UNIFIED SCHOOL DISTRICT NO. 393

Solomon, Kansas

FINANCIAL STATEMENT

June 30, 2024

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

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Solomon, Kansas
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Solomon, Kansas
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March 29, 2025

Board of Education
Unified School District No. 393
Solomon, 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 Unified School District No. 393 (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, 4 and 5 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 March 29, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances/ Other Adjustments	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GOVERNMENTAL TYPE FUNDS							
General Funds:							
General Fund	$ -	$ -	$ 3,714,056	$ 3,709,248	$ 4,808	$ 5,790	$ 10,598
Supplemental General Fund	54,023	(21,321)	1,272,418	1,238,297	66,823	(118)	66,705
Special Purpose Funds							
Capital Outlay Fund	453,517	-	1,651,278	368,724	1,736,071	-	1,736,071
Driver Training Fund	18,064	-	7,930	3,609	22,385	-	22,385
Food Service Fund	46,415	-	354,982	358,793	42,604	(410)	42,194
Parent Education Fund	-	-	9,527	9,527	-	-	-
Special Education Fund	149,886	-	658,596	686,243	122,239	-	122,239
Career and Postsecondary Education Fund	20,987	-	147,245	155,560	12,672	-	12,672
Preschool-Aged At-Risk Fund	3,387	-	37,306	34,965	5,728	-	5,728
At-Risk (K-12) Fund	29,038	-	723,449	752,487	-	4,850	4,850
Professional Development Fund	15,338	-	29,025	30,276	14,087	-	14,087
KPERS Special Retirement Contribution Fund	-	-	354,175	354,175	-	-	-
Recreation Commission Fund	1,400	-	33,965	35,365	-	-	-
Gifts and Grants Fund	279,650	-	173,123	425,919	26,854	-	26,854
Contingency Reserve Fund	16,169	-	-	-	16,169	-	16,169
Textbook Rental Fund	35,024	-	12,216	-	47,240	-	47,240
Title I Fund	1	-	60,966	60,966	1	-	1
Title II-A Fund	25	-	8,701	8,701	25	-	25
Title IV-A Fund	-	-	13,252	13,252	-	-	-
After School Grant Fund	3,745	-	14,680	-	18,425	-	18,425
ESSER	699	-	411,302	411,089	912	-	912
Early Childhood Center	-	-	713,923	389,558	324,365	-	324,365
District Activity Funds	35,174	-	130,604	112,776	53,002	-	53,002
Capital Project Fund							
Construction Fund	1,299,228	-	18,124	2,864,134	(1,546,782)	-	(1,546,782)
Bond and Interest Fund							
Bond and Interest Fund	232,247	-	535,524	286,650	481,121	-	481,121
Related Municipal Entity							
Solomon Recreation Commission	16,760	-	47,126	45,679	18,207	-	18,207
Total Reporting Entity	$ 2,710,777	$ (21,321)	$ 11,133,493	$ 12,355,993	$ 1,466,956	$ 10,112	$ 1,477,068

(Continued)

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

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended June 30, 2024

Composition of Cash	
Checking Accounts	$ 1,503,444
Total Cash - District	$ 1,503,444
Investments	5,069
Total Cash and Investments - District	$ 1,508,513
Related Municipal Entity	18,207
Total Cash and Investments - Reporting Entity	$ 1,526,720
Less: Agency Funds per Schedule 3	(49,652)
Total Reporting Entity (Excluding Agency Funds)	$ 1,477,068

STATEMENT 1 (CONTINUED)

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

Note 1: Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Unified School District No. 393, Solomon, Kansas (the District) is a municipal corporation governed by an elected seven-member board. This financial statement presents the District and its related municipal entity. The related municipal entity is included in the District's financial reporting entity because it was created to benefit the District and/or its constituents.

Fund Descriptions

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

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

Governmental Funds

General Fund is used to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds are used to account for the proceeds of specific revenue sources (other than major capital projects and tax levies for long-term debt) that are restricted by law or administrative action to expenditure for specified purposes.

Bond and Interest Fund is used to account for the accumulation of resources for and the payment of interest and principal on general long-term debt.

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

Agency Funds are used to report assets held by the District in a purely custodial capacity.

