USD 420 - OSAGE CITY

Osage City, Kansas

FINANCIAL STATEMENT

WITH REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

and

INDEPENDENT AUDITOR'S REPORT

June 30, 2024

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

USD 420 - OSAGE CITY
Osage City, Kansas
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November 4, 2024

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
USD 420 - Osage City
Osage City, 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 420 - Osage City (the District), as of and for the year ended June 30, 2024 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, 2024, 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, 2024, 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.

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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 not a 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the District's basic financial statement. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial 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 4, 2024, 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 Public Accountants
Manhattan, Kansas

USD 420 - OSAGE CITY
Osage City, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	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	$ -	$ -	$ 6,693,058	$ 6,693,058	$ -	$ 337,007	$ 337,007
Supplemental General	8,084	-	2,164,792	2,115,092	57,784	382,408	440,192
Special Purpose Funds							
Bilingual Education	2,191	-	635	646	2,180	-	2,180
Virtual Education	12,689	-	13,450	13,450	12,689	700	13,389
Capital Outlay	1,046,263	-	863,881	660,582	1,249,562	513,616	1,763,178
Driver Training	5,000	-	13,050	563	17,487	-	17,487
Food Service	76,508	-	478,945	448,790	106,663	6	106,669
Professional Development	32,499	-	23,313	24,782	31,030	1,899	32,929
Special Education	796,776	-	1,499,327	1,504,507	791,596	48	791,644
Career and Postsecondary Education	105,020	-	106,344	76,319	135,045	48	135,093
Gifts and Grants	6,684	-	11,473	11,410	6,747	-	6,747
KPERS Special Contribution	-	-	669,937	669,937	-	-	-
Preschool-Aged At-Risk	62,794	-	38,454	37,926	63,322	-	63,322
At-Risk (K-12)	88,136	-	1,226,453	1,226,771	87,818	3,500	91,318
District Activity Funds	61,325	-	91,355	88,812	63,868	-	63,868
Contingency Reserve Fund	450,748	-	30,000	-	480,748	-	480,748
Emergency Connectivity	(2,898)	-	-	(2,898)	-	-	-
Kansas Preschool	-	-	11,820	9,762	2,058	-	2,058
ESSER III	(294,367)	-	477,267	540,806	(357,906)	219,702	(138,204)
Jones Fund Grant	15,873	-	40,000	49,326	6,547	-	6,547
KHDE CLIA Grant	(22,622)	-	51,079	47,459	(19,002)	-	(19,002)
Technology Education	16,061	-	17,537	30,866	2,732	-	2,732
Textbook & Student Revolving	35,880	-	50,000	32,057	53,823	7,088	60,911
Title I	-	-	151,115	150,713	402	-	402
Title IIA - Teacher Quality	-	-	20,685	20,454	231	-	231
Title IV	-	-	17,301	17,301	-	6,237	6,237
Bond and Interest Fund							
Bond and Interest Fund	1,043,495	-	982,006	784,647	1,240,854	-	1,240,854
Total Reporting Entity (Excluding Agency Funds)	$ 3,546,139	$ -	$ 15,743,277	$ 15,253,138	$ 4,036,278	$ 1,472,259	$ 5,508,537

(continued)

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

USD 420 - OSAGE CITY
Osage City, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended June 30, 2024

Composition of Cash		
Checking Accounts	$	(216,639)
Savings Accounts		5,792,421
Petty Cash		350
Total Cash	$	5,576,132
Less: Agency funds per Schedule 3		(67,595)
Total Reporting Entity (Excluding Agency Funds)	$	5,508,537

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

Note 1: Summary of Significant Accounting Policies

Financial Reporting Entity

USD 420 - Osage City (the District), is a municipal corporation governed by an elected seven member board. The District as an entity has been defined to include, on a combined basis, (a) the District (b) organizations for which the District is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting District's financial statement to be misleading or incomplete. There are currently no organizations which meet the foregoing criteria for being combined in the District's report.

Fund Description

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

The following types of funds comprise the financial activities of the District:

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.

Bond and Interest Funds -- Used to account for the accumulation of resources, including tax levies, transfer's from other funds and payment of general long-term debt.

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

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.

