USD 337 - ROYAL VALLEY

Mayetta, Kansas

FINANCIAL STATEMENT

June 30, 2025

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

USD 337 - ROYAL VALLEY
Mayetta, Kansas
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November 25, 2025

Board of Education
USD 337 - Royal Valley
Mayetta, Kansas

Independent Auditor's Report

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of USD 337 - Royal Valley (the District), 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* (KMAAG) 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), KMAAG and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the 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 KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement
Management is responsible for the preparation and fair presentation of the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 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.

1501 Poyntz Avenue
Manhattan, KS 66502
785-537-2202 • fax 785-537-1877
http://www.varney.com
1102 Commercial St., Suite A
Emporia, KS 66801

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are a not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Supplementary Information (Continued)
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 statement as a whole.

Other Reporting Required by Government Auditing Standards
In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2025 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.

Varney & Associates, CPAs, LLC

Certified Pubic Accountants
Manhattan, Kansas

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2025

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS							
General Funds							
General	$ -	$ -	$ 8,426,226	$ 8,426,225	$ 1	$ -	$ 1
Supplemental General	107,154	-	2,756,137	2,777,860	85,431	-	85,431
Special Purpose Funds							
Career and Postsecondary Education	90,000	-	128,453	128,453	90,000	-	90,000
Special Education	450,000	-	1,324,928	1,324,928	450,000	-	450,000
Driver Education	23,000	-	9,024	12,024	20,000	-	20,000
Food Service	182,473	-	589,733	608,290	163,916	-	163,916
Capital Outlay	1,332,445	-	1,733,406	1,647,409	1,418,442	-	1,418,442
Gifts and Grants	15,281	-	74,952	72,414	17,819	-	17,819
Parent Education	45,000	-	67,881	67,731	45,150	-	45,150
Professional Development	60,000	-	52,041	52,041	60,000	-	60,000
Extraordinary School Program	183,254	-	58,035	63,405	177,884	-	177,884
KPERS Special Contribution	-	-	891,407	891,407	-	-	-
At-Risk (K-12)	71,000	-	1,480,896	1,480,839	71,057	-	71,057
Preschool-Aged At-Risk	13,000	-	32,684	32,684	13,000	-	13,000
Virtual Education	-	-	2,520	2,520	-	-	-
District Activity Funds	112,011	-	344,747	318,258	138,500	-	138,500
Textbook and Student Materials	120,000	-	85,996	90,466	115,530	-	115,530
Contingency Reserve Fund	445,185	-	-	-	445,185	-	445,185
Title I	-	-	146,924	146,924	-	-	-
Impact Aid - District	273,706	-	1,138,124	589,706	822,124	-	822,124
Impact Aid - Parent Committee	250,000	-	143,460	143,460	250,000	-	250,000
Title VI - Indian Education	-	-	75,416	75,416	-	5,688	5,688
Title IIA - Teacher Quality	-	-	21,831	21,831	-	-	-
JCCTCC Grant	16,670	-	15,000	15,006	16,664	-	16,664
Bilingual	-	-	1,000	1,000	-	-	-
ESSER	(121,661)	-	155,193	33,532	-	-	-
Title IVA	-	-	17,376	17,376	-	-	-
Total Reporting Entity (Excluding Agency Funds)	$ 3,668,518	$ -	$ 19,773,390	$ 19,041,205	$ 4,400,703	$ 5,688	$ 4,406,391

Composition of Cash	
Checking Accounts	$ 319,267
Savings Accounts	1,973,858
Certificates of Deposit	2,197,715
Total Cash	$ 4,490,840
Less: Agency funds per Schedule 4	(84,449)
Total Reporting Entity (Excluding Agency Funds)	$ 4,406,391

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

USD 337 - ROYAL VALLEY
Mayetta, Kansas
NOTES TO FINANCIAL STATEMENT
June 30, 2025

Note 1: Summary of Significant Accounting Policies

Financial Reporting Entity

USD No. 337 (the District), is a municipal corporation governed by an elected seven member Board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United State of America

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

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

Regulatory Basis Fund Types

The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The District could have the following types of funds:

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

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

Agency Fund -- used to report assets held by the District in a purely custodial capacity.

Reimbursed Expenses

Expenditures in the amount of $4,199 are classified as reimbursed expenses in the General Fund. The purpose of these expenditures is payment for goods and services in which fees are collected and such expenditures are exempt from the budget law under K.S.A. 79-2934.

