UNIFIED SCHOOL DISTRICT NO. 389
Eureka, Kansas

Independent Auditors' Report and
Regulatory Basis Financial Statement
With Supplementary Information

For the Year Ended June 30, 2025

Unified School District No. 389
Eureka, Kansas
Regulatory Basis Financial Statement
For the Fiscal Year Ended June 30, 2025

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Eureka, Kansas
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INDEPENDENT AUDITORS' REPORT

Board of Education
Unified School District No. 389
Eureka, Kansas

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 No. 389, Eureka, Kansas, 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 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 "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 opinion. 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.

Other Matters

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, and schedule of regulatory basis receipts and expenditures-agency funds, and summary schedule 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 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 Unified School District No. 389, Eureka, Kansas, as of and for the year ended June 30, 2024 (not presented herein), and have issued our report thereon dated January 14, 2025, which contained an unmodified opinion on the basic financial statement. The 2024 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/accounts-reports/local-government/municipal-services. 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 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 2024 basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the District's basic financial statement. 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 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 statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 20, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Rodney M. Burns, CPA, LLC

Rodney M. Burns, CPA, LLC
Certified Public Accountants

Chanute, Kansas
February 20, 2026

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Unified School District No. 389
Summary Statement 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
Governmental Type Funds:						
General	$	6,084,031	6,084,031		116,451	116,451
Supplemental General	126,393	1,967,626	1,980,065	113,954	142,169	256,123
Special Purpose:						
Pre-School Aged At-Risk		93,878	93,878		3,999	3,999
At Risk K-12	1,385,231	1,285,223	1,033,131	1,637,323	50,848	1,688,171
Virtual Education						
Capital Outlay	4,868,122	886,659	158,135	5,596,646	15,608	5,612,254
Driver Training		8,815	8,815		2,318	2,318
Food Service	180,702	397,867	437,992	140,577	1,845	142,422
Professional Development	525	33,544	34,069		18,971	18,971
Special Education	997,561	1,568,722	1,351,726	1,214,557	28,179	1,242,736
Career and Postsecondary Education	7,099	250,782	257,086	795	22,663	23,458
Gifts and Grants	8,802	67,819	24,997	51,624		51,624
KPERS Special Retirement Contribution		765,772	765,772			
Contingency Reserve	478,785			478,785		478,785
Textbook and Student Material Revolving	90,411	22,456	24,510	88,357		88,357
Recreation Commission	14,915	119,321	130,017	4,219		4,219
Elementary/Secondary School Emergency Relief	(304,663)	462,873	158,210			
REAP Grant	31,756		24,184	7,572		7,572
Meadowlark Grant		9,750	9,924	(174)		(174)
Rural and Low Income School Grant		26,623	11,335	15,288	11,335	26,623
Title I	208	174,419	174,627		6,919	6,919
KDHE COVID Testing Grant	(8,682)	26,428	17,746			
Title II	7,184	30,759	33,595	4,348	8,340	12,688
Title IV-A	10,496	18,342	15,564	13,274	2,095	15,369
Families and Schools Together Grant	4,765			4,765		4,765
Gate Receipts	12,248	83,400	80,210	15,438		15,438
Special Projects	178,786	75,309	58,638	195,457		195,457
Bond and Interest:						
Bond and Interest	1,254,391	402,151	409,900	1,246,642		1,246,642
Capital Projects:						
Gym Construction Project	9		9			
Trusts:						
Bond Refinancing	664			664		664
Total Primary Government (1)	9,345,708	14,862,569	13,378,166	10,830,111	431,740	11,261,851

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

Unified School District No. 389
Summary Statement 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
Composition of Cash:						
Certificates of Deposit						3,409,421
Demand Deposits						7,985,743
Petty Cash Advance						3,300
Less: Agency Funds						(136,613)
Total Primary Government (1)						11,261,851

(1) Excluding Agency Funds

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

Note 1 Summary of Significant Accounting Policies

The financial statement and schedules of Unified School District #389, Eureka, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies follow. Note 1 describes how the District's accounting policies differ from accounting principles generally accepted in the United States of America.

Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 389, and includes the primary government only, with no related municipal entities.

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 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 revenues 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 Kansas Municipal Audit and Accounting Guide 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.

Basis of Presentation

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following Regulatory Basis Fund Types comprise the financial activities of the District for the year ending June 30, 2025:

General Fund -- the chief operating fund. Used to account for all unrestricted 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 Funds -- used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

Trust Funds-- 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 Funds -- funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as revenues. In the financial statements and budget comparison schedules presented in this report, reimbursements and refunds are recorded as revenues. The reimbursements are recorded as cash receipts when received by the District Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Pension Plan

Substantially all full-time District employees are members of the State of Kansas Public Employees Retirement System which is a multi-employer state-wide pension plan. Under Kansas State Law, the State of Kansas will fund all employer pension costs accrued; such costs to be funded are actuarially determined annually by the State.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. 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 municipality did hold a revenue neutral rate hearing for the year ending June 30, 2025.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue 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. During the year ended June 30, 2025, the District had no such amendments.

Subsequent to the adoption of the budget, and the amendment, the budgets of the General Fund and the Supplemental General Fund were cut by the State Board of Education to the legal maximum amounts of $5,933,305 and $1,948,819, respectively. These maximum budgets are based on audited full-time equivalent enrollment.

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 revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

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

Gifts and Grants Fund
Contingency Reserve Fund
Textbook and Student Material Revolving Fund
Elementary/Secondary School Emergency Relief Fund
REAP Grant Fund
Meadowlark Grant Fund
Rural and Low Income School Grant Fund
Title I Fund
KDHE COVID Testing Grant Fund
Title II Fund
Title IV-A Fund
Families and Schools Together Grant Fund
Gate Receipts Fund
Special Projects Fund

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

Note 2 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 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 Municipality'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. The District had no investments at June 30, 2025 and held no investments throughout the year.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a 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, except during designated "peak periods" when required coverage is 50%. The District has not designated any peak periods.

At June 30, 2025, the carrying amount of the District's deposits was $11,395,164 and the bank balance was $12,304,380. Of the bank balance, $578,968 was covered by federal depository insurance and the remaining $11,725,412 was collateralized with securities held by the pledging financial institutions' agents in the School's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the 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.

Note 3 Long-term Debt

Operating Lease Obligation

The District has entered into an operating lease for the use of copiers. The minimum lease payments due as of June 30, 2025 are as follows:

2025-26	$	16,739
2026-27		4,185
Total		20,924

2020 General Obligation Bonds

On January 7, 2020, the District issued $4,800,000 in General Obligations Bonds for the purpose of constructing a new gymnasium/athletic facility, to replace a former facility that had been destroyed by a tornado in 2018. Repayment of these bonds will be through an annual tax levy, with payments extending until September 1, 2035.

