

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**FINANCIAL AND COMPLIANCE REPORT**

**JUNE 30, 2024**

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EXHIBIT I: CORRECTIVE ACTION PLAN

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## **INDEPENDENT AUDITOR'S REPORT**

Honorable Superintendent and Board of Trustees  
Goshen County School District #1  
Torrington, Wyoming

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Goshen County School District #1 (the District) as of and for the year ended June 30, 2024, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2024, 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 audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's 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 auditor's 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 GAAS 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 GAAS 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 the District'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 District'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 Management's Discussion and Analysis on pages 4 through 9; the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - General Fund on pages 34 and 35; the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - Grants Fund on page 36; the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - Major Maintenance Fund on page 37; the Schedule of the District's Proportionate Share of the Net Pension Liability on page 38; the Schedule of the District's Contributions on page 39; and the Notes to Required Supplementary Information on pages 40 and 41 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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 District’s basic financial statements. The Combining Nonmajor Governmental Fund Financial Statements and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2024 on our consideration of the District’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 solely 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 the District’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 the District’s internal control over financial reporting and compliance.

*McGee, Hearne & Paiz, LLP*

Cheyenne, Wyoming  
December 4, 2024

# GOSHEN COUNTY SCHOOL DISTRICT #1

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Goshen County School District #1 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District as of and for the year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with the District's financial statements, notes to the financial statements, and various supplementary information, which follow this section.

### Financial Highlights

The District's total combined net position was \$39,240,053 at June 30, 2024, which compares to \$35,970,570 at the beginning of the fiscal year, for an increase of \$3,269,483 or 9%.

The District's revenues generated in taxes and other revenues for governmental and business-type activities totaled \$44,222,180. For the District's governmental and business-type activities, total expenses were \$40,952,697.

### Overview of the Financial Statements

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

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

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

The Statement of Activities presents information for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

# GOSHEN COUNTY SCHOOL DISTRICT #1

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Fund financial statements:** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The fund financial statements provide more detailed information about the District's most significant funds - not the District as a whole. The District's funds can be divided into two categories: governmental funds and proprietary funds.

*Governmental funds:* Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Such information may be useful in evaluating a government's near-term financing requirements. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities reported in the Statement of Net Position and the Statement of Activities and the governmental funds are reconciled in the financial statements. The General Fund, the Grants Fund, and the Major Maintenance Fund are considered major. The other governmental funds of the District, consisting of the Capital Projects Fund, the Recreation Fund, the Student Activity Fund, and the Boards of Cooperative Educational Services (BOCES) Fund, are presented as nonmajor governmental funds in the fund financial statements.

*Proprietary funds:* Proprietary funds are used to account for services for which the District charges participants a fee. These funds, like the government-wide statements, provide both long- and short-term financial information. The Food Service Fund is in this category for the District, presented under business-type activities.

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

**Other information:** In addition to the primary government financial statements and accompanying notes, this report also presents certain required supplementary information and other supplementary information that further explains and supports the information in the financial statements.

## GOSHEN COUNTY SCHOOL DISTRICT #1

### MANAGEMENT’S DISCUSSION AND ANALYSIS

#### Financial Analysis of the District as a Whole

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

#### Condensed Statements of Net Position

	Governmental Activities		Business-Type Activities		Total District	
	2024	2023	2024	2023	2024	2023
Current assets	\$ 30,509,858	\$ 27,358,233	\$ 112,262	\$ 318,115	\$ 30,622,120	\$ 27,676,348
Capital assets	44,850,144	45,197,564	135,351	126,643	44,985,495	45,324,207
<b>Total assets</b>	<b>\$ 75,360,002</b>	<b>\$ 72,555,797</b>	<b>\$ 247,613</b>	<b>\$ 444,758</b>	<b>\$ 75,607,615</b>	<b>\$ 73,000,555</b>
Deferred outflows of resources	\$ 2,225,255	\$ 4,593,297	-	-	\$ 2,225,255	\$ 4,593,297
Current liabilities	\$ 4,966,501	\$ 4,685,441	\$ 85,702	\$ 89,475	\$ 5,052,203	\$ 4,774,916
Long-term liabilities	22,806,941	26,971,243	-	-	22,806,941	26,971,243
<b>Total liabilities</b>	<b>\$ 27,773,442</b>	<b>\$ 31,656,684</b>	<b>\$ 85,702</b>	<b>\$ 89,475</b>	<b>\$ 27,859,144</b>	<b>\$ 31,746,159</b>
Deferred inflows of resources	\$ 10,733,673	\$ 9,877,123	-	-	\$ 10,733,673	\$ 9,877,123
Net position:						
Net investment in capital assets	\$ 44,850,144	\$ 45,195,394	\$ 135,351	\$ 126,643	\$ 44,985,495	\$ 45,322,037
Restricted	9,915,589	8,227,844	-	-	9,915,589	8,227,844
Unrestricted	(15,687,591)	(17,807,951)	26,560	228,640	(15,661,031)	(17,579,311)
<b>Total net position</b>	<b>\$ 39,078,142</b>	<b>\$ 35,615,287</b>	<b>\$ 161,911</b>	<b>\$ 355,283</b>	<b>\$ 39,240,053</b>	<b>\$ 35,970,570</b>

The net investment in capital assets is \$44,985,495, which is the net book value of capital assets (e.g., land, buildings, equipment) of \$44,985,495, less any related debt used to acquire those assets that is still outstanding and any accounts payable related to those assets of \$0. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

An additional portion of the District’s net position of \$9,915,589 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of (\$15,661,031). Unrestricted net position represents balances received from operational activities that have not been restricted by parties external to the District, such as granting agencies. This includes funds that have been designated by the governing board for specific purposes as well as amounts that have been contractually committed for goods and services but have not yet been received. The unrestricted deficit is impacted by long-term commitments, like the net pension expense, which is not offset by current resources.

The District’s total net position increased by \$3,269,483 during the year ended June 30, 2024. The total cost of all governmental and business-type activities this year was \$39,939,236 and \$1,063,461, respectively. The amount paid by the State Foundation Program was \$14,926,970 or 34% of governmental activities revenues.

# GOSHEN COUNTY SCHOOL DISTRICT #1

## MANAGEMENT’S DISCUSSION AND ANALYSIS

### Changes in the District’s Net Position

	Governmental Activities		Business-Type Activities		Total District	
	2024	2023	2024	2023	2024	2023
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 747,410	\$ 803,205	\$ 236,957	\$ 274,818	\$ 984,367	\$ 1,078,023
Operating grants and contributions	5,956,990	6,012,981	583,132	674,120	6,540,122	6,687,101
Capital grants and contributions	135,301	-	-	-	135,301	-
General revenues:						
Taxes	11,261,039	10,066,658	-	-	11,261,039	10,066,658
Governmental aid	23,043,326	21,025,250	-	-	23,043,326	21,025,250
Miscellaneous	2,258,025	313,272	-	2,206	2,258,025	315,478
<b>Total revenues</b>	<b>43,402,091</b>	<b>38,221,366</b>	<b>820,089</b>	<b>951,144</b>	<b>44,222,180</b>	<b>39,172,510</b>
<b>Expenses:</b>						
Business services	2,732,846	575,153	-	-	2,732,846	575,153
Central support services	2,501,080	1,512,015	-	-	2,501,080	1,512,015
Facilities, acquisitions, and construction services	264,075	320,449	-	-	264,075	320,449
Food Service Fund	-	-	1,063,461	1,118,431	1,063,461	1,118,431
General administration services	493,995	302,702	-	-	493,995	302,702
Instructional staff services	2,259,572	2,732,225	-	-	2,259,572	2,732,225
Operation and maintenance of plant services	6,415,967	5,542,255	-	-	6,415,967	5,542,255
Pupil services	2,109,940	2,738,999	-	-	2,109,940	2,738,999
Pupil transportation services	1,440,782	2,408,052	-	-	1,440,782	2,408,052
Regular instruction	15,349,411	16,330,932	-	-	15,349,411	16,330,932
School administration services	504,316	2,386,128	-	-	504,316	2,386,128
Special education instruction	4,727,771	4,930,961	-	-	4,727,771	4,930,961
Vocational education instruction	1,089,481	1,008,487	-	-	1,089,481	1,008,487
<b>Total expenses</b>	<b>39,889,236</b>	<b>40,788,358</b>	<b>1,063,461</b>	<b>1,118,431</b>	<b>40,952,697</b>	<b>41,906,789</b>
<b>Change in net position before transfers</b>	<b>3,512,855</b>	<b>(2,566,992)</b>	<b>(243,372)</b>	<b>(167,287)</b>	<b>3,269,483</b>	<b>(2,734,279)</b>
Transfers	(50,000)	-	50,000	-	-	-
<b>Change in net position after transfers</b>	<b>3,462,855</b>	<b>(2,566,992)</b>	<b>(193,372)</b>	<b>(167,287)</b>	<b>3,269,483</b>	<b>(2,734,279)</b>
Net position, beginning of year	35,615,287	38,182,279	355,283	522,570	35,970,570	38,704,849
Net position, end of year	\$ 39,078,142	\$ 35,615,287	\$ 161,911	\$ 355,283	\$ 39,240,053	\$ 35,970,570

### Financial Analysis of the District’s Funds

#### Governmental funds:

*Revenues:* General Fund revenues increased from \$29,037,865 in fiscal year 2023 to \$32,088,182 in fiscal year 2024. There was an increase of \$1,152,865 in funding from local taxes, and an increase of \$1,756,737 from intergovernmental revenues primarily related to an increase in State Foundation Program revenues compared to the prior year. General Fund revenues were \$1,149,837 less than budget.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

*Expenditures:* The total expenditures of the General Fund were \$32,594,353 in fiscal year 2024 compared to \$31,555,952 in fiscal year 2023. The majority of the increase in expenditures was a result of employees now being responsible for a greater portion of their insurance premium. General Fund expenditures were \$614,720 less than budget.

