WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
HOWARD, KANSAS

FINANCIAL STATEMENT
JUNE 30, 2023

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INDEPENDENT AUDITORS' REPORT

Board of Education
West Elk Unified School District No. 282
Howard, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **West Elk Unified School District No. 282, Howard, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement.

Adverse and Unmodified Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **West Elk Unified School District No. 282, Howard, Kansas**, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **West Elk Unified School District No. 282, Howard, Kansas**, as of **June 30, 2023**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of the report. We are required to be independent of **West Elk Unified School District No. 282, Howard, Kansas** 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 adverse and unmodified audit opinions.

BFR CPA, LLC
10000 W. 37th St. N.
Wichita, Kansas 67205-7700

(316) 945-1500
Fax (316) 945-1505
bfr@bfrcpa.com

Board of Education
West Elk Unified School District No. 282

Matter Giving Rise to Adverse Opinion on Accounting Principles Generally Accepted in the United State of America
As discussed in Note 1 of the financial statement, the financial statement is prepared by **West Elk Unified School District No. 282, Howard, Kansas**, on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **West Elk Unified School District No. 282, Howard, Kansas'** ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America 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 statement.

In performing an audit in accordance with auditing standards generally accepted in the United States of America 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 statement, 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 statement.
- 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 **West Elk Unified School District No. 282, Howard, Kansas'** 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 statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the **West Elk Unified School District No. 282, Howard, Kansas'** 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, schedule of cash receipts and expenditures-capital projects, agency funds schedules of regulatory basis cash receipts and disbursements, and district activity funds schedules of regulatory basis cash receipts, expenditures, and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. 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 statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the **West Elk Unified School District No. 282, Howard, Kansas**, as of and for the year ended June 30, 2022, and have issued our report thereon dated February 7, 2023, which contained an unmodified opinion on the basic financial statement.

The 2022 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/oar/municipal-services. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended June 30, 2022 (as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2022, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2024, on our consideration of **West Elk Unified School District No. 282, Howard, Kansas'** 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 **West Elk Unified School District No. 282, Howard, Kansas'** 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 **West Elk Unified School District No. 282, Howard, Kansas'** internal control over financial reporting and compliance.

BFR CPA, LLC
BFR CPA, LLC
March 4, 2024

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 5,343	$ 2,658	$ 5,132,934	$ 5,137,994	$ 2,941	$ 3,029	$ 5,970
Special Purpose Funds							
Supplemental General	53,431	620	1,335,891	1,334,890	55,052	0	55,052
Preschool-Aged At-Risk	0	0	14,538	14,538	0	0	0
At Risk (K-12)	0	0	596,209	596,209	0	0	0
Bilingual Education	0	0	267	267	0	0	0
Virtual Education	0	0	781,912	781,912	0	0	0
Capital Outlay	585,598	0	705,994	312,147	979,445	0	979,445
Driver Training	10,988	0	4,066	5,170	9,884	0	9,884
Food Service	46,943	0	330,062	333,424	43,581	0	43,581
Professional Development	0	0	0	0	0	0	0
Special Education	0	0	1,620,480	1,620,480	0	0	0
Career and Postsecondary Education	0	0	248,407	248,407	0	0	0
Special Education Cooperative	1,176,800	0	4,132,686	4,000,172	1,309,314	4,249	1,313,563
KPERS Contribution	0	0	771,577	771,577	0	0	0
Federal Funds	(15,376)	0	715,311	698,384	1,551	0	1,551
Gifts and Grants	93,128	0	91,110	93,427	90,811	0	90,811
Contingency Reserve	138,578	0	88,000	0	226,578	0	226,578
Textbook & Student Material Revolving	36,985	0	10,378	42,162	5,201	0	5,201
Daycare	0	0	34,594	34,594	0	0	0
District Activity Funds	8,884	0	40,278	37,362	11,800	0	11,800
Bond & Interest Fund	0	0	324,062	273,460	50,602	0	50,602
Capital Projects Fund	9,475,566	0	943,530	6,687,235	3,731,861	592,997	4,324,858
	$ 11,616,868	$ 3,278	$ 17,922,286	$ 23,023,811	$ 6,518,621	$ 600,275	$ 7,118,896

Composition of Cash:		
	Checking Accounts	$ 7,155,108
	Savings Accounts	2,558
	Certificates of Deposit	5,000
		7,162,666
	Agency Funds	(43,770)
		$ 7,118,896

The notes to the financial statement are an integral part of this statement.

