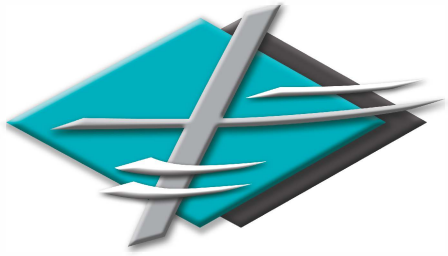
UNIFIED SCHOOL DISTRICT NUMBER 309
NICKERSON, KANSAS

FINANCIAL STATEMENT

FISCAL YEAR ENDED JUNE 30, 2025



LOYD GROUP, LLC

Certified Public Accountants

Unified School District Number 309
Nickerson, Kansas

For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS

	ITEM	Page Number
	Independent Auditor's Report	1-3
	FINANCIAL SECTION	
Statement 1	Summary Statement of Receipts, Expenditures and Unencumbered Cash — Regulatory Basis	4
	Notes to the Financial Statement	5-11
	REGULATORY – REQUIRED SUPPLEMENTARY INFORMATION	
Schedule 1	Summary of Expenditures — Actual and Budget — Regulatory Basis	12
Schedule 2	Schedule of Receipts and Expenditures — Actual and Budget — Regulatory Basis	
	GENERAL FUNDS	
2-1	General Fund	13
2-2	Supplemental General Fund	14
	SPECIAL PURPOSE FUNDS	
2-3	At Risk (4 Yr Old) Fund	15
2-4	At Risk (K-12) Fund	16
2-5	Bilingual Education Fund	17
2-6	Virtual Education Fund	18
2-7	Capital Outlay Fund	19
2-8	Driver Training Fund	20
2-9	Food Service Fund	21
2-10	Professional Development Fund	22
2-11	Parent Education Fund	23
2-12	Special Education Fund	24
2-13	Career and Postsecondary Education Fund	25
2-14	KPERS Special Retirement Contribution Fund	26
2-15	Contingency Reserve Fund	27

Unified School District Number 309
Nickerson, Kansas

For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS (CONT.)

	SPECIAL PURPOSE FUNDS (CONT.)	Page Number
2-16	Gifts and Grants Fund	28
2-17	Textbook/Student Material Revolving Fund	29
2-18	Daycare Program Fund	30
2-19	Universal Preschool Grant Fund	31
2-20	Elementary and Secondary School Emergency Relief II Fund	32
2-21	Elementary and Secondary School Emergency Relief III Fund	33
2-22	Title I Fund	34
2-23	Title II-A Teacher Quality Fund	35
2-24	Title IV Fund	36
2-25	Covid Testing Grant Fund	37
	BOND AND INTEREST FUND	
2-26	Bond and Interest Fund	38
	CAPITAL PROJECT FUND	
2-27	2023 Bond Fund – General - Fund	39
	AGENCY FUNDS	
Schedule 3	Schedule of Receipts and Disbursements — Agency Funds — Regulatory Basis	40-41
	DISTRICT ACTIVITY FUNDS	
Schedule 4	Schedule of Receipts, Expenditures and Unencumbered Cash — District Activity Funds — Regulatory Basis	42

Unified School District Number 309
Nickerson, Kansas

For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS (CONT.)

	SINGLE AUDIT SECTION	Page Number
	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*	43-44
	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	45-46
Schedule 5	Schedule of Expenditures of Federal Awards	47-48
Schedule 6	Schedule of Findings and Questioned Costs	49-50

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District 309
Hutchinson, KS 67501

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District Number 309, Kansas (District), a Municipal Financial Reporting Entity, as of and for the year ended June 30, 2025, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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 the District as of June 30, 2025, 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 the District as of June 30, 2025, 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 (GAAS), the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement 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 adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the District 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 this 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 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 statement.

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 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 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 statement.
- 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.

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, schedule of regulatory basis receipts and disbursements—agency funds, schedules of regulatory basis receipts, expenditures and unencumbered cash—district activity funds (Schedules 1, 2, 3 and 4 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*. 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 previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District Number 309 as of and for the year ended June 30, 2024 (not presented herein), and have issued their report thereon dated October 1, 2024, which contained an unmodified opinion on the basic financial statement. The 2024 basic financial statement and their 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/municipalservices. The 2024 actual column (2024 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended June 30, 2025 (Schedule 2 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 2024 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 2024 basic financial statement. The 2024 comparative information was subjected to the auditing procedures applied in the audit of the 2024 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 2024 basic financial statement or to the 2024 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 2024 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, 2024, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statement of Unified School District Number 309, Kansas. 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,* is presented for purposes of additional analysis and is also 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 schedule of expenditures of federal awards 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2025, on our consideration of Unified School District Number 309'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 Unified School District Number 309'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 Unified School District Number 309's internal control over financial reporting and compliance.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
December 1, 2025

Unified School District Number 309
Nickerson, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2025