**Proprietary fund:** The Food Service Fund operated at a deficit despite having increased meal prices in an effort to offset the deficit. This is due to an increase in the cost per meal served. A large portion of this is the cost of personnel. In order to offset increased expenses, it was necessary to transfer funds from the General Fund, which was \$50,000 for the year ended June 30, 2024.

**Capital assets:** The District’s investment in capital assets for its governmental activities as of June 30, 2024 amounts to \$44,850,144 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, equipment and vehicles (which include buses).

**District’s Capital Assets (Governmental Activities)  
(Net of Accumulated Depreciation)**

	2024	2023
Land	\$ 408,251	\$ 408,251
Construction in progress	-	808,340
Buildings	43,533,603	43,041,435
Equipment	551,522	388,068
Vehicles	356,768	551,470
	<u>\$ 44,850,144</u>	<u>\$ 45,197,564</u>

**District’s Capital Assets (Business-Type Activities)  
(Net of Accumulated Depreciation)**

	2024	2023
Equipment	<u>\$ 135,351</u>	<u>\$ 126,643</u>

Additional information on the District’s capital assets can be found in Note 3 to the financial statements.

**Long-term debt:** The District incurred additional long-term debt for accrued compensated absences in the amount of \$79,192 during fiscal year 2024. Long-term debt for accrued compensated absences was reduced by \$118,188. Additional information on the District’s long-term debt can be found in Note 4 to the financial statements.

## **GOSHEN COUNTY SCHOOL DISTRICT #1**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

#### **Factors Affecting the District's Future**

The continued uncertainty of state funding; the District's varying enrollment, particularly as it relates to funding; the culmination of Elementary and Secondary School Emergency Relief dollars; and the School Facilities Division's involvement in major maintenance funding will play a major role in the amount of revenue received by the District. The District must continue to be cautious in all decisions affecting its financial position.

The COVID-19 pandemic developed rapidly in 2020 and had a direct impact on the District's operations during fiscal year 2024. The District has seen increased Federal funding passed through by the State of Wyoming from the Coronavirus Aid, Relief, and Economic Security Act, which provided economic relief and increases to the District's COVID-19 response measures, such as afterschool and summer learning, student nutrition, remote learning, and technology purchases. The exact impact on District operations in fiscal year 2024 and thereafter cannot be predicted.

#### **Requests for Information**

This financial report is designed to provide the District's citizens, taxpayers, customers, and creditors with a general overview of the District's finances as well as demonstrate accountability for funds the District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Marcy Cates, Business Manager, 626 West 25th Avenue, Torrington, Wyoming 82240.

# **PRIMARY GOVERNMENT FINANCIAL STATEMENTS**

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF NET POSITION  
June 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current Assets			
Cash	\$ 17,572,959	\$ 17,781	\$ 17,590,740
Cash held by County Treasurer	217,522	-	217,522
Property taxes receivable	9,521,743	-	9,521,743
Accounts receivable, granting agencies	670,128	-	670,128
Accounts receivable	1,471,382	46,780	1,518,162
Inventory	-	40,380	40,380
Prepaid items	1,056,124	7,321	1,063,445
<b>Total current assets</b>	30,509,858	112,262	30,622,120
Capital Assets			
Land and construction in progress	408,251	-	408,251
Depreciable buildings, vehicles and equipment, net of accumulated depreciation	44,441,893	135,351	44,577,244
<b>Total capital assets</b>	44,850,144	135,351	44,985,495
<b>Total assets</b>	75,360,002	247,613	75,607,615
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension-Related Deferred Outflows	2,225,255	-	2,225,255

*Continued*

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF NET POSITION, *Continued***  
**June 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	\$ 723,928	\$ 930	\$ 724,858
Accrued salaries payable	2,754,792	37,818	2,792,610
Accrued employee benefits payable	1,342,673	20,871	1,363,544
Unearned revenue	26,920	26,083	53,003
Accrued compensated absences, due within one year	118,188	-	118,188
<b>Total current liabilities</b>	<b>4,966,501</b>	<b>85,702</b>	<b>5,052,203</b>
Long-Term Liabilities			
Accrued compensated absences	108,793	-	108,793
Net pension liability	22,698,148	-	22,698,148
<b>Total long-term liabilities</b>	<b>22,806,941</b>	<b>-</b>	<b>22,806,941</b>
<b>Total liabilities</b>	<b>27,773,442</b>	<b>85,702</b>	<b>27,859,144</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Property Tax Revenue	9,815,419	-	9,815,419
Pension-Related Deferred Inflows	918,254	-	918,254
<b>Total deferred inflows of resources</b>	<b>10,733,673</b>	<b>-</b>	<b>10,733,673</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	44,850,144	135,351	44,985,495
Restricted for:			
Maintenance	9,539,248	-	9,539,248
Recreation projects and other purposes	224,024	-	224,024
BOCES	152,317	-	152,317
Unrestricted	(15,687,591)	26,560	(15,661,031)
<b>Total net position</b>	<b>\$ 39,078,142</b>	<b>\$ 161,911</b>	<b>\$ 39,240,053</b>

See Notes to Financial Statements.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF ACTIVITIES  
Year Ended June 30, 2024**

	Expenses	Program Revenues, Net		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>FUNCTIONS/PROGRAMS</b>				
Governmental Activities				
Instruction:				
Regular instruction	\$ 15,349,411	\$ 747,410	\$ 2,609,103	\$ -
Special education instruction	4,727,771	-	657,872	-
Vocational education instruction	1,089,481	-	98,341	-
Support services:				
Business services	2,732,846	-	-	-
Central support services	2,501,080	-	204,015	-
Facilities, acquisitions, and construction services	264,075	-	-	135,301
General administration services	493,995	-	127,166	-
Instructional staff services	2,259,572	-	1,730,421	-
Operation and maintenance of plant services	6,415,967	-	76,628	-
Pupil services	2,109,940	-	305,185	-
Pupil transportation services	1,440,782	-	-	-
School administration services	504,316	-	148,259	-
<b>Total governmental activities</b>	<b>39,889,236</b>	<b>747,410</b>	<b>5,956,990</b>	<b>135,301</b>
Business-Type Activities				
Food Service Fund	1,063,461	236,957	583,132	-
<b>Total</b>	<b>\$ 40,952,697</b>	<b>\$ 984,367</b>	<b>\$ 6,540,122</b>	<b>\$ 135,301</b>

General Revenues

Taxes:

    Property taxes, levied for general purposes

    Property taxes, levied for specific purposes

Federal, state, and local aid not restricted to specific purposes:

    State Foundation Program

    Other state sources

    County

Unrestricted investment earnings

Unrestricted miscellaneous revenue

**Total general revenues**

Transfers

**Total general revenues and transfers**

**Change in net position**

Net Position, beginning of year

Net Position, end of year

See Notes to Financial Statements.