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2023

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

West Elk Unified School District No. 282 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Howard, Severy, and Moline, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

The District serves as the sponsoring District for a Special Education Cooperative (Coop). The Coop includes the District plus two additional districts. Funds for the Coop are provided by assessments from the participating districts in addition to State and Federal grants. The Coop is presented as a budgeted special purpose fund within the District.

KMAAG Regulatory Basis of Presentation Fund Definitions:

General Fund-the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds-used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond & Interest Fund-used to account for the accumulation of resources, including tax levies, transfers from other funds and for payment of general long-term debt.

Capital Projects Fund-used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Agency Funds-funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and bond & interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year ended June 30, 2023.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Federal Funds	Gifts and Grants Fund
Contingency Reserve Fund	Textbook & Student Material Revolving Fund
Daycare Fund	District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Note 2 - Defined Benefit Pension Plan:

Plan description
The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions
K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 14.20% and 13.33%, respectively, for the fiscal year ended June 30, 2022. The actuarially determined employer contribution rate and the statutory contribution rate was 13.88% and 13.11% for the fiscal year ended June 30, 2023.

Senate Substitute for House Bill 2052 authorized the delay of $64.1 million in fiscal year 2017 contributions. These contributions were set up as a long-term receivable. Payment is scheduled to be made in a series of twenty annual payments of $6.4 million dollars per year beginning in fiscal year 2018. Senate Substitute for House Bill 2002 authorized the delay of $194.0 million in fiscal year 2019 contributions. Payment is scheduled to be made in a series of twenty annual paymentsof $19.4 million starting in fiscal year 2020.

House Substitute for Senate Bill 109 from the 2018 Legislative session provided for additional funding for the KPERS School Group. A payment of $56 million was paid in fiscal year 2018. This bill also authorized a payment of $82 million in fiscal year 2019. The 2019 legislative session authorized an additional fiscal year payment for the KPERS School Group. 2019 Senate Bill 9 authorized a payment of $115 million for the KPERS School Group. House Substitute for Senate Bill 25 from the 2019 Legislative session authorized additional funding for the KPERS School Group in fiscal year 2020 of $51 million.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate

Bill 159 recertified the State/School contribution rates for Fiscal Years 2022 and 2023. Fiscal Year 2022 was recertified from 14.09% to 13.33% and Fiscal Year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021. The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $771,577 for the year ended June 30, 2023.

Net Pension Liability

At June 30, 2023, the District's proportionate share of the collective net pension liability reported by KPERS was $6,941,480. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2022. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

Note 3 - Deposits:

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2023.

At June 30, 2023, the District's carrying amount of deposits was $7,162,666 and the bank balance was $7,748,193. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $303,576 was covered by federal depository insurance and the remaining $7,444,617 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Note 4 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

	Transfer to:									
Transfer from:	Preschool-Aged At-Risk	At Risk (K-12)	Bilingual Education	Virtual	Capital Outlay	Food Service	Special Education	Career and Postsecondary Education	Contingency Reserve	Total
General Fund	$ 14,538	$ 470,062	$ 0	$ 765,267	$ 28,066	$ 0	$ 846,084	$ 215,685	$ 88,000	$ 2,427,702
Supplemental General Fund	0	126,147	267	16,645	0	52,100	774,396	0	0	969,555
	$ 14,538	$ 596,209	$ 267	$ 781,912	$ 28,066	$ 52,100	$1,620,480	$ 215,685	$ 88,000	$ 3,397,257

Note 5 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Note 6 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Risk Management
The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 7 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Note 8 - Reimbursed Expenditures:

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

Note 9 - Subsequent Events:

The District has evaluated subsequent events through March 4, 2024, the date which the financial statement was available to be issued.

Note 10 - Long-Term Debt:

Principal payments are due annually for the general obligation bonds on September 1. Interest payments are due semi-annually on March 1 and September 1.

Principal and interest payments on lease purchase agreements are due monthly and annually.

