \$ 91,311                          |
| 2023                                          | 91,311                             |
| 2024                                          | 61,271                             |
| 2025                                          | 29,770                             |
|                                               | <u>273,663</u>                     |
| Less amount representing interest             | (9,498)                            |
| Minimum Future Financing Payments             | <u>\$ 264,165</u>                  |

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 \$11,630,482 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.

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

10. Fund Equity and Net Position (Continued)

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.

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 2022 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.

Contingencies - to segregate a portion of fund balance which has been assigned by the Board through budget authority to cover unanticipated items which may occur.

The District has no committed fund balances as of June 30, 2022.

As of June 30, 2022, Sweetwater One Public School Foundation, a component unit of the District, had \$534,002 net assets without donor restrictions, Board designated; \$437,686 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.

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

10. Fund Equity and Net Position (Continued)

The Governmental and Business-type 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 District by \$92,464,011. Without this change, Governmental Activities unrestricted net position would have been a positive balance of \$86,775,242 and Business-type unrestricted net position would have been a positive balance of \$977,639.

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.

Policy limits include approximately \$273 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 2022 were \$310,533. 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 2022 are as follows:

|                                         |    |              |
|-----------------------------------------|----|--------------|
| Unpaid claims, beginning of fiscal year | \$ | 11,660       |
| Incurred claims                         |    | 10,516       |
| Claim payments                          |    | (20,546)     |
| Unpaid claims, end of fiscal year       | \$ | <u>1,630</u> |

12. Commitments and Contingencies

*Construction Commitments*

The District is obligated at June 30, 2022 under construction commitments for several projects at various schools within the district for building and renovation projects. Total approved contracts as of June 30, 2022 are \$7.7 million with \$4.5 million completed and \$3.2 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.

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

12. Commitments and Contingencies (Continued)

*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, 2022.

*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.

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

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, 2022 is as follows:

| Receivable Fund           | Payable Fund              | Amount     |
|---------------------------|---------------------------|------------|
| General Fund              | Grant Programs Fund       | \$ 467,760 |
| General Fund              | Agency Fund               | 8,702      |
| General Fund              | Food Service Fund         | 3,626      |
| SFD Capital Projects Fund | Recreation District       | 95,646     |
| General Fund              | SFD Capital Projects Fund | 28,603     |
| Grant Programs Fund       | General Fund              | 53,327     |
| SFD Capital Projects Fund | General Fund              | 14,604     |

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.

Transfers for the year are as follows:

| Transfer To<br>Receiving Fund  | Transfer From<br>Paying Fund   | Amount    |
|--------------------------------|--------------------------------|-----------|
| General Fund                   | Recreation District            | \$ 1      |
| General Fund                   | Recreation District            | 2,850     |
| District Capital Projects Fund | General Fund                   | 6,700,000 |
| Internal Service Fund          | General Fund                   | 2,725,000 |
| Food Service Fund              | District Capital Projects Fund | 96,654    |
| Grant Programs Fund            | General Fund                   | 648       |
| SFD Capital Projects Fund      | General Fund                   | 14,604    |
| SFD Capital Projects Fund      | Recreation District            | 113,668   |
| SFD Capital Projects Fund      | District Capital Projects Fund | 85,488    |
| Major Maintenance Fund         | District Capital Projects Fund | 5,125     |

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 \$4,317 during the fiscal year ended 2022.

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

14. Related Party Transactions (Continued)

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, 2022, the District used the company for construction projects paying the company \$6,182.

15. Issued Standards Not Yet Implemented

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 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 Pension 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 \$678,666.

17. Subsequent Events

The District did not have any subsequent events through December 12, 2022, 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, 2022.

## **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, 2022**

|                                                                                                    | Budgeted Amounts   |                    | Actual               | Variance with                            |
|----------------------------------------------------------------------------------------------------|--------------------|--------------------|----------------------|------------------------------------------|
|                                                                                                    | Original           | Final              | Amounts              | Final Budget -<br>Positive<br>(Negative) |
| <b>Revenues:</b>                                                                                   |                    |                    |                      |                                          |
| Local sources                                                                                      | \$ 31,436,416      | \$ 31,436,416      | \$ 31,462,251        | \$ 25,835                                |
| County sources                                                                                     | 9,420,827          | 9,420,827          | 9,885,829            | 465,002                                  |
| State sources                                                                                      | 36,629,090         | 36,629,090         | 41,191,730           | 4,562,640                                |
| Federal sources                                                                                    | 60,000             | 60,000             | 98,187               | 38,187                                   |
| Interest income                                                                                    | 30,000             | 30,000             | 44,001               | 14,001                                   |
| Total revenues                                                                                     | <u>77,576,333</u>  | <u>77,576,333</u>  | <u>82,681,998</u>    | <u>5,105,665</u>                         |
| <b>Expenditures:</b>                                                                               |                    |                    |                      |                                          |
| Current:                                                                                           |                    |                    |                      |                                          |
| Instructional services:                                                                            |                    |                    |                      |                                          |
| Regular instruction                                                                                | 29,548,033         | 26,886,188         | 26,100,895           | 785,293                                  |
| Special education                                                                                  | 14,009,775         | 12,506,862         | 9,903,296            | 2,603,566                                |
| Vocational and other education                                                                     | 1,638,275          | 1,242,077          | 1,124,245            | 117,832                                  |
| Supporting services:                                                                               |                    |                    |                      |                                          |
| Students                                                                                           | 8,182,560          | 8,052,219          | 6,974,879            | 1,077,340                                |
| Instructional staff                                                                                | 2,869,102          | 2,743,090          | 2,334,279            | 408,811                                  |
| Central services                                                                                   | 4,240,653          | 3,506,760          | 3,300,235            | 206,525                                  |
| School administration                                                                              | 5,065,729          | 4,572,785          | 4,416,449            | 156,336                                  |
| Business                                                                                           | 2,308,476          | 1,518,673          | 1,347,763            | 170,910                                  |
| Operation and maintenance of facilities                                                            | 9,031,763          | 7,276,466          | 6,856,435            | 420,031                                  |
| Pupil transportation                                                                               | 5,257,261          | 4,565,141          | 4,284,504            | 280,637                                  |
| General administration                                                                             | 668,790            | 582,290            | 439,720              | 142,570                                  |
| Community services                                                                                 | 75,450             | 75,450             | 5,712                | 69,738                                   |
| Other supporting services                                                                          | 223,271            | 231,133            | 240,812              | (9,679)                                  |
| Food service                                                                                       | 10,000             | 10,000             | -                    | 10,000                                   |
| Capital outlay                                                                                     | 16,000             | 1,000              | -                    | 1,000                                    |
| Total expenditures                                                                                 | <u>83,145,138</u>  | <u>73,770,134</u>  | <u>67,329,224</u>    | <u>6,440,910</u>                         |
| Excess (deficiency) of revenues over<br>(under) expenditures                                       | (5,568,805)        | 3,806,199          | 15,352,774           | 11,546,575                               |
| <b>Other financing sources (uses):</b>                                                             |                    |                    |                      |                                          |
| Operating transfers in                                                                             | 253,000            | 303,000            | 2,851                | (300,149)                                |
| Operating transfers out                                                                            | (22,500)           | (9,447,500)        | (9,425,001)          | 22,499                                   |
| Sale of capital assets                                                                             | 1,892              | 1,892              | -                    | (1,892)                                  |
| Total other financing sources (uses)                                                               | <u>232,392</u>     | <u>(9,142,608)</u> | <u>(9,422,150)</u>   | <u>(279,542)</u>                         |
| Excess (deficiency) of revenues<br>over (under) expenditures and other<br>financing sources (uses) | <u>(5,336,413)</u> | <u>(5,336,409)</u> | <u>5,930,624</u>     | <u>\$ 11,267,033</u>                     |
| <b>Fund balances - beginning</b>                                                                   | <u>5,336,410</u>   | <u>5,336,410</u>   | <u>10,501,475</u>    |                                          |
| <b>Fund balances - ending</b>                                                                      | <u>\$ (3)</u>      | <u>\$ 1</u>        | <u>\$ 16,432,099</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, 2022**