Revenues and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (11,992,898)	\$ -	\$ (11,992,898)
(4,069,899)	-	(4,069,899)
(991,140)	-	(991,140)
(2,732,846)	-	(2,732,846)
(2,297,065)	-	(2,297,065)
(128,774)	-	(128,774)
(366,829)	-	(366,829)
(529,151)	-	(529,151)
(6,339,339)	-	(6,339,339)
(1,804,755)	-	(1,804,755)
(1,440,782)	-	(1,440,782)
(356,057)	-	(356,057)
(33,049,535)	-	(33,049,535)
-	(243,372)	(243,372)
(33,049,535)	(243,372)	(33,292,907)
10,811,553	-	10,811,553
449,486	-	449,486
14,926,970	-	14,926,970
8,113,249	-	8,113,249
3,107	-	3,107
642,601	-	642,601
1,615,424	-	1,615,424
36,562,390	-	36,562,390
(50,000)	50,000	-
36,512,390	50,000	36,562,390
3,462,855	(193,372)	3,269,483
35,615,287	355,283	35,970,570
\$ 39,078,142	\$ 161,911	\$ 39,240,053

# GOSHEN COUNTY SCHOOL DISTRICT #1

## BALANCE SHEET - GOVERNMENTAL FUNDS June 30, 2024

	General Fund	Grants Fund	Major Maintenance Fund	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 6,271,483	\$ 82,442	\$ 9,950,819	\$ 1,268,215	\$ 17,572,959
Cash Held by County Treasurer	215,213	-	-	2,309	217,522
Property Taxes Receivable	9,064,953	-	-	456,790	9,521,743
Accounts Receivable, granting agencies	-	670,128	-	-	670,128
Accounts Receivable	1,471,382	-	-	-	1,471,382
Due From Other Funds	-	1,756	-	-	1,756
Prepaid Items	965,004	38,805	-	52,315	1,056,124
<b>Total assets</b>	<b>\$ 17,988,035</b>	<b>\$ 793,131</b>	<b>\$ 9,950,819</b>	<b>\$ 1,779,629</b>	<b>\$ 30,511,614</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 100,844	\$ 59,753	\$ 411,571	151,760	\$ 723,928
Accrued salaries payable	2,354,782	400,010	-	-	2,754,792
Accrued employee benefits payable	1,169,873	172,800	-	-	1,342,673
Due to other funds	1,756	-	-	-	1,756
Unearned revenue	-	26,920	-	-	26,920
<b>Total liabilities</b>	<b>3,627,255</b>	<b>659,483</b>	<b>411,571</b>	<b>151,760</b>	<b>4,850,069</b>
Deferred Inflows of Resources					
Unavailable revenue	9,361,990	-	-	453,429	9,815,419
Fund Balances					
Nonspendable:					
Prepaid items	965,004	38,805	-	52,315	1,056,124
Restricted for:					
Goshen County Recreation Board projects	-	-	-	224,024	224,024
Grants	-	94,843	-	-	94,843
Major maintenance projects	-	-	9,539,248	-	9,539,248
BOCES	-	-	-	152,317	152,317
Committed to:					
Current capital projects	-	-	-	286,092	286,092
Assigned:					
Encumbrances	28,852	-	-	-	28,852
Student activities	-	-	-	459,692	459,692
Unassigned	4,004,934	-	-	-	4,004,934
<b>Total fund balances</b>	<b>4,998,790</b>	<b>133,648</b>	<b>9,539,248</b>	<b>1,174,440</b>	<b>15,846,126</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 17,988,035</b>	<b>\$ 793,131</b>	<b>\$ 9,950,819</b>	<b>\$ 1,779,629</b>	<b>\$ 30,511,614</b>

See Notes to Financial Statements.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

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

**June 30, 2024**

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Total fund balances - governmental funds	\$ 15,846,126
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	44,850,144
Liabilities (compensated absences and net pension liability) are not due and payable from current financial resources and, therefore, are not reported in the funds.	(22,925,129)
Pension-related outflows and inflows do not provide current financial resources and, therefore, are not reported in the funds.	<u>1,307,001</u>
<b>Net position of governmental activities</b>	<b><u><u>\$ 39,078,142</u></u></b>

See Notes to Financial Statements.

# GOSHEN COUNTY SCHOOL DISTRICT #1

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

Year Ended June 30, 2024

	General Fund	Grants Fund	Major Maintenance Fund	Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 10,811,553	\$ -	\$ -	\$ 449,486	\$ 11,261,039
Intergovernmental revenues	20,938,951	6,203,980	2,104,375	-	29,247,306
Charges for services	-	-	-	747,410	747,410
Investment earnings	211,283	-	398,687	32,631	642,601
Miscellaneous	126,395	-	-	-	126,395
<b>Total revenues</b>	<b>32,088,182</b>	<b>6,203,980</b>	<b>2,503,062</b>	<b>1,229,527</b>	<b>42,024,751</b>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular instruction	13,212,445	2,492,455	-	958,009	16,662,909
Special education instruction	4,239,985	657,872	-	-	4,897,857
Vocational education instruction	1,032,811	98,341	-	-	1,131,152
<b>Total instruction</b>	<b>18,485,241</b>	<b>3,248,668</b>	<b>-</b>	<b>958,009</b>	<b>22,691,918</b>
Support services:					
Business services	505,031	-	-	-	505,031
Central support services	1,286,821	204,015	-	-	1,490,836
Facilities, acquisitions, and construction services	6,276	-	153,486	344,553	504,315
Food Service Fund	-	-	-	-	-
General administration services	121,767	127,166	-	-	248,933
Instructional staff services	819,795	1,730,421	-	-	2,550,216
Operation and maintenance of plant services	4,056,179	76,628	-	21,824	4,154,631
Pupil services	2,536,160	305,185	-	-	2,841,345
Pupil transportation services	1,986,163	-	-	-	1,986,163
School administration services	2,203,618	148,259	-	-	2,351,877
<b>Total support services</b>	<b>13,521,810</b>	<b>2,591,674</b>	<b>153,486</b>	<b>366,377</b>	<b>16,633,347</b>
Capital outlay	587,302	18,930	809,991	47,128	1,463,351
<b>Total expenditures</b>	<b>32,594,353</b>	<b>5,859,272</b>	<b>963,477</b>	<b>1,371,514</b>	<b>40,788,616</b>
<b>(Deficiency) excess of revenues over expenditures</b>	<b>(506,171)</b>	<b>344,708</b>	<b>1,539,585</b>	<b>(141,987)</b>	<b>1,236,135</b>
<b>Other Financing Sources (Uses)</b>					
Proceeds from insurance	1,489,029	-	-	-	1,489,029
Operating transfers (out)	(50,000)	-	-	-	(50,000)
<b>Total other financing sources</b>	<b>1,439,029</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,439,029</b>
<b>Net change in fund balances</b>	<b>932,858</b>	<b>344,708</b>	<b>1,539,585</b>	<b>(141,987)</b>	<b>2,675,164</b>
Fund Balances (Deficit), beginning of year	4,065,932	(211,060)	7,999,663	1,316,427	13,170,962
Fund Balances, end of year	\$ 4,998,790	\$ 133,648	\$ 9,539,248	\$ 1,174,440	\$ 15,846,126

See Notes to Financial Statements.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2024**

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Net change in fund balances - total governmental funds	\$ 2,675,164
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	(347,420)
Revenues in the Statement of Activities that do not provide current financial resources are reported as deferred revenues in the governmental funds.	(111,689)
Long-term liabilities for compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	38,996
The change in the defined benefit net pension liability, pension-related outflows, and pension-related inflows are not reported in the governmental funds. This is the net effect of the change in these balances in the Statement of Net Position.	<u>1,207,804</u>
<b>Change in net position of governmental activities</b>	<u><u>\$ 3,462,855</u></u>

See Notes to Financial Statements.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
**June 30, 2024**

	<u>Enterprise Fund</u> <u>Food Service</u> <u>Fund</u>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 17,781
Accounts receivable	46,780
Inventory	40,380
Prepaid items	7,321
<b>Total current assets</b>	<u>112,262</u>
Capital Assets	
Property and equipment, net of accumulated depreciation	<u>135,351</u>
<b>Total assets</b>	<u>247,613</u>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable	930
Accrued salaries payable	37,818
Accrued employee benefits payable	20,871
Unearned revenue	26,083
<b>Total current liabilities</b>	<u>85,702</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	135,351
Unrestricted	<u>26,560</u>
<b>Total net position</b>	<u>\$ 161,911</u>

See Notes to Financial Statements.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND  
NET POSITION - PROPRIETARY FUND**

**Year Ended June 30, 2024**

	<u>Enterprise Fund</u> <u>Food Service</u> <u>Fund</u>
Operating Revenues	
Charges for services	\$ 236,957
<b>Total operating revenues</b>	<u>236,957</u>
Operating Expenses	
Cost of commodities	45,851
Depreciation	15,979
Direct food costs	458,392
Employee benefits	170,640
Other	12,212
Purchased services	2,547
Salaries	313,096
Supplies	44,744
<b>Total operating expenses</b>	<u>1,063,461</u>
<b>Net operating (loss)</b>	<u>(826,504)</u>
Nonoperating Revenues	
Federal and state operating grants	530,713
USDA commodity subsidy	44,080
Contributions and donations	8,339
<b>Total nonoperating revenues</b>	<u>583,132</u>
<b>(Loss) before transfers</b>	<u>(243,372)</u>
Transfers In	<u>50,000</u>
<b>Change in net position</b>	<u>(193,372)</u>
Net Position, beginning of year	<u>355,283</u>
Net Position, end of year	<u>\$ 161,911</u>

See Notes to Financial Statements.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
**Year Ended June 30, 2024**