Terms for long-term liabilities for the District for the year ended June 30, 2023, were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
2021 Series	2.00 - 4.00	12/30/2021	$ 9,735,000	9/1/2047
2023 Series	3.50 - 4.50	1/12/2023	$ 850,000	9/1/2042
Capital Leases				
Facility Upgrades	3.25	7/1/2015	$ 856,000	7/1/2025
2019 71 Passenger Bus	3.49	12/12/2018	$ 83,884	12/15/2023
2020 47 Passenger Bus	3.49	2/27/2019	$ 74,858	3/15/2024

Changes in long-term liabilities for the District for the year ended June 30, 2023, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
2021 Series	$ 9,735,000	$ 0	$ 0	$ 9,735,000	$ 273,460
2023 Series	0	850,000	0	850,000	0
	9,735,000	850,000	0	10,585,000	273,460
Capital Leases					
Facility Upgrades	286,133	0	92,350	193,783	9,299
2019 71 Passenger Bus	26,725	0	17,661	9,064	652
2020 47 Passenger Bus	27,742	0	15,645	12,097	720
	340,600	0	125,656	214,944	10,671
	$ 10,075,600	$ 850,000	$ 125,656	$ 10,799,944	$ 284,131

Current maturities of long-term debt and interest for the next five years and in five-year increments through maturity are as follows:

	Principal			Interest			
	General Obligation Bonds	Capital Leases	Total Principal	General Obligation Bonds	Capital Leases	Total Interest	Total Principal and Interest
2024	$ 0	$ 116,494	$ 116,494	$ 273,286	$ 6,586	$ 279,872	$ 396,366
2025	0	98,450	98,450	268,560	3,200	271,760	370,210
2026	0	0	0	268,560	0	268,560	268,560
2027	0	0	0	268,560	0	268,560	268,560
2028	250,000	0	250,000	263,648	0	263,648	513,648
2029-2033	1,605,000	0	1,605,000	1,157,737	0	1,157,737	2,762,737
2034-2038	2,250,000	0	2,250,000	919,433	0	919,433	3,169,433
2039-2043	2,985,000	0	2,985,000	620,774	0	620,774	3,605,774
2044-2048	3,495,000	0	3,495,000	226,434	0	226,434	3,721,434
	$ 10,585,000	$ 214,944	$ 10,799,944	$ 4,266,992	$ 9,786	$ 4,276,778	$ 15,076,722

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Certified Budget	Adjustment to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	$ 5,489,638	$ (351,644)	$ 0	$ 5,137,994	$ 5,137,994	$ 0
Special Purpose Funds						
Supplemental General	1,369,405	(34,515)	0	1,334,890	1,334,890	0
Preschool-Aged At-Risk	23,530	0	0	23,530	14,538	(8,992)
At Risk (K-12)	641,804	0	0	641,804	596,209	(45,595)
Bilingual Education	2,054	0	0	2,054	267	(1,787)
Virtual Education	1,120,000	0	0	1,120,000	781,912	(338,088)
Capital Outlay	827,961	0	0	827,961	312,147	(515,814)
Driver Training	14,936	0	0	14,936	5,170	(9,766)
Food Service	333,563	0	0	333,563	333,424	(139)
Professional Development	23,000	0	0	23,000	0	(23,000)
Special Education	1,780,863	0	0	1,780,863	1,620,480	(160,383)
Career and Postsecondary Education	263,950	0	0	263,950	248,407	(15,543)
Special Education Cooperative	5,580,533	0	0	5,580,533	4,000,172	(1,580,361)
KPERS Contribution	843,962	0	0	843,962	771,577	(72,385)
Federal Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	698,384	XXXXXXXXXX
Gifts and Grants	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	93,427	XXXXXXXXXX
Contingency Reserve	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0	XXXXXXXXXX
Textbook & Student Material Revolving	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	42,162	XXXXXXXXXX
Daycare	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	34,594	XXXXXXXXXX
District Activity Funds	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	37,362	XXXXXXXXXX
Bond & Interest Fund	273,460	0	0	273,460	273,460	0
Capital Projects Fund	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	6,687,235	XXXXXXXXXX
	$ 18,588,659	$ (386,159)	$ 0	$ 18,202,500	$ 23,023,811	$ (2,771,853)

