UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended June 30, 2026

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
Unified School District No. 303 Ness City, Kansas
Ness City, 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. 303 Ness City, Kansas**, as of and for the year ended June 30, 2026 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 matters 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, 2026, 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, 2026, 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) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of 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.

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an 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, summary of regulatory basis receipts and disbursements – agency funds, and 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the District as of and for the year ended June 30, 2025 (not presented herein), and have issued our report thereon dated October 13, 2025, which contained an unmodified opinion on the basic financial statement. The 2025 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/municipal-audits. The 2025 actual column (2025 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2026 (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 2025 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 2025 basic financial statement. The 2025 comparative information was subjected to the auditing procedures applied in the audit of the 2025 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 2025 basic financial statement or to the 2025 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 2025 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2025, on the basis of accounting described in Note 1.

Adamsbrown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Hays, Kansas

September 14, 2026

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS

Summary Statement of Receipts, Expenditures and Unencumbered Cash

Regulatory Basis

For the Year Ended June 30, 2026

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Regulatory Basis Fund Types							
General Funds							
General Fund	$ 7,140	-	2,828,997	2,836,137	**-**	385	**385**
Supplemental General Fund	35,788	-	890,064	924,347	**1,505**	143	**1,648**
Special Purpose Funds							
Preschool Aged At-Risk Fund	12,888	-	57,500	62,888	**7,500**	-	**7,500**
At-Risk Fund	1,196	-	312,443	312,757	**882**	-	**882**
Bilingual Education Fund	22,265	-	30,000	50,077	**2,188**	-	**2,188**
Capital Outlay Fund	397,877	-	667,439	1,047,004	**18,312**	110,476	**128,788**
Driver Training Fund	20,934	-	6,130	4,200	**22,864**	-	**22,864**
Food Service Fund	40,686	-	135,078	139,845	**35,919**	-	**35,919**
Professional Development Fund	7,360	-	8,500	13,190	**2,670**	-	**2,670**
Summer School Fund	998	-	-	-	**998**	-	**998**
Special Education Fund	33,894	-	395,024	396,383	**32,535**	-	**32,535**
Career and Postsecondary Education Fund	49,336	-	120,000	168,410	**926**	-	**926**
Gifts and Grants Fund	9,259	-	870	1,406	**8,723**	-	**8,723**
KPERS Special Retirement Fund	-	-	270,881	270,881	**-**	-	**-**
Contingency Reserve Fund	230,472	-	-	77,994	**152,478**	-	**152,478**
Textbook Rental Fund	18,563	-	24,058	10,729	**31,892**	-	**31,892**
Recreation Commission Fund	4,300	-	83,008	87,308	**-**	17,298	**17,298**
Recreation Commission Employee Benefit Fund	-	-	16,943	16,943	**-**	3,626	**3,626**
Title I Fund	-	-	41,195	41,195	**-**	-	**-**
Title II-A Fund	-	-	8,839	8,839	**-**	-	**-**
Title IV Fund	-	-	12,249	12,249	**-**	-	**-**
REAP Grant Fund	-	-	17,198	17,198	**-**	-	**-**
MHIT Fund	-	-	42,942	59,358	**(16,416)**	-	**(16,416)**
District Activity Funds	29,062	-	129,077	119,573	**38,566**	-	**38,566**
Total Reporting Entity (Excluding Agency Funds)	$ 922,018	-	6,098,435	6,678,911	**341,542**	131,928	**473,470**

Composition of Cash	Checking Account	$ **690,213**
	Agency Funds per Schedule 3	**(216,743)**
	Total Reporting Entity (Excluding Agency Funds)	$ **473,470**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unified School District No. 303 Ness City, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The District is a municipal corporation governed by an elected seven-member board. This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the District and/or its constituents.

Recreation Commission

Ness City Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body but the District levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. Unaudited financial statements can be obtained by contacting the recreation commission's office.

Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, 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 minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2026.

Regulatory Basis Fund Types

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

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

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not

recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

Reimbursements
A reimbursement is an expenditure initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, the District records an expenditure in the reimbursing fund, and a reduction of expenditure in the reimbursed fund, following the authoritative guidance provided under KMAAG regulatory basis of accounting.

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), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before September 11th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before September 21st, but at least 10 days after publication of notice of hearing.

d. Adoption of the final budget on or before October 1st.

e. Adopted budget filed with the county clerk by 5:00 pm on October 1st.