	Enterprise Fund Food Service Fund
<b>Cash Flows From Operating Activities</b>	
Cash received from customers	\$ 273,613
Cash payments to suppliers for services	(539,944)
Cash payments to employees for services	(492,692)
<b>Net cash (used in) operating activities</b>	<b>(759,023)</b>
<b>Cash Flows From Noncapital Financing Activities</b>	
Reimbursements from Federal and state governments	530,713
Intrafund settlement of operating activities	41,661
<b>Net cash provided by noncapital financing activities</b>	<b>572,374</b>
<b>Cash Flows From Capital Financing Activities</b>	
Acquisition of capital assets	(16,348)
<b>Net cash (used in) capital financing activities</b>	<b>(16,348)</b>
<b>Net change in cash</b>	<b>(202,997)</b>
<b>Cash</b>	
Beginning of year	220,778
End of year	\$ 17,781
<b>Reconciliation of Net Operating (Loss) to Net Cash (Used in) Operating Activities</b>	
Net operating (loss)	\$ (826,504)
Adjustments to reconcile net operating (loss) to net cash (used in) operating activities:	
USDA commodity subsidy	44,080
Contributions/donations	8,339
Depreciation	15,979
Changes in assets and liabilities:	
Decrease (increase) in:	
Accounts receivable	24,043
Inventory	(26,799)
Prepaid items	5,612
Increase (decrease) in:	
Accounts payable	909
Accrued salaries payable	37
Accrued employee benefits payable	(8,993)
Unearned revenue	4,274
<b>Net cash (used in) operating activities</b>	<b>\$ (759,023)</b>

See Notes to Financial Statements.

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations and Significant Accounting Policies

**Financial reporting entity:** The Board of Trustees (the Board) is the level of government that has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of Goshen County School District #1 (the District). The Board receives funding from local, state, and Federal government sources and must comply with the accompanying requirements of these funding source entities. However, the District serves as the nucleus of the reporting entity under the provisions of the Governmental Accounting Standards Board (GASB) for its primary government financial statements. The District is not included in any other governmental “reporting entity” as defined by the GASB.

As required by accounting principles generally accepted in the United States of America, these financial statements present the District and its component unit, for which the District is considered to be financially accountable. Although legally separate units, blended component units are, in substance, part of the District’s operations.

**Blended component unit:** The Goshen County Recreation Board (GCRB) provides funding to the Goshen County community for recreation projects, which may include facilities, construction, programs, and equipment. The Board appoints three of the five members of GCRB’s governing board. GCRB is fiscally dependent on the District because the District’s Board must approve annually a one-mill levy that provides GCRB’s funding. The component unit has a June 30 year-end and is presented in the accompanying financial statements as the Recreation Fund. No separate individual component unit financial statements are available for GCRB.

**Government-wide and fund financial statements:** The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the *direct expenses* of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

*Program revenues* include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

---

### Note 1. Nature of Operations and Significant Accounting Policies, *Continued*

**Measurement focus, basis of accounting, and financial statement presentation:** The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to students and faculty for food services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The District reports the following major governmental funds:

- The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.
- The *Grants Fund* accounts for Federal, state and local grants and other resources whose use is restricted for a particular purpose.
- The *Major Maintenance Fund* accounts for the resources accumulated and payments made for major maintenance projects. This fund was established by the District in accordance with Wyoming State Statutes and is funded by the School Facilities Department and the General Fund.

The District reports the following proprietary fund:

- The *Food Service Fund* accounts for the activities of the District's food service program.

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

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

---

### Note 1. Nature of Operations and Significant Accounting Policies, *Continued*

Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position or fund balance consist of the following:

**Cash:** Cash consists of demand deposit accounts, money market accounts, and petty cash.

**Cash held by County Treasurer:** Cash with County Treasurer in the General Fund and other governmental funds represents property taxes collected and held by the Goshen County Treasurer, which have not been remitted to the District as of June 30.

**Accounts receivable:** The District considers all accounts receivable to be fully collectible at June 30, 2024, and therefore, no allowance for doubtful accounts is deemed necessary.

**Interfund balances:** On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as due from/to 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 and business-type activities, if applicable.

**Property taxes:** Property tax valuations are split into two categories: non-mineral and mineral. Non-mineral property is valued and assessed annually on January 1. Taxes are levied on or about August 1 and payable in two installments on September 1 and March 1. Goshen County bills and collects its own property taxes as well as those for all municipalities and political subdivisions within Goshen County, including the District. If not paid, property taxes attach as an enforceable lien on property as of May 11. The collection of mineral-based ad valorem taxes was significantly modified during the 2021 and 2022 Legislative Sessions. Mineral ad valorem taxes are collected by the State of Wyoming and then distributed to Goshen County, which, in turn, distributes funds to the District. Beginning with 2022 mineral production, the payment of taxes will be due on or before the 25<sup>th</sup> day of the third month following the month of production. 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 on the fund financial statements.

Property taxes that are not current receivables are offset by deferred inflows of resources on the fund financials but are reported on the government-wide financial statements as revenue and receivables, with no amount being deferred. Property taxes receivable of \$9,064,953 in the General Fund, \$302,286 in the Recreation Fund and \$154,504 in the Boards of Cooperative Educational Services (BOCES) Fund, totaling \$9,521,743 for fiscal year 2024, are reported on the fund financial statements and the government-wide financial statements, and are included in unavailable revenue on both statements as these revenues may not be used until fiscal year 2024.

The District is required by Wyoming State Statutes to levy taxes of 25 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; one-half mill is levied for BOCES, and one mill is levied for a recreation district tax. The combined tax related to finance general school services other than the payment of principal and interest on long-term debt for the year ended June 30, 2024 was 32½ mills.

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations and Significant Accounting Policies, *Continued*

**Inventories:** Inventories are stated at the lower of cost (first-in, first-out method) or net realizable value. Inventories are accounted for using the consumption method by which inventory acquisitions are recorded in inventory accounts when purchased or received by other means and are charged to expense when consumed or sold.

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40-50 years
Building improvements	5-30 years
Vehicles	5-15 years
Machinery and equipment	3-20 years

**Impairments:** The District evaluates prominent events or changes in circumstances that affect capital assets to determine whether impairment of a capital asset has occurred. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage. The District will consider an asset impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside of the normal life cycle of the capital asset. The District will recognize an impairment loss when the District considers a capital asset impaired and will recognize the capital asset at the lower of the carrying value or fair value.

**Compensated absences:** It is the District's policy to permit certified and classified employees to accumulate earned but unused personal and sick pay benefits. All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured (for example, as a result of employee resignations and retirements).

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

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations and Significant Accounting Policies, *Continued*

**Unemployment compensation:** The District does not carry unemployment insurance but pays the cost of actual claims incurred. The District paid unemployment claims in the amount of \$0 for the year ended June 30, 2024.

**Estimates:** The preparation of the primary government financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Fund balance:** The District reports fund balance in the governmental fund financial statements in one of the following five categories:

- *Nonspendable fund balance* represents amounts that are not in spendable form for which the District includes prepaid amounts;
- *Restricted fund balance* represents amounts constrained to a specific purpose by their providers through constitutional provisions or by enabling legislation;
- *Committed fund balance* represents amounts constrained to a specific purpose by the Board through formal motion. Amounts reported as committed cannot be used for any other purpose unless the Board makes another formal motion;
- *Assigned fund balance* represents amounts constrained by the District's intent to use them for a specific purpose. Although the District does not have a policy specific to assigned fund balance, other District policies authorize certain individuals to enter into purchase orders that may result in encumbrances at year-end; and
- *Unassigned fund balance* represents amounts that have not been restricted, committed or assigned to a specific purpose.

The District's fund balance policy states that when both restricted and unrestricted (committed, assigned, and unassigned) resources are available for a given expenditure, the District will consider restricted funds to have been used first. It is also the District's policy that unrestricted funds will be used in the following order: committed, assigned, and unassigned.

Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. The District's encumbrances have been included within fund balance and are as follows:

General Fund (assigned)	\$	28,852
Grants Fund (restricted)		5,009
Major Maintenance Fund (restricted)		<u>373,870</u>
	\$	<u><u>407,731</u></u>

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Nature of Operations and Significant Accounting Policies, *Continued*

**Net position:** Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Net position reported as 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 and any accounts payable related to those assets. Net position is reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as needed.

### Note 2. Cash

Cash as of June 30, 2024 is classified in the accompanying financial statements, as follows:

Statement of Net Position:

Cash:

Deposits with financial institutions	<u>\$ 17,590,740</u>
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**Investments authorized by the District's investment policy:** The District follows the guidelines set forth in Wyoming State Statute 9-4-831 as it relates to the investment of public funds. The District's investment policy requires investments to comply with Wyoming State Statutes, which generally allow the District to invest in U.S., state, and local government securities and accounts of any bank or savings association that is Federally insured. Stocks and bonds of private corporations as well as reverse repurchase agreements are prohibited investments for the District. All investments made during the year were made within these statutory limits. The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

**Custodial credit risk:** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial 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. Certain deposits held in District bank accounts are insured by Federal depository insurance or collateralized with securities held by the custodian bank, Federal Reserve receipts in the name of the District and the financial institution, or other obligations issued or guaranteed by a Federal government agency in the District's name. As of June 30, 2024, the primary government had bank balances on deposit of \$19,023,026. These deposits were fully collateralized at June 30, 2024.