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statement meet the following criteria:
1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

Note 2: Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute) and bond and interest 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 twelve month period on or before August 1st of each year.
2. Publication in a local newspaper of the proposed budget and notice of public hearing on the budget.
3. Public hearing at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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. The budget was amended for the following funds: General Fund, At-Risk (K-12), Capital Outlay, Professional Development, and Driver Training.

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 statements 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 and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budget expenditure authority lapses at year end.

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

Textbook and Student Materials	Title II-A - Teacher Quality	Title VI - Indian Education
Contingency Reserve	Impact Aid	Title VI-A
Title I	ESSER	JCCTCC Grant

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.

Use of Estimates

The process of preparing the financial statement requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statement. Accordingly, upon settlement, actual results may differ from estimated amounts.

Note 3: Deposits and Investments

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

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

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

Custodial credit risk -- deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. K.S.A. 9-1402 and 9-1405 require the District's deposits in a financial institution 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%. There were no designated "peak periods" during the year. All bank deposits were legally secured at June 30, 2024.

At June 30, 2025, the carrying amount of the District's cash and certificates was $4,490,840. The bank balance was $4,795,220. The bank balance was held by one bank resulting in a concentration of deposit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, $250,000 was secured by FDIC insurance and the remaining $4,545,220 was collateralized by bank pledged securities with a fair market value of $7,718,647.

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 4: Pension Plans

Defined Benefit Pension Plan

Plan description: The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at KSPERS.gov 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.

Note 4: Pension Plans (Continued)

Defined Benefit Pension Plan (Continued)

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 13.88% and 12.57%, respectively, for the fiscal year ended June 30, 2024. The actuarially determined employer contribution rate and the statutory contribution rate was 11.42% and 11.54% for the fiscal year ended June 30, 2025.

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

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

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue bonds with net proceeds of $500 million to fund a portion of the School unfunded actuarial liability. Senate Bill 159 recertified the State/School contribution rates for Fiscal Years 2022 and 2023. Fiscal Year 2022 was recertified from 14.09% to 13.33% and Fiscal Year 2023 from 13.86% to 13.11%. The bond proceeds were received by KPERS on August 26, 2021. The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-school employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred to KPERS. In Fiscal Year 2023, Senate Bill 421 authorizes two additional transfers which total $271 million.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $891,407 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 $1,254,632. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2024. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement. The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at KSPERS.gov or can be obtained as described above.

Note 5: Risk Management

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from prior years and settlements have not exceeded coverage in the past three years.

Note 6: Stewardship, Compliance and Accountability

We noted no violations of Kansas Statutes during the period under examination.

Note 7: Deficit Cash/Unencumbered cash for Individual Funds

Funds with a Deficit Unencumbered Cash Balance- Generally, school districts are required by K.S.A. 10-1113 to limit fund expenditures to the available monies in that fund. K.S.A 12-1663, however, provides an exception for those funds which are to be financed by Federal government sources and other grants and gifts. This exception allows these funds to expend in excess of currently available resources with the expectation that the District will be reimbursed for qualifying grant expenditures.

Note 8: Compensated Absences

Classified employees and administrators receive one day of sick leave for each full month of contracted employment. They may accumulate an amount of days equal to annual contracted full months multiplied by five. Once a classified employee or administrator has accumulated the maximum number of sick leave days, the employee will be paid at a rate of 70% of his hourly pay for the unused days in October of each contract year. Teachers have the option of receiving payment for unused sick leave (maximum of ten days) or transferring one or more days to a special sick leave account. The district has not computed or recorded the liability at year end.

Note 9: Other Post Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the District under this program.