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUNDS:							
General Fund	$ -	$ -	$ 9,849,263	$ 9,849,263	$ -	$ -	$ -
Supplemental General Fund	81,139	2,125	3,139,268	3,015,230	207,302	-	207,302
SPECIAL PURPOSE FUNDS:							
At Risk (4 Yr Old) Fund	15,003	-	15,003	15,003	15,003	-	15,003
At Risk (K-12) Fund	622,181	-	1,662,835	1,932,247	352,769	-	352,769
Bilingual Education Fund	15,553	-	30,895	30,895	15,553	-	15,553
Virtual Education Fund	65,307	-	169,975	169,975	65,307	-	65,307
Capital Outlay Fund	1,305,622	-	1,887,815	1,889,308	1,304,129	111,168	1,415,297
Driver Training Fund	23,353	-	25,756	16,264	32,845	-	32,845
Food Service Fund	225,131	-	971,894	966,847	230,178	-	230,178
Professional Development Fund	1,166	-	37,610	37,610	1,166	-	1,166
Parent Education Fund	10,000	-	10,000	10,000	10,000	-	10,000
Special Education Fund	279,071	-	2,088,753	1,926,106	441,718	-	441,718
Career and Postsecondary Education Fund	71,901	-	135,248	135,248	71,901	-	71,901
KPERS Special Retirement Contribution Fund	-	-	1,036,927	1,036,927	-	-	-
Contingency Reserve Fund	290,213	-	178,644	-	468,857	-	468,857
Gifts and Grants Fund	(829)	-	1,190,547	1,178,435	11,283	13,288	24,571
Textbook/Student Material Revolving Fund	1	(6,075)	20,333	(99,322)	113,581	-	113,581
Daycare Program Fund	-	-	226,158	226,158	-	3,658	3,658
Universal Preschool Grant Fund	14,032	-	179,638	193,670	-	-	-
Elementary and Secondary School Emergency Relief II Fund	-	-	-	-	-	-	-
Elementary and Secondary School Emergency Relief III Fund	(29,796)	-	399,894	370,098	-	-	-
Title I Fund	173,032	-	216,773	389,805	-	-	-
Title II-A Fund	17,430	-	37,526	54,956	-	-	-
Title IV Fund	-	-	20,881	20,881	-	-	-
COVID Testing Grant Fund	104,341	-	27,573	99,815	32,099	-	32,099
Gate Receipts	9,444	-	75,727	80,450	4,721	-	4,721
School Projects	44,406	-	117,417	122,222	39,601	-	39,601
BOND AND INTEREST FUND:							
Bond and Interest Fund	1,069,138	-	1,050,512	1,042,750	1,076,900	-	1,076,900
CAPITAL PROJECTS FUND:							
Bond Construction Fund	5,939,392	-	149,564	5,236,884	852,072	-	852,072
Total Reporting Entity (Excluding Agency Funds)	$ 10,346,231	$ (3,950)	$ 24,952,429	$ 29,947,725	$ 5,346,985	$ 128,114	$ 5,475,099

COMPOSITION OF CASH:	
Board Checking	$ (45,889)
Board Sweep	4,330,669
Board Certificate of Deposti	300,000
Activity Fund Checking	121,677
Bond Construction	852,072
Total Cash	5,558,529
Agency Funds per Schedule 3	(83,430)
Total Reporting Entity (Excluding Agency Funds)	$ 5,475,099

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

UNIFIED SCHOOL DISTRICT NUMBER 309

NICKERSON, KANSAS

NOTES TO THE FINANCIAL STATEMENT

For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

Unified School District Number 309 (the "District") is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District Number 309 (the District), a municipality.

(b) Regulatory Basis Fund Types

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

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

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

(c) Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (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 generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business 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 budget for the succeeding calendar year on or before August 1st.

2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

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 the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The municipality did hold a revenue neutral rate hearing for this year. 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 such budget amendments for this year.

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 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 the Capital Projects Fund, Trust Fund, Agency Fund, or the following Special Purpose Funds: Contingency Reserve, Gifts and Grants, Daycare Program Fund, Bond Construction, Universal Preschool Grant Fund, COVID Testing Grant, Textbook/Student Materials Revolving, ESSER II, ESSER III, Title I, Title II-A, Title IV, School Projects, and Gate Receipts.

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Kansas municipalities are subject to the cash-basis law as stated in Kansas Statute 10-1113. The ESSER III Fund had a negative cash balance as of July 1, 2024. This is allowable under Kansas Statute 12-1663. These funds will be reimbursed in the following fiscal year from federal grant programs. The Gifts and Grants Fund has a negative cash balance as of July 1, 2024, which is in violation of the statute. Reno Valley Middle School and Nickerson High School had negative cash balances as of June 30, 2025, which is in violation of the statute.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONT.)

Kansas municipalities cannot have outstanding checks over two years as stated in Kansas Statute 10-816. There were outstanding checks over two years at the District level, as well as at Nickerson Elementary School, South Hutch Elementary School, and Reno Valley Middle School, which is in violation of the statute.

3. DEPOSITS AND INVESTMENTS

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 policies that would further limit investment choices. The rating of the District's investments is noted above.

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 bank failure, the District's deposits may not 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. All deposits were legally secured at June 30, 2025.

At June 30, 2025, the carrying amount of the District's deposits, including certificates of deposit, was $5,558,529 and the bank balance was $6,496,853. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $4,515,965 was covered by federal depository insurance and $1,980,888 was collaterized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post-Employment 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 this 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.

(b) Death and Disability Other Post Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2025.

4. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

(c) 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.

(d) Termination Benefits

The District provides an early retirement program for certain eligible employees. Certified employees are eligible if they (a) are a full time employee of the District; (b) have ten or more years of employment with the District; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of teaching for the District. Classified employees are eligible if they (a) have ten or more years of employment with the District; (b) are working 17.5 or more hours per week; (c) are not more than 65 years of age; and (d) are eligible for KPERS retirement on or before July 31st of the last active year of employment with the District.