Changes in Long-Term Debt

Changes in long-term debt for the year ending June 30, 2025 were as follows:

Issue	Interest Rate	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:									
G.O. Building Bonds	3.00-4.00%	1/07/2020	4,800,000	9/01/2035	4,120,000		280,000	3,840,000	129,900
Other Liabilities:									
Early Retirement Program					29,000		20,000	9,000	-
Total Contractual Indebtedness					4,149,000	-	300,000	3,849,000	129,900

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

	General Obligation Bonds		Early Retirement Program	
	Principal	Interest	Principal	Interest
2025-26	$ 290,000	118,500	7,000	
2026-27	305,000	106,600	2,000	
2027-28	315,000	94,200		
2028-29	330,000	82,950		
2029-30	340,000	72,900		
2030-31/2034-35	1,855,000	203,175		
2035-36	405,000	6,075		
Total	3,840,000	684,400	9,000	-

Note 4 Risk Management

Insurance Coverage

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The District manages these risks of loss through the purchase of various insurance policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 5 Interfund Transfers

From	To	Regulatory Authority	Amount
General Fund	Pre-School Aged At Risk Fund	K.S.A. 72-5167	$ 93,878
General Fund	At Risk K-12 Fund	K.S.A. 72-5167	1,013,753
General Fund	Capital Outlay Fund	K.S.A. 72-5167	87,607
General Fund	Driver Training Fund	K.S.A. 72-5167	5,625
General Fund	Food Service Fund	K.S.A. 72-5167	1,292
General Fund	Professional Development Fund	K.S.A. 72-5167	32,922
General Fund	Special Education Fund	K.S.A. 72-5167	766,600
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	226,127
Supplemental General Fund	At Risk K-12 Fund	K.S.A. 72-5143	271,470
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	234,542

Note 6 Other Long-Term Obligations from Operations

Compensated Absences

The School District's policies regarding sick leave permit employees a maximum accumulation of 90 days. At the time of termination, if the employee has been with the District for at least five years, the employee is compensated for unused sick days at the rate of $25 per day for Certified personnel and $10 per day for all other personnel. Non-certified, full-time employees are granted a maximum of three weeks vacation per year after five years service. Unused vacation time is lost at the end of each year. Policies prohibit payment for vacation time in lieu of time off and require the cancellation of unused vacation at the time of employment termination.

Early Retirement Incentive Plan

The School District has adopted a local early retirement incentive plan for all personnel. Under this plan, certified personnel who have 15 or more years service with the District, 20 years of credited service with Kpers, and are between the age of 55 and 65 may retire and receive an annual benefit of $5,000. Persons who retire under this program between the ages of 55 and 61 will receive this benefit for 4 years. Persons retiring at 62 years of age will receive this benefit for 3 years. Persons retiring at 63 years of age will receive this benefit for 2 years, and persons retiring at 64 years of age will receive this benefit for 1 year.

Under this same plan, classified employees who have 15 or more years service with the District, 20 years of credited services with Kpers, and have met the age and service requirements of Kpers (85 points), may retire and receive an annual benefit of $3,000 for 12-month employees and $2,000 for 9- and 10-month employees. Persons who retire under this program between the ages of 53 and 61 will receive this benefit for 4 years. Persons retiring at 62 years of age will receive this benefit for 3 years. Persons retiring at 63 years of age will receive this benefit for 2 years, and persons retiring at 64 years of age will receive this benefit for 1 year.

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 Annual Comprehensive 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 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.

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 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 $765,772 from the State of Kansas 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 $6,203,261 The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. 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, 2025. 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 publicly available on the website at www.kpers.org or can be obtained as described above.

Note 7 Stewardship, Compliance, and Accountability

Compliance with Kansas Cash Basis Law

The Meadowlark Grant Fund had a deficit unencumbered cash balances as of June 30, 2025, in the amount of $174. This was caused by the District spending funds in anticipation of federal funds to be received in the next fiscal year, and is not a violation of the Kansas Cash Basis Law.

Compliance with Kansas Budget Law

Expenditures and encumbrances exceeded the adopted budget in the Professional Development Fund, in the amount of $8,544.

Compliance with Kansas Depository Security Law

No violations.

Note 8 Subsequent Events

The District has evaluated subsequent events through February 20, 2026, the date which the financial statement was available to be issued.

SUPPLEMENTARY INFORMATION

Unified School District No. 389
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2025

Schedule 1

	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)
Governmental Type Funds:						
General	$ 6,139,653	(206,348)	150,726	6,084,031	6,084,031	
Supplemental General	1,982,973	(34,154)	31,246	1,980,065	1,980,065	
Special Purpose:						
Pre-School Aged At-Risk	120,000			120,000	93,878	(26,122)
At Risk K-12	2,719,345			2,719,345	1,033,131	(1,686,214)
Virtual Education	25,000			25,000		(25,000)
Capital Outlay	4,850,000		106	4,850,106	158,135	(4,691,971)
Driver Training	11,270			11,270	8,815	(2,455)
Food Service	570,250			570,250	437,992	(132,258)
Professional Development	25,525			25,525	34,069	8,544
Special Education	1,593,500			1,593,500	1,351,726	(241,774)
Career and Postsecondary Education	345,000			345,000	257,086	(87,914)
KPERS Special Retirement Contribution	881,741			881,741	765,772	(115,969)
Recreation Commission	130,017			130,017	130,017	
Bond and Interest:						
Bond and Interest	410,000			410,000	409,900	(100)
Totals	19,804,274	(240,502)	182,078	19,745,850	12,744,617	(7,001,233)