Note 10: Interfund Transfers

Operating transfers were as follows:

Fund From	Fund To	Statutory Authority	Amount
General Fund	Virtual Education Fund	K.S.A. 72-6428	$ 2,520
General Fund	Capital Outlay Fund	K.S.A. 72-6428	510,000
General Fund	Driver Education Fund	K.S.A. 72-6428	1,624
General Fund	Professional Development Fund	K.S.A. 72-6428	16,828
General Fund	Parent Education Fund	K.S.A. 72-6428	15,000
General Fund	Special Education Fund	K.S.A. 72-6428	825,332
General Fund	Preschool-Aged At-Risk Fund	K.S.A. 72-6428	28,984
General Fund	At-Risk Fund (K-12)	K.S.A. 72-6428	1,145,896
General Fund	Career & Postsecondary Fund	K.S.A. 72-6428	100,830
General Fund	Textbook Fund	K.S.A. 72-6428	34,679
Supp General Fund	Career & Postsecondary Fund	K.S.A. 72-6425	5,158
Supp General Fund	Parent Education Fund	K.S.A. 72-6425	7,881
Supp General Fund	Textbook Fund	K.S.A. 72-6425	13,026
Supp General Fund	Special Education Fund	K.S.A. 72-6425	416,330
Supp General Fund	Professional Development Fund	K.S.A. 72-6425	30,000
Supp General Fund	At-Risk Fund (K-12)	K.S.A. 72-6425	335,000
Supp General Fund	Bilingual Fund	K.S.A. 72-6425	1,000
Impact Aid/District Fund	Impact Aid/Parent Committee Fund	Board Approval	143,460
Impact Aid/District Fund	Capital Outlay Fund	Board Approval	400,000
		Total Transfers	$ 4,033,548

Note 11: Subsequent Events

Subsequent events for management's review have been evaluated through the date of the Auditor's Report.

Note 12: Long-Term Debt

Changes in long-term liabilities for the District for the year were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning of Year	Additions	Reductions/ Payments	End of Year	Interest Paid
Finance Leases									
Building Improvement	2.78%	04/28/2022	$ 5,300,000	04/01/2036	$ 4,955,000	$ -	$ 355,000	$ 4,600,000	$ 137,700

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

	2026	2027	2028	2029	2030	2031-2035	2036-2040	Total
Principal								
Finance Leases	$ 365,000	$ 375,000	$ 385,000	$ 395,000	$ 405,000	$ 2,200,000	$ 475,000	$ 4,600,000
Interest								
Finance Leases	127,834	117,690	107,270	96,570	85,594	252,750	13,200	800,908
	$ 492,834	$ 492,690	$ 492,270	$ 491,570	$ 490,594	$ 2,452,750	$ 488,200	$ 5,400,908

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2025

Funds	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 Funds						
General	$ 8,666,997	$ (248,120)	$ 4,199	$ 8,423,076	$ 8,426,225	$ 3,149
Supplemental General	2,800,014	(22,152)	-	2,777,862	2,777,860	(2)
Special Purpose Funds						
Career and Postsecondary Education	254,500	-	-	254,500	128,453	(126,047)
Special Education	1,576,896	-	-	1,576,896	1,324,928	(251,968)
Driver Training	25,500	-	-	25,500	12,024	(13,476)
Food Service	815,000	-	-	815,000	608,290	(206,710)
Capital Outlay	2,000,000	-	-	2,000,000	1,647,409	(352,591)
Gifts and Grants	93,000	-	-	93,000	72,414	(20,586)
Parent Education	71,500	-	-	71,500	67,731	(3,769)
Professional Development	73,000	-	-	73,000	52,041	(20,959)
Extraordinary School Program	146,500	-	-	146,500	63,405	(83,095)
KPERS Special Retirement Contribution	992,120	-	-	992,120	891,407	(100,713)
At-Risk (K-12) Fund	1,482,500	-	-	1,482,500	1,480,839	(1,661)
Preschool-Aged At-Risk	93,000	-	-	93,000	32,684	(60,316)
Virtual Education	16,000	-	-	16,000	2,520	(13,480)
Bilingual Education	6,000	-	-	6,000	1,000	(5,000)
Summer School	50,000	-	-	50,000	-	(50,000)
Total of all Funds	$ 19,162,527	$ (270,272)	$ 4,199	$ 18,896,454	$ 17,589,230	$ (1,307,224)