Basis of Presentation

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America - The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balances on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The 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 statutory basis of accounting.

Reimbursements

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For the purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

Note 2: Stewardship, Compliance and Accountability

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 1 of each year.
2. Publication in a local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

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, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The District did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

The 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 budgeted expenditure authority lapses at year-end.

Gifts and Grants	Title II-A	Construction
Contingency Reserve	Title IV-A	Early Childhood Center
Textbook Rental	After School Grant	District Activity Funds
Title I	ESSER	

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

As of June 30, 2024, the District had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years) Less than 1	1 - 2	Rating U.S.
Bank accounts	$ 69	$ 69	$ -	N/A
Cash	5,000	5,000	-	N/A

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

K.S.A. 12-1675 limits the 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 limits 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.

Investments	Percentage of Investments
Bank accounts	1.4%
Cash	98.6%

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 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 did not utilize peak periods. All deposits were legally secured at June 30, 2024.

At June 30, 2024, the District's carrying amount of deposits was $1,503,444 and the bank balance was $1,775,324. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by the federal depository insurance, and the remaining amount was collateralized with securities held by the pledging financial institutions' agents in the District's name.

Custodial credit risk-investments - For an investment, this is the risk that, in the event of 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 statues require investments to be adequately secured.

Note 4: Risks and Uncertainties

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has purchased commercial insurance to protect themselves from these risks.

Note 5: Interfund Transactions

Operating transfers were as follows:

From	To	Authorizing Statute	Amount
General Fund	Capital Outlay Fund	K.S.A. 72-5167	$ 155,150
General Fund	Parent Education Fund	K.S.A. 72-5167	9,527
General Fund	Special Education Fund	K.S.A. 72-5167	601,007
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	130,000
General Fund	Preschool-Aged At-Risk Fund	K.S.A. 72-5167	24,600
General Fund	At-Risk (K-12) Fund	K.S.A. 72-5167	575,453
General Fund	Professional Development Fund	K.S.A. 72-5167	25,000
Supplemental General Fund	Food Service	K.S.A. 72-5143	86,000
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	20,667
Supplemental General Fund	At-Risk (K-12) Fund	K.S.A. 72-5143	147,996
			$ 1,775,400

Note 6: 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.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100; Topeka, KS 66603-3803) or by calling 1-888-275-5737.

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 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.

Note 6: Defined Benefit Pension Plan (Continued)

Contributions (Continued)

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 $354,175 for the year ended June 30, 2024.

Net Pension Liability

Net Pension Liability. At June 30, 2024, the District's proportionate share of the collective net pension liability reported by KPERS was $3,290,142. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 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 7: Other Long-Term Obligations from Operations

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

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

Death and Disability Other Post Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust help by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2023.

Termination Benefits. The District provides an early retirement program for certain eligible employees. A one-time payment of $7,000 or twelve monthly payments totaling $10,000 will be paid at the teacher's choice if a teacher retires early from the District with a minimum of 10 years of experience in the District. The payment will be made on or before June 15th of the year in which the contract ends. The one time or monthly allotted payment will be made for teachers who are 55 years or older or have 85 points. Retiring teachers will also be compensated $25 per day for any unused sick leave up to 85 days. Notification of intent to retire under this plan must be given to the Board of Education by February 1st.

Note 7: Other Long-Term Obligations from Operations (Continued)

Compensated Absences. Full time classified employees earn 10 vacation days per year after one year of service and 15 days per year after 10 years of service. Nine-month employees earn 10 vacation days per year after one year of employment. Employees are not allowed to carry forward vacation leave. Employees earn 12 days of sick leave per year and can accumulate a maximum of 85 days. The District does not pay classified employees for vacation or sick leave when they cease employment for any reason.

Certified employees earn sick leave at the rate of 12 days per year and may accumulate up to 85 days. On the 11th year of employment, a teacher will receive 15 sick days per year. Only retiring employees will be paid for sick leave up to a maximum of 85 days at the rate of $25 per day. Certified employees also earn two personal days per year or three days after their fifth year of employment. They may accumulate up to five personal days and unused personal leave may be converted to accumulated sick leave as long as it does not exceed the 85 days.