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 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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 budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Contingency Reserve Fund, Textbook Rental Fund, Title I Fund, Title II-A Fund, Title IV Fund, REAP Grant Fund, MHIT Fund and District Activity Funds.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

Unified School District No. 303 Ness City, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. Effective January 1, 2026, K.S.A. 9-1402 authorizes financial institutions to secure deposits of public moneys of governmental units through the Kansas Collateral Pool (public moneys pooled method as defined by 2025 Senate Substitute for House Bill 2152). The District has no other policies that would further limit interest rate risk.

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

Concentration of Credit Risk
State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 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. 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 does not use "peak periods". All deposits were legally secured at June 30, 2026.

At June 30, 2026, the District's carrying amount of deposits was $690,213 and the bank balance was $968,903. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance and $718,903 was secured by the Kansas Collateral Pool.

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. The District had no investments at June 30, 2026.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **Unified School District No. 303 Ness City, Kansas'** interfund transfers and regulatory authority for the year ended June 30, 2026 were as follows:

From	To	Regulatory Authority	Amount
General Fund	At-Risk Fund	K.S.A. 72-5167	$ 211,632
General Fund	Special Education Fund	K.S.A. 72-5167	287,756
Supplemental General Fund	Preschool Aged At-Risk Fund	K.S.A. 72-5143	57,500
Supplemental General Fund	At-Risk Fund	K.S.A. 72-5143	100,811
Supplemental General Fund	Bilingual Education Fund	K.S.A. 72-5143	30,000
Supplemental General Fund	Food Service Fund	K.S.A. 72-5143	30,000
Supplemental General Fund	Professional Development Fund	K.S.A. 72-5143	8,500
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	88,009
Supplemental General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5143	120,000

NOTE 5 – LITIGATION

Unified School District No. 303 Ness City, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the District.

NOTE 6 – RISK MANAGEMENT

Unified School District No. 303 Ness City, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruptions; errors and omissions; injuries to employees; natural disasters; and employee health, dental and accident benefits. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other districts in the State to participate in KASB Risk Management Services, Inc., a public entity risk pool currently operating as a common risk management and insurance program for 137 participating members.

The District pays an annual premium to KASB Risk Management Services, Inc. for its workers compensation insurance coverage. The agreement to participate provides that the KASB Risk Management Services, Inc. will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KASB Risk Management Services, Inc. management.

The District has been unable to obtain commercial insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other Districts in the State of Kansas to

participate in the Kansas Educational Risk Management Pool, LLC (KICS), a public entity risk pool currently operating as a common risk management and insurance program for 174 participating members.

The District pays an annual premium to Kansas Educational Risk Management Pool, LLC (KICS) for its commercial insurance coverage. The agreement to participate provides that KICS will be self-sustaining through member premiums and will reinsure through commercial companies for property claims in excess of $600,000 for each insured property occurrence and $100,000 for each liability occurrence. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KICS management.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 – GRANTS AND SHARED REVENUES

Unified School District No. 303 Ness City, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the District, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 8 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Expenditures were not adequately controlled to ensure that no indebtedness was incurred in excess of available funds in the Pep Club, Golf, Year Book, and Concessions activity funds, which is in violation of K.S.A. 10-1113.

NOTE 9 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description
Unified School District No. 303 Ness City, Kansas 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.kspers.gov or by writing to KPERS (611 S 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 at 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 actuarially determined employer contribution rate and the statutory contribution rate was 11.78% and 11.68%, respectively, for the fiscal year ended June 30, 2026.

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 $270,881 for the year ended June 30, 2026.

Net Pension Liability

At June 30, 2026, the District's proportionate share of the collective net pension liability reported by KPERS was $2,230,116. 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 this financial statement.

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

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **Unified School District No. 303 Ness City, Kansas** allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

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

As provided by K.S.A.74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2026.

NOTE 11 – COMPENSATED ABSENCES

Vacation
Full time classified employees accrue vacation time at varying rates depending on the number of years employed by the District and are cumulative up to a maximum of 30 days. Employees are not paid for unused vacation time in the event of separation of employment.

Sick Leave
The District's policy for sick leave permits employees to accrue sick leave at varying rates depending on the employee's contract cumulative to 90 days. All employees retiring from the District who have been employed for a minimum of 10 years, are 60 years of age and are eligible for KPERS retirement will be paid $50 per day for any unused sick leave based upon an agreed computation up to a maximum of 45 days.

Personal Leave
All full time employees are allowed two days per year for personal leave. Teachers will be paid $50 per day for any unused personal leave paid with the final check of the contract year. Classified employees are not compensated for any unused personal leave and these days are not cumulative.

NOTE 12 – LONG-TERM DEBT

Unified School District No. 303 Ness City, Kansas has the following types of long-term debt.