USD 337 - ROYAL VALLEY
Mayetta, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State Sources			
General state aid	$ 7,638,864	$ 7,682,237	$ (43,373)
Special education aid	783,163	984,760	(201,597)
Other Sources			
Reimbursements	4,199	-	4,199
Total Cash Receipts	$ 8,426,226	$ 8,666,997	$ (240,771)
EXPENDITURES			
Instruction	$ 3,941,678	$ 3,829,900	$ 111,778
Student support services	116,514	69,600	46,914
Instructional support staff	358,767	372,350	(13,583)
General administration	197,442	190,000	7,442
School administration	749,757	736,300	13,457
Central services	97,807	60,000	37,807
Operations and maintenance	282,567	549,000	(266,433)
Operating transfers	2,681,693	2,859,847	(178,154)
Adjustment to comply with legal maximum	-	(248,120)	248,120
Legal general fund budget and expenditures	$ 8,426,225	$ 8,418,877	$ 7,348
Adjustment for qualifying budget credits	-	4,199	(4,199)
Total Expenditures	$ 8,426,225	$ 8,423,076	$ 3,149
RECEIPTS OVER (UNDER) EXPENDITURES	$ 1		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ 1		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Ad valorem property tax	$ 737,314	$ 679,636	$ 57,678
Delinquent tax	7,234	7,322	(88)
County Sources			
Motor vehicle tax	81,801	69,472	12,329
RV tax	2,216	1,662	554
Commercial vehicle tax	2,678	798	1,880
16/20 truck tax	4,768	-	4,768
Watercraft tax	1,457	-	1,457
State Sources			
Supplemental state aid	1,918,669	1,933,970	(15,301)
Total Cash Receipts	$ 2,756,137	$ 2,692,860	$ 63,277
EXPENDITURES			
Instruction	$ 90,242	$ 283,500	$ (193,258)
Student support services	22,863	22,800	63
Instructional support staff	116,403	121,520	(5,117)
General administration	94,401	116,500	(22,099)
School administration	93,291	153,030	(59,739)
Operations and maintenance	987,821	718,300	269,521
Student transportation services	564,444	580,320	(15,876)
Operating transfers	808,395	804,044	4,351
Adjustment for qualifying budget credits	-	(22,152)	22,152
Total Expenditures	$ 2,777,860	$ 2,777,862	$ (2)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (21,723)		
UNENCUMBERED CASH - BEGINNING	107,154		
UNENCUMBERED CASH - ENDING	$ 85,431		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State Sources			
General state aid	$ 5,572	$ 8,136	$ (2,564)
Other Sources			
Miscellaneous	16,893	-	16,893
Operating transfers	105,988	200,000	(94,012)
Total Cash Receipts	$ 128,453	$ 208,136	$ (79,683)
EXPENDITURES			
Instruction	$ 127,261	$ 233,300	$ (106,039)
Student support services	978	2,000	(1,022)
Student transportation services	214	19,200	(18,986)
Total Expenditures	$ 128,453	$ 254,500	$ (126,047)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	90,000		
UNENCUMBERED CASH - ENDING	$ 90,000		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Other	$ 4,074	$ 100,000	$ (95,926)
Reimbursements	13,563	-	13,563
Federal Sources			
Federal aid	65,629	108,000	(42,371)
Other Sources			
Operating transfers	1,241,662	1,342,090	(100,428)
Total Cash Receipts	$ 1,324,928	$ 1,550,090	$ (225,162)
EXPENDITURES			
Instruction	$ 1,220,543	$ 1,427,450	$ (206,907)
Student support services	2,520	7,500	(4,980)
School administration	958	2,000	(1,042)
Student transportation services	100,907	139,946	(39,039)
Total Expenditures	$ 1,324,928	$ 1,576,896	$ (251,968)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	450,000		
UNENCUMBERED CASH - ENDING	$ 450,000		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
DRIVER EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State safety aid	$ 2,900	$ 3,240	$ (340)
Other Sources			
Charges for services	4,500	7,500	(3,000)
Operating transfers	1,624	5,000	(3,376)
Total Cash Receipts	$ 9,024	$ 15,740	$ (6,716)
EXPENDITURES			
Instruction	$ 11,657	$ 23,500	$ (11,843)
Operations and maintenance	367	2,000	(1,633)
Total Expenditures	$ 12,024	$ 25,500	$ (13,476)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (3,000)		
UNENCUMBERED CASH - BEGINNING	23,000		
UNENCUMBERED CASH - ENDING	$ 20,000		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Food Service	$ 201,268	$ 213,804	$ (12,536)
State Sources			
State aid	5,067	3,909	1,158
Federal Sources			
Federal aid	383,398	458,513	(75,115)
Total Cash Receipts	$ 589,733	$ 676,226	$ (86,493)
EXPENDITURES			
Food service operations	$ 608,290	$ 815,000	$ (206,710)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (18,557)		
UNENCUMBERED CASH - BEGINNING	182,473		
UNENCUMBERED CASH - ENDING	$ 163,916		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Ad valorem property tax	$ 332,083	$ 307,064	$ 25,019
Delinquent tax	3,493	3,396	97
Other	128,114	-	128,114
County Sources			
Motor vehicle tax	41,062	35,028	6,034
RV tax	1,109	838	271
Commercial vehicle tax	1,287	402	885
Watercraft tax	683	-	683
State Sources			
State aid	278,160	279,469	(1,309)
Other Sources			
Miscellaneous	37,415	-	37,415