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

### Note 3. Capital Assets and Commitments

A summary of changes in capital assets follows:

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 408,251	\$ -	\$ -	\$ 408,251
Construction in progress	808,340	1,543,737	2,352,077	-
<b>Total capital assets not being depreciated</b>	<b>1,216,591</b>	<b>1,543,737</b>	<b>2,352,077</b>	<b>408,251</b>
Capital assets being depreciated:				
Buildings and improvements	73,591,403	2,774,640	-	76,366,043
Equipment	1,941,658	281,567	94,671	2,128,554
Vehicles	6,915,119	-	29,500	6,885,619
<b>Total capital assets being depreciated</b>	<b>82,448,180</b>	<b>3,056,207</b>	<b>124,171</b>	<b>85,380,216</b>
Less accumulated depreciation for:				
Buildings and improvements	30,549,968	2,282,472	-	32,832,440
Equipment	1,553,590	118,113	94,671	1,577,032
Vehicles	6,363,649	194,702	29,500	6,528,851
<b>Total accumulated depreciation</b>	<b>38,467,207</b>	<b>2,595,287</b>	<b>124,171</b>	<b>40,938,323</b>
<b>Total capital assets, net of depreciation</b>	<b>43,980,973</b>	<b>460,920</b>	<b>-</b>	<b>44,441,893</b>
<b>Governmental activities, capital assets, net</b>	<b>\$ 45,197,564</b>	<b>\$ 2,004,657</b>	<b>\$ 2,352,077</b>	<b>\$ 44,850,144</b>
Business-type activities:				
Capital assets being depreciated:				
Equipment	\$ 428,528	\$ 24,687	\$ -	\$ 453,215
Less accumulated depreciation	301,885	15,979	-	317,864
<b>Business-type activities, capital assets, net of depreciation</b>	<b>\$ 126,643</b>	<b>\$ 8,708</b>	<b>\$ -</b>	<b>\$ 135,351</b>

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

Governmental activities:	
Instruction:	
Regular instruction	\$ 55,247
Support services:	
General administration services	16,954
Operation and maintenance of plant services	2,345,918
Pupil transportation services	177,168
<b>Total depreciation expenses, governmental activities</b>	<b>\$ 2,595,287</b>
Business-type activities:	
Food Service Fund	\$ 15,979

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

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### Note 4. Accrued Compensated Absences

Accrued compensated absences at June 30, 2024 comprise the following:

Certified employees may accumulate up to 100 days of sick and bereavement leave, which will be paid upon termination at the rate of \$40 to \$50 per day. Classified employees may accumulate up to 60 days of sick and bereavement leave, which will be paid upon termination at the rate of \$10 to \$20 per day. At June 30, 2024, there were 4,654 days of accumulated leave.

\$ 226,981

The accrued compensated absence obligations are paid through the General Fund and the Grants Fund.

Long-term liability activity within governmental activities for the year ended June 30, 2024 was as follows:

	<u>Compensated Absences</u>
Balance, June 30, 2023	\$ 265,977
Additions	79,192
Reductions	<u>118,188</u>
Balance, June 30, 2024	<u>\$ 226,981</u>
Current portion	<u>\$ 118,188</u>

### Note 5. Retirement Plan - WRS

**Plan description:** Substantially all employees of the District, excluding non-benefitted positions, are provided with pensions through the Public Employee Pension Plan, a statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS. The authority to establish and amend benefits and contribution rates rests with the Wyoming State Legislature. The WRS is granted the authority to administer the plan by Wyoming State Statutes 9-3-401 through -432.

The WRS issues a publicly available financial report that may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

**Benefits provided:** The determination of retirement benefits is dependent upon the employee's initial employment date.

*Service Retirement Tier 1:* Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. The formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average salary after 15 years.

## GOSHEN COUNTY SCHOOL DISTRICT #1

### NOTES TO FINANCIAL STATEMENTS

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#### Note 5. Retirement Plan - WRS, *Continued*

*Service Retirement Tier 2:* Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. The formula for retirement equals 2% times the number of years of service times the five-year highest average salary.

*Disability benefits:* Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his/her duties. To qualify, the member must have at least 10 years of service and be “in service” at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his/her disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his/her service retirement benefit as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

*Survivor’s benefits:* Certain surviving dependents receive benefits based on the deceased member’s compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

**Contributions:** Per Title 9-3-412 and -413 of Wyoming State Statutes, effective July 1, 2021, member and employer contributions were required to be 9.25% and 9.37% of compensation, respectively. In accordance with Title 9-3-412(c)(ii) of Wyoming State Statutes, the District has elected to pay 5.5% of the member contributions in addition to the employer contributions. Total contributions to the pension plan from the District were \$3,108,214 for the year ended June 30, 2024.

**Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:** At June 30, 2024, the District reported a liability of \$22,698,148 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023. There were no assumption changes for the 2023 actuarial valuation. The District’s proportion of the net pension liability was based on the relationship of the District’s total contributions to the plan for the year ended December 31, 2023 to the contributions of all participating employers for the same period. At December 31, 2023, the District’s proportion was 0.9998386%, which was an increase from its December 31, 2022 proportion of 0.9829986%.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 5. Retirement Plan - WRS, Continued**

For the year ended June 30, 2024, the District recognized pension expense of \$744,623. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 438,529	\$ 99,156
Net difference between projected and actual earnings on pension plan investments	-	804,583
Changes in proportionate share of contributions	572,396	14,515
Changes in assumptions	232,994	-
Contributions subsequent to the measurement date	981,336	-
	<u>\$ 2,225,255</u>	<u>\$ 918,254</u>

An amount of \$981,336, reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions at June 30, 2024 will be recognized in pension expense, as follows:

Years ending June 30:	
2025	\$ (198,835)
2026	33,358
2027	1,602,422
2028	<u>(1,111,280)</u>
	<u>\$ 325,665</u>

**Actuarial assumptions:** The total pension liability in the January 1, 2023 valuation was determined using the following actuarial assumptions adopted by the WRS Board, effective at its November 17, 2021 and February 17, 2022 meetings, and applied to the December 31, 2023 measurement date:

Inflation	2.25%
Salary Increases	2.50%-6.50%, including inflation
Payroll Growth Rate	2.50%
Cost of Living Increase	0.00%

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

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### Note 5. Retirement Plan - WRS, *Continued*

Investment Rate of Return	6.80%, net of pension plan investment expense, including inflation
Post-Retirement Mortality	Mortality rates were based on the PUB-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 103%.
Pre-Retirement Mortality	Mortality rates were based on the PUB-2010 General Employee Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 100%.

**Long-term expected rate of return:** The long-term expected rate of return on pension plan investments was determined using a building-block method, in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Each major asset class is included in the pension plan's target asset allocation as of January 1, 2023. These best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.50%	-0.30%	-0.30%
Gold	1.50%	2.13%	-0.70%
Fixed income	20.00%	3.38%	3.80%
Equity	51.50%	6.52%	8.20%
Marketable alternatives	16.00%	4.39%	5.23%
Private markets	10.50%	5.97%	7.48%
	<u>100.00%</u>		

**Experience analysis:** An experience study was conducted on behalf of all WRS plans covering the five-year period ended December 31, 2020. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination, and disability) and proposed assumptions consistent with the findings.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 5. Retirement Plan - WRS, Continued**

**Discount rate:** The discount rate used to measure the total pension liability as of December 31, 2023 was 6.80%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate:** The following presents the District’s proportionate share of the net pension liability, calculated using the discount rate of 6.80%, 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 one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Proportionate share of the net pension liability	\$ 36,045,400	\$ 22,698,148	\$ 11,637,308

**Pension plan fiduciary net position:** Detailed information about the pension plan’s fiduciary net position is available in the separately issued WRS financial report, which may be accessed through the WRS website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

**Note 6. Interfund Receivables, Payables and Transfers**

The composition of due to/from other funds as of June 30, 2024 is as follows:

	Due From Other Funds	Due to Other Funds
General Fund	\$ -	\$ 1,756
Grants Fund	1,756	-
	\$ 1,756	\$ 1,756

The balances in interfund receivables and payables resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

# GOSHEN COUNTY SCHOOL DISTRICT #1

## NOTES TO FINANCIAL STATEMENTS

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### Note 6. Interfund Receivables, Payables and Transfers, *Continued*

	Transfers In	Transfers Out
General Fund	\$ -	\$ 50,000
Food Service Fund	50,000	-
	<u>\$ 50,000</u>	<u>\$ 50,000</u>

Transfers are used to: (1) move revenues from the fund that Wyoming State Statutes or budget require to collect them to the fund that Wyoming State Statutes or budget require to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

### Note 7. Risk Management

**General liability:** The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2023, the District contracted with various insurance companies for property insurance (including boiler and machinery), general liability insurance, professional insurance, and vehicle insurance. The coverages under each type of insurance policy vary in amounts and deductibles. On March 30, 2022, an electrical fire occurred at Southeast High School, resulting in damage to the school's Agriculture and Auto Tech building. To date, the District has received \$784,517 of insurance proceeds resulting from the loss of the building. The District has completed construction of the new Auto Tech building. Subsequent to year-end, the District received the final insurance proceeds related to the fire in the amount of \$1,439,128. The District has had no significant reductions in insurance coverage from coverage in the prior year.