Lease Obligations
The District has entered into lease agreements for equipment. The leases contain a fiscal funding clause.

Changes in long-term liabilities for the District for the year ended June 30, 2026, 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
Finance Leases									
HVAC System	0.00%	5/5/2016	$ 2,000,000	6/15/2031	$ 800,003	-	133,333	**666,670**	-
Postage Machine	2.25%	7/13/2022	4,600	9/29/2027	2,144	-	940	**1,204**	40
Copier	5.80%	6/25/2025	54,000	9/24/2030	54,000	-	9,062	**44,938**	2,893
Total Contractual Indebtedness					$ **856,147**	**-**	**143,335**	**712,812**	**2,933**

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

	YEAR					
	2027	2028	2029	2030	2031	**Total**
Principal						
Finance Leases	$ 143,896	143,751	144,113	144,754	136,298	**712,812**
Interest						
Finance Leases	2,372	1,782	1,175	534	29	**5,892**
Total Principal and Interest	$ **146,268**	**145,533**	**145,288**	**145,288**	**136,327**	**718,704**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS

Regulatory-Required Supplementary Information

Schedule 1

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026

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)
Regulatory Basis Fund Types						
General Funds						
General Fund	$ 3,007,394	(171,257)	-	2,836,137	**2,836,137**	-
Supplemental General Fund	983,516	(47,413)	-	936,103	**924,347**	(11,756)
Special Purpose Funds						
Preschool Aged At-Risk Fund	62,888	-	-	62,888	**62,888**	-
At-Risk Fund	376,163	-	-	376,163	**312,757**	(63,406)
Bilingual Education Fund	72,298	-	-	72,298	**50,077**	(22,221)
Capital Outlay Fund	841,900	-	292,211	1,134,111	**1,047,004**	(87,107)
Driver Training Fund	26,633	-	-	26,633	**4,200**	(22,433)
Food Service Fund	204,600	-	-	204,600	**139,845**	(64,755)
Professional Development Fund	17,360	-	-	17,360	**13,190**	(4,170)
Summer School Fund	980	-	-	980	**-**	(980)
Special Education Fund	396,383	-	-	396,383	**396,383**	-
Career and Postsecondary Education Fund	179,335	-	-	179,335	**168,410**	(10,925)
Gifts and Grants Fund	145,553	-	-	145,553	**1,406**	(144,147)
KPERS Special Retirement Fund	321,238	-	-	321,238	**270,881**	(50,357)
Recreation Commission Fund	166,600	-	-	166,600	**87,308**	(79,292)
Recreation Commission Employee Benefit Fund	28,900	-	-	28,900	**16,943**	(11,957)

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Taxes and Shared Receipts				
Mineral Production Tax	$ 27,596	**16,744**	30,000	(13,256)
State Aid				
General State Aid	2,551,280	**2,608,318**	2,705,854	(97,536)
Special Education Aid	217,295	**203,935**	264,400	(60,465)
Total Receipts	2,796,171	**2,828,997**	3,000,254	(171,257)
Expenditures				
Instruction				
Salaries	736,593	**891,005**	1,049,029	(158,024)
Employee Benefits	213,273	**293,249**	70,115	223,134
Purchased Professional Services	9,225	**2,030**	10,000	(7,970)
Purchased Property Services	2,068	**35,112**	-	35,112
Other Purchased Services	8,165	**77,564**	35,000	42,564
Supplies	76,421	**77,331**	84,000	(6,669)
Property (Equip and Furn)	500	**-**	1,000	(1,000)
Student Support Services				
Salaries	66,590	**53,527**	80,000	(26,473)
Employee Benefits	13,422	**12,949**	13,300	(351)
Purchased Professional Services	3,392	**12,228**	7,300	4,928
Other Purchased Services	-	**-**	50	(50)
Supplies	825	**1,533**	1,600	(67)
Instructional Support Staff				
Salaries	22,575	**21,540**	8,000	13,540
Employee Benefits	11,728	**10,703**	11,100	(397)
Other Purchased Services	2,047	**455**	4,500	(4,045)
Supplies	3,514	**3,669**	1,000	2,669
General Administration				
Salaries	191,743	**237,697**	230,000	7,697
Employee Benefits	27,875	**28,995**	29,000	(5)
Purchased Professional Services	1,025	**-**	4,200	(4,200)
Purchased Property Services	33,531	**35,970**	43,000	(7,030)
Other Purchased Services	124,182	**73,335**	109,200	(35,865)
Supplies	17,049	**11,204**	15,000	(3,796)
Other	17,633	**2,536**	4,300	(1,764)
School Administration				
Salaries	218,601	**180,904**	175,000	5,904
Employee Benefits	30,151	**34,778**	36,500	(1,722)
Purchased Professional Services	4,711	**9,960**	3,000	6,960
Purchased Property Services	$ -	**27,713**	700	27,013