Unified School District No. 389
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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Reimbursements	$	150,726		150,726
Revenue from State Sources				
General State Aid	5,298,968	5,227,278	5,166,255	61,023
Mineral Production Tax	478	362	450	(88)
Special Education Aid	589,855	705,665	766,600	(60,935)
Total Revenue from State Sources	5,889,301	5,933,305	5,933,305	
Total Cash Receipts	5,889,301	6,084,031	5,933,305	150,726
Expenditures and Transfers				
Instruction				
Salaries - Licensed	1,764,312	1,875,218	1,981,562	(106,344)
Salaries - Non Licensed	36,459	36,809	40,000	(3,191)
Group Insurance		3,805		3,805
Social Security	137,157	126,549	145,000	(18,451)
Other Employee Benefits	2,690	2,270	3,500	(1,230)
Textbooks		70,476		70,476
Miscellaneous Supplies	9,850		11,000	(11,000)
Other		4,427		4,427
Total Instruction	1,950,468	2,119,554	2,181,062	(61,508)
Support Services - Students				
Salaries - Licensed	310,560	340,653	323,000	17,653
Salaries - Non Licensed		7,544		7,544
Group Insurance		550		550
Social Security	20,021	21,675	21,000	675
Other Employee Benefits	269	258	500	(242)
Total Support Services - Students	330,850	370,680	344,500	26,180
Support Services - Instr. Staff				
Salaries - Licensed	77,155	89,865	80,000	9,865
Group Insurance		200		200
Social Security		2,053		2,053
Other Employee Benefits	64	71	100	(29)
Total Support Services - Instr. Staff	77,219	92,189	80,100	12,089
General Administration				
Salaries - Licensed	87,755	87,727	91,000	(3,273)
Salaries - Non Licensed	13,758	14,804	14,000	804
Group Insurance		1,048		1,048
Social Security	10,987	9,954	12,000	(2,046)
Other Employee Benefits	70	1,834	100	1,734
Other Official/Administrative Services	2,113			
Total General Administration	114,683	115,367	117,100	(1,733)
School Administration				
Salaries - Licensed	249,307	260,397	260,000	397
Salaries - Non Licensed	181,713	162,580	170,000	(7,420)
Group Insurance		375		375
Social Security	29,092	29,106	33,000	(3,894)
Other Employee Benefits	418	374	500	(126)
Total School Administration	460,530	452,832	463,500	(10,668)
Support Services - Business				
Salaries - Non Licensed	84,398	88,061	85,500	2,561
Social Security		1,288		1,288
Other Employee Benefits		17		17
Total Support Services - Business	84,398	89,366	85,500	3,866

Unified School District No. 389
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Operations and Maintenance				
Salaries - Non Licensed	$ 354,175	368,460	365,000	3,460
Social Security	22,420	23,226	23,500	(274)
Other Employee Benefits	268	268	300	(32)
Electricity		150		150
Total Operations and Maintenance	376,863	392,104	388,800	3,304
Vehicle Operation Services				
Salaries - Non Licensed	155,766	148,995	170,000	(21,005)
Social Security	10,191	9,644	11,000	(1,356)
Other Employee Benefits	159	725	200	525
Total Vehicle Operation Services	166,116	159,364	181,200	(21,836)
Vehicle Servicing/Maintenance				
Salaries - Non Licensed	58,814	60,871	60,000	871
Social Security	3,810	3,856	4,000	(144)
Other Employee Benefits	46	44	50	(6)
Total Vehicle Servicing/Maintenance	62,670	64,771	64,050	721
Fund Transfers				
Pre-School Aged At-Risk	82,191	93,878	120,000	(26,122)
At Risk K-12	995,213	1,013,753	1,051,937	(38,184)
Capital Outlay		87,607	11,000	76,607
Virtual Education			25,000	(25,000)
Driver Training	5,800	5,625	8,000	(2,375)
Food Service		1,292		1,292
Professional Development	18,004	32,922	22,000	10,922
Special Education	1,008,078	766,600	766,600	
Career and Postsecondary Education	156,218	226,127	229,304	(3,177)
Total Fund Transfers	2,265,504	2,227,804	2,233,841	(6,037)
Budget Adjustments				
Legal Max Adjustment			(206,348)	206,348
Budget Credit Adjustment			150,726	(150,726)
Total Expenditures and Transfers	5,889,301	6,084,031	6,084,031	
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 389
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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 617,186	880,094	781,982	98,112
Delinquent Taxes	15,312	13,001	9,633	3,368
Watercraft Tax	2,005	1,753		1,753
Reimbursements		31,246		31,246
Total Revenue from Local Sources	634,503	926,094	791,615	134,479
Revenue from County Sources				
Motor Vehicle Tax	72,307	70,011	57,442	12,569
Recreational Vehicle Tax	1,526	1,351	1,281	70
Commercial Vehicle Tax	2,068	2,141	22,689	(20,548)
Revenue in Lieu of Taxes	1,347	1,415		1,415
Total Revenue from County Sources	77,248	74,918	81,412	(6,494)
Revenue from State Sources				
Supplemental State Aid	981,885	966,614	949,401	17,213
Total Cash Receipts	1,693,636	1,967,626	1,822,428	145,198
Expenditures and Transfers				
Instruction				
Staff Travel	12,779	15,374		15,374
Other Miscellaneous Purchased Services			13,000	(13,000)
Supplies and Materials	45,643	3,470	46,000	(42,530)
General Teaching Supplies		355		355
Textbooks	29,365	8,295	20,000	(11,705)
Miscellaneous Supplies	152,931	207,238	143,600	63,638
Property (Equipment & Furnishings)	44,402	24,507	40,000	(15,493)
Other		44,194		44,194
Total Instruction	285,120	303,433	262,600	40,833
Support Services - Students				
Supplies and Materials	2,553	1,369	3,000	(1,631)
Other		1,046		1,046
Total Support Services - Students	2,553	2,415	3,000	(585)
Support Services - Instr. Staff				
Books and Periodicals	11,493	8,776	12,000	(3,224)
General Administration				
Salaries - Licensed			87,000	(87,000)
Purchased Professional and Technical Services	103,205	79,789		79,789
Board of Education Services	3,000			
Other Official/Administrative Services	3,753	5,656		5,656
Insurance	318,760	335,914	309,000	26,914
Communication Services	192	5,132	44,000	(38,868)
Postage		581		581
Other Miscellaneous Purchased Services			6,000	(6,000)
Supplies and Materials	18,489	5,540	6,000	(460)
Other		3,813		3,813
Total General Administration	447,399	436,425	452,000	(15,575)
Support Services - Business				
Other Purchased Services			7,500	(7,500)
Postage	4,365	67		67
Total Support Services - Business	4,365	67	7,500	(7,433)