Payments to retired employees under this plan were $24,292 for the year ended June 30, 2025.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	$ 1,272,435
General Fund	Bilingual Education Fund	K.S.A. 72-5167	11,000
General Fund	Capital Outlay Fund	K.S.A. 72-5167	483,429
General Fund	Special Education Fund	K.S.A. 72-5167	1,481,850
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	52,000
General Fund	Virtual Education Fund	K.S.A. 72-5167	75,000
General Fund	Contingency Reserve Fund	K.S.A. 72-5167	178,644
General Fund	Food Service Fund	K.S.A. 72-5167	30,736
Supplemental General Fund	At Risk (4 Yr Old) Fund	K.S.A. 72-5413	15,003
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5413	390,400
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5413	19,895
Supplemental General Fund	Parent Education Fund	K.S.A. 72-5413	10,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-5413	553,819
Supplemental General Fund	Virtual Education Fund	K.S.A. 72-5413	94,681
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5415	34,000
Supplemental General Fund	Food Service Fund	K.S.A. 72-5413	196,795
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5413	76,613
			$ 4,976,300

6. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2025, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2023	4-5%	2023	$ 7,600,000	2032	$ 7,600,000	$ -	$ 690,000	$ 6,910,000	$ 352,750
Total Contractual Indebtedness					$ 7,600,000	$ -	$ 690,000	$ 6,910,000	$ 352,750

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

Debt Issue	2026	2027	2028	2029	2030	2031-2033	Total
Principal:							
General Obligation Bonds:							
Series 2023	$ 725,000	$ 765,000	$ 800,000	$ 840,000	$ 885,000	$ 2,895,000	$ 6,910,000
Total Principal	725,000	765,000	800,000	840,000	885,000	2,895,000	6,910,000
Interest:							
General Obligation Bonds:							
Series 2023	317,375	280,125	241,000	200,000	156,875	195,875	1,391,250
Total Interest	317,375	280,125	241,000	200,000	156,875	195,875	1,391,250
Total Principal and Interest	$ 1,042,375	$ 1,045,125	$ 1,041,000	$ 1,040,000	$ 1,041,875	$ 3,090,875	$ 8,301,250

7. CLAIMS AND JUDGMENTS

The District participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the District believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the individual governmental funds or the overall financial position of the District.

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 has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2024 to 2025, and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations, the District is exposed to various claims, legal actions and complaints. It is of the opinion of the District's management and legal counsel that any current matters are not anticipated to have a material impact on the District.

8. 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 1.00% contribution rate for the Death and Disability Program) was 13.38% and 12.57%, respectively, for the fiscal year ended June 30, 2024. The actuarially determined employer contribution rate and the statutory contribution rate was 11.60% and 11.54%, respectively, for the fiscal year ended June 30, 2025.

The 2015 Legislature passed and the Governor approved Senate Bill 228 authorizing the issuance of $1.0 billion in pension obligation bonds to fund a portion of the School-Group’s unfunded actuarial liability. The bonds were successfully issued in August 2015 and the proceeds transferred to the System.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue pension obligation bonds, series 2021K, net proceeds of $500 million to fund a portion of the School-Group’s unfunded actuarial liability. 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 paid off outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019 while the remaining $871.1 million was applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred in May/June 2022.

8. DEFINED BENEFIT PENSION PLAN (CONT.)

In addition, Senate Bill 421 authorizes two additional transfers in Fiscal Year 2023 which totaled $271.1 million. The first transfer of $146.1 million was received on August 1, 2022. The second transfer of $125 million was received on December 1, 2022.

The State of Kansas is required to contribute the statutory required employer's share except for returned 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 $1,036,927 for the year ended June 30, 2025.

Net Pension Liability. At June 30, 2025, the District's proportionate share of the collective net pension liability reported by KPERS was $9,399,367. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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, 2024. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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 publically available on the website at www.kpers.org or can be obtained as described above.

9. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
Bond construction fund	$ 7,741,547	$ 7,741,547

10. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statements of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

UNIFIED SCHOOL DISTRICT NUMBER 309
NICKERSON, KANSAS

REGULATORY–REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2025

Unified School District Number 309
Nickerson, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended June 30, 2025

	Certified Budget	Adjustments to Comply with Legal Max	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUNDS:						
General Fund	$ 10,239,828	$ (456,662)	$ 66,118	$ 9,849,284	$ 9,849,263	$ (21)
Supplemental General Fund	3,143,315	(149,078)	20,993	3,015,230	3,015,230	-
SPECIAL PURPOSE FUNDS:						
At Risk (4 Yr Old) Fund	79,402	-	-	79,402	15,003	(64,399)
At Risk (K-12) Fund	2,409,785	-	-	2,409,785	1,932,247	(477,538)
Bilingual Education Fund	50,491	-	-	50,491	30,895	(19,596)
Virtual Education Fund	233,375	-	-	233,375	169,975	(63,400)
Capital Outlay Fund	2,474,735	-	-	2,474,735	1,889,308	(585,427)
Driver Training Fund	35,539	-	-	35,539	16,264	(19,275)
Food Service Fund	1,072,029	-	-	1,072,029	966,847	(105,182)
Professional Development Fund	40,000	-	-	40,000	37,610	(2,390)
Parent Education Program Fund	20,000	-	-	20,000	10,000	(10,000)
Special Education Fund	2,429,691	-	-	2,429,691	1,926,106	(503,585)
Career and Postsecondary Education Fund	242,922	-	-	242,922	135,248	(107,674)
KPERS Special Retirement Contribution Fund	1,259,849	-	-	1,259,849	1,036,927	(222,922)
BOND AND INTEREST FUND:						
Bond and Interest Fund	1,042,760	-	-	1,042,760	1,042,750	(10)
Total	$ 24,773,721	$ (605,740)	$ 87,111	$ 24,255,092	$ 22,073,673	$ (2,181,419)