Note 8: Stewardship, Compliance and Accountability

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

Note 9: Subsequent Events

Subsequent events for management's review have been evaluated through the date of the Auditor's Report, which is the date the financial statement was available to be released.

Note 10: 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	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2022	2%-4%	11/1/2021	$ 8,820,000	3/1/2047	$ 8,820,000	$ -	$ 50,000	$ 8,770,000	$ 236,650
Finance Leases:									
Lease Purchase	4.85%	10/26/2023	775,000	9/1/2033	-	775,000	-	775,000	13,051
LED Lighting/Bus Barn	3.98%	1/3/2019	375,000	7/25/2026	198,732	-	46,813	151,919	7,910
					$ 9,018,732	$ 775,000	$ 96,813	$ 9,696,919	$ 257,611

Note 10: Long-Term Debt (Continued)

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

	2025	2026	2027	2028	2029	2030 - 2034
Principal						
General Obligation Bonds	$ 240,000	$ 250,000	$ 260,000	$ 270,000	$ 280,000	$ 1,590,000
Finance Leases	115,677	115,614	120,628	71,000	74,000	430,000
Total Principal	$ 355,677	$ 365,614	$ 380,628	$ 341,000	$ 354,000	$ 2,020,000
Interest						
General Obligation Bonds	$ 230,850	$ 221,050	$ 210,850	$ 200,250	$ 189,250	$ 772,650
Finance Leases	42,009	36,871	31,631	26,165	22,650	54,078
Total Interest	$ 272,859	$ 257,921	$ 242,481	$ 226,415	$ 211,900	$ 826,728
Total Principal and Interest	$ 628,536	$ 623,535	$ 623,109	$ 567,415	$ 565,900	$ 2,846,728

(Continued)

Note 10: Long-Term Debt (Continued)

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

	2035 - 2039	2040 - 2044	2045 - 2048	Total
Principal				
General Obligation Bonds	$ 1,840,000	$ 2,110,000	$ 1,930,000	$ 8,770,000
Finance Leases	-	-	-	926,919
Total Principal	$ 1,840,000	$ 2,110,000	$ 1,930,000	$ 9,696,919
Interest				
General Obligation Bonds	$ 560,950	$ 357,860	$ 94,440	$ 2,838,150
Finance Leases	-	-	-	213,404
Total Interest	$ 560,950	$ 357,860	$ 94,440	$ 3,051,554
Total Principal and Interest	$ 2,400,950	$ 2,467,860	$ 2,024,440	$ 12,748,473

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended June 30, 2024

Funds	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental Type Funds:						
General Fund	$ 3,989,501	$ (275,770)	$ 325	$ 3,714,056	$ 3,709,248	$ (4,808)
Supplemental General Fund	1,332,424	(91,891)	-	1,240,533	1,238,297	(2,236)
Special Revenue Funds						
Capital Outlay Fund	1,002,972	-	-	1,002,972	368,724	(634,248)
Driver Training Fund	11,050	-	-	11,050	3,609	(7,441)
Food Service Fund	458,001	-	-	458,001	358,793	(99,208)
Parent Education Fund	9,000	-	-	9,000	9,527	527
Special Education Fund	894,385	-	-	894,385	686,243	(208,142)
Career and Postsecondary Education Fund	272,074	-	-	272,074	155,560	(116,514)
Preschool-Aged At-Risk Fund	30,000	-	-	30,000	34,965	4,965
At-Risk (K-12) Fund	755,956	-	-	755,956	749,752	(6,204)
Professional Development Fund	61,322	-	-	61,322	30,276	(31,046)
KPERS Special Retirement Contribution Fund	354,237	-	-	354,237	354,175	(62)
Recreation Commission Fund	36,789	-	-	36,789	35,365	(1,424)
Bond and Interest Funds	286,650	-	-	286,650	-	(286,650)
Related Municipal Entity						
Solomon Recreation Commission	69,860	-	-	69,860	45,679	(24,181)
TOTALS	$ 9,564,221	$ (367,661)	$ 325	$ 9,196,885	$ 7,780,213	$ (1,416,672)