Unified School District No. 389
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Operations and Maintenance				
Water/Sewer Services (Non-Energy)	$ 7,952	7,667	8,400	(733)
Cleaning Services			15,000	(15,000)
Disposal Services	13,412	9,786		9,786
Repairs and Maintenance	116,564	59,498	81,604	(22,106)
Rentals/Leases	30,951	32,856	32,000	856
Communication Services	40,329	11,451		11,451
Supplies and Materials	77,268	63,781	80,000	(16,219)
Heating	58,270	71,997	64,000	7,997
Electricity	227,967	295,473	138,000	157,473
Motor Fuel	1,152	1,172	2,000	(828)
Other	28,688	17,612	30,000	(12,388)
Total Operations and Maintenance	602,553	571,293	451,004	120,289
Vehicle Operation Services				
Motor Fuel	36,723	23,170	40,000	(16,830)
Other	10,754	45,991	8,000	37,991
Total Vehicle Operation Services	47,477	69,161	48,000	21,161
Vehicle Servicing/Maintenance				
Supplies and Materials	168,487	78,925	113,545	(34,620)
Other		558	4,000	(3,442)
Total Vehicle Servicing/Maintenance	168,487	79,483	117,545	(38,062)
Operation of Non-Instruction Services				
Purchased Professional and Technical Services		3,000		3,000
Fund Transfers				
At Risk K-12	262,904	271,470	282,177	(10,707)
Special Education	52,265	234,542	250,251	(15,709)
Career and Postsecondary Education			96,896	(96,896)
Total Fund Transfers	315,169	506,012	629,324	(123,312)
Budget Adjustments				
Legal Max Adjustment			(34,154)	34,154
Budget Credit Adjustment			31,246	(31,246)
Total Expenditures and Transfers	1,884,616	1,980,065	1,980,065	
Receipts Over (Under) Expenditures and Transfers	(190,980)	(12,439)		
Unencumbered Cash, Beginning	282,087	126,393		
Prior Year Encumbrances Cancelled	35,286			
Unencumbered Cash, Ending	126,393	113,954		

Unified School District No. 389
Pre-School Aged At-Risk 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Operating Transfers				
Transfer from General Fund	$ 82,191	93,878	120,000	(26,122)
Total Cash Receipts	82,191	93,878	120,000	(26,122)
Expenditures and Transfers				
Instruction				
Salaries - Licensed	80,658	81,690	85,000	(3,310)
Salaries - Non Licensed		6,769	20,000	(13,231)
Group Insurance		200		200
Social Security	1,533	5,196	10,000	(4,804)
Other Employee Benefits		23		23
General Teaching Supplies			5,000	(5,000)
Total Expenditures and Transfers	82,191	93,878	120,000	(26,122)
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 389
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Operating Transfers				
Transfer from General Fund	$ 995,213	1,013,753	1,051,937	(38,184)
Transfer from Supplemental General Fund	262,904	271,470	282,177	(10,707)
Total Cash Receipts	1,258,117	1,285,223	1,334,114	(48,891)
Expenditures and Transfers				
Instruction				
Salaries - Licensed	812,560	964,875	1,880,655	(915,780)
Salaries - Non Licensed		16	363,690	(363,674)
Group Insurance		2,837		2,837
Social Security	52,690	60,828	75,000	(14,172)
Other Employee Benefits		275		275
General Teaching Supplies			200,000	(200,000)
Property (Equipment & Furnishings)			200,000	(200,000)
Total Instruction	865,250	1,028,831	2,719,345	(1,690,514)
Support Services - Students				
Salaries - Licensed		1,596		1,596
Salaries - Non Licensed		2,394		2,394
Social Security		306		306
Other Employee Benefits		4		4
Total Support Services - Students		4,300		4,300
Total Expenditures and Transfers	865,250	1,033,131	2,719,345	(1,686,214)
Receipts Over (Under) Expenditures and Transfers	392,867	252,092		
Unencumbered Cash, Beginning	992,364	1,385,231		
Unencumbered Cash, Ending	1,385,231	1,637,323		

Unified School District No. 389
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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Operating Transfers				
Transfer from General Fund	$		25,000	(25,000)
Total Cash Receipts			25,000	(25,000)
Expenditures and Transfers				
Instruction				
Salaries - Licensed			10,000	(10,000)
Social Security			500	(500)
Purchased Professional and Technical Services			14,500	(14,500)
Total Expenditures and Transfers			25,000	(25,000)
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 389
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 360,003	384,111	355,508	28,603
Delinquent Taxes	7,156	6,894	5,630	1,264
Watercraft Tax	1,089	1,022		1,022
Interest on Investments	106,540	147,372	100,000	47,372
Other Revenue From Local Sources	123,555	35,064	75,000	(39,936)
Total Revenue from Local Sources	598,343	574,463	536,138	38,325
Revenue from County Sources				
Motor Vehicle Tax	34,981	36,102	32,116	3,986
Recreational Vehicle Tax	739	704	716	(12)
Commercial Vehicle Tax	998	1,159	12,685	(11,526)
Revenue in Lieu of Taxes	2,586	3,549		3,549
Total Revenue from County Sources	39,304	41,514	45,517	(4,003)
Revenue from State Sources				
General State Aid	169,972	182,969	184,247	(1,278)
Revenue from Federal Sources				
Federal Flood Control Allocation	2,002	106		106
Operating Transfers				
Transfer from General Fund		87,607	11,000	76,607
Total Cash Receipts	809,621	886,659	776,902	109,757
Expenditures and Transfers				
Instruction				
Property (Equipment & Furnishings)			1,250,000	(1,250,000)
Support Services - Students				
Property (Equipment & Furnishings)			500,000	(500,000)
Operations and Maintenance				
Repairs and Maintenance			500,000	(500,000)
Repair of Buildings			500,000	(500,000)
Property (Equipment & Furnishings)	100,676	101,095	300,000	(198,905)
Total Operations and Maintenance	100,676	101,095	1,300,000	(1,198,905)
Vehicle Operation Services				
Property (Equipment & Furnishings)			300,000	(300,000)
Facilities Acquisition/Construction				
Site Improvement	350,412	57,040	1,000,000	(942,960)
Other Facilities Acquisition/Construction			500,000	(500,000)
Total Facilities Acquisition/Construction	350,412	57,040	1,500,000	(1,442,960)
Budget Credit Adjustment			106	(106)
Total Expenditures and Transfers	451,088	158,135	4,850,106	(4,691,971)
Receipts Over (Under) Expenditures and Transfers	358,533	728,524		
Unencumbered Cash, Beginning	4,509,589	4,868,122		
Unencumbered Cash, Ending	4,868,122	5,596,646		