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 0	$ 821	$ 0	$ 821
State Sources	4,882,851	5,132,113	5,489,638	(357,525)
	4,882,851	5,132,934	$ 5,489,638	$ (356,704)
Expenditures				
Instruction	906,376	1,155,343	$ 1,035,635	$ 119,708
Student Support Services	63,850	62,576	216,020	(153,444)
Instructional Support Staff	10,438	12,337	10,500	1,837
General Administration	222,891	247,061	228,700	18,361
School Administration	298,274	300,168	301,000	(832)
Central Services	90,336	158,504	90,336	68,168
Operations & Maintenance	356,483	434,514	473,259	(38,745)
Student Transportation Services	291,618	339,789	366,875	(27,086)
Transfers	2,642,541	2,427,702	2,767,313	(339,611)
Adjustment to Comply with Legal Max	0	0	(351,644)	351,644
	4,882,807	5,137,994	$ 5,137,994	$ 0
Receipts Over (Under) Expenditures	44	(5,060)		
Unencumbered Cash, Beginning	0	5,343		
Prior Year Canceled Encumbrances	5,299	2,658		
Unencumbered Cash, Ending	$ 5,343	$ 2,941		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Supplemental General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 529,285	$ 476,807	$ 438,683	$ 38,124
County Sources	68,140	64,691	62,368	2,323
State Sources	713,973	794,393	814,933	(20,540)
	1,311,398	1,335,891	$ 1,315,984	$ 19,907
Expenditures				
Instruction	422,226	323,854	$ 200,332	$ 123,522
General Administration	8,247	8,176	8,247	(71)
School Administration	8,847	8,776	8,847	(71)
Operations & Maintenance	37,555	24,529	24,741	(212)
Transfers	854,667	969,555	1,127,238	(157,683)
Adjustment to Comply with Legal Max	0	0	(34,515)	34,515
	1,331,542	1,334,890	$ 1,334,890	$ 0
Receipts Over (Under) Expenditures	(20,144)	1,001		
Unencumbered Cash, Beginning	72,875	53,431		
Prior Year Canceled Encumbrances	700	620		
Unencumbered Cash, Ending	$ 53,431	$ 55,052		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Preschool-Aged At-Risk Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 23,530	$ 14,538	$ 23,530	$ (8,992)
	23,530	14,538	$ 23,530	$ (8,992)
Expenditures				
Instruction	23,530	14,538	$ 23,530	$ (8,992)
	23,530	14,538	$ 23,530	$ (8,992)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