|                                                                                             | Budgeted Amounts   |                    | Actual              | Variance with                            |
|---------------------------------------------------------------------------------------------|--------------------|--------------------|---------------------|------------------------------------------|
|                                                                                             | Original           | Final              | Amounts             | Final Budget -<br>Positive<br>(Negative) |
| <b>Revenues:</b>                                                                            |                    |                    |                     |                                          |
| Local sources                                                                               | \$ -               | \$ -               | \$ -                | \$ -                                     |
| State sources                                                                               | 3,475,742          | 3,475,742          | 3,474,799           | (943)                                    |
| Interest                                                                                    | 5,700              | 5,700              | 15,071              | 9,371                                    |
| Total revenues                                                                              | <u>3,481,442</u>   | <u>3,481,442</u>   | <u>3,489,870</u>    | <u>8,428</u>                             |
| <b>Expenditures:</b>                                                                        |                    |                    |                     |                                          |
| Capital outlay                                                                              | <u>12,227,950</u>  | <u>12,227,950</u>  | <u>4,934,451</u>    | <u>7,293,499</u>                         |
| Total expenditures                                                                          | <u>12,227,950</u>  | <u>12,227,950</u>  | <u>4,934,451</u>    | <u>7,293,499</u>                         |
| Excess (deficiency) of revenues over<br>(under) expenditures                                | <u>(8,746,508)</u> | <u>(8,746,508)</u> | <u>(1,444,581)</u>  | <u>\$ 7,301,927</u>                      |
| <b>Other financing sources:</b>                                                             |                    |                    |                     |                                          |
| Operating transfers in                                                                      | <u>-</u>           | <u>-</u>           | <u>5,125</u>        | <u>5,125</u>                             |
| Total other financing sources                                                               | <u>-</u>           | <u>-</u>           | <u>5,125</u>        | <u>5,125</u>                             |
| Excess (deficiency) of revenues<br>over (under) expenditures and other<br>financing sources | <u>(8,746,508)</u> | <u>(8,746,508)</u> | <u>(1,439,456)</u>  | <u>7,307,052</u>                         |
| <b>Fund balances - beginning</b>                                                            | <u>8,746,508</u>   | <u>8,746,508</u>   | <u>8,746,508</u>    |                                          |
| <b>Fund balances - ending</b>                                                               | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 7,301,927</u> |                                          |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**BUDGETARY COMPARISON SCHEDULE**  
**BUDGET (NON-GAAP) TO ACTUAL**  
**GRANT PROGRAMS FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|                                              | Budgeted Amounts |            | Actual     | Variance with                            |
|----------------------------------------------|------------------|------------|------------|------------------------------------------|
|                                              | Original         | Final      | Amounts    | Final Budget -<br>Positive<br>(Negative) |
| <b>Revenues:</b>                             |                  |            |            |                                          |
| Local sources                                | \$ 538,403       | \$ 393,123 | \$ 121,466 | \$ (271,657)                             |
| State sources                                | 92,000           | 138,000    | 138,000    | -                                        |
| Federal sources                              | 12,485,297       | 33,081,531 | 9,951,795  | (23,129,736)                             |
| Total revenues                               | 13,115,700       | 33,612,654 | 10,211,261 | (23,401,393)                             |
| <b>Expenditures:</b>                         |                  |            |            |                                          |
| Current:                                     |                  |            |            |                                          |
| Instructional services:                      |                  |            |            |                                          |
| Regular instruction                          | 2,615,267        | 5,907,616  | 2,726,791  | 3,180,825                                |
| Special education                            | 3,366,800        | 10,248,212 | 2,400,762  | 7,847,450                                |
| Vocational education                         | 11,129           | 72,753     | 69,138     | 3,615                                    |
| Other instruction                            | 1,016,144        | 5,360,038  | 690,624    | 4,669,414                                |
| Supporting services:                         |                  |            |            |                                          |
| Students                                     | 545,276          | 2,668,148  | 753,170    | 1,914,978                                |
| Instructional staff                          | 1,589,484        | 3,397,320  | 1,343,301  | 2,054,019                                |
| Central services                             | 619,804          | 1,898,268  | 508,975    | 1,389,293                                |
| School administration                        | -                | 93,601     | 92,250     | 1,351                                    |
| Business services                            | -                | 37,101     | 37,101     | -                                        |
| Operation and maintenance of facilities      | 3,168,275        | 2,301,020  | 449,795    | 1,851,225                                |
| General administration                       | 162,262          | 304,249    | 146,362    | 157,887                                  |
| Community services                           | -                | -          | -          | -                                        |
| Food service                                 | -                | 98,624     | 68,581     | -                                        |
| Other supporting services                    | 59,913           | 454,618    | 172,082    | 282,536                                  |
| Total expenditures                           | 13,154,354       | 32,841,568 | 9,458,932  | 23,352,593                               |
| Excess of revenues over (under) expenditures | (38,654)         | 771,086    | 752,329    | (48,800)                                 |
| <b>Other financing sources:</b>              |                  |            |            |                                          |
| Operating transfers in                       | 1,011            | (781,391)  | (789,640)  | (8,249)                                  |
| Total other financing sources                | 1,011            | (781,391)  | (789,640)  | (8,249)                                  |
| Revenues in excess of expenditures           | (37,643)         | (10,305)   | (37,311)   | \$ (57,049)                              |
| <b>Fund balances - beginning</b>             | 82,702           | 82,702     | 82,702     |                                          |
| <b>Fund balances - ending</b>                | \$ 45,059        | \$ 72,397  | \$ 45,391  |                                          |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1  
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FOR THE YEAR ENDED JUNE 30, 2022**

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:

|                                                                                                      | 2021          | 2020          | 2019          |
|------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| <b>December 31:</b>                                                                                  |               |               |               |
| Program Proportion of the Net Pension Liability                                                      | 2.384527600%  | 2.405777000%  | 2.349545700%  |
| Program Proportionate Share of the Net Pension Liability (Asset)                                     | \$ 36,357,405 | \$ 52,286,189 | \$ 55,212,592 |
| Program Covered Employee Payroll                                                                     | \$ 42,357,138 | \$ 44,789,517 | \$ 43,335,615 |
| Program Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Employee | 85.84%        | 116.74%       | 127.41%       |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability                               | 86.03%        | 79.24%        | 76.83%        |

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.

| 2018          | 2017          | 2016          | 2015          | 2014          |
|---------------|---------------|---------------|---------------|---------------|
| 2.367198700%  | 2.502386800%  | 2.681405400%  | 2.603098736%  | 2.639420650%  |
| \$ 72,088,086 | \$ 57,037,916 | \$ 64,822,981 | \$ 45,936,681 | \$ 46,577,651 |
| \$ 41,257,414 | \$ 41,917,478 | \$ 47,511,896 | \$ 42,742,765 | \$ 43,110,092 |
| 174.73%       | 136.07%       | 136.44%       | 107.47%       | 108.04%       |
| 69.17%        | 76.35%        | 73.42%        | 73.40%        | 79.08%        |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**DEFINED BENEFIT PENSION CONTRIBUTIONS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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

|                                                                               | 2022                     | 2021                     | 2020                     | 2019                     |
|-------------------------------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Contractually required program contributions                                  | \$ 7,886,898             | \$ 8,115,864             | \$ 7,635,729             | \$ 7,032,493             |
| Program contributions in relation to the contractually required contributions | <u>7,886,898</u>         | <u>8,115,864</u>         | <u>7,635,729</u>         | <u>7,032,493</u>         |
| Program contribution deficiency (excess)                                      | -                        | -                        | -                        | -                        |
| <br>Program covered employee payroll                                          | <br><u>\$ 42,357,138</u> | <br><u>\$ 44,789,517</u> | <br><u>\$ 43,335,615</u> | <br><u>\$ 41,257,414</u> |
| Program contributions as a percentage of covered employee payroll             | 18.62%                   | 18.12%                   | 17.62%                   | 17.05%                   |

| 2018                 | 2017                 | 2016                 | 2015                 | 2014                 | 2013                 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 6,966,685         | \$ 7,896,477         | \$ 7,103,849         | \$ 6,841,573         | \$ 6,692,014         | \$ 6,186,865         |
| <u>6,966,685</u>     | <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>\$ 41,917,478</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> |
| 16.62%               | 16.62%               | 16.62%               | 15.87%               | 14.59%               | 14.12%               |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF DISTRICT'S OPEB LIABILITY**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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:

|                                                                     | 2022          | 2021          | 2020          |
|---------------------------------------------------------------------|---------------|---------------|---------------|
| <b>June 30,</b>                                                     |               |               |               |
| District's OPEB liability                                           | \$ 40,403,906 | \$ 50,245,511 | \$ 40,967,996 |
| Covered Employee Payroll                                            | \$ 41,423,404 | \$ 44,789,517 | \$ 43,335,615 |
| Total OPEB Liability as a Percentage of<br>Covered Employee Payroll | 97.54%        | 112.18%       | 94.54%        |

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.

| 2019          | 2018          | 2017          |
|---------------|---------------|---------------|
| \$ 38,649,925 | \$ 34,577,440 | \$ 32,617,065 |
| \$ 45,730,096 | \$ 41,917,478 | \$ 47,114,121 |
| 84.52%        | 82.49%        | 69.23%        |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF CHANGES IN DISTRICT'S OPEB LIABILITY**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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

|                                     | 2022                 | 2021                 | 2020                 |
|-------------------------------------|----------------------|----------------------|----------------------|
| Service cost                        | \$ 2,671,591         | \$ 1,455,043         | \$ 1,501,736         |
| Interest                            | 1,076,489            | 1,420,322            | 1,406,739            |
| Changes in assumptions/amortization | (12,858,292)         | 7,134,475            | 164,875              |
| Benefit payments                    | (731,393)            | (732,325)            | (755,279)            |
| Net change in total OPEB liability  | (9,841,605)          | 9,277,515            | 2,318,071            |
| Total OPEB liability - beginning    | 50,245,511           | 40,967,996           | 38,649,925           |
| Total OPEB liability - ending       | <u>\$ 40,403,906</u> | <u>\$ 50,245,511</u> | <u>\$ 40,967,996</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.

| 2019                 | 2018                 | 2017                 |
|----------------------|----------------------|----------------------|
| \$ 1,641,068         | \$ 1,378,403         | \$ 1,511,527         |
| 1,331,125            | 1,185,681            | 1,123,156            |
| 1,813,623            | -                    | -                    |
| (713,331)            | (603,709)            | (671,612)            |
| 4,072,485            | 1,960,375            | 1,963,071            |
| 34,577,440           | 32,617,065           | 30,653,994           |
| <u>\$ 38,649,925</u> | <u>\$ 34,577,440</u> | <u>\$ 32,617,065</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<br>Fund      | Major<br>Maintenance<br>Fund | Grant<br>Programs<br>Fund |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------|---------------------------|
| Revenues:                                                                                                                         |                      |                              |                           |
| Actual amounts (budgetary basis)<br>from budgetary comparison schedule                                                            | \$ 82,681,998        | \$ 3,489,870                 | \$ 10,211,261             |
| Differences - budget to GAAP                                                                                                      |                      |                              |                           |
| Accrual of property tax receivable                                                                                                | 2,415,904            | -                            | -                         |
| Recognition of overpayment from other<br>government                                                                               | -                    | 234,470                      | (505,294)                 |
| Total revenues as reported on the<br>statement of revenues, expenditures,<br>and changes in fund balances -<br>Governmental Funds | <u>\$ 85,097,902</u> | <u>\$ 3,724,340</u>          | <u>\$ 9,705,967</u>       |