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Expenditures (Cont'd.)				
School Administration (Cont'd.)				
Other Purchased Services	$ 241	**7,728**	300	7,428
Supplies	23,431	**5,591**	30,000	(24,409)
Central Services				
Salaries	205	**-**	4,000	(4,000)
Employee Benefits	18	**-**	350	(350)
Operations and Maintenance				
Salaries	189,027	**-**	160,000	(160,000)
Employee Benefits	50,845	**15,079**	44,000	(28,921)
Other Purchased Services	-	**-**	500	(500)
Supplies	2,994	**4,817**	1,500	3,317
Vehicle Operating Services				
Salaries	70,400	**67,405**	60,000	7,405
Employee Benefits	17,204	**19,636**	11,750	7,886
Other Purchased Services	4,854	**25,362**	10,000	15,362
Supplies	31,794	**29,656**	40,000	(10,344)
Vehicle Maintenance Services				
Purchased Property Services	24,805	**16,127**	18,000	(1,873)
Supplies	89	**107**	50	57
Other Student Transportation Services				
Purchased Professional Services	2,483	**2,207**	2,500	(293)
Supplies	-	**-**	150	(150)
Other	9,032	**7,047**	-	7,047
Other Support Services				
Other	-	**-**	9,000	(9,000)
Operating Transfers				
To Preschool Aged At-Risk Fund	30,000	**-**	50,000	(50,000)
To At-Risk Fund	276,195	**211,632**	275,000	(63,368)
To Special Education Fund	218,575	**287,756**	264,400	23,356
Adjustment to Comply With Legal Max	-	**-**	(171,257)	171,257
Total Expenditures	2,789,031	**2,836,137**	2,836,137	-
Receipts Over (Under) Expenditures	7,140	**(7,140)**		
Unencumbered Cash - Beginning	-	**7,140**		
Unencumbered Cash - Ending	$ 7,140	**-**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Supplemental General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 743,663	**813,170**	963,574	(150,404)
Delinquent Tax	13,317	**11,832**	1,971	9,861
Motor Vehicle Tax	58,499	**58,313**	58,282	31
Recreational Vehicle Tax	789	**762**	854	(92)
Commercial Vehicle Tax	6,476	**5,987**	9,155	(3,168)
Local Sources				
Other Receipts from Local Sources	1,219	**-**	-	-
Total Receipts	823,963	**890,064**	1,033,836	(143,772)
Expenditures				
Instruction				
Salaries	247,154	**251,821**	281,016	(29,195)
Other Purchased Services	-	**150**	-	150
Supplies	10,000	**8,350**	10,000	(1,650)
Operations and Maintenance				
Purchased Property Services	76,930	**80,029**	84,500	(4,471)
Supplies	145,085	**149,177**	178,000	(28,823)
Operating Transfers				
To Preschool Aged At-Risk	12,887	**57,500**	-	57,500
To At-Risk Fund	77,000	**100,811**	100,000	811
To Bilingual Education Fund	49,967	**30,000**	50,000	(20,000)
To Food Service Fund	65,000	**30,000**	50,000	(20,000)
To Professional Development Fund	15,000	**8,500**	10,000	(1,500)
To Special Education Fund	80,000	**88,009**	90,000	(1,991)
To Career and Postsecondary Ed. Fund	130,000	**120,000**	130,000	(10,000)
Adjustment to Comply With Legal Max	-	**-**	(47,413)	47,413
Total Expenditures	909,023	**924,347**	936,103	(11,756)
Receipts Over (Under) Expenditures	(85,060)	**(34,283)**		
Unencumbered Cash - Beginning	120,848	**35,788**		
Unencumbered Cash - Ending	$ 35,788	**1,505**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Preschool Aged At-Risk Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Operating Transfers				
From General Fund	$ 30,000	**-**	50,000	(50,000)
From Supplemental General Fund	12,887	**57,500**	-	57,500