The District pays a premium into the State Worker's Compensation System based on a rate per covered payroll. This rate is calculated based on accident history and administrative cost.

The District currently reports all of its risk management activities in the General Fund and the Major Maintenance Fund. 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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) -  
GENERAL FUND  
Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 10,955,133	\$ 10,955,133	\$ 10,811,553	\$ (143,580)
Intergovernmental revenues	20,372,156	20,778,287	20,938,951	160,664
Miscellaneous	1,554,500	1,554,500	337,678	(1,216,822)
<b>Total revenues</b>	<b>32,881,789</b>	<b>33,287,920</b>	<b>32,088,182</b>	<b>(1,199,738)</b>
<b>Expenditures</b>				
Instruction:				
Elementary instruction	5,386,992	5,386,992	5,478,400	(91,408)
Elementary student activities	10,287	10,287	9,605	682
Exceptional programs	4,352,575	4,352,575	4,057,800	294,775
Homebound program	20,000	20,000	10,850	9,150
Junior high instruction	3,019,643	3,019,643	3,047,492	(27,849)
Middle student activities	320,745	320,745	297,620	23,125
Other special programs	166,683	166,683	171,335	(4,652)
Senior high instruction	4,412,917	4,412,917	4,456,723	(43,806)
Senior high student activities	1,067,139	1,067,139	1,039,803	27,336
<b>Total instruction</b>	<b>18,756,981</b>	<b>18,756,981</b>	<b>18,569,628</b>	<b>187,353</b>
Instructional support:				
Assessment services	1,500	1,500	-	1,500
Educational media services	407,366	407,366	391,896	15,470
Guidance services	484,889	484,889	482,035	2,854
Health services	409,875	409,875	422,406	(12,531)
Improvement of instruction services	90,126	90,126	82,173	7,953
Instructional facilitators	114,920	114,920	-	114,920
Physical and occupational therapy services	157,005	157,005	162,729	(5,724)
Psychological services	368,838	368,838	371,572	(2,734)
Related service aide	44,523	44,523	44,457	66
Social work services	440,261	440,261	438,151	2,110
Speech pathology services	552,512	552,512	609,302	(56,790)
Supervision of educational media services	120,335	120,335	120,331	4
Supervision of special education services	224,874	224,874	225,395	(521)
Visually impaired and vision services	602	602	5,508	(4,906)
<b>Total instructional support</b>	<b>3,417,626</b>	<b>3,417,626</b>	<b>3,355,955</b>	<b>61,671</b>

*Continued*

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) -  
GENERAL FUND, *Continued*  
Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<i>Expenditures, Continued</i>				
General support:				
Architecture and support services	\$ 825,000	\$ 825,000	\$ 473,973	\$ 351,027
Board of Education services	75,000	75,000	56,660	18,340
Business administration	445,236	445,236	448,371	(3,135)
Care and upkeep of grounds services	95,120	95,120	106,177	(11,057)
Central administration	533,142	533,142	477,029	56,113
Food service fund support	798,064	-	-	-
Fund transfer	50,000	50,000	50,000	-
General maintenance	3,802,430	3,802,430	4,005,788	(203,358)
Nonreimbursable transportation services	177,933	135,702	93,444	42,258
Reimbursable transportation non-vehicle services	260,883	177,933	157,811	20,122
School administration	2,213,436	2,213,436	2,203,618	9,818
Security services	-	2,500	852	1,648
Staff services	135,702	226,937	256,129	(29,192)
Technology coordination	226,937	798,064	682,862	115,202
Vehicle operations - activities	1,471,935	260,883	255,804	5,079
Vehicle operations to/from school	2,500	1,471,935	1,479,104	(7,169)
<b>Total general support</b>	<b>11,113,318</b>	<b>11,113,318</b>	<b>10,747,622</b>	<b>365,696</b>
<b>Total expenditures</b>	<b>33,287,925</b>	<b>33,287,925</b>	<b>32,673,205</b>	<b>614,720</b>
<b>(Deficiency) of revenues over expenditures</b>	<b>\$ (406,136)</b>	<b>\$ (5)</b>	<b>\$ (585,023)</b>	<b>\$ (585,018)</b>

See Notes to Required Supplementary Information.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) -  
GRANTS FUND  
Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
State sources	\$ 50,000	\$ 50,000	\$ 48,000	\$ (2,000)
Federal sources	8,049,441	8,049,441	6,155,980	(1,893,461)
<b>Total revenues</b>	<b>8,099,441</b>	<b>8,099,441</b>	<b>6,203,980</b>	<b>(1,895,461)</b>
<b>Expenditures</b>				
Instruction	4,022,344	4,022,344	3,267,598	754,746
Instructional support	2,381,176	2,381,176	1,987,516	393,660
Guidance services	-	-	45,723	(45,723)
Social work services	-	-	2,112	(2,112)
Health services	-	-	255	(255)
General support	1,645,921	1,645,921	533,198	1,112,723
Central administration	-	-	5,363	(5,363)
School administration	-	-	17,507	(17,507)
Food service organizations	-	-	-	-
Architecture/engineering services	50,000	50,000	5,009	44,991
<b>Total expenditures</b>	<b>8,099,441</b>	<b>8,099,441</b>	<b>5,864,281</b>	<b>2,235,160</b>
<b>Excess of revenues over expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 339,699</b>	<b>\$ 339,699</b>

See Notes to Required Supplementary Information.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) -  
 MAJOR MAINTENANCE FUND  
 Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Interest	\$ 20,056	\$ 20,056	\$ 398,687	\$ 378,631
State maintenance allocation	2,110,000	2,110,000	2,104,375	(5,625)
<b>Total revenues</b>	<b>2,130,056</b>	<b>2,130,056</b>	<b>2,503,062</b>	<b>373,006</b>
<b>Expenditures</b>				
Building and facility maintenance	2,130,056	2,130,056	1,337,347	792,709
<b>Total expenditures</b>	<b>2,130,056</b>	<b>2,130,056</b>	<b>1,337,347</b>	<b>792,709</b>
<b>Excess of revenues over expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,165,715</b>	<b>\$ 1,165,715</b>

See Notes to Required Supplementary Information.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan  
Last 10 Fiscal Years\***

	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	1.00564113%	\$ 17,746,471	\$ 17,635,874	100.63%	79.08%
2016	0.97753396%	22,770,116	17,587,601	129.47%	73.40%
2017	0.98976730%	23,927,627	17,921,899	133.51%	73.42%
2018	1.00978730%	23,016,491	17,743,897	129.71%	76.35%
2019	0.98617400%	30,031,867	17,168,335	174.93%	69.17%
2020	0.97652400%	22,947,594	17,377,044	132.06%	76.83%
2021	0.95812500%	20,823,503	17,470,042	119.20%	79.24%
2022	0.95399250%	14,545,729	17,388,206	83.65%	86.03%
2023	0.98299860%	26,863,526	18,464,618	145.49%	75.47%
<b>2024</b>	<b>0.99983860%</b>	<b>22,698,148</b>	<b>20,108,674</b>	<b>112.88%</b>	<b>80.19%</b>

*\* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.*

See Notes to Required Supplementary Information.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
Public Employee Pension Plan  
Last 10 Fiscal Years**

	Statorily Required Contribution	Contributions in Relation to the Statorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 1,334,938	\$ 1,334,938	\$ -	\$ 17,518,872	7.62%
2016	1,462,894	1,462,894	-	17,477,823	8.37%
2017	1,521,252	1,521,252	-	18,175,048	8.37%
2018	1,445,722	1,445,722	-	17,272,668	8.37%
2019	1,477,180	1,477,180	-	17,208,801	8.58%
2020	1,547,297	1,547,297	-	17,444,156	8.87%
2021	1,587,772	1,587,772	-	17,409,777	9.12%
2022	1,647,712	1,647,712	-	17,584,976	9.37%
2023	1,811,375	1,811,375	-	19,331,646	9.37%
<b>2024</b>	<b>1,925,658</b>	<b>1,925,658</b>	<b>-</b>	<b>20,551,317</b>	<b>9.37%</b>

See Notes to Required Supplementary Information.