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

1. Budgetary Basis of Accounting (Continued)

|                                                                                                                                                         | General<br>Fund       | Major<br>Maintenance<br>Fund | Grant<br>Programs<br>Fund |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------|---------------------------|
| Expenditures:                                                                                                                                           |                       |                              |                           |
| Actual amounts (budgetary basis)<br>from budgetary comparison schedule                                                                                  | \$ 67,329,224         | \$ 4,934,451                 | \$ 9,458,932              |
| Differences - budget to GAAP                                                                                                                            |                       |                              |                           |
| Accrual for accounts payable,<br>prepaid items, and other expenditures                                                                                  | 183,521               | 78,105                       | 244,663                   |
| Inventory adjustment                                                                                                                                    | (56,043)              | -                            | -                         |
| Capital outlay via capital lease                                                                                                                        | 143,526               | -                            | -                         |
| Total expenditures as reported on the<br>statement of revenues, expenditures,<br>and changes in fund balances -<br>Governmental Funds                   | <u>\$ 67,600,228</u>  | <u>\$ 5,012,556</u>          | <u>\$ 9,703,595</u>       |
| Other financing sources (uses):                                                                                                                         |                       |                              |                           |
| Actual amounts (budgetary basis)<br>from budgetary comparison schedule                                                                                  | \$ (9,422,150)        | \$ 5,125                     | \$ 648                    |
| Differences - budget to GAAP                                                                                                                            |                       |                              |                           |
| Accrual of transfers to other funds                                                                                                                     | (15,251)              |                              |                           |
| Capital lease proceeds                                                                                                                                  | 143,526               | -                            | -                         |
| Total other financing sources (uses) as<br>reported on the statement of revenues,<br>expenditures, and changes in fund<br>balances - Governmental Funds | <u>\$ (9,293,875)</u> | <u>\$ 5,125</u>              | <u>\$ 648</u>             |

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

1. Budgetary Basis of Accounting (Continued)

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

|                           | Revised<br>Budget | Actual<br>(Non-GAAP)<br>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 2022, there are several changes in assumptions used in the valuation including lowering the real and nominal rate of return, changing the mortality tables using the ultimate MP-2020 scale, decrease in merit and promotion salary rates, changes in certain retirement ages, and changing the termination (withdrawal) to service-based rates only. The changes in assumptions increased the accrued liability.

*Changes in benefits* - There were no changes in benefits for January 2022 reporting purposes.

3. Explanations of Changes to OPEB Plan

*Changes of assumptions* –There were several changes in assumptions for June 2022 reporting purposes, including an increase in the discount rates from 2.16% to 3.54%. The changes in assumptions decreased the accrued liability.

*Changes in benefits* - There were no changes in benefits for June 2022 reporting purposes.

## **OTHER SUPPLEMENTAL INFORMATION**

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

|                                     | <u>Head Start</u>        |
|-------------------------------------|--------------------------|
| <b>Assets:</b>                      |                          |
| Cash and investments                | \$ 45,113                |
| Receivables:                        |                          |
| Other governments                   | <u>318,653</u>           |
| Total assets                        | <u><u>\$ 363,766</u></u> |
| <b>Liabilities:</b>                 |                          |
| Accounts payable                    | \$ 285,320               |
| Accrued expenses                    | <u>48,752</u>            |
| Total liabilities                   | <u>334,072</u>           |
| <b>Fund balances:</b>               |                          |
| Assigned for:                       |                          |
| Head Start child care               | <u>29,694</u>            |
| Total fund balances                 | <u>29,694</u>            |
| Total liabilities and fund balances | <u><u>\$ 363,766</u></u> |

**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, 2022**

|                                         | Head Start              |
|-----------------------------------------|-------------------------|
| <b>Revenues:</b>                        |                         |
| Local sources                           | \$ 51,306               |
| Federal sources                         | 1,612,660               |
| Interest                                | 55                      |
| Total revenues                          | <u>1,664,021</u>        |
| <b>Expenditures:</b>                    |                         |
| Current:                                |                         |
| Instructional services:                 |                         |
| Special education                       | 894,046                 |
| Supporting services:                    |                         |
| Student                                 | 162,906                 |
| Instructional staff                     | 18,586                  |
| Central services                        | 165,566                 |
| Operation and maintenance of facilities | 351,661                 |
| Pupil transportation                    | 29,069                  |
| General support                         | 39,447                  |
| Food services                           | 2,685                   |
| Total expenditures                      | <u>1,663,966</u>        |
| <b>Net change in fund balance</b>       | <u>55</u>               |
| <b>Fund balances - beginning</b>        | <u>29,639</u>           |
| <b>Fund balances - ending</b>           | <u><u>\$ 29,694</u></u> |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF BALANCE SHEETS**  
**SFD CAPITAL CONSTRUCTION FUND**  
**JUNE 30, 2022**

|                                     | District<br>Projects | Sat HS<br>Construction | Eastside<br>5-6<br>New<br>K-4 |
|-------------------------------------|----------------------|------------------------|-------------------------------|
| <b>Assets:</b>                      |                      |                        |                               |
| Cash and investments                | \$ -                 | \$ 727,594             | \$ -                          |
| Receivables:                        |                      |                        |                               |
| Other governments                   | -                    | 320,742                | -                             |
| Due from other funds                | 95,340               | 14,604                 | 2                             |
| Total assets                        | <u>\$ 95,340</u>     | <u>\$ 1,062,940</u>    | <u>\$ 2</u>                   |
| <b>Liabilities:</b>                 |                      |                        |                               |
| Accounts payable                    | \$ 640               | \$ 192,818             | \$ -                          |
| Retainage payable                   | 94,700               | 731,573                | -                             |
| Due to other funds                  | -                    | 138,549                | -                             |
| Total liabilities                   | <u>95,340</u>        | <u>1,062,940</u>       | <u>-</u>                      |
| <b>Fund balances:</b>               |                      |                        |                               |
| Assigned for capital construction   | -                    | -                      | 2                             |
| Total fund balances                 | <u>-</u>             | <u>-</u>               | <u>2</u>                      |
| Total liabilities and fund balances | <u>\$ 95,340</u>     | <u>\$ 1,062,940</u>    | <u>\$ 2</u>                   |

| Washington<br>Renovation | Lincoln<br>Demolition | Total<br>Capital<br>Construction<br>Fund |
|--------------------------|-----------------------|------------------------------------------|
| \$ 185,814               | \$ -                  | \$ 913,408                               |
| -                        | 157,566               | 478,308                                  |
| -                        | -                     | 109,946                                  |
| <u>\$ 185,814</u>        | <u>\$ 157,566</u>     | <u>\$ 1,501,662</u>                      |
| \$ -                     | \$ 150,016            | \$ 343,474                               |
| -                        | 7,550                 | 833,823                                  |
|                          | -                     | 138,549                                  |
| <u>-</u>                 | <u>157,566</u>        | <u>1,315,846</u>                         |
| <u>185,814</u>           | <u>-</u>              | <u>185,816</u>                           |
| <u>185,814</u>           | <u>-</u>              | <u>185,816</u>                           |
| <u>\$ 185,814</u>        | <u>\$ 157,566</u>     | <u>\$ 1,501,662</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, 2022**

|                                                              | District<br>Projects | Sat HS<br>Construction | Eastside<br>5-6<br>New<br>K-4 |
|--------------------------------------------------------------|----------------------|------------------------|-------------------------------|
| <b>Revenues:</b>                                             |                      |                        |                               |
| Local sources                                                | \$ -                 | \$ 9,084               | \$ -                          |
| State sources                                                | -                    | 3,147,305              | -                             |
| Interest                                                     | -                    | -                      | -                             |
| Total revenues                                               | -                    | 3,156,389              | -                             |
| <b>Expenditures:</b>                                         |                      |                        |                               |
| Capital outlay                                               | 113,669              | 3,256,480              | -                             |
| Total expenditures                                           | 113,669              | 3,256,480              | -                             |
| Excess (deficiency) of revenues over<br>(under) expenditures | (113,669)            | (100,091)              | -                             |
| <b>Other financing sources:</b>                              |                      |                        |                               |
| Operating transfers                                          | 113,669              | 100,091                | -                             |
| <b>Net change in fund balance</b>                            | -                    | -                      | -                             |
| <b>Fund balances - beginning</b>                             | -                    | -                      | 2                             |
| <b>Fund balances - ending</b>                                | \$ -                 | \$ -                   | \$ 2                          |

| Washington<br>Renovation | Lincoln<br>Demolition | Total<br>Capital<br>Construction<br>Fund |
|--------------------------|-----------------------|------------------------------------------|
| \$ -                     | \$ -                  | \$ 9,084                                 |
| -                        | 234,092               | 3,381,397                                |
| 464                      | -                     | 464                                      |
| 464                      | 234,092               | 3,390,945                                |
| -                        | 234,092               | 3,604,241                                |
| -                        | 234,092               | 3,604,241                                |
| 464                      | -                     | (213,296)                                |
| -                        | -                     | 213,760                                  |
| 464                      | -                     | 464                                      |
| 185,350                  | -                     | 185,352                                  |
| \$ 185,814               | \$ -                  | \$ 185,816                               |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF BALANCE SHEETS**  
**GRANT PROGRAMS**  
**JUNE 30, 2022**