At Risk (K-12) Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 593,768	$ 596,209	$ 641,804	$ (45,595)
	593,768	596,209	$ 641,804	$ (45,595)
Expenditures				
Instruction	522,153	593,613	$ 570,189	$ 23,424
Student Support Services	71,615	0	71,615	(71,615)
Instructional Support Staff	0	2,596	0	2,596
	593,768	596,209	$ 641,804	$ (45,595)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Bilingual Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 265	$ 267	$ 8,354	$ (8,087)
	265	267	$ 8,354	$ (8,087)
Expenditures				
Instruction	265	267	$ 2,054	$ (1,787)
	265	267	$ 2,054	$ (1,787)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Virtual Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Transfers	$ 556,150	$ 781,912	$ 1,120,000	$ (338,088)
	556,150	781,912	$ 1,120,000	$ (338,088)
Expenditures				
Instruction	556,150	781,912	$ 1,120,000	$ (338,088)
	556,150	781,912	$ 1,120,000	$ (338,088)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Capital Outlay Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 151,580	$ 587,861	$ 153,007	$ 434,854
County Sources	12,690	12,722	12,012	710
State Sources	45,655	77,345	77,345	0
Transfers	535,728	28,066	0	28,066
	745,653	705,994	$ 242,364	$ 463,630
Expenditures				
Instruction	0	10,772	$ 274,662	$ (263,890)
General Administration	99,376	21,050	99,376	(78,326)
Transportation	34,699	34,679	34,699	(20)
Facility Acquisition & Construction Services	441,869	245,646	419,224	(173,578)
	575,944	312,147	$ 827,961	$ (515,814)
Receipts Over (Under) Expenditures	169,709	393,847		
Unencumbered Cash, Beginning	415,889	585,598		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 585,598	$ 979,445		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Driver Training Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 1,248	$ 986	$ 1,248	$ (262)
State Sources	2,806	3,080	3,375	(295)
	4,054	4,066	$ 4,623	$ (557)
Expenditures				
Instruction	0	5,170	$ 14,911	$ (9,741)
Operations & Maintenance	25	0	25	(25)
	25	5,170	$ 14,936	$ (9,766)
Receipts Over (Under) Expenditures	4,029	(1,104)		
Unencumbered Cash, Beginning	6,959	10,988		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 10,988	$ 9,884		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Food Service Fund		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 8,344	$ 58,983	$ 63,130	$ (4,147)
State Sources	1,902	1,959	2,349	(390)
Federal Sources	315,385	217,020	183,047	33,973
Transfers	3,106	52,100	50,000	2,100
	328,737	330,062	$ 298,526	$ 31,536
Expenditures				
Operations & Maintenance	1,209	2,092	$ 1,209	$ 883
Food Service Operation	309,952	331,332	332,354	(1,022)
	311,161	333,424	$ 333,563	$ (139)
Receipts Over (Under) Expenditures	17,576	(3,362)		
Unencumbered Cash, Beginning	29,367	46,943		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 46,943	$ 43,581		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Professional Development Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 0	$ 0	$ 3,000	$ (3,000)
Transfers	0	0	20,000	(20,000)
	0	0	$ 23,000	$ (23,000)
Expenditures				
Instructional Support Staff	0	0	$ 23,000	$ (23,000)
	0	0	$ 23,000	$ (23,000)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Special Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Federal Sources	$ 37,650	$ 0	$ 0	$ 0
Transfers	1,572,046	1,620,480	1,780,863	(160,383)
	1,609,696	1,620,480	$ 1,780,863	$ (160,383)
Expenditures				
Instruction	1,609,696	1,620,480	$ 1,780,863	$ (160,383)
	1,609,696	1,620,480	$ 1,780,863	$ (160,383)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Career and Postsecondary Education Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 0	$ 3,556	$ 0	$ 3,556
State Sources	0	24,566	13,950	10,616
Federal Sources	3,229	4,600	0	4,600
Transfers	212,615	215,685	250,000	(34,315)
	215,844	248,407	$ 263,950	$ (15,543)
Expenditures				
Instruction	218,372	241,325	$ 262,864	$ (21,539)
Student Support Services	1,086	7,082	1,086	5,996
	219,458	248,407	$ 263,950	$ (15,543)
Receipts Over (Under) Expenditures	(3,614)	0		
Unencumbered Cash, Beginning	3,614	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Special Education Cooperative Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 3,509,360	$ 3,541,295	$ 4,035,780	$ (494,485)
Federal Sources	458,248	591,391	367,953	223,438
	3,967,608	4,132,686	$ 4,403,733	$ (271,047)
Expenditures				
Instruction	3,023,380	3,427,363	$ 4,050,000	$ (622,637)
Student Support Services	229,149	241,911	267,000	(25,089)
Instructional Support Staff	38,216	44,611	50,000	(5,389)
General Administration	2,053	1,777	5,000	(3,223)
School Administration	216,369	188,212	250,000	(61,788)
Operations & Maintenance	8,867	9,439	12,500	(3,061)
Student Transportation Services	85,285	84,258	125,000	(40,742)
Other Support Services	0	2,601	821,033	(818,432)
	3,603,319	4,000,172	$ 5,580,533	$ (1,580,361)
Receipts Over (Under) Expenditures	364,289	132,514		
Unencumbered Cash, Beginning	812,511	1,176,800		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 1,176,800	$ 1,309,314		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

KPERS Contribution Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State Sources	$ 703,302	$ 771,577	$ 843,962	$ (72,385)
	703,302	771,577	$ 843,962	$ (72,385)
Expenditures				
Instruction	529,089	612,105	$ 636,955	$ (24,850)
Student Support Services	16,888	18,685	20,331	(1,646)
General Administration	18,447	13,762	22,208	(8,446)
School Administration	55,981	44,636	67,394	(22,758)
Central Services	24,491	20,843	29,484	(8,641)
Operations & Maintenance	17,842	13,243	21,479	(8,236)
Student Transportation Services	26,679	34,448	32,118	2,330
Food Service Operation	13,885	13,855	13,993	(138)
	703,302	771,577	$ 843,962	$ (72,385)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 0		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Bond & Interest	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local Sources	$ 0	$ 236,555	$ 278,539	$ (41,984)
State Sources	0	87,507	124,921	(37,414)
	0	324,062	$ 403,460	$ (79,398)
Expenditures				
Debt Service	0	273,460	$ 273,460	$ 0
	0	273,460	$ 273,460	$ 0
Receipts Over (Under) Expenditures	0	50,602		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 50,602		