Reimbursed Expenses

Expenditures in the amount of $5,488 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 adoption of the final budget has been adjusted to on or before September 20th. 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 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:

Contingency Reserve	KHDE CLIA Grant	Jones Fund Grant
Emergency Connectivity	Title IV	Title I
Kansas Preschool	Technology Education	District Activity Funds
ESSER III	Textbook & Student Revolving	Title IIA - Teacher Quality

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, 2024, the carrying amount of the District's cash and certificates was $5,575,782. The bank balance was $5,971,227. 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. The bank balance was fully covered by FDIC insurance of $250,000 and bank pledged securities with a fair market value of $7,033,757.

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 www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

Note 4: Pension Plans (Continued)

Defined Benefit Pension Plan (Continued)

Contributions (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 13.11%, respectively, for the fiscal year ended June 30, 2023. The actuarially determined employer contribution rate and the statutory contribution rate was 13.38% and 12.57% for the fiscal year ended June 30, 2024.

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 $669,937 for the year ended June 30, 2024.

Net Pension Liability: At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $5,988,925. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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, 2023. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement. The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

Note 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 county 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: Compensated Absences

Vacation is provided to District office secretaries, building office secretaries, custodians, and technical support by using the Vacation Schedule that is on file at the District office based on years of service. The Superintendent will receive twenty days of vacation. All employees receiving vacation time are encouraged to use it timely. Vacation days not used during the year are not carried forward to the next year.

Classified employees receive one day per month worked for sick leave. Sick leave can accumulate as long as the employee is employed by the District. Accumulated sick leave will only be paid when the employee reaches retirement age and retires, or upon completing ten (10) years of employment in the District and leaving the District, or upon the death of the employee, they will be paid one day's pay for each five days of accumulated sick leave up to a maximum of thirty (30) days. An employee can forfeit two days of accumulated sick leave for one day of personal leave. Maximum days that can be forfeited per year is six days.

Each employee receives two days per year for personal leave and each employee shall be granted five (5) days of bereavement leave (non-accumulative) for the death of an immediate family member.

Certified employees receive 12 discretionary days per year, with unused days to accumulate. When an employee reaches retirement age and retires, or upon completing twenty (20) years of employment in the District and leaving the District, or upon the death of the employee, they will be paid one day's pay for each four days of accumulated discretionary leave up to a maximum of forty (40) days. Each employee may use up to five days of bereavement leave at the death of family members.

Note 7: Stewardship, Compliance and Accountability

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

Note 8: 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 9: Interfund Transfers

Interfund transfers were as follows:

Fund From	Fund To	Authority	Amount
General	Capital Outlay	K.S.A. 72-6428	$ 209,784
General	Food Services	K.S.A. 72-6428	100,209
General	Textbook & Student Revolving	K.S.A. 72-6428	50,000
General	Special Education	K.S.A. 72-6428	882,127
General	Drivers Training	K.S.A. 72-6428	7,500
General	Virtual Education	K.S.A. 72-6428	13,450
General	At-Risk (K-12)	K.S.A. 72-6428	966,720
General	Contingency Reserve	K.S.A. 72-6428	30,000
General	Career and Postsecondary Education	K.S.A. 72-6428	30,000
Supplemental	Professional Development	K.S.A. 72-6425	21,495
Supplemental	Bilingual Education	K.S.A. 72-6425	635
Supplemental	Career and Postsecondary Education	K.S.A. 72-6425	44,450
Supplemental	Special Education	K.S.A. 72-6425	597,500
Supplemental	Preschool-Aged At-Risk	K.S.A. 72-6425	38,000
Supplemental	At-Risk (K-12)	K.S.A. 72-6425	259,733
		Total Transfers	$ 3,251,603

Note 10: Contingency

The District receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by federal and state agencies for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the District's management, such disallowances, if any, will not be significant to the District's financial statement.