| Grantor/Program Title                            | Pass-Through Grantor's Number | ASSETS     |                   |                            |              |
|--------------------------------------------------|-------------------------------|------------|-------------------|----------------------------|--------------|
|                                                  |                               | Cash       | Internal Balances | Due from Other Governments | Total Assets |
| U.S. Department of Education                     |                               |            |                   |                            |              |
| School Improvement Grants FY22                   | 2219011003SUBR2100            | \$ -       | \$ -              | \$ -                       | \$ -         |
| School Improvement Grants FY21                   | 2119011003SUBR2000            | -          | -                 | 283                        | 283          |
| School Improvement Grants FY20                   | 2019011003SUBR1900            | -          | -                 | -                          | -            |
| Title I-Schoolwide FY22                          | 221901T1SUBR2100              | -          | -                 | 19,494                     | 19,494       |
| Title I-Schoolwide FY21                          | 211901T1SUBR2000              | -          | -                 | -                          | -            |
| Title I-Schoolwide FY20                          | 201901T1SUBR1900              | -          | -                 | -                          | -            |
| Title I- D FY22                                  | 221901T1NDSP22100             | -          | -                 | -                          | -            |
| Title I- D FY21                                  | 211901T1NDSP22000             | -          | -                 | 48                         | 48           |
| Title I- D FY20                                  | 201901T1NDSP21900             | -          | -                 | -                          | -            |
| Perkins Vocation Education FY22                  | 221901PERKSUBR2100            | -          | -                 | 883                        | 883          |
| Perkins Workforce Discovery                      | PERKSUB21                     | -          | -                 | 18,000                     | 18,000       |
| Perkins Cutting Edge                             | PERKSUB21                     | -          | -                 | 19,325                     | 19,325       |
| Perkins CTE Professional Development             | PERKSUB21                     | 65         | -                 | 5,894                      | 5,959        |
| Title VI-B 611 FY21                              | 211901SPEDSUBR2000            | -          | -                 | 135,168                    | 135,168      |
| Title VI-B 611 FY20                              | 201901SPEDSUBR1900            | -          | -                 | -                          | -            |
| Title VI-B 619 FY21                              | 211901PSCHSUBR2000            | -          | -                 | 3,061                      | 3,061        |
| Title VI-B 619 FY22 ARP                          | 221901619ARP2100              | -          | -                 | 4,477                      | 4,477        |
| Title VI-B 619 FY20                              | 201901PSCHSUBR1900            | -          | -                 | -                          | -            |
| Title III FY22                                   | 221901T3SUBR2100              | -          | -                 | 104                        | 104          |
| Title III FY21                                   | 211901T3SUBR2000              | -          | -                 | 149                        | 149          |
| Title III Immigrant FY21                         | 211901T3LEA2000               | -          | -                 | -                          | -            |
| Title III Immigrant FY20                         | 201901T3LEA1900               | -          | -                 | -                          | -            |
| Title IIA FY22                                   | 221901T2SUBR2100              | -          | -                 | 94,730                     | 94,730       |
| Title IIA FY21                                   | 211901T2SUBR2000              | -          | -                 | 1,830                      | 1,830        |
| Student Support and Academic Enrichment FY22     | 211901T4SUBR2100              | -          | -                 | 4,558                      | 4,558        |
| Student Support and Academic Enrichment FY21     | 211901T4SUBR2000              | -          | -                 | 66                         | 66           |
| Student Support and Academic Enrichment FY20     | 201901T4SUBR1900              | -          | -                 | -                          | -            |
| Student Support and Academic Enrichment FY19     | 191901T4ASSAE1800             | -          | -                 | -                          | -            |
| After School Learning Center FY22                | 221901CCLCSUBR21R2            | -          | -                 | 21,644                     | 21,644       |
| After School Learning Center FY21                | 211901CCLCSUBR20R2            | -          | -                 | 545                        | 545          |
| After School Learning Center FY20                | 201901CCLCSUBR19R2            | -          | -                 | -                          | -            |
| After School Learning Center FY19                | 191901CCLCSUBR18R2            | -          | -                 | -                          | -            |
| Education Stabilization Fund                     | 211901ESSERSUB2100            | -          | -                 | -                          | -            |
| Education Stabilization Fund                     | 211901ESSERLA210              | -          | -                 | -                          | -            |
| Education Stabilization Fund                     | 201901GEERSUBR2000            | -          | 53,239            | -                          | 53,239       |
| Education Stabilization Fund - Extended Learning | 211901ESSERLA21A0             | -          | -                 | 17,521                     | 17,521       |
| Education Stabilization Fund - ARP               | 211901SRPASUBR2100            | -          | -                 | 419                        | 419          |
| Education Stabilization Fund FY21                | 201901ESSERSUBR2000           | -          | -                 | -                          | -            |
| Homeless Education FY22                          | 221901HOMESuBR21A2            | -          | -                 | 2,225                      | 2,225        |
| Homeless Education ARP                           | CLSDSUBR21                    | -          | -                 | -                          | -            |
| Comprehensive Learning Grant                     |                               | -          | -                 | 293,190                    | 293,190      |
| U.S. Environmental Protection Agency             |                               |            |                   |                            |              |
| Diesel Emissions Reduction                       | DERA                          | -          | -                 | 59,895                     | 59,895       |
| U.S. Department of Treasury                      |                               |            |                   |                            |              |
| Coronavirus Relief Fund                          | 125TECH                       | -          | -                 | -                          | -            |
| U.S. Department of Health                        |                               |            |                   |                            |              |
| Substance Abuse and Mental Health Services       | SAMHSA21                      | 353,871    | -                 | -                          | 353,871      |
| Wyoming Department of Education and Other        |                               |            |                   |                            |              |
| BOCES Misc Grants                                | N/A                           | 5,454      | -                 | 146,505                    | 151,959      |
| National Board Certified Teachers                | N/A                           | -          | -                 | -                          | -            |
| Wyoming Trust Innovative Grant                   | N/A                           | -          | -                 | -                          | -            |
| AHEC-UW Grant                                    | N/A                           | -          | -                 | -                          | -            |
| Other District Programs                          |                               | 87,091     | -                 | -                          | 87,091       |
|                                                  |                               | \$ 446,481 | \$ 53,239         | \$ 850,014                 | \$ 1,349,734 |

## LIABILITIES

| Accounts Payable  | Accrued Expenses  | Deferred Revenue  | Due to/(from) Other Funds | Due to Others    | Fund Equity      | Total Liabilities and Fund Equity |
|-------------------|-------------------|-------------------|---------------------------|------------------|------------------|-----------------------------------|
| \$ -              | \$ -              | \$ -              | \$ -                      | \$ -             | \$ -             | \$ -                              |
| -                 | 283               | -                 | -                         | -                | -                | 283                               |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 4,140             | 15,354            | -                 | -                         | -                | -                | 19,494                            |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 48                | -                 | -                 | -                         | -                | -                | 48                                |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 883               | -                 | -                 | -                         | -                | -                | 883                               |
| -                 | -                 | -                 | 18,000                    | -                | -                | 18,000                            |
| -                 | -                 | -                 | 19,325                    | -                | -                | 19,325                            |
| 2,454             | -                 | -                 | 3,505                     | -                | -                | 5,959                             |
| 98,707            | 36,461            | -                 | -                         | -                | -                | 135,168                           |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 3,061             | -                 | -                 | -                         | -                | -                | 3,061                             |
| 4,477             | -                 | -                 | -                         | -                | -                | 4,477                             |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 104               | -                 | -                 | -                         | -                | -                | 104                               |
| 149               | -                 | -                 | -                         | -                | -                | 149                               |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 20,807            | 73,923            | -                 | -                         | -                | -                | 94,730                            |
| 1,830             | -                 | -                 | -                         | -                | -                | 1,830                             |
| -                 | 4,558             | -                 | -                         | -                | -                | 4,558                             |
| 66                | -                 | -                 | -                         | -                | -                | 66                                |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 236               | 21,408            | -                 | -                         | -                | -                | 21,644                            |
| 545               | -                 | -                 | -                         | -                | -                | 545                               |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | 53,239           | -                | 53,239                            |
| 323               | 17,198            | -                 | -                         | -                | -                | 17,521                            |
| -                 | -                 | -                 | 419                       | -                | -                | 419                               |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 2,225             | -                 | -                 | -                         | -                | -                | 2,225                             |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 40,702            | 18,977            | -                 | 233,511                   | -                | -                | 293,190                           |
| -                 | -                 | -                 | 59,895                    | -                | -                | 59,895                            |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 85,911            | 4,010             | 263,950           | -                         | -                | -                | 353,871                           |
| 849               | -                 | -                 | 146,434                   | 4,644            | 32               | 151,959                           |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| -                 | -                 | -                 | -                         | -                | -                | -                                 |
| 38                | -                 | -                 | 1,363                     | -                | 85,690           | 87,091                            |
| <u>\$ 267,555</u> | <u>\$ 192,172</u> | <u>\$ 263,950</u> | <u>\$ 482,452</u>         | <u>\$ 57,883</u> | <u>\$ 85,722</u> | <u>\$ 1,349,734</u>               |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
**GRANT PROGRAMS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