Unified School District No. 389
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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Other Revenue From Local Sources	$ 240		300	(300)
Revenue from State Sources				
General State Aid	4,205	3,190	2,970	220
Operating Transfers				
Transfer from General Fund	5,800	5,625	8,000	(2,375)
Total Cash Receipts	10,245	8,815	11,270	(2,455)
Expenditures and Transfers				
Instruction				
Salaries - Licensed	9,180	8,179	9,000	(821)
Social Security	702	628	900	(272)
Other Employee Benefits	9	8	100	(92)
Supplies and Materials	96			
General Teaching Supplies			770	(770)
Total Instruction	9,987	8,815	10,770	(1,955)
Vehicle Operation/Maintenance				
Motor Fuel	258		500	(500)
Total Expenditures and Transfers	10,245	8,815	11,270	(2,455)
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 389
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Student Sales	$ 53,837	54,890	66,875	(11,985)
Adults and Non-Reimbursable Programs	3,916	3,975	4,775	(800)
Other Revenue From Local Sources	9,864	3,934	7,500	(3,566)
Total Revenue from Local Sources	67,617	62,799	79,150	(16,351)
Revenue from State Sources				
General State Aid	3,110	3,146	2,640	506
Revenue from Federal Sources				
Federal Financial Assistance	306,876	317,391	314,827	2,564
Fresh Fruits and Vegetables Grant	16,062	13,239	25,000	(11,761)
Other Federal Financial Assistance	17,020			
Total Revenue from Federal Sources	339,958	330,630	339,827	(9,197)
Operating Transfers				
Transfer from General Fund		1,292		1,292
Total Cash Receipts	410,685	397,867	421,617	(23,750)
Expenditures and Transfers				
Operations and Maintenance				
Water/Sewer Services (Non-Energy)	2,795	2,687	5,000	(2,313)
Food Service Operations				
Salaries - Non Licensed	141,480	129,214	150,000	(20,786)
Social Security	7,099	6,806	10,000	(3,194)
Other Employee Benefits	83	76	250	(174)
Food and Milk	271,059	273,312	315,000	(41,688)
Miscellaneous Supplies	10,889	8,333	25,000	(16,667)
Property (Equipment & Furnishings)	4,203	8,278	50,000	(41,722)
Equipment		280		280
Other	11,126	9,006	15,000	(5,994)
Total Food Service Operations	445,939	435,305	565,250	(129,945)
Total Expenditures and Transfers	448,734	437,992	570,250	(132,258)
Receipts Over (Under) Expenditures and Transfers	(38,049)	(40,125)		
Unencumbered Cash, Beginning	200,826	180,702		
Prior Year Encumbrances Cancelled	17,925			
Unencumbered Cash, Ending	180,702	140,577		

Unified School District No. 389
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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from State Sources				
General State Aid	$ 1,769	622	3,000	(2,378)
Operating Transfers				
Transfer from General Fund	18,004	32,922	22,000	10,922
Total Cash Receipts	19,773	33,544	25,000	8,544
Expenditures and Transfers				
Support Services - Instr. Staff				
Social Security		601		601
Other Employee Benefits		8		8
Purchased Professional and Technical Services		26,956		26,956
Instructional Program Improvement Services	34,630	6,504	25,525	(19,021)
Total Expenditures and Transfers	34,630	34,069	25,525	8,544
Receipts Over (Under) Expenditures and Transfers	(14,857)	(525)		
Unencumbered Cash, Beginning	15,382	525		
Unencumbered Cash, Ending	525			

Unified School District No. 389
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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Interest on Investments	$ 316,996	328,106	150,000	178,106
Revenue from Federal Sources				
Federal Financial Assistance	186,865	186,684	186,684	
Medicaid Title XIX	63,796	52,790	60,000	(7,210)
Total Revenue from Federal Sources	250,661	239,474	246,684	(7,210)
Operating Transfers				
Transfer from General Fund	1,008,079	766,600	766,600	
Transfer from Supplemental General Fund	52,265	234,542	250,251	(15,709)
Total Operating Transfers	1,060,344	1,001,142	1,016,851	(15,709)
Total Cash Receipts	1,628,001	1,568,722	1,413,535	155,187
Expenditures and Transfers				
Instruction				
Salaries - Licensed	450,719	487,612	650,000	(162,388)
Salaries - Non Licensed	456,343	507,489	475,000	32,489
Group Insurance		1,075		1,075
Social Security	56,654	62,324	70,000	(7,676)
Other Employee Benefits	677	1,082	1,500	(418)
Purchased Professional and Technical Services	93,542	95,678	125,000	(29,322)
Tuition			10,000	(10,000)
Supplies and Materials	33,547	30,552	40,000	(9,448)
General Teaching Supplies		8,632		8,632
Total Instruction	1,091,482	1,194,444	1,371,500	(177,056)
Support Services - Students				
Salaries - Licensed	64,258	55,423	75,000	(19,577)
Social Security	4,865	4,181	6,000	(1,819)
Other Employee Benefits	60	46		46
Purchased Professional and Technical Services			1,000	(1,000)
Total Support Services - Students	69,183	59,650	82,000	(22,350)
General Administration				
Salaries - Licensed		11,085		11,085
Group Insurance		1,048		1,048
Social Security		836		836
Other Employee Benefits		11		11
Total General Administration		12,980		12,980
Vehicle Operation Services				
Salaries - Non Licensed	37,422	37,882	41,000	(3,118)
Social Security	2,768	2,785	4,000	(1,215)
Other Employee Benefits		177		177
Motor Fuel	6,590	4,909	20,000	(15,091)
Property (Equipment & Furnishings)		38,899	75,000	(36,101)
Total Vehicle Operation Services	46,780	84,652	140,000	(55,348)
Total Expenditures and Transfers	1,207,445	1,351,726	1,593,500	(241,774)
Receipts Over (Under) Expenditures and Transfers	420,556	216,996		
Unencumbered Cash, Beginning	576,567	997,561		
Prior Year Encumbrances Cancelled	438			
Unencumbered Cash, Ending	997,561	1,214,557		

Unified School District No. 389
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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from State Sources				
CTE Transportation State Aid	$ 9,951	11,943	10,800	1,143
Revenue from Federal Sources				
Federal Financial Assistance	5,117		1,000	(1,000)
P.L. 382	20,824	12,712	7,000	5,712
Total Revenue from Federal Sources	25,941	12,712	8,000	4,712
Operating Transfers				
Transfer from General Fund	156,218	226,127	229,304	(3,177)
Transfer from Supplemental General Fund			96,896	(96,896)
Total Operating Transfers	156,218	226,127	326,200	(100,073)
Total Cash Receipts	192,110	250,782	345,000	(94,218)
Expenditures and Transfers				
Instruction				
Salaries - Licensed	208,912	236,325	250,000	(13,675)
Group Insurance		758		758
Social Security		5,058		5,058
Other Employee Benefits		66		66
General Teaching Supplies			20,000	(20,000)
Miscellaneous Supplies	25,202	14,879	75,000	(60,121)
Total Expenditures and Transfers	234,114	257,086	345,000	(87,914)
Receipts Over (Under) Expenditures and Transfers	(42,004)	(6,304)		
Unencumbered Cash, Beginning	43,897	7,099		
Prior Year Encumbrances Cancelled	5,206			
Unencumbered Cash, Ending	7,099	795		