Operating transfers	910,000	515,000	395,000
Total Cash Receipts	$ 1,733,406	$ 1,141,197	$ 592,209
EXPENDITURES			
Instruction	$ 144,263	$ 288,900	$ (144,637)
Instructional support staff	9,730	50,000	(40,270)
Operations and maintenance	78,775	60,000	18,775
Student transportation services	71,208	300,000	(228,792)
Facility acquisition and construction services	1,343,433	1,301,100	42,333
Total Expenditures	$ 1,647,409	$ 2,000,000	$ (352,591)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 85,997		
UNENCUMBERED CASH - BEGINNING	1,332,445		
UNENCUMBERED CASH - ENDING	$ 1,418,442		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Other	$ 66,802	$ 45,000	$ 21,802
State Sources			
State aid	8,150	47,000	(38,850)
Total Cash Receipts	$ 74,952	$ 92,000	$ (17,048)
EXPENDITURES			
Instruction	$ 26,933	$ 43,000	$ (16,067)
Student support services	36,591	37,000	(409)
Food service	790	3,000	(2,210)
Facility acquisition and construction	8,100	10,000	(1,900)
Total Expenditures	$ 72,414	$ 93,000	$ (20,586)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 2,538		
UNENCUMBERED CASH - BEGINNING	15,281		
UNENCUMBERED CASH - ENDING	$ 17,819		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
PARENT EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State Sources			
State aid	$ 45,000	$ -	$ 45,000
Other Sources			
Operating transfers	22,881	32,000	(9,119)
Total Cash Receipts	$ 67,881	$ 32,000	$ 35,881
EXPENDITURES			
Student support services	$ 67,731	$ 71,500	$ (3,769)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 150		
UNENCUMBERED CASH - BEGINNING	45,000		
UNENCUMBERED CASH - ENDING	$ 45,150		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State Sources			
General state aid	$ 5,213	$ 6,750	$ (1,537)
Other Sources			
Operating transfers	46,828	45,000	1,828
Total Cash Receipts	$ 52,041	$ 51,750	$ 291
EXPENDITURES			
Instructional support staff	$ 52,041	$ 73,000	$ (20,959)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	60,000		
UNENCUMBERED CASH - ENDING	$ 60,000		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
EXTRAORDINARY SCHOOL PROGRAM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Other	$ 58,035	$ 125,000	$ (66,965)
EXPENDITURES			
Instruction	$ 39,564	$ 115,500	$ (75,936)
Student support services	1,046	30,000	(28,954)
Instructional support staff	22,413	1,000	21,413
School administration	360	-	360
Operations and maintenance	22	-	22
Total Expenditures	$ 63,405	$ 146,500	$ (83,095)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (5,370)		
UNENCUMBERED CASH - BEGINNING	183,254		
UNENCUMBERED CASH - ENDING	$ 177,884		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State Sources			
State aid	$ 891,407	$ 992,120	$ (100,713)
EXPENDITURES			
Instruction	$ 581,968	$ 635,000	$ (53,032)
Student support services	25,248	38,000	(12,752)
Instructional support staff	38,114	48,000	(9,886)
General administration	21,069	29,000	(7,931)
School administration	81,588	85,000	(3,412)
Central services	7,239	8,000	(761)
Operations and maintenance	60,399	70,000	(9,601)
Student transportation services	45,209	48,000	(2,791)
Food service operations	30,573	31,120	(547)
Total Expenditures	$ 891,407	$ 992,120	$ (100,713)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
AT RISK FUND (K-12)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Other Sources			
Operating transfers	$ 1,480,896	$ 1,414,801	$ 66,095
EXPENDITURES			
Instruction	$ 1,319,598	$ 1,322,500	$ (2,902)
Student support services	161,241	160,000	1,241
Total Expenditures	$ 1,480,839	$ 1,482,500	$ (1,661)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 57		
UNENCUMBERED CASH - BEGINNING	71,000		
UNENCUMBERED CASH - ENDING	$ 71,057		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
PRESCHOOL-AGED AT-RISK
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Other Sources			
Charges for services	$ 3,700	$ 10,000	$ (6,300)
Operating transfers	28,984	90,000	(61,016)
Total Cash Receipts	$ 32,684	$ 100,000	$ (67,316)
EXPENDITURES			
Instruction	$ 32,684	$ 93,000	$ (60,316)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	13,000		
UNENCUMBERED CASH - ENDING	$ 13,000		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
VIRTUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Other Sources			
Operating transfers	$ 2,520	$ 16,000	$ (13,480)
EXPENDITURES			
Instruction	$ 2,520	$ 16,000	$ (13,480)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
BILINGUAL EDUCATION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Other	$ -	$ 3,000	$ (3,000)
Other Sources			
Operating transfers	1,000	4,000	(3,000)
Total Cash Receipts	$ 1,000	$ 7,000	$ (6,000)
EXPENDITURES			
Instruction	$ 1,000	$ 6,000	$ (5,000)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SUMMER SCHOOL
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2025

