SSC CPAs, P.A.

UNIFIED SCHOOL DISTRICT NO. 397

FINANCIAL STATEMENT WITH SUPPLEMENTARY INFORMATION TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

JUNE 30, 2026

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SSC CPAs, P.A.

Independent Auditor's Report

To the Board of Education
Unified School District No. 397
Lost Springs, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Unified School District No. 397, Lost Springs, Kansas, (the District) as of and for the year ended June 30, 2026 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the 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 Unified School District No. 397, as of June 30, 2026 or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of United School District No. 397, as of June 30, 2026, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide,* which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the

financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, summary of regulatory basis receipts and

disbursements – agency funds, and schedule of receipts, expenditures, and unencumbered cash – district activity funds (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 2.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Unified School District No. 397 as of and for the year ended June 30, 2025 (not presented herein), and have issued our report thereon dated November 7, 2025, which contained an unmodified opinion on the basic financial statement. The 2025 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link http://www.admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2025 actual column (2025 comparative information) presented in the individual fund schedule of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2026 (schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2025 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2025 basic financial statement. The 2025 comparative information was subjected to the auditing procedures applied in the audit of the 2025 basic financial statement or to the 2025 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2025 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2025, on the basis of accounting described In Note 2.

SSC CPAs, P.A.

SSC CPAs, P.A.
Salina, Kansas
October 20, 2026

UNIFIED SCHOOL DISTRICT NO. 397

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)

FOR THE YEAR ENDED JUNE 30, 2026

STATEMENT 1

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ -	$ 1,693	$ 4,402,320	$ 4,402,320	$ 1,693	$ 23,112	$ 24,805
Supplemental General	70,274	-	860,302	879,668	50,908	-	50,908
Special Purpose Funds:							
At Risk (4 Year Old)	392	-	9,761	10,153	-	-	-
At Risk (K-12)	51,771	-	302,987	303,673	51,085	-	51,085
Capital Outlay	826,438	-	524,626	707,413	643,651	247,864	891,515
Driver Training	14,762	-	3,260	3,128	14,894	-	14,894
Food Service	42,266	-	182,405	174,896	49,775	-	49,775
Professional Development	75,230	-	10,000	10,963	74,267	-	74,267
Special Education	244,596	-	879,036	842,403	281,229	-	281,229
Career and Postsecondary Education	45,382	-	188,121	183,323	50,180	372	50,552
KPERS Special Retirement Contribution	-	-	314,883	314,883	-	-	-
Virtual Education	29,281	-	927,127	881,224	75,184	63,022	138,206
Student Material	21,096	-	7,028	3,463	24,661	-	24,661
Title I	-	-	52,636	52,636	-	-	-
Title II-A	-	-	1,000	1,000	-	-	-
Title IV	-	-	17,163	17,163	-	-	-
Federal REAP Grant	-	-	14,987	14,987	-	-	-
K-12 Funding Project Grant	322	-	-	-	322	-	322
Contingency Reserve	488,102	-	-	-	488,102	-	488,102
Elementary & Secondary School Emergency Relief III	-	-	-	-	-	-	-
District Activity Funds	31,130	-	119,908	115,816	35,222	-	35,222

UNIFIED SCHOOL DISTRICT NO. 397

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)

FOR THE YEAR ENDED JUNE 30, 2026

STATEMENT 1

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Current Year Ending Cash Balance
Bond and Interest Fund:							
Bond and Interest	$ -	$ -	$ 3	$ -	$ 3	$ -	$ 3
Trust Funds:							
Mowrer Scholarship / Student Scholarships	340,142	-	23,606	20,435	343,313	-	343,313
Gifts and Grants	454,247	-	121,641	356,619	219,269	-	219,269
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)	$ 2,735,431	$ 1,693	$ 8,962,800	$ 9,296,166	$ 2,403,758	$ 334,370	$ 2,738,128

COMPOSITION OF CASH:	
Checking and Saving Accounts	$ (111,178)
Money Market Accounts	1,773,968
Certificates of Deposit	1,130,323
Total Cash	2,793,113
Agency Funds per Schedule 3	(54,985)
TOTAL REPORTING ENTITY (EXCLUDING AGENCY FUNDS)	$ 2,738,128

1. REPORTING ENTITY

Unified School District No. 397 (the District) is a municipal corporation governed by a citizen elected seven-member Board of Education.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

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

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

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 regulatory receipt sources (other than Capital Projects and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – Used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of long-term debt.

Trust Fund – Used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

3. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds.

Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before September 11th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before September 21st, but a least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before October 1st.
5. Adopted budget filed with the county clerk by 5:00 PM on October 1st.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The budget was amended for the following funds: General Fund, At Risk (K-12) Fund, and Virtual Education Fund.

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

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

Student Material Fund	Title I Fund
Title II-A Fund	Title IV Fund
Federal REAP Grant Fund	K-12 Funding Project Grant Fund
Contingency Reserve Fund	Elementary & Secondary School Emergency Relief III Fund
District Activity Funds	

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

4. DEPOSITS AND INVESTMENTS

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

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

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District has not designated a "peak period." All deposits were legally secured at June 30, 2026.