Unified School District No. 389
Gifts and Grants Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Local Sources		
Donations	$ 32	60,000
Revenue from State Sources		
Kansas Safe and Secure Schools	8,025	7,819
Total Cash Receipts	8,057	67,819
Expenditures and Transfers		
Instruction		
General Teaching Supplies		22,947
Property (Equipment & Furnishings)	29,878	2,050
Total Expenditures and Transfers	29,878	24,997
Receipts Over (Under) Expenditures and Transfers	(21,821)	42,822
Unencumbered Cash, Beginning	30,623	8,802
Unencumbered Cash, Ending	8,802	51,624

Unified School District No. 389
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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Revenue from State Sources				
General State Aid	$ 801,584	765,772	881,741	(115,969)
Total Cash Receipts	801,584	765,772	881,741	(115,969)
Expenditures and Transfers				
Instruction				
Other Employee Benefits	548,356	545,084	603,190	(58,106)
Support Services - Students				
Other Employee Benefits	40,490	38,911	44,539	(5,628)
Support Services - Instr. Staff				
Other Employee Benefits	11,491	10,949	12,640	(1,691)
General Administration				
Other Employee Benefits	28,968	23,487	31,865	(8,378)
School Administration				
Other Employee Benefits	64,843	52,343	71,327	(18,984)
Support Services - Business				
Other Employee Benefits	12,448	11,071	13,693	(2,622)
Operations and Maintenance				
Other Employee Benefits	49,766	46,598	54,743	(8,145)
Student Transportation				
Other Employee Benefits		6,489		6,489
Vehicle Operation Services				
Other Employee Benefits	29,408	17,673	32,349	(14,676)
Operation of Non-Instruction Services				
Other Employee Benefits	15,814	13,167	17,395	(4,228)
Total Expenditures and Transfers	801,584	765,772	881,741	(115,969)
Receipts Over (Under) Expenditures and Transfers				
Unencumbered Cash, Beginning				
Unencumbered Cash, Ending				

Unified School District No. 389
Contingency Reserve Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	$	
Expenditures and Transfers		
None		
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning	478,785	478,785
Unencumbered Cash, Ending	478,785	478,785

Unified School District No. 389
Textbook and Student Material Revolving Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Local Sources		
User Charges and Fines	$ 20,534	14,497
Rental Fees and Books	25,158	7,959
Total Cash Receipts	45,692	22,456
Expenditures and Transfers		
Instruction		
Supplies and Materials	26,160	24,510
Total Expenditures and Transfers	26,160	24,510
Receipts Over (Under) Expenditures and Transfers	19,532	(2,054)
Unencumbered Cash, Beginning	70,879	90,411
Unencumbered Cash, Ending	90,411	88,357

Unified School District No. 389
Recreation Commission 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 107,309	103,558	98,482	5,076
Delinquent Taxes	2,683	2,273	1,665	608
Watercraft Tax	377	320		320
Total Revenue from Local Sources	110,369	106,151	100,147	6,004
Revenue from County Sources				
Motor Vehicle Tax	12,667	12,297	10,552	1,745
Recreational Vehicle Tax	268	238	235	3
Commercial Vehicle Tax	362	377	4,168	(3,791)
Revenue in Lieu of Taxes	255	258		258
Total Revenue from County Sources	13,552	13,170	14,955	(1,785)
Total Cash Receipts	123,921	119,321	115,102	4,219
Expenditures and Transfers				
Community Services Operations				
Community Service Operations	134,223	130,017	130,017	
Total Expenditures and Transfers	134,223	130,017	130,017	
Receipts Over (Under) Expenditures and Transfers	(10,302)	(10,696)		
Unencumbered Cash, Beginning	25,217	14,915		
Unencumbered Cash, Ending	14,915	4,219		

Unified School District No. 389
Elementary/Secondary School Emergency Relief Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 394,340	462,873
Total Cash Receipts	394,340	462,873
Expenditures and Transfers		
Instruction		
Salaries - Licensed	278,206	156,774
General Teaching Supplies	21,815	
Textbooks	12,196	
Property (Equipment & Furnishings)	1,740	1,436
Equipment	123,484	
Total Expenditures and Transfers	437,441	158,210
Receipts Over (Under) Expenditures and Transfers	(43,101)	304,663
Unencumbered Cash, Beginning	(261,594)	(304,663)
Prior Year Encumbrances Cancelled	32	
Unencumbered Cash, Ending	(304,663)	

Unified School District No. 389
REAP Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 43,432	
Total Cash Receipts	43,432	
Expenditures and Transfers		
Support Services - Instr. Staff		
Purchased Professional and Technical Services	21,532	24,184
Total Expenditures and Transfers	21,532	24,184
Receipts Over (Under) Expenditures and Transfers	21,900	(24,184)
Unencumbered Cash, Beginning	9,856	31,756
Unencumbered Cash, Ending	31,756	7,572

Unified School District No. 389
Meadowlark Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$	9,750
Total Cash Receipts		9,750
Expenditures and Transfers		
Instruction		
Salaries - Licensed		9,750
Social Security		172
Other Employee Benefits		2
Total Expenditures and Transfers		9,924
Receipts Over (Under) Expenditures and Transfers		(174)
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		(174)

Unified School District No. 389
Rural and Low Income School Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$	26,623
Total Cash Receipts		26,623
Expenditures and Transfers		
Instruction		
Property (Equipment & Furnishings)		11,335
Total Expenditures and Transfers		11,335
Receipts Over (Under) Expenditures and Transfers		15,288
Unencumbered Cash, Beginning		
Unencumbered Cash, Ending		15,288

Unified School District No. 389
Title I Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 168,370	174,419
Total Cash Receipts	168,370	174,419
Expenditures and Transfers		
Instruction		
Salaries - Licensed	132,254	134,984
Group Insurance		400
Social Security	32,836	36,760
Other Employee Benefits		44
Supplies and Materials	1,541	174
General Teaching Supplies		439
Total Instruction	166,631	172,801
Support Services - Students		
Other	1,739	1,822
Support Services - Instr. Staff		
Purchased Professional and Technical Services		4
Total Expenditures and Transfers	168,370	174,627
Receipts Over (Under) Expenditures and Transfers		(208)
Unencumbered Cash, Beginning	208	208
Prior Year Encumbrances Cancelled		
Unencumbered Cash, Ending	208	

Unified School District No. 389
KDHE COVID Testing Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 40,000	26,428
Total Cash Receipts	40,000	26,428
Expenditures and Transfers		
General Administration		
Salaries - Non Licensed	39,679	17,746
Total Expenditures and Transfers	39,679	17,746
Receipts Over (Under) Expenditures and Transfers	321	8,682
Unencumbered Cash, Beginning	(9,003)	(8,682)
Unencumbered Cash, Ending	(8,682)	