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Local Sources			
Other	$ -	$ 50,000	$ (50,000)
EXPENDITURES			
Instruction	$ -	$ 50,000	$ (50,000)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
NON-BUDGETED FUNDS
For the Year Ended June 30, 2025

	Textbook and Student Materials	Contingency Reserve	Title I	Impact Aid District	Impact Aid Parent Committee	Title VI Indian Education	Title II-A Teacher Quality	JCCTCC Grant	ESSER	Title IV-A
RECEIPTS										
Federal Sources										
Federal aid	$ -	$ -	$ 146,924	$ 1,138,124	$ -	$ 75,416	$ 21,831	$ -	$ 155,193	$ 17,376
Other Sources										
Charges for services	38,291	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	15,000	-	-
Operating transfers	47,705	-	-	-	143,460	-	-	-	-	-
Total Receipts	$ 85,996	$ -	$ 146,924	$ 1,138,124	$ 143,460	$ 75,416	$ 21,831	$ 15,000	$ 155,193	$ 17,376
EXPENDITURES										
Instruction	$ 90,466	$ -	$ 146,924	$ 46,246	$ 89,000	$ 75,416	$ 21,831	$ -	$ -	$ -
Student support services	-	-	-	-	21,960	-	-	-	33,532	17,376
Instructional support staff	-	-	-	-	-	-	-	15,006	-	-
Student transportation services	-	-	-	-	32,500	-	-	-	-	-
Transfers to other funds	-	-	-	543,460	-	-	-	-	-	-
Total Expenditures	$ 90,466	$ -	$ 146,924	$ 589,706	$ 143,460	$ 75,416	$ 21,831	$ 15,006	$ 33,532	$ 17,376
RECEIPTS OVER (UNDER) EXPENDITURES	$ (4,470)	$ -	$ -	$ 548,418	$ -	$ -	$ -	$ (6)	$ 121,661	$ -
UNENCUMBERED CASH - BEGINNING	120,000	445,185	-	273,706	250,000	-	-	16,670	(121,661)	-
UNENCUMBERED CASH - ENDING	$ 115,530	$ 445,185	$ -	$ 822,124	$ 250,000	$ -	$ -	$ 16,664	$ -	$ -

USD 337 - ROYAL VALLEY
Mayetta, Kansas
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2025

	Beginning Balance	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash	Add Encumbrances and Accounts Payable	Ending Balance
High School	$ 53,170	$ 120,086	$ 107,138	$ 66,118	$ -	$ 66,118
Middle School	17,666	30,385	29,720	18,331	-	18,331
Total Agency Funds	$ 70,836	$ 150,471	$ 136,858	$ 84,449	$ -	$ 84,449

USD 337 - ROYAL VALLEY
Mayetta, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2025