At June 30, 2026, the District's carrying amount of deposits was $2,793,113 and the bank balance was $3,236,983. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $500,000 was covered by federal depository insurance and the remaining $2,736,983 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	At Risk (4 Year Old) Fund	K.S.A. 72-5167	$ 9,761
General Fund	At Risk (K-12) Fund	K.S.A. 72-5167	242,712
General Fund	Food Service Fund	K.S.A. 72-5167	30,000
General Fund	Special Education Fund	K.S.A. 72-5167	645,207
General Fund	Career and Postsecondary Education Fund	K.S.A. 72-5167	170,000
General Fund	Virtual Education Fund	K.S.A. 72-5167	925,000
General Fund	Professional Development	K.S.A. 72-5167	10,000
Supplemental General Fund	At Risk (K-12) Fund	K.S.A. 72-5143	60,275
Supplemental General Fund	Special Education Fund	K.S.A. 72-5143	223,214

6. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Annual Comprehensive Financial Report which can be found on the KPERS website at www.kspers.gov or by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 11.60% and 11.54%, respectively, for the fiscal year ended June 30, 2025. The actuarially determined employer contribution rate and the statutory contribution rate was 11.78% and 11.68% for the fiscal year ended June 30, 2026.

The 2015 Legislature passed and the Governor approved Senate Bill 228 authorizing the issuance of $1.0 billion in pension obligation bonds to fund a portion of the School-Group's unfunded actuarial liability. The bonds were successfully issued in August 2015 and the proceeds transferred to the System.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue pension obligation bonds, series 2021K, net proceeds of $500 million to fund a portion of the School-Group's unfunded actuarial liability. The bond proceeds were received by KPERS on August 26, 2021.

The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million paid off outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019 while the remaining $871.1 million was applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600 million was transferred in May/June 2022.

In addition, Senate Bill 421 authorizes two additional transfers in Fiscal Year 2023 which totaled $271.1 million. The first transfer of $146.1 million was received on August 1, 2022. The second transfer of $125 million was received on December 1, 2022.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $314,883 for the year ended June 30, 2026.

Net Pension Liability.

At June 30, 2026, the District's proportionate share of the collective net pension liability reported by KPERS was $2,515,979. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2025. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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 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.

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 held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2026.

Compensated Absences. The District provides compensation for absences. Classified employees that are under 12-month contracts are eligible for vacation leave as dictated on their individual contracts. Not more than one-half the annual vacation may be carried past the next contract year. Full-time classified employees earn sick leave at the rate of 10 days per year and part-time employees earn sick leave at 5 days per year. Full-time employees may accumulate 60 days and part-time employees may accumulate 45 days sick leave.

Certified employees earn personal leave at the rate of three days per contract year. They have the option to add any unused days to their accumulated sick leave, carry over 2 days into the following year for a maximum of 4 days, or they may be reimbursed for unused personal days at the substitute teacher pay rate. Certified employees earn sick leave at the rate of 9 days per year up to a maximum accumulation of

60 days. Teachers who have 12 or more accumulated sick leave days and no remaining personal leave days at the time of the request, may exchange two sick leave days for one additional personal leave day per contract year.

Retirement Benefits. Upon retirement, KPERS-eligible certified employees with at least 10 years of service to the District may be compensated for all unused sick leave days. If the teacher has 20-39 days, the rate is $30 per day, 40-59 earns $40 per day, and 60-70 earns $50 per day.

A single health care plan will be provided at the monthly premium rate in effect at retirement for a maximum of 5 years unless the retiree reaches the age of 65 before the end of the 5-year period. If the premium amount decreases to less than the rate at retirement, no additional payment will be made to the retiree. A part-time teacher, working 30 hours or more, will be granted a pro-rated payment using their contract for the final year of employment. To be eligible, the retiring employee must qualify to take KPERS retirement with 85 points, must have at least ten years of work experience with the District, and must begin drawing KPERS retirement benefits within six months following retirement from the District.

8. RISK MANAGEMENT

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.

9. RELATED PARTIES

Three employees of the District were directly related to three board members during the fiscal year ended June 30, 2026.

10. SUBSEQUENT EVENTS

The District's management has evaluated events and transactions occurring after June 30, 2026 through October 20, 2026. The aforementioned date represents the date the financial statement was available to be issued.