Unified School District No. 389
Title II Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Revenue from Federal Sources		
Federal Financial Assistance	$ 28,322	30,759
Total Cash Receipts	28,322	30,759
Expenditures and Transfers		
Instruction		
Salaries - Licensed		56
Social Security		11
Total Instruction		67
Support Services - Instr. Staff		
Purchased Professional and Technical Services		10,478
Instructional Program Improvement Services	28,322	23,050
Total Support Services - Instr. Staff	28,322	33,528
Total Expenditures and Transfers	28,322	33,595
Receipts Over (Under) Expenditures and Transfers		(2,836)
Unencumbered Cash, Beginning	7,184	7,184
Unencumbered Cash, Ending	7,184	4,348

Unified School District No. 389
Title IV-A Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Prior Year Actual	Current Year Actual
Cash Receipts			
Revenue from Federal Sources			
Federal Financial Assistance	$	18,146	18,342
Total Cash Receipts		18,146	18,342
Expenditures and Transfers			
Instruction			
Purchased Professional and Technical Services		18,146	15,564
Total Expenditures and Transfers		18,146	15,564
Receipts Over (Under) Expenditures and Transfers			2,778
Unencumbered Cash, Beginning		10,496	10,496
Unencumbered Cash, Ending		10,496	13,274

Unified School District No. 389
Families and Schools Together Grant Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	$	
Expenditures and Transfers		
None		
Receipts Over (Under) Expenditures and Transfers		
Unencumbered Cash, Beginning	4,765	4,765
Unencumbered Cash, Ending	4,765	4,765

Unified School District No. 389
Bond and Interest 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Cash Receipts				
Revenue from Local Sources				
Ad Valorem Taxes	$ 410,486	340,178	316,032	24,146
Delinquent Taxes	9,792	8,691	6,401	2,290
Watercraft Tax	1,382	1,166		1,166
Total Revenue from Local Sources	421,660	350,035	322,433	27,602
Revenue from County Sources				
Motor Vehicle Tax	51,360	48,773	39,049	9,724
Recreational Vehicle Tax	1,081	938	871	67
Commercial Vehicle Tax	1,470	1,465	15,424	(13,959)
Revenue in Lieu of Taxes	926	940		940
Total Revenue from County Sources	54,837	52,116	55,344	(3,228)
Total Cash Receipts	476,497	402,151	377,777	24,374
Expenditures and Transfers				
Debt Service				
Redemption of Principal	270,000	280,000	280,000	
Interest (Coupons)	140,900	129,900	129,900	
Commission and Postage			100	(100)
Total Expenditures and Transfers	410,900	409,900	410,000	(100)
Receipts Over (Under) Expenditures and Transfers	65,597	(7,749)		
Unencumbered Cash, Beginning	1,188,794	1,254,391		
Unencumbered Cash, Ending	1,254,391	1,246,642		

Unified School District No. 389
Gym Construction Project Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	$	
Expenditures and Transfers		
Facilities Acquisition/Construction		
Architecture and Engineering Services		9
Total Expenditures and Transfers		9
Receipts Over (Under) Expenditures and Transfers		(9)
Unencumbered Cash, Beginning	9	9
Unencumbered Cash, Ending	9	

Unified School District No. 389
Bond Refinancing Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

		Prior Year Actual	Current Year Actual
Cash Receipts			
None	$		
Expenditures and Transfers			
None			
Receipts Over (Under) Expenditures and Transfers			
Unencumbered Cash, Beginning		664	664
Unencumbered Cash, Ending		664	664

Unified School District No. 389
Tornado Relief Donations Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2025
(With Comparative Actual Totals for the Prior Year Ended June 30, 2024)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	$	
Expenditures and Transfers		
Instruction		
Property (Equipment & Furnishings)	6,964	
Total Expenditures and Transfers	6,964	
Receipts Over (Under) Expenditures and Transfers	(6,964)	
Unencumbered Cash, Beginning	6,964	
Unencumbered Cash, Ending		

Unified School District No. 389
Eureka, Kansas
Agency Funds
Schedule of Receipts and Cash Disbursements
Regulatory Basis
For the Year Ended June 30, 2025

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organization Funds:				
High School:				
Ambassadors	$ 525			525
Art Club	3,378	868	919	3,327
Band	1,367	503	1,283	587
Baseball	1,641	668		2,309
Birkholz Memorial	300			300
Book Club	554	139	91	602
Boys Basketball	19	388		407
Boys Golf	3,510	1,014	1,257	3,267
Cheerleaders	5,958	7,488	12,991	455
Class of 2017	252			252
Class of 2021	2,075			2,075
Class of 2022	853			853
Class of 2023	234			234
Class of 2024	513			513
Class of 2025	801		715	86
Class of 2026	3,346	200	1,077	2,469
Class of 2027	386	690		1,076
Class of 2028	541	1,082		1,623
Class of 2029	348	40		388
Class of 2030	-	486	240	246
Cross Country	1,304			1,304
Drama Club	6,205			6,205
E-Club	288			288
Educational Trips	1,029			1,029
English Eight	343			343
English Reading	1,168			1,168
FACS	-	360	360	-
FCA	8,958	1,568	1,960	8,566
FCCLA	477			477
FCCLA Pop Machines	2,373		52	2,321
FFA	12,984	8,648	14,796	6,836
Film Class Fee	-	10	10	-
Football	7,635		5,476	2,159
Foreign Language Club	3,479	1,167	724	3,922
Forensics	1,063	136		1,199
Girls Basketball	201.00		147	54
Girls Golf	80.00	927		1,007
High School Track	423	1,703	1,902	224
Junior High Boys Basketball	-	1,299	549	750
Junior High Cheerleaders	3,083	511		3,594
Junior High Girls Basketball	389			389
Junior High Volleyball	1,589	89		1,678
National Honor Society	626		185	441
Pep Club	1,520			1,520
Pop Chorale	634		72	562
Power Lifting	257			257
Prom Partners	562			562
SADD	2,513	1,480	816	3,177
Safe	2,508	150	867	1,791
Scholar's Bowl	1,771		678	1,093
School Farm	450	675		1,125
Science Fees	-	383	383	-
Skills	373	86		459
STUCO	2,130	772	185	2,717
Stuco Vending	2,598	367	56	2,909
Testing Fees	340			340
Tornado Cave	25,592	3,886	2,427	27,051
Trap Shoot	1,000			1,000
Twisted Design	14,162	1,255	1,618	13,799
Vocal Music	-	72	72	-
WILD Science Club	8,910	1,690	1,153	9,447
Wrestling	2,220		1,266	954
Yearbook Club	927	812		1,739
Other Agency Funds				
Payroll Clearing	288,882	2,136,811	2,425,693	-
Sales Tax	66	2,188	1,691	563
Total Agency Funds	437,713	2,180,611	2,481,711	136,613

Unified School District No. 389
Eureka, Kansas
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2025