Unified School District Number 309
Nickerson, Kansas

GENERAL FUND

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 8,206,539	$ 8,541,863	$ 8,892,103	$ (350,240)
Special education aid	1,258,979	1,241,145	1,347,725	(106,580)
Reimbursement	18,245	66,118	-	66,118
Mineral production tax	518	137	-	137
Total Receipts	9,484,281	9,849,263	$ 10,239,828	$ (390,565)
Expenditures:				
Instruction	3,261,357	3,352,013	$ 3,338,274	$ 13,739
Student support services	279,062	253,495	288,703	(35,208)
Instructional support services	197,091	282,246	217,351	64,895
General administration	638,763	546,051	662,306	(116,255)
School administration	821,233	810,562	838,957	(28,395)
Central services	185,025	75,650	191,451	(115,801)
Operations and maintenance	539,792	356,658	583,540	(226,882)
Student transportation services	520,602	587,494	646,382	(58,888)
Outgoing Transfers -				
Transfer to Professional Development Fund	20,000	-	-	-
Transfer to Bilingual Education Fund	28,000	11,000	15,500	(4,500)
Transfer to Virtual Education Fund	50,000	75,000	133,068	(58,068)
Transfer to Special Education Fund	1,625,866	1,481,850	1,620,480	(138,630)
Transfer to Driver Training Fund	-	-	5,436	(5,436)
Transfer to Food Service Fund	-	30,736	84,113	(53,377)
Transfer to Contingency Reserve Fund	-	178,644	-	178,644
Transfer to Textbook/Student Material Revolving Fund	7,511	-	-	-
Transfer to Capital Outlay	25,871	483,429	-	483,429
Transfer to Career and Postsecondary Education Fund	125,678	52,000	152,664	(100,664)
Transfer to At Risk (K-12) Fund	1,123,430	1,272,435	1,397,204	(124,769)
Transfer to At Risk (4 Yr Old) Fund	35,000	-	64,399	(64,399)
Adjustment to comply with legal max	-	-	(456,662)	456,662
Legal General Fund Budget	9,484,281	9,849,263	9,783,166	66,097
Adjustment for other reimbursed expenses	-	-	66,118	(66,118)
Total Expenditures	9,484,281	9,849,263	$ 9,849,284	$ (21)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 309
Nickerson, Kansas

GENERAL FUND

SUPPLEMENTAL GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 1,389,782	$ 1,574,945	$ 1,725,784	$ (150,839)
Delinquent tax	24,610	46,037	11,421	34,616
Motor vehicle tax	118,293	109,058	126,441	(17,383)
Recreational vehicle tax	37,943	55,268	10,370	44,898
In lieu of tax	2,151	2,628	-	2,628
Reimbursements	22,396	20,993	-	20,993
Supplemental state aid	1,322,222	1,330,339	1,396,575	(66,236)
Total Receipts	2,917,397	3,139,268	$ 3,270,591	$ (131,323)
Expenditures:				
Instruction	994,631	612,909	$ 1,127,250	$ (514,341)
Student support services	103,358	104,030	105,357	(1,327)
Instructional support services	131,803	78,236	140,831	(62,595)
General administration	47,862	40,926	12,518	28,408
School administration	77,249	78,868	66,000	12,868
Operations and maintenance	418,190	496,899	473,177	23,722
Vehicle operation services	9,913	8,032	-	8,032
Other support services	189,647	192,669	195,657	(2,988)
Community	11,650	11,455	-	11,455
Outgoing Transfers -				
Transfer to Bilingual Education Fund	5,759	19,895	19,438	457
Transfer to Professional Development Fund	4,180	34,000	32,834	1,166
Transfer to Parent Education Fund	17,615	10,000	10,000	-
Transfer to Special Education Fund	400,000	553,819	530,141	23,678
Transfer to Virtual Education Fund	110,670	94,681	35,000	59,681
Transfer to Career and Postsecondary Education Fund	30,633	76,613	4,712	71,901
Transfer to Textbook/Student Material Revolving Fund	4,639	-	-	-
Transfer to At Risk (4 Yr Old) Fund	25,250	15,003	-	15,003
Transfer to At Risk (K-12) Fund	318,750	390,400	390,400	-
Transfer to Food Service Fund	-	196,795	-	196,795
Adjustment to comply with legal max	-	-	(149,078)	149,078
Legal Supplemental General Fund Budget	2,901,799	3,015,230	2,994,237	20,993
Adjustment for other reimbursed expenses	-	-	20,993	(20,993)
Total Expenditures	2,901,799	3,015,230	$ 3,015,230	$ -
Receipts Over (Under) Expenditures	15,598	124,038		
Prior year cancelled encumbrance	-	2,125		
Unencumbered Cash, Beginning	65,541	81,139		
Unencumbered Cash, Ending	$ 81,139	$ 207,302		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

AT RISK (4 YR OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 35,000	$ -	$ 64,399	$ (64,399)
Transfer from Supplemental General Fund	25,250	15,003	-	15,003
Total Receipts	60,250	15,003	$ 64,399	$ (49,396)
Expenditures:				
Instruction	60,247	15,003	$ 79,402	$ (64,399)
Receipts Over (Under) Expenditures	3	-		
Unencumbered Cash, Beginning	15,000	15,003		
Unencumbered Cash, Ending	$ 15,003	$ 15,003		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

AT RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 1,123,430	$ 1,272,435	$ 1,397,204	$ (124,769)
Transfer from Supplemental General Fund	318,750	390,400	390,400	-
Total Receipts	1,442,180	1,662,835	$ 1,787,604	$ (124,769)
Expenditures:				
Instruction	1,671,622	1,932,247	$ 2,409,785	$ (477,538)
Receipts Over (Under) Expenditures	(229,442)	(269,412)		
Unencumbered Cash, Beginning	851,623	622,181		
Unencumbered Cash, Ending	$ 622,181	$ 352,769		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

BILINGUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from General Fund	$ 28,000	$ 11,000	$ 15,500	$ (4,500)
Transfer from Supplemental General Fund	5,759	19,895	19,438	457
Total Receipts	33,759	30,895	$ 34,938	$ (4,043)
Expenditures:				
Instruction	33,206	30,895	$ 50,491	$ (19,596)
Receipts Over (Under) Expenditures	553	-		
Unencumbered Cash, Beginning	15,000	15,553		
Unencumbered Cash, Ending	$ 15,553	$ 15,553		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

VIRTUAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Tuition	$ 600	$ 294	$ -	$ 294
Transfer from General Fund	50,000	75,000	133,068	(58,068)
Transfer from Supplemental General Fund	110,670	94,681	35,000	59,681
Total Receipts	161,270	169,975	$ 168,068	$ 1,907
Expenditures:				
Instruction	160,963	169,975	$ 233,375	$ (63,400)
Receipts Over (Under) Expenditures	307	-		
Unencumbered Cash, Beginning	65,000	65,307		
Unencumbered Cash, Ending	$ 65,307	$ 65,307		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 705,628	$ 772,092	$ 759,012	$ 13,080
Delinquent tax	22,069	23,575	5,859	17,716
Motor vehicle tax	81,903	55,706	66,439	(10,733)
Recreational vehicle tax	1,724	29,301	5,448	23,853
In lieu tax	1,089	1,268	-	1,268
Interest on idle funds	76,135	237,173	-	237,173
Capital outlay state aid	287,122	283,605	289,988	(6,383)
Transfer from General Fund	25,871	483,429	-	483,429
Miscellaneous	-	1,666	-	1,666
Total Receipts	1,201,541	1,887,815	$ 1,126,746	$ 761,069
Expenditures:				
Instruction	758,858	363,786	$ 834,122	$ (470,336)
Administration	-	283,932	-	283,932
Operations and maintenance	589,223	1,017,866	1,280,613	(262,747)
Student transportation services	40,260	193,307	200,000	(6,693)
Tech maintenance support	36,213	9,329	50,000	(40,671)
Architect fees	59,128	-	100,000	(100,000)
Construction	5,876	21,088	10,000	11,088
Total Expenditures	1,489,558	1,889,308	$ 2,474,735	$ (585,427)
Receipts Over (Under) Expenditures	(288,017)	(1,493)		
Prior Year Cancelled Encumbrance	6,284	-		
Unencumbered Cash, Beginning	1,587,355	1,305,622		
Unencumbered Cash, Ending	$ 1,305,622	$ 1,304,129		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Fees	$ 3,222	$ 13,866	$ -	$ 13,866
State aid	8,555	11,890	6,750	5,140
Transfer from General Fund	-	-	5,436	(5,436)
Total Receipts	11,777	25,756	$ 12,186	$ 13,570
Expenditures:				
Instruction	14,000	16,264	$ 35,539	$ (19,275)
Receipts Over (Under) Expenditures	(2,223)	9,492		
Unencumbered Cash, Beginning	25,576	23,353		
Unencumbered Cash, Ending	$ 23,353	$ 32,845		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

FOOD SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Student sales	$ 142,830	$ 157,299	$ 212,361	$ (55,062)
Other revenue	12,265	9,022	-	9,022
Food service state aid	5,646	5,274	5,335	(61)
Federal aid	617,351	572,768	554,220	18,548
Transfer from General Fund	-	30,736	84,113	(53,377)
Transfer from Supplemental General Fund	-	196,795	-	196,795
Total Receipts	778,092	971,894	$ 856,029	$ 115,865
Expenditures:				
Instruction	35,932	25,964	$ 37,013	$ (11,049)
Operation and Maintenance	-	44,295	-	44,295
Food service operation	879,988	896,588	1,035,016	(138,428)
Total Expenditures	915,920	966,847	$ 1,072,029	$ (105,182)
Receipts Over (Under) Expenditures	(137,828)	5,047		
Unencumbered Cash, Beginning	362,959	225,131		
Unencumbered Cash, Ending	$ 225,131	$ 230,178		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State sources	$ 5,348	$ 3,470	$ 6,000	$ (2,530)
Reimbursed expenses	3,000	140	-	140
Transfer from General Fund	20,000	-	-	-
Transfer from Supplemental General Fund	4,180	34,000	32,834	1,166
Total Receipts	32,528	37,610	$ 38,834	$ (1,224)
Expenditures:				
Other support services	32,500	37,610	$ 40,000	$ (2,390)
Receipts Over (Under) Expenditures	28	-		
Unencumbered Cash, Beginning	1,138	1,166		
Unencumbered Cash, Ending	$ 1,166	$ 1,166		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

PARENT EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Transfer from Supplemental General Fund	$ 17,615	$ 10,000	$ 10,000	$ -
Expenditures:				
Student support services	17,615	10,000	$ 20,000	$ (10,000)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	10,000	10,000		
Unencumbered Cash, Ending	$ 10,000	$ 10,000		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 79,193	$ 53,084	$ -	$ 53,084
Transfer from General Fund	1,625,866	1,481,850	1,620,480	(138,630)
Transfer from Supplemental General Fund	400,000	553,819	530,141	23,678
Total Receipts	2,105,059	2,088,753	$ 2,150,621	$ (61,868)
Expenditures:				
Instruction	1,762,631	1,804,849	$ 2,232,965	$ (428,116)
Student support services	2,227	41	2,359	(2,318)
Student transportation services	189,564	121,216	194,367	(73,151)
Total Expenditures	1,954,422	1,926,106	$ 2,429,691	$ (503,585)
Receipts Over (Under) Expenditures	150,637	162,647		
Unencumbered Cash, Beginning	128,434	279,071		
Unencumbered Cash, Ending	$ 279,071	$ 441,718		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