| Grantor/Program Title                            | Pass-Through Grantor's<br>Number | REVENUES          |                     |                   |
|--------------------------------------------------|----------------------------------|-------------------|---------------------|-------------------|
|                                                  |                                  | Local             | Federal             | State             |
| <b>U.S. Department of Education</b>              |                                  |                   |                     |                   |
| School Improvement Grants FY22                   | 2219011003SUBR2100               | \$ -              | \$ 837              | \$ -              |
| School Improvement Grants FY21                   | 2119011003SUBR2000               | -                 | 92,062              | -                 |
| School Improvement Grants FY20                   | 2019011003SUBR1900               | -                 | 29,218              | -                 |
| Title I-Schoolwide FY22                          | 221901T1SUBR2100                 | -                 | 1,262,020           | -                 |
| Title I-Schoolwide FY21                          | 211901T1SUBR2000                 | -                 | 457,303             | -                 |
| Title I-Schoolwide FY20                          | 201901T1SUBR1900                 | -                 | 332                 | -                 |
| Title I- D FY22                                  | 221901T1NDSP22100                | -                 | 20,631              | -                 |
| Title I- D FY21                                  | 211901T1NDSP22000                | -                 | 19,717              | -                 |
| Title I- D FY20                                  | 201901T1NNSP21900                | -                 | 13,761              | -                 |
| Perkins Vocation Education FY22                  | 221901PERKSUBS2100               | -                 | 123,853             | -                 |
| Perkins Workforce Discovery                      | PERKSUB21                        | -                 | 29,129              | -                 |
| Perkins Cutting Edge                             | PERKSUB21                        | -                 | 19,325              | -                 |
| Perkins CTE Professional Development             | PERKSUB21                        | -                 | 5,894               | -                 |
| Title VI-B 611 FY21                              | 211901SPEDSUBR2000               | -                 | 1,477,885           | -                 |
| Title VI-B 611 FY20                              | 201901SPEDSUBR1900               | -                 | 102,088             | -                 |
| Title VI-B 619 FY21                              | 211901PSCHSUBR2000               | -                 | 12,162              | -                 |
| Title VI-B 619 FY22 ARP                          | 221901619ARP2100                 | -                 | 9,477               | -                 |
| Title VI-B 619 FY20                              | 201901PSCHSUBR1900               | -                 | 1,870               | -                 |
| Title III FY22                                   | 221901T3SUBR2100                 | -                 | 18,097              | -                 |
| Title III FY21                                   | 211901T3SUBR2000                 | -                 | 21,318              | -                 |
| Title III Immigrant FY21                         | 211901T3LEA2000                  | -                 | 2,658               | -                 |
| Title III Immigrant FY20                         | 201901T3LEA1900                  | -                 | 6,403               | -                 |
| Title IIA FY22                                   | 221901T2SUBR2100                 | -                 | 269,382             | -                 |
| Title IIA FY21                                   | 211901T2SUBR2000                 | -                 | 143,465             | -                 |
| Student Support and Academic Enrichment FY22     | 211901T4SUBR2100                 | -                 | 133,935             | -                 |
| Student Support and Academic Enrichment FY21     | 211901T4SUBR2000                 | -                 | 153,654             | -                 |
| Student Support and Academic Enrichment FY20     | 201901T4SUBR1900                 | -                 | 868                 | -                 |
| Student Support and Academic Enrichment FY19     | 191901T4ASSAE1800                | -                 | 28,796              | -                 |
| After School Learning Center FY22                | 221901CCLCSUBR21R2               | -                 | 108,596             | -                 |
| After School Learning Center FY21                | 211901CCLCSUBR20R2               | -                 | 131,197             | -                 |
| After School Learning Center FY20                | 201901CCLCSUBR19R2               | -                 | 3,090               | -                 |
| After School Learning Center FY19                | 191901CCLCSUBR18R2               | -                 | 115                 | -                 |
| Education Stabilization Fund                     | 211901ESSERSUB2100               | -                 | 2,594,333           | -                 |
| Education Stabilization Fund                     | 211901ESSERLA21A0                | -                 | 9,142               | -                 |
| Education Stabilization Fund                     | 201901GEERSUBR2000               | -                 | 534                 | -                 |
| Education Stabilization Fund - Extended Learning | 211901ESSERLA21A0                | -                 | 18,024              | -                 |
| Education Stabilization Fund - ARP               | 211901ARPSUBR2100                | -                 | 693,820             | -                 |
| Education Stabilization Fund FY21                | 201901ESSERSUBR2000              | -                 | 104,863             | -                 |
| Homeless Education FY22                          | 221901HOMESUBR21A2               | -                 | 15,177              | -                 |
| Homeless Education ARP                           | 221901AHCY121A1                  | -                 | 471                 | -                 |
| Comprehensive Learning Grant                     | CLSDBSUBR21                      | -                 | 293,190             | -                 |
| <b>U.S. Environmental Protection Agency</b>      |                                  |                   |                     |                   |
| Diesel Emissions Reduction                       | DERA                             | -                 | 59,895              | -                 |
| <b>U.S. Department of Treasury</b>               |                                  |                   |                     |                   |
| Coronavirus Relief Fund                          | 125TECH                          | -                 | 722,946             | -                 |
| <b>U.S. Department of Health</b>                 |                                  |                   |                     |                   |
| Substance Abuse and Mental Health Services       | SAMHSA21                         | -                 | 194,359             | -                 |
| <b>Wyoming Department of Education and Other</b> |                                  |                   |                     |                   |
| BOCES Misc Grants                                | N/A                              | 145,375           | -                   | -                 |
| National Board Certified Teachers                | N/A                              | -                 | -                   | 88,000            |
| Wyoming Trust Innovative Grant                   | N/A                              | -                 | -                   | 50,000            |
| AHEC-UW Grant                                    | N/A                              | -                 | -                   | -                 |
| Other District Programs                          |                                  | 16,700            | -                   | -                 |
|                                                  |                                  | <u>\$ 162,075</u> | <u>\$ 9,405,892</u> | <u>\$ 138,000</u> |

| Total Revenue       | EXPENDITURES        |                       |                     |                 |                     |
|---------------------|---------------------|-----------------------|---------------------|-----------------|---------------------|
|                     | Instruction         | Instructional Support | General Support     | Fund Transfers  | Total Expenditures  |
| \$ 837              | \$ 800              | \$ -                  | \$ 37               | \$ -            | \$ 837              |
| 92,062              | 74,700              | 17,362                | -                   | -               | 92,062              |
| 29,218              | 15,390              | 13,828                | -                   | -               | 29,218              |
| 1,262,020           | 1,024,813           | 91,074                | 146,133             | -               | 1,262,020           |
| 457,303             | 363,861             | 15,723                | 77,719              | -               | 457,303             |
| 332                 | -                   | -                     | 332                 | -               | 332                 |
| 20,631              | 19,709              | -                     | 922                 | -               | 20,631              |
| 19,717              | 19,717              | -                     | -                   | -               | 19,717              |
| 13,761              | 13,761              | -                     | -                   | -               | 13,761              |
| 123,853             | 119,460             | 750                   | 3,643               | -               | 123,853             |
| 29,129              | 29,129              | -                     | -                   | -               | 29,129              |
| 19,325              | 19,325              | -                     | -                   | -               | 19,325              |
| 5,894               | -                   | 5,894                 | -                   | -               | 5,894               |
| 1,477,885           | 597,910             | 813,073               | 66,902              | -               | 1,477,885           |
| 102,088             | 47,638              | 41,628                | 12,822              | -               | 102,088             |
| 12,162              | 12,162              | -                     | -                   | -               | 12,162              |
| 9,477               | 9,477               | -                     | -                   | -               | 9,477               |
| 1,870               | 1,870               | -                     | -                   | -               | 1,870               |
| 18,097              | 18,097              | -                     | -                   | -               | 18,097              |
| 21,318              | 21,318              | -                     | -                   | -               | 21,318              |
| 2,658               | 221                 | 2,437                 | -                   | -               | 2,658               |
| 6,403               | 4,003               | 2,400                 | -                   | -               | 6,403               |
| 269,382             | -                   | 252,000               | 17,382              | -               | 269,382             |
| 143,465             | -                   | 134,617               | 8,848               | -               | 143,465             |
| 133,935             | 80,228              | 47,923                | 5,784               | -               | 133,935             |
| 153,654             | 111,178             | 42,476                | -                   | -               | 153,654             |
| 868                 | -                   | 868                   | -                   | -               | 868                 |
| 28,796              | 28,947              | (151)                 | -                   | -               | 28,796              |
| 108,596             | 68,299              | 2,030                 | 38,267              | -               | 108,596             |
| 131,197             | 95,998              | 1,000                 | 34,199              | -               | 131,197             |
| 3,090               | 3,090               | -                     | -                   | -               | 3,090               |
| 115                 | 115                 | -                     | -                   | -               | 115                 |
| 2,594,333           | 1,818,979           | 414,357               | 360,997             | -               | 2,594,333           |
| 9,142               | 5,850               | 3,292                 | -                   | -               | 9,142               |
| 534                 | -                   | -                     | 534                 | -               | 534                 |
| 18,024              | 18,025              | -                     | (1)                 | -               | 18,024              |
| 693,820             | 116,303             | 54,612                | 522,905             | -               | 693,820             |
| 104,863             | 131,073             | -                     | (26,210)            | -               | 104,863             |
| 15,177              | 11,463              | 3,138                 | 576                 | -               | 15,177              |
| 471                 | 450                 | -                     | 21                  | -               | 471                 |
| 293,190             | 134,198             | 156,088               | 2,904               | -               | 293,190             |
| 59,895              | -                   | -                     | 59,895              | -               | 59,895              |
| 722,946             | 609,837             | -                     | 113,109             | -               | 722,946             |
| 194,359             | 98,250              | 96,109                | -                   | -               | 194,359             |
| 145,375             | 145,463             | -                     | -                   | (88)            | 145,375             |
| 88,000              | 88,000              | -                     | -                   | -               | 88,000              |
| 50,000              | 50,000              | -                     | -                   | -               | 50,000              |
| -                   | 560                 | -                     | -                   | (560)           | -                   |
| 16,700              | 13,680              | -                     | -                   | -               | 13,680              |
| <u>\$ 9,705,967</u> | <u>\$ 6,043,347</u> | <u>\$ 2,212,528</u>   | <u>\$ 1,447,720</u> | <u>\$ (648)</u> | <u>\$ 9,702,947</u> |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF BALANCE SHEETS**  
**HEAD START GRANTS**  
**JUNE 30, 2022**