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Federal Funds

	Prior Year Actual	Current Year Actual
Cash Receipts		
Federal Sources	$ 620,139	$ 715,311
	620,139	715,311
Expenditures		
Instruction	537,546	582,609
Student Support Services	80,701	41,252
Instructional Support Staff	0	49,559
Student Transportation Services	17,268	24,964
	635,515	698,384
Receipts Over (Under) Expenditures	(15,376)	16,927
Unencumbered Cash, Beginning	0	(15,376)
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ (15,376)	$ 1,551

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 11,063	$ 2,567
State Sources	62,320	71,900
Federal Sources	0	16,643
	73,383	91,110
Expenditures		
Instruction	8,669	5,951
Student Support Services	62,320	87,476
	70,989	93,427
Receipts Over (Under) Expenditures	2,394	(2,317)
Unencumbered Cash, Beginning	90,734	93,128
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 93,128	$ 90,811

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	$ 0	$ 88,000
	0	88,000
Expenditures		
Transfers	0	0
	0	0
Receipts Over (Under) Expenditures	0	88,000
Unencumbered Cash, Beginning	138,578	138,578
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 138,578	$ 226,578

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Textbook & Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 10,676	$ 10,378
	10,676	10,378
Expenditures		
Instruction	8,782	42,162
	8,782	42,162
Receipts Over (Under) Expenditures	1,894	(31,784)
Unencumbered Cash, Beginning	35,091	36,985
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 36,985	$ 5,201

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

Daycare Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 1,044	$ 34,594
	1,044	34,594
Expenditures		
Operations & Maintenance	1,044	34,594
	1,044	34,594
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 0	$ 0

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - CAPITAL PROJECTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023
(With Comparative Actual Totals for the Prior Year Ended June 30, 2022)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	$ 9,781,480	$ 943,530
	9,781,480	943,530
Expenditures		
Facility Acquisition & Construction Services	305,914	6,687,235
	305,914	6,687,235
Receipts Over (Under) Expenditures	9,475,566	(5,743,705)
Unencumbered Cash, Beginning	0	9,475,566
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 9,475,566	$ 3,731,861

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
West Elk Junior/Senior High School				
Senior Class	$ 0	$ 13,838	$ 13,838	$ 0
Junior Class	4,406	8,384	7,788	5,002
Sophomore Class	572	296	572	296
Freshman Class	296	149	296	149
FFA	6,261	78,860	75,064	10,057
FBLA	345	0	0	345
Skills USA	208	0	0	208
FCCLA	8,513	15,347	10,532	13,328
Drama	4,522	3,489	1,448	6,563
STUCO	1,145	2,581	2,743	983
Jr Hi Stuco	121	0	0	121
NHS	54	1,066	617	503
Concessions	0	38,448	38,448	0
Jr Hi Cheerleaders	610	2,163	988	1,785
Spirit Club	467	10,134	7,155	3,446
Band Council	350	0	0	350
Choir Council	11	0	0	11
Friends Workshop	0	1,195	572	623
Sales Tax	73	5,885	5,958	0
	$ 27,954	$ 181,835	$ 166,019	$ 43,770

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
West Elk Junior/Senior High School							
Athletics	$ 843	$ 0	$ 32,125	$ 32,195	$ 773	$ 0	$ 773
Operations	1	0	148	149	0	0	0
Interest	1,157	0	38	0	1,195	0	1,195
Yearbook	6,883	0	7,967	5,018	9,832	0	9,832
	$ 8,884	$ 0	$ 40,278	$ 37,362	$ 11,800	$ 0	$ 11,800

FEDERAL AWARD INFORMATION

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

Board of Education
West Elk Unified School District No. 282
Howard, Kansas

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, the financial statement of **West Elk Unified School District No. 282, Howard, Kansas**, as of and for the year ended **June 30, 2023**, and the related notes to the financial statement, which collectively comprise **West Elk Unified School District No. 282, Howard, Kansas'** basic financial statement, and have issued our report thereon dated March 4, 2024. In our report, our opinion on the financial statement was unmodified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered **West Elk Unified School District No. 282, Howard, Kansas'** 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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **West Elk Unified School District No. 282, Howard, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **West Elk Unified School District No. 282, Howard, Kansas'** 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or 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.