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts:						
High School:						
Athletics	$ 5,193	77,519	76,639	6,073		6,073
Concessions	7,055	5,881	3,571	9,365	-	9,365
Subtotal Gate Receipts	12,248	83,400	80,210	15,438	-	15,438
Special Projects:						
Marshall Elementary:						
Book Fair	1,650	7,041	2,054	6,637		6,637
General Clearing	88	40,791	40,410	469		469
Pop Machine	10,787	9,182	5,260	14,709		14,709
Student Needs	13,827	11,161	8,771	16,217		16,217
High School:						
Activities Change Account	791		200	591		591
Athletic T-Shirts	36			36		36
Babson Counselor	1,448			1,448		1,448
Casey's Grant	1,338		119	1,219		1,219
Copy Center Equipment	2,906	55		2,961		2,961
Larry Shue Memorial	4,121	128		4,249		4,249
Lift-a-thon	687			687		687
Scholarships	56,054	2,523		58,577		58,577
Scholarships - Williams/Nuessen	4,860			4,860		4,860
Scholarships-ETA	181			181		181
Scholarships-Ghyneth	35,477	1,774		37,251		37,251
Scholarships-Jean Gundy	25,858			25,858		25,858
Scholarships-John May	467			467		467
Scholarships- Peffer Family	10,292	308		10,600		10,600
Scholarships-Larry Shue	464			464		464
Special Ed Program	7,276	569	10	7,835		7,835
Yearbook	178	1,777	1,814	141	-	141
Subtotal Special Projects	178,786	75,309	58,638	195,457	-	195,457
Total District Activity Funds	191,034	158,709	138,848	210,895	-	210,895

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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 No. 389
Eureka, Kansas

We have audited, 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*, the financial statements of Unified School District No. 389, Eureka, Kansas, (the District) as of and for the year ended June 30, 2025, and have issued our report thereon dated February 20, 2026, which was qualified because the District prepares its financial statement to meet the requirements of the State of 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.

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) to determine the 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 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph 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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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

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

Rodney M. Burns, CPA, LLC
Rodney M. Burns, CPA, LLC
Certified Public Accountants

Chanute, Kansas
February 20, 2026

Rodney M. Burns
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Unified School District No. 389
Eureka, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of Unified School District No. 389, Eureka, Kansas, (the District) with the types of compliance requirements described in the U.S. *Office of Management and Budget (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, identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs 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; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "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 other 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding 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 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 those 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.

Rodney M. Burns, CPA, LLC
Rodney M. Burns, CPA, LLC
Certified Public Accountants

Chanute, Kansas
February 20, 2026

Unified School District No. 389
Eureka, Kansas
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

I. Summary of Independent Auditors' Results

Financial Statement:
The independent auditors' report expresses an adverse opinion on the financial statement of Unified School District No. 389 on the Generally Accepted Accounting Principles (GAAP) basis of accounting, but an unmodified opinion on the regulatory basis of accounting as prescribed by the State of Kansas.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	X	No
Significant deficiency(ies) identified?	_____	Yes	X	None reported
Non compliance or other matters required to be reported under *Government Auditing Standards?*	_____	Yes	X	No

Federal Awards:
Internal control over major programs:

Material weakness(es) identified?	_____	Yes	X	No
Significant deficiency(ies) identified?	_____	Yes	X	None reported

The independent auditors' report on compliance for the major federal award programs for Unified School District No. 389 expresses an unmodified opinion.

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

Identification of major programs:

U.S. Department of Agriculture	
Child Nutrition Cluster:	
School Breakfast Program	CFDA #10.553
National School Lunch Program	CFDA #10.555
Summer Food Service Program for Children	CFDA #10.559
Fresh Fruits and Vegetables Program	CFDA #10.582
U.S. Department of Education	
American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	CFDA #84.425U

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

Auditee qualified as a low risk auditee?	_____	Yes	X	No

Unified School District No. 389
Eureka, Kansas
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

II. Financial Statement Findings

None.

III. Federal Award Findings and Questioned Costs

None.

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Unified School District No. 389
Eureka, Kansas
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Federal Grantor/Pass-through Grantor/Program Title	Pass-through Entity Identifying Number	Assistance Listing Number	Cash Receipts	Disbursements/ Expenditures
U.S. Department of Agriculture				
Passed through State Department of Education				
Child Nutrition Cluster:				
School Breakfast Program	D0389	10.553 $	89,238	89,238
National School Lunch Program	D0389	10.555	199,306	199,306
Summer Food Service Program for Children	D0389	10.559	28,847	28,847
Fresh Fruits and Vegetables Program	D0389	10.582	13,239	13,239
	Total Child Nutrition Cluster:		330,630	330,630 (1)
Total U.S. Department of Agriculture			330,630	330,630
U.S. Department of Labor				
Passed through State Department of Education				
Registered Apprenticeship	D0389	17.285	9,750	9,924
U.S. Department of Education				
Impact Aid (Direct)		84.041	12,712	12,712
Rural Education (Direct)		84.358	0	24,184
Passed through Kansas Department of Education				
Rural Education	D0389	84.358	26,623	11,335
Total Rural Education			26,623	35,519
Passed through Kansas Department of Education				
Special Education Cluster:				
Special Education - Grants to States	D0389	84.027	179,765	179,765
Special Education - Preschool Grants	D0389	84.173	6,919	6,919
	Total Special Education Cluster		186,684	186,684
Title I Grant to Local Educational Agencies	D0389	84.010	174,420	174,628
Supporting Effective Instruction State Grants	D0389	84.367	30,760	33,595
Student Support and Academic Enrichment Program	D0389	84.424	18,342	15,564
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)- COVID-19	D0389	84.425U	462,872	158,210 (1)
Passed through Southeast Kansas Education Service Center				
Career and Technical Education - Basic Grants to States		84.048	1,454	1,454
Total U.S. Department of Education			913,867	618,366
U.S. Department of Health and Human Services				
Passed through Kansas Department of Education				
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) - COVID-19	D0389	93.323	26,428	17,746
Total Federal Awards			1,280,675	976,666

No awards were passed through to subrecipients

(1) These programs were considered to be major programs

Note to the Schedule of Expenditures of Federal Awards:

Note A: General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal financial assistance programs of Unified School District No. 389, Eureka, Kansas (the District). The reporting entity is defined in Note 1 of the District's basic financial statement. Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies are included on the Schedule.

Note B: Indirect Cost Rate

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

Note C: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) is presented using the regulatory basis of accounting, which is described in Note 1 of the District's basic financial statement. This is the same basis of accounting used in the District's regulatory basis financial statement. The information in the Schedule is presented in accordance with the 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). 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 assets, or cash flows of the District.