| Grantor/Program Title                               | Pass-Through<br>Grantor's Number | ASSETS           |                                  |                   |
|-----------------------------------------------------|----------------------------------|------------------|----------------------------------|-------------------|
|                                                     |                                  | Cash             | Due from<br>Other<br>Governments | Total Assets      |
| <u>U.S. Department of Health and Human Services</u> |                                  |                  |                                  |                   |
| Head Start Program                                  | 08CH01054504                     | \$ 15,419        | \$ 85,987                        | \$ 101,406        |
| Head Start Program                                  | 08CH01054503C3                   | -                | 232,666                          | 232,666           |
| Child Care and Development Program                  | N/A                              | 29,694           | -                                | 29,694            |
| Community Services Block Grant                      | FY 22                            | -                | -                                | -                 |
| Community Services Block Grant                      | FY 21                            | -                | -                                | -                 |
|                                                     |                                  | <u>\$ 45,113</u> | <u>\$ 318,653</u>                | <u>\$ 363,766</u> |

| LIABILITIES       |                  |                    |                  | Total                       |
|-------------------|------------------|--------------------|------------------|-----------------------------|
| Accounts Payable  | Accrued Expenses | Due to other funds | Fund Equity      | Liabilities and Fund Equity |
| \$ 52,654         | \$ 48,752        | \$ -               | \$ -             | \$ 101,406                  |
| 232,666           | -                | -                  | -                | 232,666                     |
| -                 | -                | -                  | 29,694           | 29,694                      |
| -                 | -                | -                  | -                | -                           |
| -                 | -                | -                  | -                | -                           |
| <u>\$ 285,320</u> | <u>\$ 48,752</u> | <u>\$ -</u>        | <u>\$ 29,694</u> | <u>\$ 363,766</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, 2022**

| Grantor/Program Title                        | Pass-Through<br>Grantor's Number | REVENUES     |           |          | School District<br>In-Kind Match |
|----------------------------------------------|----------------------------------|--------------|-----------|----------|----------------------------------|
|                                              |                                  | Federal      | Local     | Interest |                                  |
| U.S. Department of Health and Human Services |                                  |              |           |          |                                  |
| Head Start Program                           | 08CH01054504                     | \$ 1,307,453 | \$ 51,306 | \$ -     | \$ 507,149                       |
| Head Start Program                           | 08CH01054503C3                   | 274,873      | -         | -        | -                                |
| Child Care and Development Program           | N/A                              | -            | -         | 55       | -                                |
| Community Services Block Grant               | FY 22                            | 23,746       | -         | -        | -                                |
| Community Services Block Grant               | FY 21                            | 6,588        | -         | -        | -                                |
|                                              |                                  | \$ 1,612,660 | \$ 51,306 | \$ 55    | \$ 507,149                       |

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.

|                     | EXPENDITURES      |                          |                    |                                  |                     | OTHER<br>FINANCING<br>SOURCES (USES) |
|---------------------|-------------------|--------------------------|--------------------|----------------------------------|---------------------|--------------------------------------|
|                     | Instruction       | Instructional<br>Support | General<br>Support | School District<br>In-Kind Match | Total Expenditures  | Fund Transfers                       |
| Total Revenue       |                   |                          |                    |                                  |                     |                                      |
| \$ 1,865,908        | \$ 862,933        | \$ 151,449               | \$ 353,988         | \$ 507,149                       | \$ 1,875,519        | \$ 9,611                             |
| 274,873             | 31,113            | (291)                    | 234,440            | -                                | 265,262             | (9,611)                              |
| 55                  | -                 | -                        | -                  | -                                | -                   | -                                    |
| 23,746              | -                 | 23,746                   | -                  | -                                | 23,746              | -                                    |
| 6,588               | -                 | 6,588                    | -                  | -                                | 6,588               | -                                    |
| <u>\$ 2,171,170</u> | <u>\$ 894,046</u> | <u>\$ 181,492</u>        | <u>\$ 588,428</u>  | <u>\$ 507,149</u>                | <u>\$ 2,171,115</u> | <u>\$ -</u>                          |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**COMBINING STATEMENT OF FUND NET POSITION**  
**NONMAJOR PROPRIETARY FUNDS**  
**JUNE 30, 2022**

|                                       | Summer<br>Programs | Head Start<br>Nutrition | Total<br>Nonmajor<br>Enterprise<br>Funds |
|---------------------------------------|--------------------|-------------------------|------------------------------------------|
| <b>Assets</b>                         |                    |                         |                                          |
| <b>Current assets:</b>                |                    |                         |                                          |
| Cash and cash equivalents             | \$ 6,738           | \$ 46,520               | \$ 53,258                                |
| Total current assets                  | <u>6,738</u>       | <u>46,520</u>           | <u>53,258</u>                            |
| <br><b>Liabilities and Net Assets</b> |                    |                         |                                          |
| <b>Liabilities:</b>                   |                    |                         |                                          |
| <b>Current liabilities:</b>           |                    |                         |                                          |
| Accounts payable                      | <u>-</u>           | <u>-</u>                | <u>-</u>                                 |
| Total current liabilities             | <u>-</u>           | <u>-</u>                | <u>-</u>                                 |
| <br><b>Net position:</b>              |                    |                         |                                          |
| Unrestricted                          | <u>6,738</u>       | <u>46,520</u>           | <u>53,258</u>                            |
| Total net position                    | <u>\$ 6,738</u>    | <u>\$ 46,520</u>        | <u>\$ 53,258</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, 2022**

|                                              | Summer<br>Programs | Head Start<br>Nutrition | Total<br>Nonmajor<br>Enterprise<br>Funds |
|----------------------------------------------|--------------------|-------------------------|------------------------------------------|
| <b>Operating revenues:</b>                   |                    |                         |                                          |
| Charges for services:                        |                    |                         |                                          |
| Total operating revenues                     | \$ -               | \$ -                    | \$ -                                     |
| <b>Operating expenses:</b>                   |                    |                         |                                          |
| Salaries                                     | -                  | 22,890                  | 22,890                                   |
| Employee benefits                            | -                  | 6,013                   | 6,013                                    |
| Supplies and materials, including food       | -                  | 37,310                  | 37,310                                   |
| Total operating expenses                     | -                  | 66,213                  | 66,213                                   |
| Operating loss                               | -                  | (66,213)                | (66,213)                                 |
| <b>Nonoperating income:</b>                  |                    |                         |                                          |
| Earnings on investments                      | 1                  | -                       | 1                                        |
| Federal sources, including commodity support | -                  | 76,842                  | 76,842                                   |
| Total nonoperating income                    | 1                  | 76,842                  | 76,843                                   |
| <b>Change in net position</b>                | 1                  | 10,629                  | 10,630                                   |
| <b>Net position - beginning</b>              | 6,737              | 35,891                  | 42,628                                   |
| <b>Net position - ending</b>                 | \$ 6,738           | \$ 46,520               | \$ 53,258                                |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|                                                                                   | Summer<br>Programs | Head Start<br>Nutrition | Total<br>Nonmajor<br>Enterprise<br>Funds |
|-----------------------------------------------------------------------------------|--------------------|-------------------------|------------------------------------------|
| <b>Cash flows from operating activities:</b>                                      |                    |                         |                                          |
| Receipts from services provided                                                   | \$ -               | \$ -                    | \$ -                                     |
| Payments to suppliers                                                             | -                  | (37,395)                | (37,395)                                 |
| Payments to and on behalf of employees                                            | -                  | (28,903)                | (28,903)                                 |
| Net cash used in operating activities                                             | -                  | (66,298)                | (66,298)                                 |
| <b>Cash flows from noncapital financing activities:</b>                           |                    |                         |                                          |
| Federal subsidy                                                                   | -                  | 76,842                  | 76,842                                   |
| Operating transfer                                                                | -                  | -                       | -                                        |
| Net cash provided by noncapital financing activities                              | -                  | 76,842                  | 76,842                                   |
| <b>Cash flows from capital and related financing activities:</b>                  |                    |                         |                                          |
| Net cash used in capital and related financing activities                         | -                  | -                       | -                                        |
| <b>Cash flows from investing activities:</b>                                      |                    |                         |                                          |
| Interest received                                                                 | 1                  | -                       | 1                                        |
| Net cash provided by investing activities                                         | 1                  | -                       | 1                                        |
| Net increase in cash and cash equivalents                                         | 1                  | 10,544                  | 10,545                                   |
| Cash and Cash Equivalents - beginning                                             | 6,737              | 35,976                  | 42,713                                   |
| Cash and Cash Equivalents - ending                                                | \$ 6,738           | \$ 46,520               | \$ 53,258                                |
| <b>Reconciliation of operating loss to net cash used in operating activities:</b> |                    |                         |                                          |
| Operating loss                                                                    | \$ -               | \$ (66,213)             | \$ (66,213)                              |
| Adjustments to reconcile operating loss to net cash used in operating activities: |                    |                         |                                          |
| Increase in accounts payable                                                      | -                  | (85)                    | (85)                                     |
| Decrease in due to other funds                                                    | -                  | -                       | -                                        |
| Total adjustments                                                                 | -                  | (85)                    | (85)                                     |
| Net cash used in operating activities                                             | \$ -               | \$ (66,298)             | \$ (66,298)                              |
| <b>Noncash investing, capital, and financing activities:</b>                      | None               | None                    | None                                     |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITIES**  
**JUNE 30, 2022**