Total Receipts	42,887	**57,500**	50,000	7,500
Expenditures				
Instruction				
Salaries	28,756	**26,830**	48,888	(22,058)
Employee Benefits	12,074	**13,044**	13,500	(456)
Other Purchased Services	-	**21,219**	-	21,219
Supplies	153	**1,795**	500	1,295
Total Expenditures	40,983	**62,888**	62,888	-
Receipts Over (Under) Expenditures	1,904	**(5,388)**		
Unencumbered Cash - Beginning	10,984	**12,888**		
Unencumbered Cash - Ending	$ 12,888	**7,500**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
At-Risk Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Operating Transfers				
From General Fund	$ 276,195	**211,632**	275,000	(63,368)
From Supplemental General Fund	77,000	**100,811**	100,000	811
Total Receipts	353,195	**312,443**	375,000	(62,557)
Expenditures				
Instruction				
Salaries	287,627	**230,848**	376,163	(145,315)
Employee Benefits	52,383	**53,777**	-	53,777
Purchased Professional Services	10,385	**27,547**	-	27,547
Supplies	2,196	**585**	-	585
Other	214	**-**	-	-
Total Expenditures	352,805	**312,757**	376,163	(63,406)
Receipts Over (Under) Expenditures	390	**(314)**		
Unencumbered Cash - Beginning	806	**1,196**		
Unencumbered Cash - Ending	$ 1,196	**882**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Bilingual Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Operating Transfers				
From Supplemental General Fund	$ 49,967	**30,000**	50,000	(20,000)
Expenditures				
Instruction				
Salaries	28,555	**29,393**	54,098	(24,705)
Employee Benefits	15,280	**20,684**	16,700	3,984
Supplies	-	**-**	1,500	(1,500)
Total Expenditures	43,835	**50,077**	72,298	(22,221)
Receipts Over (Under) Expenditures	6,132	**(20,077)**		
Unencumbered Cash - Beginning	16,133	**22,265**		
Unencumbered Cash - Ending	$ 22,265	**2,188**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 326,183	**303,356**	331,824	(28,468)
Delinquent Tax	5,861	**5,178**	866	4,312
Motor Vehicle Tax	26,051	**24,676**	24,714	(38)
Recreational Vehicle Tax	354	**323**	362	(39)
Commercial Vehicle Tax	2,736	**2,599**	3,883	(1,284)
Local Sources				
Interest on Idle Funds	8,662	**4,096**	9,000	(4,904)
Other Receipts from Local Sources	30,311	**327,211**	35,000	292,211
Total Receipts	400,158	**667,439**	405,649	261,790
Expenditures				
Instruction				
Supplies	19,127	**34,899**	25,000	9,899
Property (Equip and Furn)	16,070	**18,369**	17,000	1,369
Student Support Services				
Property (Equip and Furn)	-	**-**	20,000	(20,000)
General Administration				
Supplies	-	**5,470**	10,000	(4,530)
Property (Equip and Furn)	3,090	**3,195**	10,000	(6,805)
School Administration				
Property (Equip and Furn)	12,156	**1,980**	20,000	(18,020)
Central Services				
Property (Equip and Furn)	-	**-**	20,000	(20,000)
Operations and Maintenance				
Salaries	-	**230,509**	-	230,509
Purchased Property Services	80,409	**471,008**	526,567	(55,559)
Property (Equip and Furn)	3,606	**16,719**	5,000	11,719
Transportation				
Purchased Property Services	1,967	**131,522**	5,000	126,522
Facility Acquisition and Construction Services				
Site Improvement	133,333	**133,333**	133,333	-
Other	2,075	**-**	50,000	(50,000)
(a) Adjustment for Qualifying Budget Credit	-	**-**	292,211	(292,211)
Total Expenditures	$ 271,833	**1,047,004**	1,134,111	(87,107)