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
General Obligation Bonds									
2012A Issue	2.00%-2.35%	6/15/2012	$ 3,055,000	9/1/2024	$ 760,000	$ -	$ 590,000	$ 170,000	$ 10,485
2012B Issue	4.50%	6/15/2012	4,092,500	9/1/2030	4,092,500	-	-	4,092,500	184,162
Total Long-Term Debt					$ 4,852,500	$ -	$ 590,000	$ 4,262,500	$ 194,647

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

	2025	2026	2027	2028	2029	2030 - 2031	Total
Principal							
General Obligation Bonds	$ 602,500	$ 610,000	$ 610,000	$ 610,000	$ 610,000	$ 1,220,000	$ 4,262,500
Interest							
General Obligation Bonds	1,998	-	-	-	-	-	1,998
	$ 604,498	$ 610,000	$ 610,000	$ 610,000	$ 610,000	$ 1,220,000	$ 4,264,498

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

USD 420 - OSAGE CITY
Osage City, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended June 30, 2024

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	$ 6,740,228	$ (52,658)	$ 5,488	$ 6,693,058	$ 6,693,058	$ -
Supplemental General	2,115,093	-	-	2,115,093	2,115,092	(1)
Special Purpose Funds						
Bilingual Education	3,582	-	-	3,582	646	(2,936)
Virtual Education	21,018	-	-	21,018	13,450	(7,568)
Capital Outlay	1,557,293	-	-	1,557,293	660,582	(896,711)
Driver Training	9,050	-	-	9,050	563	(8,487)
Food Service	468,907	-	-	468,907	448,790	(20,117)
Professional Development	52,982	-	-	52,982	24,782	(28,200)
Special Education	2,191,484	-	-	2,191,484	1,504,507	(686,977)
Career and Postsecondary Education	208,798	-	-	208,798	76,319	(132,479)
Gifts and Grants	36,863	-	-	36,863	11,410	(25,453)
KPERS Special Contribution	744,119	-	-	744,119	669,937	(74,182)
Preschool-Aged At-Risk	108,793	-	-	108,793	37,926	(70,867)
At-Risk (K-12)	1,319,541	-	-	1,319,541	1,226,771	(92,770)
Bond and Interest Fund						
Bond and Interest	785,149	-	-	785,149	784,647	(502)
Total of all Funds	$ 16,362,900	$ (52,658)	$ 5,488	$ 16,315,730	$ 14,268,480	$ (2,047,250)

USD 420 - OSAGE CITY
Osage City, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid/grants	$ 6,687,570	$ 6,740,228	$ (52,658)
Reimbursements	5,488	-	5,488
Total Cash Receipts	$ 6,693,058	$ 6,740,228	$ (47,170)
EXPENDITURES			
Instruction	$ 2,577,678	$ 2,556,035	$ 21,643
Student support services	84,225	154,665	(70,440)
Instructional support staff	201,258	207,950	(6,692)
General administration	222,977	260,236	(37,259)
School administration	478,786	494,709	(15,923)
Central support services	98,441	181,646	(83,205)
Operations and maintenance	558,582	618,354	(59,772)
Student transportation	181,321	174,171	7,150
Operating transfers	2,289,790	2,092,462	197,328
Adjustment to comply with legal maximum	-	(52,658)	52,658
Legal budget and expenditures	$ 6,693,058	$ 6,687,570	$ 5,488
Adjustments for qualifying budget credits	-	5,488	(5,488)
Total Expenditures	$ 6,693,058	$ 6,693,058	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

USD 420 - OSAGE CITY
Osage City, Kansas
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	$ 680,040	$ 749,785	$ (69,745)
Delinquent tax	16,974	9,170	7,804
Motor vehicle tax	71,867	62,116	9,751
Recreational vehicle tax	992	-	992
State aid/grants	1,394,904	1,394,904	-
Miscellaneous revenues	15	-	15
Total Cash Receipts	$ 2,164,792	$ 2,215,975	$ (51,183)
EXPENDITURES			
Instruction	$ 914,668	$ 1,033,009	$ (118,341)
Operations and maintenance	238,611	248,552	(9,941)
Operating transfers	961,813	833,532	128,281
Total Expenditures	$ 2,115,092	$ 2,115,093	$ (1)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 49,700		
UNENCUMBERED CASH - BEGINNING	8,084		
UNENCUMBERED CASH - ENDING	$ 57,784		

USD 420 - OSAGE CITY
Osage City, Kansas
BILINGUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 635	$ 1,391	$ (756)
EXPENDITURES			
Instruction	$ 646	$ 3,582	$ (2,936)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (11)		
UNENCUMBERED CASH - BEGINNING	2,191		
UNENCUMBERED CASH - ENDING	$ 2,180		

USD 420 - OSAGE CITY
Osage City, Kansas
VIRTUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 13,450	$ 8,329	$ 5,121
EXPENDITURES			
Instruction	$ 13,450	$ 21,018	$ (7,568)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	12,689		
UNENCUMBERED CASH - ENDING	$ 12,689		