|                        | Net Assets at<br>July 1, 2021 | Transfers | Additions  | Deductions | Net Assets at<br>June 30, 2022 |
|------------------------|-------------------------------|-----------|------------|------------|--------------------------------|
| <b>Assets:</b>         |                               |           |            |            |                                |
| Cash and investments   | \$ 734,274                    | \$ -      | \$ 494,036 | \$ 406,451 | \$ 821,859                     |
| <b>Liabilities:</b>    |                               |           |            |            |                                |
| Internal balances      | 6,068                         | -         | 2,634      | -          | 8,702                          |
| <b>Net Position:</b>   |                               |           |            |            |                                |
| Restricted for         |                               |           |            |            |                                |
| Student organizations: |                               |           |            |            |                                |
| Stagecoach             | 3,686                         | 2,629     | 1,246      | 2,574      | 4,987                          |
| Desert View            | 7,726                         | -         | 1,251      | 562        | 8,415                          |
| RSJH                   | 172,428                       | -         | 43,706     | 25,244     | 190,890                        |
| Farson                 | 52,177                        | 1         | 21,137     | 20,178     | 53,137                         |
| Black Butte            | 5,350                         | (10)      | 5,325      | 5,107      | 5,558                          |
| Northpark              | 9,641                         | (1,199)   | 2,074      | 1,227      | 9,289                          |
| Overland               | 1,702                         | (1,702)   | -          | -          | -                              |
| RSHS                   | 419,560                       | 1,209     | 380,127    | 329,113    | 471,783                        |
| Sage                   | 3,014                         | 1,704     | 3,209      | 5,260      | 2,667                          |
| Walnut                 | 12,616                        | -         | 4,748      | 3,660      | 13,704                         |
| Wamsutter              | 11,022                        | -         | 47         | 1,023      | 10,046                         |
| Westridge              | 6,129                         | (6,129)   | -          | -          | -                              |
| Pilot Butte            | 21,690                        | 2,499     | 3,270      | 8,779      | 18,680                         |
| Eastside               | 1,465                         | 998       | 25,262     | 3,724      | 24,001                         |
| Total net position     | \$ 728,206                    | \$ -      | \$ 491,402 | \$ 406,451 | \$ 813,157                     |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**DETAIL SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|                                          |                   |
|------------------------------------------|-------------------|
| <b>District</b>                          |                   |
| 25 Mill district tax                     | \$ 29,632,497     |
| Motor vehicle tax                        | 2,875,683         |
| Car company tax                          | 61,339            |
| Penalties, interest, and other           | 124,294           |
| Rent of school property                  | 76,711            |
| Enrollment tuition and fees              | 65,744            |
| Miscellaneous                            | 9,921             |
| Refund of prior year's expenditures      | 175,339           |
| Erate Rebate                             | 27,757            |
| Indirect cost revenue passed through     | 259,838           |
| Total District                           | <u>33,309,123</u> |
| <b>County</b>                            |                   |
| 6 Mill county tax                        | 8,573,175         |
| Motor vehicle tax                        | 680,513           |
| Car company tax                          | 13,367            |
| Penalties, interest, and other           | 30,478            |
| Fines and forfeitures                    | 1,155,449         |
| Forest reserve                           | 1,880             |
| Total County                             | <u>10,454,862</u> |
| <b>State</b>                             |                   |
| Foundation program entitlement           | 40,343,203        |
| Taylor Grazing                           | 513               |
| Other restricted                         | 848,013           |
| Total State                              | <u>41,191,729</u> |
| <b>Federal</b>                           |                   |
| Impact aid                               | <u>98,187</u>     |
| Total Federal                            | <u>98,187</u>     |
| <b>Interest</b>                          | <u>44,001</u>     |
| <b>Operating Transfers In</b>            | <u>2,851</u>      |
| <b>Proceeds from Financing Contracts</b> | <u>143,526</u>    |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**DETAIL SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2022**

|                                |                   |
|--------------------------------|-------------------|
| <b>Instruction</b>             |                   |
| Salaries                       | \$ 24,419,539     |
| Employee benefits              | 10,602,813        |
| Purchased services             | 2,465,020         |
| Supplies and materials         | 988,038           |
| Capital outlay                 | 400               |
| Other                          | 36,575            |
| Total Instruction              | <u>38,512,385</u> |
| <b>Instructional Support</b>   |                   |
| Salaries                       | 4,515,035         |
| Employee benefits              | 2,111,086         |
| Purchased services             | 1,050,114         |
| Supplies and materials         | 301,792           |
| Other                          | 1,207             |
| Total Instructional Support    | <u>7,979,234</u>  |
| <b>General Support</b>         |                   |
| Salaries                       | 9,767,158         |
| Employee benefits              | 4,507,982         |
| Purchased services             | 2,629,957         |
| Supplies and materials         | 3,685,609         |
| Capital outlay                 | 438,328           |
| Other                          | 73,884            |
| Total General Support          | <u>21,102,918</u> |
| <b>Community Support</b>       |                   |
| Purchased services             | 5,105             |
| Supplies and materials         | 588               |
| Total Community Support        | <u>5,693</u>      |
| <b>Operating Transfers Out</b> | <u>9,440,252</u>  |

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2022**

| Federal Grantor/Pass Through<br>Grantor/Program Title                                     | Federal CFDA<br>Number | Grantor's Number   | Expenditures     |
|-------------------------------------------------------------------------------------------|------------------------|--------------------|------------------|
| <b>U.S. Department of Education</b>                                                       |                        |                    |                  |
| Passed through Wyoming Department of Education:                                           |                        |                    |                  |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 221901T1NDSP22100  | \$ 20,631        |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 211901T1SUBR2000   | 457,303          |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 201901T1NDSP21900  | 13,761           |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 211901T1NDSP22000  | 19,717           |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 2019011003SUBR1900 | 29,218           |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 201901T1SUBR1900   | 332              |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 221901T1SUBR2100   | 1,262,020        |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 2119011003SUBR2000 | 92,062           |
| Title I Grants to Local Educational Agencies                                              | 84.010A                | 2219011003SUBR2100 | 837              |
| Total Title I                                                                             |                        |                    | <u>1,895,881</u> |
| Career and Technical Education                                                            | 84.048A                | PERKSUB21          | 19,325           |
| Career and Technical Education                                                            | 84.048A                | PERKSUB21          | 5,894            |
| Career and Technical Education                                                            | 84.048A                | PERKSUB21          | 29,129           |
| Career and Technical Education                                                            | 84.048A                | 221901PERKSUBS2100 | 123,853          |
| Total Career and Technical Education                                                      |                        |                    | <u>178,201</u>   |
| Special Education Cluster:                                                                |                        |                    |                  |
| Special Education                                                                         | 84.027A                | 211901SPEDSUBR2000 | 1,477,885        |
| Special Education                                                                         | 84.027A                | 201901SPEDSUBR1900 | 102,088          |
| Total Special Education                                                                   |                        |                    | <u>1,579,973</u> |
| Title VI-B Preschool                                                                      | 84.173A                | 201901PSCHSUBR1900 | 1,870            |
| Title VI-B Preschool                                                                      | 84.173A                | 211901PSCHSUBR2000 | 12,162           |
| Title VI-B Preschool                                                                      | 84.173A                | 221901619ARP2100   | 9,477            |
| Total Title VI-B Preschool                                                                |                        |                    | <u>23,509</u>    |
| Total Special Education Cluster                                                           |                        |                    | <u>1,603,482</u> |
| English Language Acquisition Grants                                                       | 84.365A                | 201901T3LEA1900    | 6,403            |
| English Language Acquisition Grants                                                       | 84.365A                | 211901T3SUBR2000   | 21,318           |
| English Language Acquisition Grants                                                       | 84.365A                | 221901T3SUBR2100   | 18,097           |
| English Language Acquisition Grants                                                       | 84.365A                | 211901T3LEA2000    | 2,658            |
| Total English Language Acquisition Grants                                                 |                        |                    | <u>48,476</u>    |
| Improving Teacher Quality Grants                                                          | 84.367A                | 211901T2SUBR2000   | 143,465          |
| Improving Teacher Quality Grants                                                          | 84.367A                | 221901T2SUBR2100   | 269,382          |
| Total Improving Teacher Quality Grants                                                    |                        |                    | <u>412,847</u>   |
| Twenty-First Century Community Learning Centers                                           | 84.287C                | 211901CCLCSUBR20R2 | 131,197          |
| Twenty-First Century Community Learning Centers                                           | 84.287C                | 221901CCLCSUBR21R2 | 108,596          |
| Twenty-First Century Community Learning Centers                                           | 84.287C                | 191901CCLCSUBR18R2 | 115              |
| Twenty-First Century Community Learning Centers                                           | 84.287C                | 201901CCLCSUBR19R2 | 3,090            |
| Total Twenty-First Century Community Learning Centers                                     |                        |                    | <u>242,998</u>   |
| Comprehensive Literacy Development                                                        | 84.371                 | CLSDSUBR21         | <u>293,190</u>   |
| Student Support and Academic Enrichment                                                   | 84.424A                | 191901T4ASSAE1800  | 28,796           |
| Student Support and Academic Enrichment                                                   | 84.424A                | 201901T4SUBR1900   | 868              |
| Student Support and Academic Enrichment                                                   | 84.424A                | 211901T4SUBR2100   | 133,935          |
| Student Support and Academic Enrichment                                                   | 84.424A                | 211901T4SUBR2000   | 153,654          |
| Total Student Support and Academic Enrichment                                             |                        |                    | <u>317,253</u>   |
| Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act | 84.425C                | 211901ARPASUBR2100 | 693,820          |
| Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act |                        | 211901ESSERSUB2100 | \$ 2,647,572     |

(continued)