SCHEDULE 1

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
General state aid	$ 3,313,431	$ 3,517,063	$ (203,632)
Special Education aid	400,300	472,438	(72,138)
Local sources - other	325	-	325
Total Receipts	$ 3,714,056	$ 3,989,501	$ (275,445)
EXPENDITURES			
Instruction	$ 1,426,833	$ 1,477,198	$ (50,365)
Student support services	-	50,000	(50,000)
Instructional support staff	4,533	7,000	(2,467)
General administration	421,925	458,800	(36,875)
School administration	193,360	203,200	(9,840)
Operations and maintenance	69,241	55,500	13,741
Vehicle operating services	71,443	90,350	(18,907)
Community services operations	1,176	10,000	(8,824)
Transfers out	1,520,737	1,637,453	(116,716)
Adjustment to comply with legal max	-	(275,770)	275,770
Legal budget and expenditures	$ 3,709,248	$ 3,713,731	$ (4,483)
Adjustment for qualifying budget credits	-	325	(325)
Total Expenditures	$ 3,709,248	$ 3,714,056	$ (4,808)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 4,808		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ 4,808		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Ad Valorem tax	$ 653,273	$ 704,838	$ (51,565)
Delinquent tax	7,849	3,313	4,536
Motor vehicle tax	55,314	44,040	11,274
Recreational vehicle tax	1,624	1,194	430
Other	460	-	460
State Sources			
Supplemental general state aid	553,898	594,927	(41,029)
Total Receipts	$ 1,272,418	$ 1,348,312	$ (75,894)
EXPENDITURES			
Instruction	$ 457,260	$ 578,735	$ (121,475)
Operations and maintenance	316,775	512,000	(195,225)
Vehicle operating services	53,392	79,000	(25,608)
Other	126,029	-	126,029
Facility acquisition and construction	30,178	-	30,178
Transfers out	254,663	162,689	91,974
Adjustment to comply with legal max	-	(91,891)	91,891
Total Expenditures	$ 1,238,297	$ 1,240,533	$ (2,236)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 34,121		
UNENCUMBERED CASH - BEGINNING	54,023		
PRIOR YEAR ADJUSTMENT	(21,321)		
UNENCUMBERED CASH - ENDING	$ 66,823		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Ad Valorem tax	$ 245,887	$ 270,285	$ (24,398)
Delinquent tax	3,038	-	3,038
Motor vehicle tax	21,340	25,505	(4,165)
Recreational vehicle tax	626	692	(66)
Other revenue from local sources	187,463	70,000	117,463
Reimbursed expenditures	4,799	-	4,799
Interest	20,459	25,000	(4,541)
State Sources			
State aid	102,548	104,597	(2,049)
Federal Sources			
Other revenue from federal sources	-	32,000	(32,000)
Other revenue	909,968	-	909,968
Transfers in	155,150	50,000	105,150
Total Receipts	$ 1,651,278	$ 578,079	$ 1,073,199
EXPENDITURES			
Instruction	$ 45,835	$ 70,000	$ (24,165)
Student support services	107,531	110,931	(3,400)
Operations and maintenance	25,319	20,000	5,319
Transportation	-	75,000	(75,000)
Other	67,774	-	67,774
Facility acquisition and construction	122,265	727,041	(604,776)
Total Expenditures	$ 368,724	$ 1,002,972	$ (634,248)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 1,282,554		
UNENCUMBERED CASH - BEGINNING	453,517		
UNENCUMBERED CASH - ENDING	$ 1,736,071		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Other	$ 2,050	$ 5,000	$ (2,950)
State Sources			
State safety aid	5,880	4,050	1,830
Federal Sources			
Other federal aid	-	2,400	(2,400)
Total Receipts	$ 7,930	$ 11,450	$ (3,520)
EXPENDITURES			
Instruction	$ 3,609	$ 11,050	$ (7,441)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 4,321		
UNENCUMBERED CASH - BEGINNING	18,064		
UNENCUMBERED CASH - ENDING	$ 22,385		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Food service sales	$ 69,223	$ 106,868	$ (37,645)
Miscellaneous	-	15,000	(15,000)
State Sources			
State aid	908	1,902	(994)
Federal Sources			
Federal aid	198,851	287,816	(88,965)
Transfers in	86,000	-	86,000
Total Receipts	$ 354,982	$ 411,586	$ (56,604)
EXPENDITURES			
Food service operation	$ 339,993	$ 439,001	$ (99,008)
Operations and maintenance	18,800	19,000	(200)
Total Expenditures	$ 358,793	$ 458,001	$ (99,208)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (3,811)		