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**Note 1. Budgetary Stewardship, Compliance, and Accountability**

**Budgets and budgetary accounting:** The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to May 15, the Business Manager submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted on or before the third Wednesday in July to obtain public comments.
3. The budget is adopted by the third Thursday of July.
4. At the request of the Superintendent or upon its own motion after publication of notice, the Board of Trustees may, by resolution, transfer any unencumbered or unexpended appropriation balance or part thereof from one fund, department, or account to another. All appropriations, excluding appropriations for capital projects, lapse at the close of the budget year to the extent that they are not expended or encumbered. The level of expenditure control for budget purposes is the functional level.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, the Capital Projects Fund, and the special revenue funds.
6. Budgets are adopted on a modified accrual plus encumbrances basis (budgetary). Such basis is not consistent with accounting principles generally accepted in the United States of America (U.S. GAAP).
7. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration during the year. Encumbrances outstanding at year-end within the General Fund, the Grants Fund, or the Major Maintenance Fund are included as reconciling items between the budgetary basis and the U.S. GAAP basis.

**Note 2. Explanation of Differences Between Budgetary Basis and U.S. GAAP Basis**

	General Fund	Grants Fund	Major Maintenance Fund
Expenditures:			
Actual amounts (budgetary basis) from the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis)	\$ 32,673,205	\$ 5,864,281	\$ 1,337,347
Differences - budgetary basis to U.S. GAAP basis:			
Transfers	(50,000)	-	-
Encumbrances	(28,852)	(5,009)	(373,870)
<b>Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b>\$ 32,594,353</b>	<b>\$ 5,859,272</b>	<b>\$ 963,477</b>

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**Note 3. Changes in Retirement Commitment - Wyoming Retirement System (WRS)**

**Changes in benefit terms:** There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2023 measurement date.

**Changes in assumptions:** Healthcare trend rates were updated, along with the assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates, based on the WRS's December 31, 2020 actuarial experience study. Further, there have been various assumption changes from the initial measurement date reflected below through the December 31, 2023 measurement date, as indicated in the table below:

Measurement Date (WRS Year-End)	Discount Rate	Investment Rate of Return	Inflation Rate	Salary Increase Rate	Payroll Growth Rate	Cost of Living Increase
2014	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2015	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2016	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2017	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%	0.00%
2018	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2019	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2020	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%	0.00%
2021	6.80%	6.80%	2.25%	2.50%-6.50%	2.50%	0.00%
2022	6.80%	6.80%	2.25%	2.50%-6.50%	2.50%	0.00%
<b>2023</b>	<b>6.80%</b>	<b>6.80%</b>	<b>2.25%</b>	<b>2.50%-6.50%</b>	<b>2.50%</b>	<b>0.00%</b>

## **OTHER SUPPLEMENTARY INFORMATION**

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**

**June 30, 2024**

	Recreation Fund	Student Activity Fund	BOCES Fund	Capital Projects Fund	Total
<b>ASSETS</b>					
Cash	\$ 222,485	\$ 471,691	\$ 154,623	\$ 419,416	\$ 1,268,215
Cash Held by Third Parties	1,539	-	770	-	2,309
Property Taxes Receivable	302,286	-	154,504	-	456,790
Prepaid Items	51,512	803	-	-	52,315
<b>Total assets</b>	<b>\$ 577,822</b>	<b>\$ 472,494</b>	<b>\$ 309,897</b>	<b>\$ 419,416</b>	<b>\$ 1,779,629</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ -	\$ 11,999	\$ 6,437	\$ 133,324	\$ 151,760
Due to other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>11,999</b>	<b>6,437</b>	<b>133,324</b>	<b>151,760</b>
Deferred Inflows of Resources					
Unavailable revenues	302,286	-	151,143	-	453,429
Fund Balances					
Nonspendable:					
Prepaid items	51,512	803	-	-	52,315
Restricted for:					
Goshen County Recreation Board projects	224,024	-	-	-	224,024
BOCES	-	-	152,317	-	152,317
Committed to:					
Current capital projects	-	-	-	286,092	286,092
Assigned:					
Student activities	-	459,692	-	-	459,692
<b>Total fund balances</b>	<b>275,536</b>	<b>460,495</b>	<b>152,317</b>	<b>286,092</b>	<b>1,174,440</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 577,822</b>	<b>\$ 472,494</b>	<b>\$ 309,897</b>	<b>\$ 419,416</b>	<b>\$ 1,779,629</b>

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - NONMAJOR  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2024**

	Recreation Fund	Student Activity Fund	BOCES Fund	Capital Projects Fund	Total
<b>Revenues</b>					
Taxes	\$ 281,300	\$ -	\$ 168,186	\$ -	\$ 449,486
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	668,474	78,936	-	747,410
Investment earnings	5,640	12,283	4,986	9,722	32,631
<b>Total revenues</b>	<u>286,940</u>	<u>680,757</u>	<u>252,108</u>	<u>9,722</u>	<u>1,229,527</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular instruction	-	629,338	328,671	-	958,009
<b>Total instruction</b>	<u>-</u>	<u>629,338</u>	<u>328,671</u>	<u>-</u>	<u>958,009</u>
Support services:					
Central support services	-	-	-	-	-
Facilities, acquisitions, and construction services	219,191	-	-	125,362	344,553
Operation and maintenance of plant services	-	-	-	21,824	21,824
<b>Total support services</b>	<u>219,191</u>	<u>-</u>	<u>-</u>	<u>147,186</u>	<u>366,377</u>
Capital outlay	-	37,189	-	9,939	47,128
<b>Total expenditures</b>	<u>219,191</u>	<u>666,527</u>	<u>328,671</u>	<u>157,125</u>	<u>1,371,514</u>
<b>Net change in fund balances</b>	<u>67,749</u>	<u>14,230</u>	<u>(76,563)</u>	<u>(147,403)</u>	<u>(141,987)</u>
Fund Balances, beginning of year	<u>207,787</u>	<u>446,265</u>	<u>228,880</u>	<u>433,495</u>	<u>1,316,427</u>
Fund Balances, end of year	<u>\$ 275,536</u>	<u>\$ 460,495</u>	<u>\$ 152,317</u>	<u>\$ 286,092</u>	<u>\$ 1,174,440</u>

**SINGLE AUDIT SECTION**

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Agriculture:			
Pass through State Department of Education:			
Child Nutrition Cluster:			
National School Lunch Program	10.555	233WY901N8903	\$ 37,497
National School Lunch Program	10.555	243WY312N1099	313,618
National School Lunch Program - Noncash	10.555	None	44,080
<b>Subtotal National School Lunch Program</b>			<b>395,195</b>
School Breakfast Program	10.553	243WY312N1099	105,857
Fresh Fruit and Vegetable Program	10.582	243WY379L1603	64,430
Summer Food Service Program for Children	10.559	233WY312N1099	8,019
<b>Total Child Nutrition Cluster</b>			<b>573,501</b>
<b>Total U.S. Department of Agriculture</b>			<b>573,501</b>
U.S. Department of Education:			
Pass through State Department of Education:			
Title I Grants to Local Educational Agencies:			
Title I	84.010A	S010A230050	649,892
Title I	84.010A	S010S230050	22,888
Title I	84.010A	S010A220050	330,766
<b>Total Title I Grants to Local Educational Agencies</b>			<b>1,003,546</b>
Career and Technical Education - Basic Grants to States:			
Perkins	84.048A	V048A220050	3,137
Perkins	84.048A	V048A230050	56,275
<b>Total Career and Technical Education - Basic Grants to States</b>			<b>59,412</b>
Career and Technical Education - National Programs	84.051F	V048A210050	38,928
Supporting Effective Instruction State Grants:			
Title II-A	84.367A	S367A220048	130,129
Title II-A	84.367A	S367A230048	15,754
<b>Total Supporting Effective Instruction State Grants</b>			<b>145,883</b>
Student Support and Academic Enrichment Program:			
Title IV	84.424A	S424A210052	7,894
Title IV	84.424A	S424A230052	36,698
Title IV	84.424A	S424A220052	102,679
<b>Total Student Support and Academic Enrichment Program</b>			<b>147,271</b>