CAREER AND POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 9,434	$ 3,517	$ 13,645	$ (10,128)
Reimbursements	-	3,118	-	3,118
Transfer from General Fund	125,678	52,000	152,664	(100,664)
Transfer from Supplemental General Fund	30,633	76,613	4,712	71,901
Total Receipts	165,745	135,248	$ 171,021	$ (35,773)
Expenditures:				
Instruction	160,560	134,648	$ 242,822	$ (108,174)
Operations and maintenance	24	600	100	500
Total Expenditures	160,584	135,248	$ 242,922	$ (107,674)
Receipts Over (Under) Expenditures	5,161	-		
Prior year cancelled encumbrance	1,740	-		
Unencumbered Cash, Beginning	65,000	71,901		
Unencumbered Cash, Ending	$ 71,901	$ 71,901		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State aid	$ 1,095,521	$ 1,036,927	$ 1,259,849	$ (222,922)
Expenditures:				
Employee Benefits -				
Instruction	657,311	622,157	$ 755,909	$ (133,752)
Student support services	54,776	51,846	62,992	(11,146)
Instruction support staff	54,776	51,846	62,992	(11,146)
General administration	54,776	51,846	62,992	(11,146)
School administration	87,642	82,954	100,788	(17,834)
Operations and maintenance	87,642	82,954	100,788	(17,834)
Student transportation services	32,866	31,108	37,796	(6,688)
Food service operations	32,866	31,108	37,796	(6,688)
Other support services	32,866	31,108	37,796	(6,688)
Total Expenditures	1,095,521	1,036,927	$ 1,259,849	$ (222,922)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

CONTINGENCY RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Transfer from General	$ -	$ 178,644
Expenditures:		
Instruction	177,275	-
Receipts Over (Under) Expenditures	(177,275)	178,644
Unencumbered Cash, Beginning	467,488	290,213
Unencumbered Cash, Ending	$ 290,213	$ 468,857

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

GIFTS AND GRANTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Grants and donations	$ (23,866)	$ 11,817
State aid	75,644	47,753
Benefit bank	2,894	1,130,977
All in for Kansas kids	23,962	-
Total Receipts	78,634	1,190,547
Expenditures:		
Instruction	66,918	49,331
Community	10,000	-
All in for Kansas kids	77,237	-
Benefit bank	-	1,129,104
Feeding Kansas kids grant	885	-
Total Expenditures	155,040	1,178,435
Receipts Over (Under) Expenditures	(76,406)	12,112
Unencumbered Cash, Beginning	75,577	(829)
Unencumbered Cash, Ending	$ (829)	$ 11,283

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TEXTBOOK/STUDENT MATERIAL REVOLVING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Fees	$ 20,567	$ 20,333
Transfer from General Fund	7,511	-
Transfer from Supplemental General Fund	4,639	-
Total Receipts	32,717	20,333
Expenditures:		
Instruction	73,760	(99,322)
Receipts Over (Under) Expenditures	(41,043)	119,655
Prior year cancelled encumbrances	185	(6,075)
Unencumbered Cash, Beginning	40,859	1
Unencumbered Cash, Ending	$ 1	$ 113,581

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

DAYCARE PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Growth, Inc reimbursement	$ 124,200	$ 226,158
Expenditures:		
Instruction	124,200	105,973
Student Support Services	-	67,201
Administration	-	42,408
Food Service Operations	-	10,576
Total Expenditures	124,200	226,158
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

UNIVERSAL PRESCHOOL GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
State aid	$ 100,800	$ 100,800
Federal aid	114,808	75,713
Enrollment	2,727	3,125
Total Receipts	218,335	179,638
Expenditures:		
Instruction	204,303	193,670
Receipts Over (Under) Expenditures	14,032	(14,032)
Unencumbered Cash, Beginning	-	14,032
Unencumbered Cash, Ending	$ 14,032	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF II FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Federal aid	$ -	$ -
Expenditures:		
Instruction	409	-
Student transportation services	105	-
Total Expenditures	514	-
Receipts Over (Under) Expenditures	(514)	-
Unencumbered Cash, Beginning	514	-
Unencumbered Cash (Deficit), Ending	$ -	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF III FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Federal aid	$ 915,217	$ 399,894
Expenditures:		
Instruction	628,292	201,125
Student transportation services	1,748	110,706
Other support services	120,850	32,032
Building improvement	70,771	26,235
New building	44,176	-
Total Expenditures	865,837	370,098
Receipts Over (Under) Expenditures	49,380	29,796
Unencumbered Cash, Beginning	(79,176)	(29,796)
Unencumbered Cash (Deficit), Ending	$ (29,796)	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TITLE I FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Federal grant	$ 219,573	$ 216,773
Expenditures:		
Instruction	46,541	389,805
Receipts Over (Under) Expenditures	173,032	(173,032)
Unencumbered Cash, Beginning	-	173,032
Unencumbered Cash, Ending	$ 173,032	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TITLE II-A FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Federal aid	$ 36,810	$ 37,526
Expenditures:		
Instruction	19,380	54,956
Receipts Over (Under) Expenditures	17,430	(17,430)
Unencumbered Cash, Beginning	-	17,430
Unencumbered Cash, Ending	$ 17,430	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

TITLE IV FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Federal aid	$ 20,880	$ 20,881
Expenditures:		
Instruction	20,844	20,881
Other professional services	36	-
Total Expenditures	20,880	20,881
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

Unified School District Number 309
Nickerson, Kansas

SPECIAL PURPOSE FUND

COVID TESTING GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Federal aid	$ 128,040	$ 27,573
Expenditures:		
Instruction	13,108	70,556
Other professional services	28,805	29,259
Operations and maintenance	387	-
Total Expenditures	42,300	99,815
Receipts Over (Under) Expenditures	85,740	(72,242)
Unencumbered Cash, Beginning	18,601	104,341
Unencumbered Cash, Ending	$ 104,341	$ 32,099