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Capital Outlay Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts Over (Under Expenditures)	$ 128,325	**(379,565)**		
Unencumbered Cash - Beginning	269,552	**397,877**		
Unencumbered Cash - Ending	$ 397,877	**18,312**		

(a) Adjustment for Qualifying Budget Credit

Other Receipts from Local Sources Over Amount Budgeted	$	292,211

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Driver Training Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 1,450	**2,080**	2,700	(620)
Local Sources				
Other Receipts from Local Sources	2,700	**4,050**	3,000	1,050
Total Receipts	4,150	**6,130**	5,700	430
Expenditures				
Instruction				
Salaries	-	**2,600**	5,000	(2,400)
Employee Benefits	13	**239**	-	239
Other	634	**1,094**	21,633	(20,539)
Vehicle Operations and Maintenance				
Supplies	-	**267**	-	267
Total Expenditures	647	**4,200**	26,633	(22,433)
Receipts Over (Under) Expenditures	3,503	**1,930**		
Unencumbered Cash - Beginning	17,431	**20,934**		
Unencumbered Cash - Ending	$ 20,934	**22,864**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Food Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 1,114	**1,134**	864	270
Federal Aid	54,227	**51,344**	57,239	(5,895)
Local Sources				
Food Sales	46,004	**52,600**	55,811	(3,211)
Operating Transfers				
From Supplemental General Fund	65,000	**30,000**	50,000	(20,000)
Total Receipts	166,345	**135,078**	163,914	(28,836)
Expenditures				
Operations and Maintenance				
Supplies	1,434	**1,139**	-	1,139
Property (Equip and Furn)	32	**5,014**	-	5,014
Food Service Operation				
Salaries	78,042	**52,582**	80,000	(27,418)
Employee Benefits	11,384	**6,445**	12,500	(6,055)
Food and Supplies	74,614	**72,629**	110,312	(37,683)
Property (Equip and Furn)	-	**415**	500	(85)
Other	1,288	**1,621**	1,288	333
Total Expenditures	166,794	**139,845**	204,600	(64,755)
Receipts Over (Under) Expenditures	(449)	**(4,767)**		
Unencumbered Cash - Beginning	41,135	**40,686**		
Unencumbered Cash - Ending	$ 40,686	**35,919**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Professional Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 3,614	**-**	-	-
Operating Transfers				
From Supplemental General Fund	15,000	**8,500**	10,000	(1,500)
Total Receipts	18,614	**8,500**	10,000	(1,500)
Expenditures				
Instructional Support Staff				
Purchased Professional Services	47,192	**13,190**	17,360	(4,170)
Receipts Over (Under) Expenditures	(28,578)	**(4,690)**		
Unencumbered Cash - Beginning	35,938	**7,360**		
Unencumbered Cash - Ending	$ 7,360	**2,670**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Summer School Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts	$ -	**-**	-	-
Expenditures				
Instruction				
Salaries	-	**-**	980	(980)
Receipts Over (Under) Expenditures	-	**-**		
Unencumbered Cash - Beginning	998	**998**		
Unencumbered Cash - Ending	$ 998	**998**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Special Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Local Sources				
Other Receipts from Local Sources	$ 7,463	**19,259**	8,000	11,259
Operating Transfers				
From General Fund	218,575	**287,756**	264,400	23,356
From Supplemental General Fund	80,000	**88,009**	90,000	(1,991)
Total Receipts	306,038	**395,024**	362,400	32,624
Expenditures				
Instruction				
Salaries	4,009	**3,500**	10,000	(6,500)
Employee Benefits	1,526	**303**	1,525	(1,222)
Other Purchased Services				
Assessments	149,800	**209,217**	187,658	21,559
Flow-thru	186,101	**177,331**	190,000	(12,669)
Supplies	1,917	**1,553**	2,000	(447)
Operations and Maintenance				
Purchased Property Services	1,191	**1,144**	1,500	(356)
Supplies	2,812	**3,335**	3,700	(365)
Vehicle Operating Services				
Supplies	168	**-**	-	-
Total Expenditures	347,524	**396,383**	396,383	-
Receipts Over (Under) Expenditures	(41,486)	**(1,359)**		
Unencumbered Cash - Beginning	75,380	**33,894**		
Unencumbered Cash - Ending	$ 33,894	**32,535**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Career and Postsecondary Education Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Operating Transfers				
From Supplemental General Fund	$ 130,000	**120,000**	130,000	(10,000)
Expenditures				
Instruction				
Salaries	100,539	**138,815**	145,935	(7,120)
Employee Benefits	17,484	**21,382**	18,200	3,182
Purchased Professional Services	869	-	-	-