	Beginning Balance	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash	Add Encumbrances and Accounts Payable	Ending Balance
Gate Receipts						
High School	$ 26,424	$ 136,937	$ 113,047	$ 50,314	$ -	$ 50,314
Middle School	6,000	27,420	27,420	6,000	-	6,000
Subtotal Gate Receipts	$ 32,424	$ 164,357	$ 140,467	$ 56,314	$ -	$ 56,314
School Projects						
High School	$ 35,114	$ 85,130	$ 97,987	$ 22,257	$ -	$ 22,257
Middle School	27,776	73,501	63,064	38,213	-	38,213
Elementary	16,697	21,759	16,740	21,716	-	21,716
Subtotal School Projects	$ 79,587	$ 180,390	$ 177,791	$ 82,186	$ -	$ 82,186
Total District Activity Funds	$ 112,011	$ 344,747	$ 318,258	$ 138,500	$ -	$ 138,500

November 25, 2025

Board of Education
USD 337 - Royal Valley
Mayetta, Kansas

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statement Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the USD 337 - Royal Valley (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statement, which collectively comprise the District's basic financial statement, and have issued our report thereon dated November 25, 2025.

Internal Control over Financial Reporting

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

1501 Poyntz Avenue
Manhattan, KS 66502

785-537-2202 • fax 785-537-1877
http://www.varney.com

1102 Commercial St., Suite A
Emporia, KS 66801

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

Varney & Associates, CPAs, LLC

Certified Pubic Accountants
Manhattan, Kansas

November 25, 2025

Board of Education
USD 337 - Royal Valley
Mayetta, Kansas

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance In Accordance With The Uniform Guidance

Report on Compliance for Each Major Federal Program

We have audited the compliance of USD 377 - Royal Valley (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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

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Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* 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, 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This 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. According, this report is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Pubic Accountants
Manhattan, Kansas

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Thru Entity Identifying Number	Federal Award Expenditures
U.S. Department of Agriculture			
Passed through Kansas Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	DO337	$ 95,603
National School Lunch Program	10.555	DO337	248,841
Cash for Commodities	10.559	DO337	28,014
Summer Food Service Program for Children	10.559	DO337	10,940
Subtotal Child Nutrition Cluster			$ 383,398
Total U.S. Dept. of Agriculture			$ 383,398
U.S. Department of Education			
Direct Aid			
Impact Aid	84.041		$ 630,651
Title VI Indian Education Formula Grants	84.06		75,416
Subtotal Direct Aid			$ 706,067
Passed through Kansas Department of Education			
Special Education (IDEA) Cluster			
Title VI-B Special Education	84.027A	DO337	$ 14,559
Early Childhood Education	84.173A	DO337	10,125
Subtotal Special Education (IDEA) Cluster			$ 24,684
Title I Grants to Local Educational Agencies	84.010	DO337	$ 146,924
Career and Technical Education - Program Improv Sec	84.048	DO337	16,893
Supporting Effective Instruction	84.367	DO337	21,831
ESSA Student Support Academic Enrichment	84.424A	DO337	17,376
COVID-19 - Emergency and Secondary Emergency Relief	84.425U		33,532
Total U.S. Department of Education			$ 967,307
TOTAL FEDERAL ASSISTANCE			$ 1,350,705

Note:
There were no federal awards passed through to subrecipients.

USD 337 - ROYAL VALLEY
Mayetta, Kansas
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Note 1: Organization

Unified School District No. 337 Royal Valley (the District), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

Note 2: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the District, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is 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. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statement. The District elected not to use the 10% de minimis indirect cost rate.

Note 3: Additional Audits

Grantor agencies reserve the right to conduct additional audits of the District's grant programs for economy and efficiency and program results that may result in disallowed costs to the District. However, management does not believe such audits would result in any disallowed costs that would be material to the District's financial position at June 30, 2025.

Note 4: Non-Cash Assistance, Insurance, and Loans

The District did not receive or expend any federal awards in the form of non-cash assistance, insurance, loans or loan guarantees, including interest subsidies during the year ended June 30, 2025.

USD 337 - ROYAL VALLEY
Mayetta, Kansas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statement

Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	___ Yes	_X_ None
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None reported
Noncompliance material to financial statement noted?	___ Yes	_X_ None

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	___ Yes	_X_ No
Significant deficiencies identified not considered to be material weaknesses?	___ Yes	_X_ None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)	___ Yes	_X_ No

Identification of major programs:

Name of Federal Program	CFDA Number
Impact Aid	84.041

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

NOTE: Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status changed by the U.S. Office of Management and Budget (OMB. Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

Section II - Financial Statement Findings

No matters were reported

Section III - Federal Award Findings and Questioned Costs

No matters were reported