UNENCUMBERED CASH - BEGINNING	46,415		
UNENCUMBERED CASH - ENDING	$ 42,604		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
PARENT EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Other Sources			
Transfers in	$ 9,527	$ 9,000	$ 527
EXPENDITURES			
Other support services	$ 9,527	$ 9,000	$ 527
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Federal Sources			
Medicaid	$ 9,122	$ 18,000	$ (8,878)
Local Sources			
Other revenue from local sources	27,800	26,500	1,300
Other Sources			
Transfers in	621,674	700,000	(78,326)
Total Receipts	$ 658,596	$ 744,500	$ (85,904)
EXPENDITURES			
Instruction	$ 272,949	$ 819,860	$ (546,911)
Central services	5,499	-	5,499
Student transportation service	407,795	74,525	333,270
Total Expenditures	$ 686,243	$ 894,385	$ (208,142)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (27,647)		
UNENCUMBERED CASH - BEGINNING	149,886		
UNENCUMBERED CASH - ENDING	$ 122,239		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Student activities	$ 1,433	$ -	$ 1,433
State Sources			
State aid	14,540	21,757	(7,217)
Federal Sources			
Federal aid	1,272	7,000	(5,728)
Other Sources			
Transfers in	130,000	233,000	(103,000)
Total Receipts	$ 147,245	$ 261,757	$ (114,512)
EXPENDITURES			
Instruction	$ 155,560	$ 211,649	$ (56,089)
Student support services	-	60,425	(60,425)
Total Expenditures	$ 155,560	$ 272,074	$ (116,514)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (8,315)		
UNENCUMBERED CASH - BEGINNING	20,987		
UNENCUMBERED CASH - ENDING	$ 12,672		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
PRESCHOOL-AGED AT-RISK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Other	$ 12,706	$ -	$ 12,706
Other Sources			
Transfers in	24,600	30,000	(5,400)
Total Receipts	$ 37,306	$ 30,000	$ 7,306
EXPENDITURES			
Instruction	$ 34,965	$ 30,000	$ 4,965
RECEIPTS OVER (UNDER) EXPENDITURES	$ 2,341		
UNENCUMBERED CASH - BEGINNING	3,387		
UNENCUMBERED CASH - ENDING	$ 5,728		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
AT RISK (K-12) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Other Sources			
Transfers in	$ 723,449	$ 738,142	$ (14,693)
EXPENDITURES			
Instruction	$ 749,752	$ 755,956	$ (6,204)
Instructional support staff	2,735	-	2,735
Total Expenditures	$ 752,487	$ 755,956	$ (3,469)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (29,038)		
UNENCUMBERED CASH - BEGINNING	29,038		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Interest on idle funds	$ 25	$ -	$ 25
State Sources			
State aid	4,000	5,984	(1,984)
Other Sources			
Transfers in	25,000	40,000	(15,000)
Total Receipts	$ 29,025	$ 45,984	$ (16,959)
EXPENDITURES			
Instruction	$ 19,102	$ 52,500	$ (33,398)
Student support services	11,174	-	11,174
Other support services	-	8,822	(8,822)
Total Expenditures	$ 30,276	$ 61,322	$ (31,046)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (1,251)		
UNENCUMBERED CASH - BEGINNING	15,338		
UNENCUMBERED CASH - ENDING	$ 14,087		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
State Sources			
State aid	$ 354,175	$ 354,237	$ (62)
EXPENDITURES			
Employee benefits	$ 354,175	$ 354,237	$ (62)
RECEIPTS OVER (UNDER) EXPENDITURES	$ -		
UNENCUMBERED CASH - BEGINNING	-		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
RECREATION COMMISSION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Ad valorem tax	$ 30,837	$ 1,943	$ 28,894
Delinquent tax	380	-	380
Motor vehicle tax	2,670	3,224	(554)
Recreational vehicle tax	78	87	(9)
Other revenue from local sources	-	495	(495)
Total Receipts	$ 33,965	$ 5,749	$ 28,216
EXPENDITURES			
Appropriation	$ 35,365	$ 36,789	$ (1,424)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (1,400)		
UNENCUMBERED CASH - BEGINNING	1,400		
UNENCUMBERED CASH - ENDING	$ -		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
NON-BUDGETED FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
June 30, 2024