Other Purchased Services	-	**43**	1,000	(957)
Supplies	8,501	**7,371**	9,000	(1,629)
Property (Equip and Furn)	2,160	**799**	2,200	(1,401)
Other	807	**-**	1,000	(1,000)
Operations and Maintenance				
Purchased Property Services	1,058	**-**	2,000	(2,000)
Total Expenditures	131,418	**168,410**	179,335	(10,925)
Receipts Over (Under) Expenditures	(1,418)	**(48,410)**		
Unencumbered Cash - Beginning	50,754	**49,336**		
Unencumbered Cash - Ending	$ 49,336	**926**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Gifts and Grants Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 3,884	**-**	40,170	(40,170)
Local Sources				
Other Receipts from Local Sources	8,851	**870**	20,000	(19,130)
Total Receipts	12,735	**870**	60,170	(59,300)
Expenditures				
Instruction				
Property (Equip and Furn)	-	**-**	145,553	(145,553)
Operations and Maintenance				
Property (Equip and Furn)	9,053	**1,406**	-	1,406
Total Expenditures	9,053	**1,406**	145,553	(144,147)
Receipts Over (Under) Expenditures	3,682	**(536)**		
Unencumbered Cash - Beginning	5,577	**9,259**		
Unencumbered Cash - Ending	$ 9,259	**8,723**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
KPERS Special Retirement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Intergovernmental Revenues				
State Aid	$ 272,524	**270,881**	321,238	(50,357)
Expenditures				
Instruction				
Employee Benefits	167,318	**169,968**	216,338	(46,370)
Student Support Services				
Employee Benefits	13,538	**13,094**	13,000	94
Instructional Support Staff				
Employee Benefits	5,316	**3,362**	5,000	(1,638)
General Administration				
Employee Benefits	17,689	**18,727**	18,000	727
School Administration				
Employee Benefits	35,879	**29,434**	36,000	(6,566)
Central Services				
Employee Benefits	4,982	**5,129**	-	5,129
Operations and Maintenance				
Employee Benefits	21,993	**22,735**	22,000	735
Student Transportation Services				
Employee Benefits	-	**-**	5,000	(5,000)
Food Service Operation				
Employee Benefits	5,809	**8,432**	5,900	2,532
Total Expenditures	272,524	**270,881**	321,238	(50,357)
Receipts Over (Under) Expenditures	-	**-**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**-**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Contingency Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	-
Expenditures			
General Administration			
Other Purchased Services		-	**77,994**
Receipts Over (Under) Expenditures		-	**(77,994)**
Unencumbered Cash - Beginning		230,472	**230,472**
Unencumbered Cash - Ending	$	230,472	**152,478**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Textbook Rental Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	**Current Year Actual**
Receipts		
Local Sources		
Rental Fees	$ 25,645	**24,021**
Fines	121	**37**
Total Receipts	25,766	**24,058**
Expenditures		
Instructional Support Staff		
Purchased Professional Services	-	**50**
Supplies	14,568	**10,679**
Total Expenditures	14,568	**10,729**
Receipts Over (Under) Expenditures	11,198	**13,329**
Unencumbered Cash - Beginning	7,365	**18,563**
Unencumbered Cash - Ending	$ 18,563	**31,892**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Recreation Commission Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 59,773	**75,589**	82,129	(6,540)
Delinquent Tax	1,494	**1,241**	157	1,084
Motor Vehicle Tax	5,908	**5,600**	5,600	-
Recreational Vehicle Tax	89	**73**	82	(9)
Commercial Vehicle Tax	684	**505**	880	(375)
Local Sources				
Other Receipts from Local Sources	-	**-**	20,000	(20,000)
Total Receipts	67,948	**83,008**	108,848	(25,840)
Expenditures				
Community Service Operations	90,000	**87,308**	166,600	(79,292)
Receipts Over (Under) Expenditures	(22,052)	**(4,300)**		
Unencumbered Cash - Beginning	26,352	**4,300**		
Unencumbered Cash - Ending	$ 4,300	**-**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Recreation Commission Employee Benefit Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Tax	$ 18,949	**15,200**	16,844	(1,644)
Delinquent Tax	330	**282**	50	232
Motor Vehicle Tax	1,183	**1,298**	1,300	(2)
Recreational Vehicle Tax	18	**17**	19	(2)
Commercial Vehicle Tax	137	**146**	204	(58)
Total Receipts	20,617	**16,943**	18,417	(1,474)
Expenditures				
Community Service Operations	25,936	**16,943**	28,900	(11,957)
Receipts Over (Under) Expenditures	(5,319)	**-**		
Unencumbered Cash - Beginning	5,319	**-**		
Unencumbered Cash - Ending	$ -	**-**		