Unified School District Number 309
Nickerson, Kansas

BOND AND INTEREST FUND

BOND AND INTEREST FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		2025		
	2024 Actual	Actual	2025 Budget	Variance 2025 (Under)
Receipts:				
Taxes and Shared Revenue -				
Ad valorem property	$ 876,631	$ 992,246	$ 977,038	$ 15,208
Delinquent tax	1,063	17,592	7,537	10,055
Motor vehicle tax	-	39,023	21,483	17,540
Recreational vehicle tax	-	-	508	(508)
Commercial vehicle tax	-	-	1,254	(1,254)
In lieu of taxes	1,420	1,651	-	1,651
Total Receipts	879,114	1,050,512	$ 1,007,820	$ 42,692
Expenditures:				
Principal	-	690,000	$ 690,000	$ -
Interest	173,694	352,750	352,750	-
Bond fees	-	-	10	(10)
Total Expenditures	173,694	1,042,750	$ 1,042,760	$ (10)
Receipts Over (Under) Expenditures	705,420	7,762		
Unencumbered Cash, Beginning	363,718	1,069,138		
Unencumbered Cash, Ending	$ 1,069,138	$ 1,076,900		

Unified School District Number 309
Nickerson, Kansas

CAPITAL PROJECT FUND

BOND CONSTRUCTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	2024 Actual	2025 Actual
Receipts:		
Bond proceeds	$ 8,009,268	$ -
Interest income	434,787	149,564
Total Receipts	8,444,055	149,564
Expenditures:		
Site improvements	2,504,663	5,236,884
Receipts Over (Under) Expenditures	5,939,392	(5,087,320)
Unencumbered Cash, Beginning	-	5,939,392
Unencumbered Cash, Ending	$ 5,939,392	$ 852,072

Unified School District Number 309
Nickerson, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2025

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations:				
High School:				
Class of 2023	$ (988)	$ -	$ (988)	$ -
Class of 2024	1,353	(104)	1,250	(1)
Class of 2025	478	397	874	1
Class of 2026	-	1,300	568	732
Class of 2027	-	705	-	705
Class of 2028	-	78	-	78
Welding Class Fundraisers	-	44	-	44
HCC English	1,016	-	210	806
Cheerleaders	2,400	5,783	5,964	2,219
Faculty Fund	1,399	(129)	1,105	165
Debate	1,545	9,246	6,520	4,271
Forensics	2,316	(421)	1,895	-
Art Class	1,274	2,235	978	2,531
FBLA	7,584	11,766	16,590	2,760
FCCLA	867	129	633	363
Donation Group	-	38	-	38
Key Club	50	-	-	50
Instrumental Music	4,225	1,046	864	4,407
Vocal Music	233	4,910	4,371	772
Madrigals	694	2,144	2,104	734
Yearbook Publications	5,655	5,766	6,498	4,923
Production Metals	(20)	20	-	-
Scholars Bowl	1,516	2,560	1,551	2,525
Productions/Musical	2,257	5,359	3,237	4,379
School Play	230	2,303	1,410	1,123
Science club	50	-	-	50
Madrigals Trip	3,153	-	-	3,153
Drama Club	(414)	414	-	-
Skills USA	397	2,819	2,320	896
STUCO-General	3,205	2,183	2,548	2,840
Entrepreneurship	309	(309)	-	-
FCA	944	-	-	944
Panther TV Group	425	1,913	2,228	110
Scholarships	763	-	-	763
Panther Pride Education	1,058	-	-	1,058
Hutchinson Community	1,002	-	-	1,002
Prarie Quilt Guild Grant	868	-	-	868
Social/Emotional	923	2,333	2,866	390
Jones's Scholarship	5,500	-	3,000	2,500
Cargill Grant 2024 - Metals	6,803	-	4,687	2,116
Football Fundraising	181	8,299	4,827	3,653
Boys Baskebtall Fundraising	2,166	3,523	2,777	2,912
Soccer Fundraising	837	-	-	837
Baseball Fundraising	4,877	1,114	5,399	592
Volleyball Fundraising	1,696	1,001	423	2,274
Girls Golf Fundraising	-	125	-	125
Track Fundraising	529	728	735	522
Boys Golf Fundraising	11	-	-	11
Softball Fundraising	2,940	475	2,621	794
Girls Basketball Fundraising	2,495	1,151	1,931	1,715
Girls Tennis Fundraising	86	-	-	86
Wrestling Fundraising	901	629	1,530	-
Cross Country Fundraisers	1,274	740	1,330	684
Weightlifting	923	130	597	456
SPED Fundraising	441	1,664	432	1,673
Total High School Funds	78,427	84,107	95,885	66,649

Unified School District Number 309
Nickerson, Kansas

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2025

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organizations (cont.):				
Middle School:				
7th Grade	$ (570)	$ 1,427	$ 657	$ 200
8th Grade	213	983	1,196	-
PAWS	1,925	2,092	2,946	1,071
Instrumental Music	6,175	7,607	8,860	4,922
Yearbook/Publications	840	-	-	840
Scholars Bowl	-	123	-	123
STUCO-General	507	334	776	65
Total Middle School Funds	9,090	12,566	14,435	7,221
Nickerson Elementary School:				
Stuco General	1,299	2,971	1,850	2,420
NES/CO Yearbook	232	298	-	530
5K Run	2,926	-	-	2,926
Total Nickerson Elementary School Funds	4,457	3,269	1,850	5,876
South Hutchinson Elementary School:				
Yearbook	2,778	798	2,374	1,202
Food Pantry	2,209	-	939	1,270
STUCO-General	1,281	815	885	1,211
Total South Hutchinson Elementary School	6,268	1,613	4,198	3,683
Total Student Organization Funds	$ 98,242	$ 96,673	$ 110,320	$ 83,429
Sales Tax Funds:				
High School	80	3,635	3,714	1
Reno Valley Middle School	(84)	394	310	-
Total Sales Tax Funds	(4)	4,029	4,024	1
Total Agency Funds	$ 98,238	$ 100,702	$ 114,344	$ 83,430