USD 420 - OSAGE CITY
Osage City, Kansas
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	$ 209,936	$ 231,322	$ (21,386)
Delinquent tax	5,576	4,582	994
Motor vehicle tax	23,172	29,697	(6,525)
RV tax	321		321
Commercial vehicle tax	1,148		1,148
State aid/grants	152,642	152,642	-
Interest income	258,863	-	258,863
Miscellaneous revenues	2,439	-	2,439
Operating transfers	209,784	132,161	77,623
Total Cash Receipts	$ 863,881	$ 550,404	$ 313,477
EXPENDITURES			
Instruction	$ 15,901	$ 586,889	$ (570,988)
Operations and maintenance	469,305	620,404	(151,099)
Student transportation	175,376	350,000	(174,624)
Total Expenditures	$ 660,582	$ 1,557,293	$ (896,711)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 203,299		
UNENCUMBERED CASH - BEGINNING	1,046,263		
UNENCUMBERED CASH - ENDING	$ 1,249,562		

USD 420 - OSAGE CITY
Osage City, Kansas
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Miscellaneous revenues	$ 5,550	$ 4,050	$ 1,500
Operating transfers	7,500	-	7,500
Total Cash Receipts	$ 13,050	$ 4,050	$ 9,000
EXPENDITURES			
Instruction	$ 489	$ 9,050	$ (8,561)
Operations and maintenance	74	-	74
Total Expenditures	$ 563	$ 9,050	$ (8,487)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 12,487		
UNENCUMBERED CASH - BEGINNING	5,000		
UNENCUMBERED CASH - ENDING	$ 17,487		

USD 420 - OSAGE CITY
Osage City, Kansas
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Federal grants	$ 260,846	$ 182,697	$ 78,149
State aid/grants	3,648	1,813	1,835
Charges for services	66,352	165,890	(99,538)
Miscellaneous revenues	47,890	40,000	7,890
Operating transfers	100,209	2,000	98,209
Total Cash Receipts	$ 478,945	$ 392,400	$ 86,545
EXPENDITURES			
Operations and maintenance	$ 353	$ 1,500	$ (1,147)
Food service operations	448,437	467,407	(18,970)
Total Expenditures	$ 448,790	$ 468,907	$ (20,117)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 30,155		
UNENCUMBERED CASH - BEGINNING	76,508		
UNENCUMBERED CASH - ENDING	$ 106,663		

USD 420 - OSAGE CITY
Osage City, Kansas
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid/grants	$ 1,818	$ 4,850	$ (3,032)
Operating transfers	21,495	15,000	6,495
Total Cash Receipts	$ 23,313	$ 19,850	$ 3,463
EXPENDITURES			
Student support services	$ 24,782	$ -	$ 24,782
Instructional support staff	-	52,982	(52,982)
Total Expenditures	$ 24,782	$ 52,982	$ (28,200)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (1,469)		
UNENCUMBERED CASH - BEGINNING	32,499		
UNENCUMBERED CASH - ENDING	$ 31,030		

USD 420 - OSAGE CITY
Osage City, Kansas
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Miscellaneous revenues	$ 19,700	$ -	$ 19,700
Operating transfers	1,479,627	1,394,708	84,919
Total Cash Receipts	$ 1,499,327	$ 1,394,708	$ 104,619
EXPENDITURES			
Instruction	$ 1,493,296	$ 2,165,396	$ (672,100)
Student transportation	11,211	26,088	(14,877)
Total Expenditures	$ 1,504,507	$ 2,191,484	$ (686,977)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (5,180)		
UNENCUMBERED CASH - BEGINNING	796,776		
UNENCUMBERED CASH - ENDING	$ 791,596		

USD 420 - OSAGE CITY
Osage City, Kansas
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid/grants	$ 25,494	$ 33,780	$ (8,286)
Miscellaneous revenues	6,400	-	6,400
Operating transfers	74,450	70,000	4,450
Total Cash Receipts	$ 106,344	$ 103,780	$ 2,564
EXPENDITURES			
Instruction	$ 58,518	$ 179,146	$ (120,628)
Student transportation	17,801	29,652	(11,851)
Total Expenditures	$ 76,319	$ 208,798	$ (132,479)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 30,025		
UNENCUMBERED CASH - BEGINNING	105,020		
UNENCUMBERED CASH - ENDING	$ 135,045		