	Gifts and Grants	Contingency Reserve	Textbook Rental	Title I	Title II-A	Title IV-A
RECEIPTS						
Interest on idle funds	$ -	$ -	$ -	$ -	$ -	$ -
State aid	36,287	-	-	-	-	-
Federal aid	116,700	-	-	60,966	8,701	13,252
Other revenue from local sources	20,136	-	12,216	-	-	-
Transfers in	-	-	-	-	-	-
Total Receipts	$ 173,123	$ -	$ 12,216	$ 60,966	$ 8,701	$ 13,252
EXPENDITURES						
Instruction	$ 24,258	$ -	$ -	$ 60,966	$ -	$ 13,252
Student support services	150,432	-	-	-	8,701	-
Other	13,233	-	-	-	-	-
General administration	15,307	-	-	-	-	-
Facility acquisition and construction	222,689	-	-	-	-	-
Total Expenditures	$ 425,919	$ -	$ -	$ 60,966	$ 8,701	$ 13,252
RECEIPTS OVER (UNDER) EXPENDITURES	$ (252,796)	$ -	$ 12,216	$ -	$ -	$ -
UNENCUMBERED CASH - BEGINNING	279,650	16,169	35,024	1	25	-
UNENCUMBERED CASH - ENDING	$ 26,854	$ 16,169	$ 47,240	$ 1	$ 25	$ -

(Continued)

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
NON-BUDGETED FUNDS (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
June 30, 2024

	After School Grant	ESSER	Construction	Early Childhood Center
RECEIPTS				
Interest on idle funds	$ -	$ -	$ -	$ -
State aid	-	-	-	23,627
Federal aid	-	411,302	-	402,336
Other revenue from local sources	14,680	-	18,124	287,960
Transfers in	-	-	-	-
Total Receipts	$ 14,680	$ 411,302	$ 18,124	$ 713,923
EXPENDITURES				
Instruction	$ -	$ 359,873	$ -	$ 176,968
Student support services	-	49,889	-	-
Instructional support staff	-	1,327	-	-
Operations and maintenance	-	-	-	67,857
Food service	-	-	-	21,588
General administration	-	-	21,683	-
Facility acquisition and construction	-	-	2,842,451	123,145
Total Expenditures	$ -	$ 411,089	$ 2,864,134	$ 389,558
RECEIPTS OVER (UNDER) EXPENDITURES	$ 14,680	$ 213	$ (2,846,010)	$ 324,365
UNENCUMBERED CASH - BEGINNING	3,745	699	1,299,228	-
UNENCUMBERED CASH - ENDING	$ 18,425	$ 912	$ (1,546,782)	$ 324,365

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
Local Sources			
Ad Valorem tax	$ 518,103	$ 31,081	$ 487,022
Delinquent tax	3,504	-	3,504
Motor vehicle tax	13,590	55,187	(41,597)
Recreational vehicle tax	327	1,497	(1,170)
Total Receipts	$ 535,524	$ 87,765	$ 447,759
EXPENDITURES			
Debt service	$ 286,650	$ 286,650	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ 248,874		
UNENCUMBERED CASH - BEGINNING	232,247		
UNENCUMBERED CASH - ENDING	$ 481,121		

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Student Organizations				
Student Council	$ 338	$ 3,161	$ 2,664	$ 835
Junior High Student Council	708	-	438	270
8th Grade	-	431	431	-
Freshman Class	251	-	121	130
Sophomore Class	788	-	(248)	1,036
Junior Class	795	3,025	2,894	926
Senior Class	1	152	(214)	367
High School Cheerleaders	1,738	3,497	3,913	1,322
Junior High Cheerleaders	470	642	502	610
Art	812	110	426	496
Dance Team	1,144	694	805	1,033
FCCLA	4	251	160	95
FFA	5,141	12,473	12,101	5,513
Forensics	125	-	-	125
FBLA	6,246	217	426	6,037
Interest	859	88	-	947
Chess Club	80	-	-	80
STEM	463	-	117	346
Student Ambassadors	267	-	-	267
Gorilla Grub	2,358	3,343	2,875	2,826
Welding	4,321	-	-	4,321
Photography	1,995	-	-	1,995
Horticulture	363	-	-	363
National Honor Society	187	-	41	146
Total Student Organizations	$ 29,454	$ 28,084	$ 27,452	$ 30,086
Employee Flex Account	12,967	42,530	37,609	17,888
Sales Tax Fund	1,735	9,732	9,789	1,678
Total	$ 44,156	$ 80,346	$ 74,850	$ 49,652