BFR CPA, LLC
10000 W. 37th St. N.
Wichita, Kansas 67205-7700

(316) 945-1500
Fax (316) 945-1505
bfr@bfrcpa.com

Board of Education
West Elk Unified School District No. 282

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether **West Elk Unified School District No. 282, Howard, Kansas'** financial statement is 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 statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BFR CPA, LLC
March 4, 2024

BFR

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

Board of Education
West Elk Unified School District No. 282
Howard, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **West Elk Unified School District No. 282, Howard, Kansas'** compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of **West Elk Unified School District No. 282, Howard, Kansas'** major federal programs for the year ended **June 30, 2023**. **West Elk Unified School District No. 282, Howard, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **West Elk Unified School District No. 282, Howard, Kansas** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 2023**.

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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **West Elk Unified School District No. 282, Howard, Kansas** 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of **West Elk Unified School District No. 282, Howard, Kansas'** compliance with the compliance requirements referred to above.

BFR CPA, LLC
10000 W. 37th St. N.
Wichita, Kansas 67205-7700

(316) 945-1500
Fax (316) 945-1505
bfr@bfrcpa.com

Board of Education
West Elk Unified School District No. 282

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 **West Elk Unified School District No. 282, Howard, Kansas'** major federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **West Elk Unified School District No. 282, Howard, Kansas'** 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 auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a 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 aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **West Elk Unified School District No. 282, Howard, Kansas'** compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *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 **West Elk Unified School District No. 282, Howard, Kansas'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of **West Elk Unified School District No. 282, Howard, Kansas'** 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 **West Elk Unified School District No. 282, Howard, Kansas'** 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.

Board of Education
West Elk Unified School District No. 282

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 major federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a major 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 major 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 Auditors' 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 weakness 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 result of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BFR CPA, LLC

BFR CPA, LLC
March 4, 2024

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Grant Title	Assistance Listing Number	Program Amount	Expenditures
Department of Education			
Rural Education	84.358	$ 24,242	$ 24,242
(Passes Through Kansas Department of Education)			
Department of Agriculture			
Child Nutrition Cluster-Cluster			
School Breakfast Program	10.553	51,072	51,072
National School Lunch Program	10.555	146,656	150,919
Summer Food Service Program for Children	10.559	19,291	19,291
		217,019	221,282
Department of Education			
Title I Grants to Local Educational Agencies	84.010	140,176	138,625
Special Education Cluster (IDEA)-Cluster			
Special Education-Grants to States	84.027	325,038	325,038
Special Education-Preschool Grants	84.173	25,758	25,758
		350,796	350,796
Twenty-First Century Community Learning Centers	84.287	119,602	104,226
Supporting Effective Instruction State Grants	84.367	18,164	18,164
Student Support and Academic Enrichment Program	84.424	16,238	16,238
COVID-19 Education Stabilization Fund	84.425U	396,889	396,889
		1,041,865	1,024,938
Department of Health and Human Services			
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	16,643	16,907
(Passes Through Southeast Kansas Education Service Center)			
Department of Education			
Career and Technical Education-Basic Grants to States	84.048	4,600	4,600
(Passes Through Kansas Department of Health and Environment)			
Department of Health and Human Services			
Medicaid Cluster-Cluster			
Medical Assistance Program	93.778	240,595	240,595
Total Federal Awards		$ 1,528,321	$ 1,532,564

The accompanying notes are an integral part of this schedule.

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **West Elk Unified School District No. 282, Howard, Kansas**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 - Indirect Cost Rate:

The District has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **West Elk Unified School District No. 282, Howard, Kansas**.

2. No significant deficiencies or material weaknesses were reported in the Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*.

3. No instances of noncompliance material to the financial statement of **West Elk Unified School District No. 282, Howard, Kansas**, were disclosed during the audit.

4. No significant deficiencies or material weakness were reported in the Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance.

5. The independent auditors' report on compliance for the major federal award programs for **West Elk Unified School District No. 282, Howard, Kansas**, expresses an unmodified opinion on all major federal programs.

6. There were no audit findings relative to the major federal award programs for **West Elk Unified School District No. 282, Howard, Kansas**.

7. The programs tested as major programs were:

Special Education Cluster (IDEA)-Cluster	
Special Education-Grants to States	84.027
Special Education-Preschool Grants	84.173
COVID-19 Education Stabilization Fund	84.425U

8. The threshold for distinguishing Types A and B programs was $750,000.

9. **West Elk Unified School District No. 282, Howard, Kansas**, was determined not to be a low-risk auditee.

WEST ELK UNIFIED SCHOOL DISTRICT NO. 282
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

There are no prior audit findings.