*Continued*

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS,**

*Continued*

**Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Education, <i>Continued</i> :			
Pass through State Department of Education, <i>Continued</i> :			
Special Education Cluster:			
Special Education - Grants to States:			
Title VIB - IDEA 611	84.027A	H027A230014	\$ 419,539
Title VIB - IDEA 611	84.027A	H027A220014	253,713
<b>Subtotal Special Education - Grants to States</b>			<u>673,252</u>
COVID-19 Special Education - American Rescue Plan (ARP)	84.027X	611ARP21	11,993
<b>Total Special Education</b>			<u>685,245</u>
Special Education - Preschool Grants	84.173A	H173A230076	4,991
COVID-19 Special Education - Preschool Grants - ARP	84.173X	619ARP21	4,439
<b>Total Special Education - Preschool Grants</b>			<u>9,430</u>
<b>Total Special Education Cluster</b>			<u>694,675</u>
Education Stabilization Fund:			
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	S425D210051	550
COVID-19 ARP ESSER - Homeless Children & Youth	84.425W	S425W210052	1,644
COVID-19 Governor's Emergency Relief Fund	84.425C	S425D210051	186,788
COVID-19 ARP ESSER	84.425U	None	77,636
COVID-19 ARP ESSER	84.425U	S425D220051	3,151,941
<b>Subtotal ARP ESSER</b>			<u>3,229,577</u>
<b>Total Education Stabilization Fund</b>			<u>3,418,559</u>
Comprehensive Literacy Development	84.371C	S371C210013	34,775
<b>Total U.S. Department of Education</b>			<u>5,543,049</u>
Federal Communications Commission:			
Stronger Connections	84.424F		61,294
<b>Total Federal Communications Commission</b>			<u>61,294</u>
<b>Total expenditures of Federal awards</b>			<u>\$ 6,177,844</u>

See Notes to Schedule of Expenditures of Federal Awards.

## **GOSHEN COUNTY SCHOOL DISTRICT #1**

### **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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#### **Note 1. Summary of Significant Accounting Policies**

Expenditures reported on the accompanying Goshen County School District #1 (the District) Schedule of Expenditures of Federal Awards (the Schedule) are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District provided no Federal funds to subrecipients.

#### **Note 2. De Minimis Cost Rate**

The District did not elect to use the 10% de minimis cost rate allowed under the Uniform Guidance.

#### **Note 3. Basis of Presentation**

The Schedule includes the Federal award activity of the District under programs of the Federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the District, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the District.

#### **Note 4. Noncash Awards**

The Schedule includes the following noncash items as expenditures: U.S. Department of Agriculture (USDA) commodities of \$44,080. The values of USDA commodities have been recorded at their fair values at the date of issuance.



**INDEPENDENT AUDITOR'S 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**

Honorable Superintendent and Board of Trustees  
Goshen County School District #1  
Torrington, Wyoming

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Goshen County School District #1 (the District) as of and for the year ended June 30, 2024, 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 4, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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 and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001, that we consider to be a material weakness.

**Report on Compliance and Other Matters**

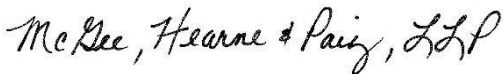
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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 or other matters that are required to be reported under *Government Auditing Standards*.

**The District's Response to Finding**

*Government Auditing Standards* require the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

**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.



Cheyenne, Wyoming  
December 4, 2024



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Superintendent and Board of Trustees  
Goshen County School District #1  
Torrington, Wyoming

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Goshen County School District #1’s (the District) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the District’s major Federal programs for the year ended June 30, 2024. The District’s major Federal programs are identified in the Summary of Independent Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District 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 the District’s compliance with the compliance requirements referred to above.

***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 or grant agreements applicable to the District’s Federal programs.

### ***Auditor's 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 the District'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 GAAS, *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 compliance 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 the District's compliance with the requirements of each major Federal program as a whole.

In performing an audit in accordance with GAAS, *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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District'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 the District'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 identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for 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. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

*McGee, Hearne & Paiz, LLP*

Cheyenne, Wyoming  
December 4, 2024

**GOSHEN COUNTY SCHOOL DISTRICT #1**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended June 30, 2024**

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**I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major Federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

Type of auditor's report issued on compliance for major Federal programs: Unmodified

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

Identification of major Federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
84.425 Cluster	COVID-19 Education Stabilization Fund Child Nutrition Cluster

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

Auditee qualified as low-risk auditee?  Yes  No

**II. FINANCIAL STATEMENT FINDINGS**

**2024-001: Segregation of Duties and Internal Controls Surrounding Journal Entries and Audit Adjustments (Material Weakness)**

*Criteria:* Internal controls are designed to safeguard assets and help prevent loss from employee dishonesty or error. An internal control structure should be designed to identify adjusting journal entries that are significant to Goshen County School District #1's (the District) financial statements that are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Fundamental concepts in an adequate system of internal control include the segregation of duties, which follows the basic premise that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction, and the identification and prevention or detection of errors on a timely basis.

## GOSHEN COUNTY SCHOOL DISTRICT #1

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2024

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#### II. FINANCIAL STATEMENT FINDINGS, *Continued*

*Condition/context:* During the course of our audit, we noted several instances where there is not an adequate segregation of duties. We specifically noted that one individual has the authority to post journal entries without a secondary review or approval and that the same individual can have physical custody of cash assets and also can post cash receipts. In addition, the lack of segregation of duties also impacts the financial reporting and close process.

The following adjusting journal entries were proposed to ensure that the financial statements were properly stated in accordance with U.S. GAAP:

- To correct the recording of the \$1,439,000 of insurance proceeds.
- To increase Federal contracts and grants revenue and accounts receivable by approximately \$428,000.
- To decrease fixed assets by approximately \$300,000 and depreciation expense and accumulated depreciation by \$10,000.

It should be noted that the Board of Trustees does provide monthly oversight through a cash balance report review.

*Cause:* The concentration of closely related duties and responsibilities by a small staff makes it difficult to establish an adequate system of internal checks on the accuracy and reliability of the accounting records.

*Effect:* Without properly designed internal control systems, Goshen County School District #1 (the District) could be susceptible to a misappropriation of assets (theft of money) and/or inaccurate financial reporting.

*Recommendation:* We recommend that current internal control policies and procedures be scrutinized to ensure that proper segregation is obtained when possible. While we recognize that the District's Business Office is small, which can make robust segregation of duties controls difficult, we believe that the Board of Trustees should be aware that the condition exists and provide oversight when possible.

*Views of responsible officials and planned corrective action:* Management concurs with the finding. See Exhibit I.

#### III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

## GOSHEN COUNTY SCHOOL DISTRICT #1

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS Year Ended June 30, 2024

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#### I. FINANCIAL STATEMENT FINDINGS

##### **2023-001: Segregation of Duties and Internal Controls Surrounding Journal Entries (Significant Deficiency)**

*Condition/context:* During the course of our audit, we noted several instances where there is not an adequate segregation of duties. We specifically noted that one individual has the authority to post journal entries without a secondary review or approval and that the same individual can have physical custody of cash assets and also can post cash receipts. It should be noted that the Board of Trustees does provide monthly oversight through a cash balance report review.

*Recommendation:* We recommend that current internal control policies and procedures be scrutinized to ensure that proper segregation is obtained when possible. While we recognize that Goshen County School District #1's (the District) Business Office is small, which can make robust segregation of duties controls difficult, we believe that the Board of Trustees should be aware that the condition exists and provide oversight when possible.

*Status:* See finding 2024-001.

##### **2023-002: Schedule of Expenditures of Federal Awards (SEFA) (Significant Deficiency)**

*Condition/context:* The District did not provide a SEFA that properly identified all Federal funds expended. Specifically, the expenditures for the Emergency Connectivity Fund program were initially excluded from the SEFA provided for audit. Further, the SEFA was prepared on the accrual basis when it should have been prepared on the cash basis.

*Recommendation:* We recommend that the District implement procedures to track all Federal programs operated by the District and ensure that actual Federal expenditures are reported within the SEFA.

*Status:* For fiscal year 2024 and forward, the District has elected to report its SEFA on the accrual basis of accounting. This finding is resolved.

**EXHIBIT I**

**CORRECTIVE ACTION PLAN**



**Ryan Kramer**  
Superintendent  
of Schools

**Kevin Derby**  
Director of Curriculum,  
Instruction & Data  
Management

**Marcy Cates**  
Business Manager

**BOARD OF TRUSTEES**

Michael Sussex  
Board Chairman

Sarah Chaires  
Board Vice-Chair

Chris Alexander  
Board Clerk

Matthew Cushman  
Board Treasurer

Dylan Hager

Justin Hurley

Lena Moeller

Wade Phipps

Carlos Saucedo

**CORRECTIVE ACTION PLAN**  
**Year Ended June 30, 2024**

The following is the corrective action plan for the Schedule of Findings and Questions Costs:

**2024-001: Segregation of Duties and Internal Controls Surrounding Journal Entries and Audit Adjustments**

**Corrective Action:** Management understands that we are operating with a small staff and taking advantage of all efficiencies. The District will work to segregate duties as much as possible given the small staff. The District Board of Directors will continue to review financial statements prepared internally each month.

**Anticipated Completion Date:** Ongoing

**Contact Person:** Superintendent Ryan Kramer and Business Manager Marcy Cates