**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2022**

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| Federal Grantor/Pass Through<br>Grantor/Program Title                                           | Federal CFDA<br>Number | Grantor's Number    | Expenditures  |
|-------------------------------------------------------------------------------------------------|------------------------|---------------------|---------------|
| Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act       |                        | 211901ESSERLA21A0   | \$ 9,142      |
| Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act       |                        | 211901ESSERLA21A0   | 18,024        |
| Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act       |                        | 201901GEERSUBR2000  | 534           |
| Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act       | 84.425D                | 201901ESSERSUBR2000 | 104,863       |
| Total Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act |                        |                     | 3,473,955     |
| Homeless Education                                                                              | 84.961                 | 221901AHCY121A1     | 471           |
| Homeless Education                                                                              | 84.961                 | 221901HOMESUBR21A2  | 15,177        |
| Total Homeless Education                                                                        |                        |                     | 15,648        |
| Total U.S. Department of Education                                                              |                        |                     | 8,466,283     |
| <u>U.S. Department of Agriculture</u>                                                           |                        |                     |               |
| Passed through Wyoming Department of Education:                                                 |                        |                     |               |
| Child Nutrition Cluster:                                                                        |                        |                     |               |
| National School Breakfast                                                                       | 10.553                 | N/A                 | 749,329       |
| National School Lunch Program                                                                   | 10.555                 | N/A                 | 1,582,239     |
| National School Lunch Program Commodities                                                       | 10.555                 | N/A                 | 121,312       |
| National School Lunch Program Supply Chain                                                      | 10.555                 | N/A                 | 79,385        |
| Summer Food Service Program                                                                     | 10.559                 | N/A                 | 284,293       |
| Total Child Nutrition Cluster                                                                   |                        |                     | 2,816,558     |
| Child and Adult Care Food Program                                                               | 10.558                 | N/A                 | 76,842        |
| Fresh Fruit and Vegetable Program                                                               | 10.582                 | N/A                 | 36,133        |
| Total U.S. Department of Agriculture                                                            |                        |                     | 2,929,533     |
| <u>U.S. Department of Health and Human Services</u>                                             |                        |                     |               |
| Direct Programs:                                                                                |                        |                     |               |
| Head Start Program                                                                              | 93.600                 | 08CH01054503C3      | 274,873       |
| Head Start Program                                                                              | 93.600                 | 08CH01054504        | 1,307,453     |
| Total Head Start Program                                                                        |                        |                     | 1,582,326     |
| Passed through Sweetwater County Tripartite Board                                               |                        |                     |               |
| Community Services Block Grant                                                                  | 93.569                 | N/A                 | 23,746        |
| Community Services Block Grant                                                                  | 93.569                 | N/A                 | 6,588         |
| Total Community Services Block Grant                                                            |                        |                     | 30,334        |
| Passed through Wyoming Department of Education:                                                 |                        |                     |               |
| Substance Abuse and Mental Health Services Project                                              | 93.243                 | SAMHSA21            | 194,359       |
| Total U.S. Department of Health and Human Services                                              |                        |                     | 1,807,019     |
| <u>U.S. Department of Treasury</u>                                                              |                        |                     |               |
| Passed through Wyoming Department of Education:                                                 |                        |                     |               |
| Coronavirus Relief Fund                                                                         | 21.019                 | 125TECH             | 722,946       |
| Total U.S. Department of Treasury                                                               |                        |                     | 722,946       |
| <u>U.S. Environmental Protection Agency</u>                                                     |                        |                     |               |
| Passed through Wyoming Department of Education:                                                 |                        |                     |               |
| Diesel Emission Reduction Act                                                                   | 66.039                 | DERA                | 59,895        |
| Total U.S. Environmental Protection Agency                                                      |                        |                     | 59,895        |
| Total Expenditures of Federal Awards                                                            |                        |                     | \$ 14,001,324 |

See accompanying notes to schedule of expenditures of federal awards.



**SWEETWATER COUNTY SCHOOL 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, 2022. 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, 2022, 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 12, 2022



**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**

***Qualified and Unmodified Opinions***

We have audited Sweetwater County School District No. 1's compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

***Qualified Opinion on Assistance Listing 84.425 Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act Federal Award***

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, 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 Assistance Listing 84.425 Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act Federal Award.

***Unmodified Opinion on Each of the Other Major Federal Programs***

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 other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

***Basis for Qualified and Unmodified Opinions***

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). Our responsibilities under those standards



and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Sweetwater County School District No. 1 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Sweetwater County School District No. 1's compliance with the compliance requirements referred to above.

*Matter Giving Rise to Qualified Opinion on Assistance Listing 84.425 Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act Federal Award*

As described in the accompanying schedule of findings and questioned costs, Sweetwater County School District No. 1 did not comply with the requirements regarding Assistance Listing 84.425 Education Stabilization Fund Under The Coronavirus Aid, Relief, and Economic Security Act Federal Award as described in finding number 2022-001 for Allowable Cost/ Cost Principles.

Compliance with such requirements is necessary, in our opinion, for Sweetwater County School District No. 1 to comply with the requirements applicable to that program.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts and grant agreements applicable to Sweetwater County School District No. 1's federal programs.

### **Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Sweetwater County School District No. 1's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Sweetwater County School District No. 1's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.



- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Sweetwater County School District No. 1's
- compliance with the requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Sweetwater County School District No. 1's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Sweetwater County School District No. 1's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2022-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires that the audit perform limited procedures on Sweetwater County School District No. 1's response to the noncompliance finding identified in our compliance audit described in accompanying schedule of findings and questioned costs. Sweetwater County School District No. 1's response was not subject to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities of the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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



in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-001 to be a material weakness.

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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires that the auditor perform limited procedures on Sweetwater County School District No. 1's response to the internal control over compliance finding identified in our audit described in accompanying schedule of findings and questioned costs. Sweetwater County School District No. 1's response was not subject to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 12, 2022



**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**UNIFORM GUIDANCE**  
**FOR THE YEAR ENDED JUNE 30, 2022**

**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?             | Yes                                       |
| (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?                                                          | Modified                                  |
| (d)(1)(vi)   | Are there any reportable findings under § 2 CFR 200.516(a)?                                          | Yes                                       |
| (d)(1)(vii)  | Major Programs (list):                                                                               |                                           |
|              | Name of Federal Program or Cluster                                                                   | CFDA Numbers                              |
|              | Special Education Cluster (IDEA)                                                                     |                                           |
|              | Special Education Grants                                                                             | 84.027                                    |
|              | Special Education Preschool Grants                                                                   | 84.173                                    |
|              | Education Stabilization Fund                                                                         | 84.425                                    |
|              | Comprehensive Literacy Development                                                                   | 84.371                                    |
| (d)(1)(viii) | Dollar threshold: Type A/B programs                                                                  | Type A: > \$750,000<br>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**

2022-001



**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1  
SCHEDULE OF FINDINGS & QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2022**

**Section III Federal Award Findings and Questioned Costs  
2022-001**

**Material Weakness in Internal Control over Compliance  
Material Noncompliance**

**U.S. Department of Education  
Passed through the Wyoming Department of Education**

**Assistance Listing 84.425 Education Stabilization Fund Under The Coronavirus Aid, Relief, and  
Economic Security Act  
Pass Through Entity Identifying Number: 211901ESSERSUB2100**

**Grant year: 2021**

**Criteria or Specific Requirement**

Allowable Costs/Cost Principles – Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, §200.430(i) indicates that charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated.

**Condition**

An employee that was hired to work in an allowable position subsequently accepted another position within the District. The District paid the employee from August 2021 through January 2022 charging the cost to the federal award. The unallowed charge was discovered when the employee was asked to complete the semi-annual certification.

**Cause**

When it was discovered, the District noted that a correction should be made to remove the payroll cost charged, but due to a breakdown in the internal controls, the correction was not made. District personnel failed to follow through on the required paperwork.



**SWEETWATER COUNTY SCHOOL DISTRICT NO. 1  
SCHEDULE OF FINDINGS & QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2022**

**Section III Federal Award Findings and Questioned Costs (Continued)**  
**2022-001**

**Effect or Potential Effect**

The error resulted in an overstatement of revenue requested for the ESSER award. Expenditures of special revenue fund were overstatement and expenditures of general fund were understated. There was also a misstatement of the amounts due to/from other funds.

**Questioned Cost**

Salary and benefits charged to federal award \$53,239.

**Identification as a Repeat Finding**

This is not a repeat finding.

**Recommendation**

The District should return the funds to the Wyoming Department of Education. The District needs to revisit internal control processes regarding verification of employees being charged to federal awards throughout the award period rather than just when requesting semi-annual certifications. The District needs to review the monitoring process to ensure that when an adjusting entry is noted as being required that follow through happens to complete the process, in a timely manner.

**View of Responsible Officials**

Please refer to the District's Corrective Action Plan.





## SWEETWATER COUNTY SCHOOL DISTRICT #1

*Kelly McGovern, Ed.S.  
Superintendent of Schools*

*Carol Jelaco  
Chairman of the Board*

*Stephanie Thompson  
Vice-Chairman*

*Max Mickelson  
Clerk*

### Section III Federal Award Findings and Questioned Costs 2022-001 Material Weakness in Internal Control over Compliance Material Noncompliance

*Trustees  
Danielle Schumacher  
Kari Cochran  
Anjelica Wood  
Andrea Summers*

#### Corrective Action Plan

On a monthly basis, the grant department will review the payroll register to verify the payroll is being charged correctly to the federal awards. The grant department staff will notify the Director of Grants and Federal Programs of any employees that are incorrectly charged to a grant. When an error is discovered, an adjusting journal entry will be prepared soon thereafter and reviewed by the Director of Grants and Federal Programs.