Unified School District Number 309
Nickerson, Kansas

DISTRICT ACTIVITY FUNDS

SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2025

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts:						
Reno Valley Middle School						
Boys Basketball	$ 135	$ 680	$ 815	$ -	$ -	$ -
Girls Basketball	110	947	1,055	2	-	2
Football	769	2,308	2,128	949	-	949
Track Boys	808	875	-	1,683	-	1,683
Volleyball	725	1,686	1,548	863	-	863
Total Reno Valley Middle School	2,547	6,496	5,546	3,497	-	3,497
Nickerson High School	5,290	36,041	40,922	409	-	409
Concession/Vending	1,607	33,190	33,982	815	-	815
Total Nickerson High School	6,897	69,231	74,904	1,224	-	1,224
Total Gate Receipts	9,444	75,727	80,450	4,721	-	4,721
School Projects:						
South Hutchinson Elementary School						
Small Grant	24,379	5,956	12,391	17,944	-	17,944
Fees Owed to District	533	21,454	21,987	-	-	-
Total South Hutchinson Elementary School	24,912	27,410	34,378	17,944	-	17,944
Nickerson Elementary School						
Small Grants	6,012	3,090	3,134	5,968	-	5,968
Fees Owed to District	1,006	13,542	14,334	214	-	214
Total Nickerson Elementary School	7,018	16,632	17,468	6,182	-	6,182
Reno Valley Middle School						
Fees Owed to District	419	24,635	24,977	77	-	77
School Projects	8,901	3,754	6,322	6,333	-	6,333
Concession/Vending Machines	1,565	4,359	3,031	2,893	-	2,893
Total Reno Valley Middle School	10,885	32,748	34,330	9,303	-	9,303
Nickerson High School						
Library	220	-	123	97	-	97
Fees Owed to District	1,371	34,385	35,756	-	-	-
Metalshop	-	1,442	167	1,275	-	1,275
Woodshop	-	4,800	-	4,800	-	4,800
Total Nickerson High School	1,591	40,627	36,046	6,172	-	6,172
Total School Projects	44,406	117,417	122,222	39,601	-	39,601
Total District Activity Funds	$ 53,850	$ 193,144	$ 202,672	$ 44,322	$ -	$ 44,322

SINGLE AUDIT SECTION

LOYD GROUP, LLC

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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*

Board of Education
Unified School District 309
Nickerson, KS 67561

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statement of Unified School District Number 309, Kansas, (District) as of and for the year ended June 30, 2025, and the related notes to the financial statement which collectively comprise the District's basic financial statement, and have issued our report thereon dated December 1, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, 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 statement, 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 entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's 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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
December 1, 2025

LOYD GROUP, LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Board of Education
Unified School District 309
Nickerson, KS 67561

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District Number 309's (the District) 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 the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of 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 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, 2025.

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 *Kansas Municipal Audit and Accounting Guide;* 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.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
December 1, 2025

Unified School District Number 309
Nickerson, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing	Grant Number	Disbursements/ Expenditures
U.S. Department of Education			
Passed Through State Department of Education			
COVID-19 Elementary and Secondary School Emergency Relief Fund III	84.425U	DO309	$ 370,098
Title I Part A Basic Grants to LEAs	84.010	DO309	389,805
Supporting Effective Instruction	84.367	DO309	54,956
Student Support And Academic Enrichment	84.424	DO309	20,881
TOTAL U.S. DEPARTMENT OF EDUCATION			835,740
U.S. Department of Health and Human Servies			
Passed Through State Department of Education			
TANF - Early Learning Kansans	93.558	DO309	75,713
COVID-19 COVID Testing	93.323	DO309	99,815
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			175,528
U.S. Department of Agriculture			
Passed Through State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	DO309	105,356
National School Lunch Program	10.555	DO309	302,927
Summer Food Service Program for Children	10.559	DO309	166,281
Fresh Fruit and Vegetable Program	10.582	DO309	5,048
Total Child Nutrition Cluster			579,612
TOTAL U.S. DEPARTMENT OF AGRICULTURE			579,612
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			$ 1,590,880

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Unified School District Number 309, Nickerson Kansas (the District), under programs of the federal government for the year ended June 30, 2025. The information in the 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). 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. The Schedule is presented using a regulatory basis of accounting prescribed by the Kansas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

(1) Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) The District has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 - Funds Expended

Funds where Federal expenditures were receipted and expended:

Food Service Fund	$	579,612
Universal Preschool Grant Fund		75,713
COVID Testing Grant Fund		99,815
Title I Fund		389,805
Title IIA Fund		54,956
Title IV Fund		20,881
Elementary and Secondary School Emergency Relief III Fund		370,098
Total	$	1,590,880

Unified School District Number 309
Nickerson, Kansas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Section 1 – Summary of Auditor's Results

Financial Statements

1. Type of auditor's opinion issued on whether the financial statements audited were prepared in accordance with GAAP:	Adverse
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
3. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No

4. Identification of major programs:

Name of Federal Program or Cluster	CFDA Number
Elementary and Secondary School Emergency Relief	84.425U
Child Nutrition Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
Fresh Fruit and Vegetable Program	10.582

5. Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	No

Section 2 – Findings – Financial Statement Audit

There were no reportable findings.

Section 3 – Findings and Questioned Costs – Major Federal Award Programs

U.S. DEPARTMENT OF EDUCATION

Elementary and Secondary School Emergency Relief – CFDA 84.425U

There were no reportable findings.

U.S. DEPARTMENT OF AGRICULTURE

Child Nutrition Cluster – Assistance Listing Numbers: 10.553, 10.555, 10.559, 10.582

There were no reportable findings.