USD 420 - OSAGE CITY
Osage City, Kansas
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid/grants	$ 10,230	$ 8,000	$ 2,230
Federal grants	-	22,179	(22,179)
Miscellaneous revenues	1,243	-	1,243
Total Cash Receipts	$ 11,473	$ 30,179	$ (18,706)
EXPENDITURES			
Instruction	$ 11,410	$ 36,863	$ (25,453)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 63		
UNENCUMBERED CASH - BEGINNING	6,684		
UNENCUMBERED CASH - ENDING	$ 6,747		

USD 420 - OSAGE CITY
Osage City, Kansas
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
State aid/grants	$ 669,937	$ 744,119	$ (74,182)
EXPENDITURES			
Instruction	$ 492,857	$ 532,276	$ (39,419)
Student support services	10,372	18,121	(7,749)
Instructional support staff	17,510	17,774	(264)
General administration	20,023	23,803	(3,780)
School administration	51,232	60,345	(9,113)
Operations and maintenance	38,897	12,938	25,959
Student transportation	10,538	43,802	(33,264)
Central support services	11,338	13,476	(2,138)
Food service operations	17,170	21,584	(4,414)
Total Expenditures	$ 669,937	$ 744,119	$ (74,182)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

USD 420 - OSAGE CITY
Osage City, Kansas
PRESCHOOL-AGED AT-RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Miscellaneous revenues	$ 454	$ -	$ 454
Operating transfers	38,000	46,000	(8,000)
Total Cash Receipts	$ 38,454	$ 46,000	$ (7,546)
EXPENDITURES			
Instruction	$ 37,926	$ 108,793	$ (70,867)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 528		
UNENCUMBERED CASH - BEGINNING	62,794		
UNENCUMBERED CASH - ENDING	$ 63,322		

USD 420 - OSAGE CITY
Osage City, Kansas
AT-RISK (K-12) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Operating transfers	$ 1,226,453	$ 1,231,405	$ (4,952)
EXPENDITURES			
Instruction	$ 1,226,771	$ 1,319,541	$ (92,770)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (318)		
UNENCUMBERED CASH - BEGINNING	88,136		
UNENCUMBERED CASH - ENDING	$ 87,818		

USD 420 - OSAGE CITY
Osage City, Kansas
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

	Actual	Budget	Variance - Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad valorem property tax	$ 324,915	$ 314,579	$ 10,336
Delinquent tax	9,490	4,762	4,728
Motor vehicle tax	40,160	33,119	7,041
RV tax	537	1,206	(669)
State aid/grants	435,168	368,471	66,697
Interest income	171,736	-	171,736
Other Financing Sources			
Federal tax credit	-	184,163	(184,163)
Total Cash Receipts	$ 982,006	$ 906,300	$ 75,706
EXPENDITURES			
Debt service	$ 784,647	$ 785,149	$ (502)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 197,359		
UNENCUMBERED CASH - BEGINNING	1,043,495		
UNENCUMBERED CASH - ENDING	$ 1,240,854		

USD 420 - OSAGE CITY
Osage City, Kansas
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
NON-BUDGETED FUNDS
For the Year Ended June 30, 2024

	Contingency Reserve	Emergency Connectivity	Kansas Preschool	ESSER III	Jones Fund Grant	KHDE CLIA Grant
CASH RECEIPTS						
Local sources - other	$ -	$ -	$ -	$ -	$ 40,000	$ -
Federal grants	-	-	-	-	-	-
State Source - State aid	-	-	11,820	-	-	-
Federal Sources - Federal aid	-	-	-	477,267	-	51,079
Operating transfers	30,000	-	-	-	-	-
Total Cash Receipts	$ 30,000	$ -	$ 11,820	$ 477,267	$ 40,000	$ 51,079
EXPENDITURES						
Instruction	$ -	$ (2,898)	$ 9,762	$ 540,806	$ 49,326	$ 47,459
Instructional support staff	-	-	-	-	-	-
Total Expenditures	$ -	$ (2,898)	$ 9,762	$ 540,806	$ 49,326	$ 47,459
RECEIPTS OVER (UNDER) EXPENDITURES	$ 30,000	$ 2,898	$ 2,058	$ (63,539)	$ (9,326)	$ 3,620
UNENCUMBERED CASH - BEGINNING	450,748	(2,898)	-	(294,367)	15,873	(22,622)
UNENCUMBERED CASH - ENDING	$ 480,748	$ -	$ 2,058	$(357,906)	$ 6,547	$ (19,002)