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Title I Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 43,525	**41,195**
Expenditures		
Instruction		
Salaries	40,816	**19,894**
Employee Benefits	2,449	**1,017**
Other	260	**20,284**
Total Expenditures	43,525	**41,195**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Title II-A Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 7,309	**8,839**
Expenditures		
Instructional Support Staff		
Other Purchased Services	7,309	**8,839**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Title IV Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

		Prior Year Actual	**Current Year Actual**
Receipts			
Intergovernmental Revenues			
Federal Aid	$	12,380	**12,249**
Expenditures			
Instruction			
Other Purchased Services		12,380	**12,249**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**-**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
REAP Grant Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 13,184	**17,198**
Expenditures		
Instructional Support Staff		
Property (Equip and Furn)	13,184	**17,198**
Receipts Over (Under) Expenditures	-	**-**
Unencumbered Cash - Beginning	-	**-**
Unencumbered Cash - Ending	$ -	**-**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
ESSER III Grant Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 503	-
Expenditures		
Instruction		
Salaries	1,024	-
Employee Benefits	79	-
Supplies	24,253	-
Operations and Maintenance		
Purchased Property Services	2,927	-
Total Expenditures	28,283	-
Receipts Over (Under) Expenditures	(27,780)	-
Unencumbered Cash - Beginning	27,780	-
Unencumbered Cash - Ending	$ -	-

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Test to Stay Grant Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
Federal Aid	$ 49,419	-
Expenditures		
Student Support Services		
Salaries	27,405	-
Employee Benefits	3,894	-
School Administration		
Salaries	1,797	-
Employee Benefits	139	-
Total Expenditures	33,235	-
Receipts Over (Under) Expenditures	16,184	-
Unencumbered Cash - Beginning	(16,184)	-
Unencumbered Cash - Ending	$ -	-

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
MHIT Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended June 30, 2026
(With Comparative Actual Totals for the Prior Year Ended June 30, 2025)

	Prior Year Actual	**Current Year Actual**
Receipts		
Intergovernmental Revenues		
State Aid	$ 31,316	**42,942**
Expenditures		
Instructional Support Staff		
Salaries	20,166	**39,294**
Employee Benefits	2,262	**3,841**
Purchased Professional Services	12,270	**16,223**
Total Expenditures	34,698	**59,358**
Receipts Over (Under) Expenditures	(3,382)	**(16,416)**
Unencumbered Cash - Beginning	3,382	**-**
Unencumbered Cash - Ending	$ -	**(16,416)**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended June 30, 2026

Funds	Beginning Cash Balance	Receipts	Disbursements	**Ending Cash Balance**
District				
Payroll Clearing	$ 154,749	2,799,256	2,782,998	**171,007**
High School				
Class of 2025	-	1,150	1,150	**-**
Class of 2026	4,229	75	4,304	**-**
Class of 2027	3,191	1,966	4,022	**1,135**
Class of 2028	1,548	1,683	-	**3,231**
Class of 2029	314	2,353	-	**2,667**
Elementary Library	2,059	1,102	1,102	**2,059**
FFA	6,203	17,806	19,662	**4,347**
FCCLA	221	-	-	**221**
National Honor Society	416	705	656	**465**
KAYS	716	1,529	1,637	**608**
Special Education	1,123	111	201	**1,033**
Student Council	4,117	4,012	3,008	**5,121**
Student Trips	546	-	-	**546**
Pep Club	2,892	4,192	7,451	**(367)**
High School Volleyball	218	5,000	420	**4,798**
Softball	5,400	-	1,211	**4,189**
Track and Cross Country	811	1,741	2,031	**521**
High School Girls Basketball	1,382	25	97	**1,310**
High School Football	1,834	405	2,008	**231**
High School Boys Basketball	3,225	-	-	**3,225**
Golf	209	126	490	**(155)**
Junior High Volleyball	161	-	-	**161**
Junior High Basketball	265	-	-	**265**
Junior High Football	229	-	-	**229**
Junior High Track	122	-	43	**79**
Year Book	4,815	6,900	11,927	**(212)**
Skills Chapter	9,732	-	-	**9,732**
Art	297	-	-	**297**
Total High School	56,275	50,881	61,420	**45,736**
Total Agency Funds	$ 211,024	2,850,137	2,844,418	**216,743**

UNIFIED SCHOOL DISTRICT NO. 303 NESS CITY, KANSAS
District Activity Funds
Schedule of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended June 30, 2026

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Gate Receipts							
High School							
Athletics	$ 1,199	-	66,144	64,894	**2,449**	-	**2,449**
School Projects							
High School							
Concessions	306	-	38,099	42,524	**(4,119)**	-	**(4,119)**
Awards	118	-	-	-	**118**	-	**118**
Band Trip	7,526	-	830	1,325	**7,031**	-	**7,031**
Elementary Carnival	8,665	-	10,922	5,759	**13,828**	-	**13,828**
Scholars Bowl	26	-	1,908	1,445	**489**	-	**489**
School Play	20	-	1,174	1,126	**68**	-	**68**
Speech/Drama	207	-	-	-	**207**	-	**207**
Scholarships	10,995	-	10,000	2,500	**18,495**	-	**18,495**
Total School Projects	27,863	-	62,933	54,679	**36,117**	-	**36,117**
Total District Activity Funds	$ 29,062	-	129,077	119,573	**38,566**	-	**38,566**