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended June 30, 2024

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Unencumbered and Accounts Payable	Ending Cash Balance
Gate Receipts						
Solomon High/Junior High	$ 12,218	$ 81,404	$ 67,016	$ 26,606	$ -	$ 26,606
Revolving						
Student registration	$ 475	$ -	$ 42	$ 433	$ -	$ 433
School Projects						
Solomon High/Junior High	$ 18,975	$ 42,315	$ 38,154	$ 23,136	$ -	$ 23,136
Solomon Elementary	3,506	6,885	7,564	2,827	-	2,827
Total School Projects	$ 22,481	$ 49,200	$ 45,718	$ 25,963	$ -	$ 25,963
Total District Activity Funds	$ 35,174	$ 130,604	$ 112,776	$ 53,002	$ -	$ 53,002

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
RELATED MUNICIPAL ENTITY
SOLOMON RECREATION COMMISSION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
June 30, 2024

	Actual	Budget	Variance - Over (Under)
RECEIPTS			
USD #393 appropriation	$ 32,685	$ 36,000	$ (3,315)
Interest	14	100	(86)
Grants, fees and other sources	14,427	16,654	(2,227)
Total Receipts	$ 47,126	$ 52,754	$ (5,628)
EXPENDITURES			
Salaries and payroll taxes	$ 16,888	$ 18,000	$ (1,112)
Utilities, supplies and equipment	7,737	15,000	(7,263)
Maintenance and construction	2,267	20,000	(17,733)
Programs and activities	18,787	16,860	1,927
Total Expenditures	$ 45,679	$ 69,860	$ (24,181)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 1,447		
UNENCUMBERED CASH - BEGINNING	16,760		
UNENCUMBERED CASH - ENDING	$ 18,207		

March 29, 2025

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 393
Solomon, 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 Unified School District No. 393 (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 March 29, 2025.

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

March 29, 2025

VARNEY
& ASSOCIATES, CPAs, LLC

Board of Education
Unified School District No. 393
Solomon, 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 Unified School District No. 393 (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

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, 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	DO393	$ 29,385
National School Lunch Program	10.555	DO393	133,829
Summer Food Service Program for Children	10.559	DO393	25,945
Total Child Nutrition Cluster			$ 189,159
Local Food for Schools Cooperative	10.558	DO393	29,613
Total U.S. Department of Agriculture			$ 218,772
U.S. Department of Education			
Passed through Kansas Department of Education			
Title I - Grants to Local Educational Agencies	84.010	DO393	$ 60,966
Supporting Effective Instruction State Grants	84.367	DO393	8,701
ESSA Student Support Academic Enrichment	84.424	DO393	13,252
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief	84.425	DO393	411,302
Total U.S. Department of Education			$ 494,221
U.S. Department of Health and Human Services			
Passed through Kansas Department of Education			
COVID 19 - KDHE K-12 COVID Testing Grant	93.323	DO393	$ 116,658
COVID 19 - Community Child Care Operations Investment Grant	93.575	DO393	181,110
Children's Cabinet Preschool Dev (B-5) Planning Grant	93.434	DO393	55,620
Total U.S. Department of Health and Human Services			$ 353,388
U.S. Department of Treasury			
Passed through Kansas Department of Education			
COVID-19 - State and Local Recovery Funds	21.027	DO393	$ 165,606
TOTAL FEDERAL EXPENDITURES			$ 1,231,987

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, Kansas
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2024

Note 1: Organization

Unified School District No. 393, Solomon, 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.

UNIFIED SCHOOL DISTRICT NO. 393
Solomon, 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
Child Nutrition Cluster	10.553, 10.555, 10.559

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.