(continued)

USD 420 - OSAGE CITY
Osage City, Kansas
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
NON-BUDGETED FUNDS (CONTINUED)
For the Year Ended June 30, 2024

	Technology Education	Textbook & Student Revolving	Title I	Title II-A Teacher Quality	Title IV
CASH RECEIPTS					
Local sources - other	$ 17,537	$ -	$ -	$ -	$ -
Federal grants	-	-	151,115	20,685	17,301
State Source - State aid	-	-	-	-	-
Federal Sources - Federal aid	-	-	-	-	-
Operating transfers	-	50,000	-	-	-
Total Cash Receipts	$ 17,537	$ 50,000	$ 151,115	$ 20,685	$ 17,301
EXPENDITURES					
Instruction	$ 30,866	$ 32,057	$ 134,286	$ 7,020	$ 17,301
Instructional support staff	-	-	16,427	13,434	-
Total Expenditures	$ 30,866	$ 32,057	$ 150,713	$ 20,454	$ 17,301
RECEIPTS OVER (UNDER) EXPENDITURES	$ (13,329)	$ 17,943	$ 402	$ 231	$ -
UNENCUMBERED CASH - BEGINNING	16,061	35,880	-	-	-
UNENCUMBERED CASH - ENDING	$ 2,732	$ 53,823	$ 402	$ 231	$ -

USD 420 - OSAGE CITY
Osage City, Kansas
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2024

	Balance July 1, 2023	Cash Receipts	Cash Disbursements	Balance June 30, 2024
Gamble Scholarship	$ 690	$ -	$ -	$ 690
Davies Memorial	1,820	-	600	1,220
High School				
Spanish Trips	405	-	-	405
Science Club	735	-	-	735
Alumni Gifts	-	460	460	-
Class of 2022	1,160	-	1,160	-
Class of 2024	1,731	-	1,731	-
Class of 2025	20	21,184	17,106	4,098
Class of 2026	-	495	228	267
Art Club	1,835	640	968	1,507
Drama Club	358	-	-	358
School Play	4,638	982	2,340	3,280
Fellowship of Christian Athletes	4,915	800	1,041	4,674
O Club	681	1,150	1,528	303
HS Chorus	252	-	30	222
HS Chorus Fundraising	1,305	8,181	4,548	4,938
Student Council	402	2,376	1,465	1,313
Stuco Vending	1,104	1,432	1,307	1,229
Band Instrument	-	2,233	2,233	-
Band Fund	1,899	50	188	1,761
National Forensic League	110	-	-	110
Scholars Bowl	3	-	-	3
Entrepreneurship	25	-	-	25
Spanish Club	162	-	-	162
National Honor Society	168	544	712	-
FBLA	654	1,000	700	954
Cheerleaders	657	9,518	7,559	2,616
Pep Club	258	(105)	24	129
Dance Club	2,849	9,910	8,786	3,973
Indian Elite	184	-	184	-
Rocketry Club	-	3,447	1,447	2,000
OCHS Pride Fund	-	1,160	1,160	-
AG Science	-	1,529	83	1,446
Treble Tones	145	-	-	145
Nila Meyer	1,740	-	500	1,240
Sales Tax	465	-	465	-
Middle School				
Student Council	8,530	19,703	16,972	11,261
Middle school Cheerleaders	974	6,106	5,291	1,789
Builders' Club	8,944	5,563	4,870	9,637
Sales Tax	1	4,254	4,254	1
FBLA	-	252	252	-
Elementary School				
Student Council	4,065	12,808	11,769	5,104
Total Agency Funds	$ 53,884	$ 115,672	$ 101,961	$ 67,595

USD 420 - OSAGE CITY
Osage City, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Balance July 1, 2023	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash	Add Encumbrances and Accounts Payable	Balance June 30, 2024
Gate Receipts						
Elementary School						
Book vending machine	$ 5,389	$ -	$ 2,583	$ 2,806	$ -	$ 2,806
Middle School						
Athletics	19,949	25,193	19,176	25,966	-	25,966
High School						
Athletics	13,649	36,424	35,614	14,459	-	14,459
OC football	3,266	9,086	10,193	2,159	-	2,159
Subtotal Gate Receipts	$ 42,253	$ 70,703	$ 67,566	$ 45,390	$ -	$ 45,390
School Projects						
High School						
Color guard	$ 492	$ 2,699	$ 1,945	$ 1,246	$ -	$ 1,246
Biology Trip Fund	1	-	-	1	-	1
Wrestling	443	2,119	314	2,248	-	2,248
Industrial technology	-	857	857	-	-	-
Golf	110	1,794	594	1,310	-	1,310
Weightlifting fund	70	1,950	1,365	655	-	655
Baseball	6,216	1,225	4,259	3,182	-	3,182
Softball	2,723	585	2,811	497	-	497
Volleyball	1,758	2,201	3,550	409	-	409
Track	461	700	516	645	-	645
Robotics	1,183	1,000	1,000	1,183	-	1,183
Junior Class equipment	1,011	1,000	-	2,011	-	2,011
High School yearbook	2,221	3,918	3,239	2,900	-	2,900
ACCC fee fund	1,183	-	375	808	-	808
Middle School						
Middle School yearbook	1,183	-	-	1,183	-	1,183
Elementary School						
K-Kids	17	604	421	200	-	200
Subtotal School Projects	$ 19,072	$ 20,652	$ 21,246	$ 18,478	$ -	$ 18,478
Total District Activity Funds	$ 61,325	$ 91,355	$ 88,812	$ 63,868	$ -	$ 63,868

November 4, 2024

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
USD 420 - Osage City
Osage City, 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 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 USD 420 - Osage City (the District), as of and for the year ended June 30, 2024, 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 4, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 internal control over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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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 Public Accountants
Manhattan, Kansas

November 4, 2024

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
USD 420 - Osage City
Osage City, Kansas

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

Unmodified Opinions

We have audited the compliance of USD 420 - Osage City (the District), compliance 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, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Report on Internal Control Over Compliance (continued)

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

USD 420 - OSAGE CITY
Osage City, Kansas
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Pass-Through Entity Identifying Number	Expenditures
U.S. Department of Agriculture			
Passed through Kansas Department of Education			
Child Nutrition Cluster			
School Breakfast	10.553	DO420	$ 39,453
National School Lunch Program	10.555	DO420	195,801
Summer Food Service Program for Children	10.559	DO420	20,322
Total Child Nutrition Cluster			$ 255,576
Local Food for Schools Cooperative	10.185	DO420	5,270
Total U.S. Department of Agriculture			$ 260,846
U.S. Department of Education			
Passed through Kansas Department of Education			
Title I - Grants to Local Educational Agencies	84.010	DO420	$ 150,713
Career and Technical Education-Basic Grants to States (Perkins V)	84.048A	DO420	1,537
Supporting Effective Instruction State Grants	84.367	DO420	20,454
ESSA Student Support Academic Enrichment	84.424	DO420	17,301
COVID-19 - American Rescuer Plan Elementary and Secondary School Emergency Relief	84.425U	DO420	540,806
Total U.S. Department of Education			$ 730,811
U.S. Department of Health and Human Services			
Passed through Kansas Department of Education			
COVID 19 - KDHE K-12 COVID Testing Grant	93.323	DO420	$ 51,079
TOTAL FEDERAL EXPENDITURES			$ 1,042,736

USD 420 - OSAGE CITY
Osage City, Kansas
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2024

Note 1: Organization

Unified School District No. 420, Osage City, Kansas, (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: Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

Note 4: 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, 2024.

Note 5: Outstanding Loans

The District did not have any outstanding loans under any federal grants at June 30, 2024.

Note 6: Sub-recipient Grants

No federal awards were passed through to subrecipients

Note 7: Pass-Through Numbers

Pass-through numbers have not been assigned to pass-through grants on the Schedule of Expenditures of Federal Awards.

USD 420 - OSAGE CITY
Osage City, Kansas
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
June 30, 2024

Section I - Summary of Auditor's Results

Financial Statement

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	___ Yes	_X_ None
Reportable conditions 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
Reportable conditions 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
COVID-19 - American Rescuer Plan Elementary and Secondary School Emergency Relief	84.425U

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 was 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

There were no current year findings or questioned costs.