11. LONG-TERM DEBT

Changes in long-term liabilities for the District for the year ended June 30, 2026, 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
Finance leases:									
Copier Lease	0.00%	12/19/2023	$135,447	4/1/2029	$ 96,748	$ -	$ 26,783	$ 69,965	$ -
Lease Purchase Agreement	7.00%	12/23/2024	500,000	12/1/2029	500,000	-	500,000	-	33,347
TOTAL CONTRACTUAL INDEBTEDNESS					$ 596,748	$ -	$ 526,783	$ 69,965	$ 33,347

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

Years ended June 30,	2027	2028	2029	Total
Principal				
Copier Lease	$ 25,800	$ 25,800	$ 18,365	$ 69,965

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

UNIFIED SCHOOL DISTRICT NO. 397
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026

SCHEDULE 1

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)
General Funds:						
General	$ 4,552,050	$ (250,438)	$ 100,708	$ 4,402,320	$ 4,402,320	$ -
Supplemental General	916,940	(37,272)	-	879,668	879,668	-
Special Purpose Funds:						
At Risk (4 Year Old)	40,392	-	-	40,392	10,153	(30,239)
At Risk (K-12)	353,771	-	-	353,771	303,673	(50,098)
Capital Outlay	1,308,244	-	-	1,308,244	707,413	(600,831)
Driver Training	7,450	-	-	7,450	3,128	(4,322)
Food Service	208,253	-	-	208,253	174,896	(33,357)
Professional Development	47,000	-	-	47,000	10,963	(36,037)
Special Education	1,052,596	-	-	1,052,596	842,403	(210,193)
Career and Postsecondary Education	235,300	-	-	235,300	183,323	(51,977)
KPERS Retirement Contribution	371,787	-	-	371,787	314,883	(56,904)
Virtual Education	1,397,080	-	-	1,397,080	881,224	(515,856)
Bond and Interest Fund:						
Bond and Interest	-	-	-	-	-	-

UNIFIED SCHOOL DISTRICT NO. 397
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid:				
General State Aid	$ 3,464,342	$ 3,816,160	$ 3,969,417	$ (153,257)
Special Education Aid	562,666	485,056	582,633	(97,577)
Taxes and shared Revenue:				
Mineral Production Tax	239	396	-	396
Reimbursements	91,595	100,708	-	100,708
Total Receipts	4,118,842	4,402,320	$ 4,552,050	$ (149,730)
Expenditures				
Instruction	707,416	750,749	$ 1,114,300	$ (363,551)
Student Support Services	104,655	111,193	106,350	4,843
Instructional Support Staff	17,206	16,571	14,700	1,871
General Administration	334,626	322,157	331,200	(9,043)
School Administration	270,390	288,337	261,500	26,837
Central Services	77,769	74,073	75,450	(1,377)
Operations and Maintenance	291,122	315,668	257,262	58,406
Transportation Services	291,716	319,640	283,400	36,240
Community Service Operations	72,519	171,252	75,000	96,252
Operating Transfers	1,951,423	2,032,680	2,032,888	(208)
Adjustment to Comply with Legal Max	-	-	(250,438)	250,438
Legal General Fund Budget	4,118,842	4,402,320	4,301,612	100,708
Adjustment for Qualifying Budget Credits	-	-	100,708	(100,708)
Total Expenditures	4,118,842	4,402,320	$ 4,402,320	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Prior Year Cancelled Encumbrances	-	1,693		
Unencumbered Cash, Ending	$ -	$ 1,693		

UNIFIED SCHOOL DISTRICT NO. 397
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Ad Valorem	$ 506,526	$ 438,798	$ 391,795	$ 47,003
Delinquent	3,498	4,432	5,144	(712)
Motor Vehicle and 16/20M	20,720	26,843	26,254	589
Recreational Vehicle	313	378	462	(84)
Commercial Vehicle	926	1,214	1,400	(186)
State Aid	394,664	388,637	421,604	(32,967)
Total Receipts	926,647	860,302	$ 846,659	$ 13,643
Expenditures				
Instruction	577,026	538,369	$ 599,240	$ (60,871)
Student Support Services	-	130	47,000	(46,870)
Instructional Support Staff	55,940	57,489	11,200	46,289
General Administration	378	-	500	(500)
School Administration	301	191	500	(309)
Operations and Maintenance	240	-	500	(500)
Operating Transfers	288,011	283,489	258,000	25,489
Adjustment to Comply with Legal Max	-	-	(37,272)	37,272
Total Expenditures	921,896	879,668	$ 879,668	$ -
Receipts Over (Under) Expenditures	4,751	(19,366)		
Unencumbered Cash, Beginning	65,523	70,274		
Unencumbered Cash, Ending	$ 70,274	$ 50,908		

UNIFIED SCHOOL DISTRICT NO. 397
AT RISK (4 YEAR OLD) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 10,000	$ 9,761	$ 30,000	$ (20,239)
Other	-	-	10,000	(10,000)
Total Receipts	10,000	9,761	$ 40,000	$ (30,239)
Expenditures				
Instruction	9,608	10,153	$ 40,392	$ (30,239)
Receipts Over (Under) Expenditures	392	(392)		
Unencumbered Cash, Beginning	-	392		
Unencumbered Cash, Ending	$ 392	$ -		

UNIFIED SCHOOL DISTRICT NO. 397
AT RISK (K-12) FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Operating Transfers	$ 255,544	$ 302,987	$ 307,571	$ (4,584)
Expenditures				
Instruction	230,746	269,166	$ 314,571	$ (45,405)
Student Support Services	36,162	34,055	39,200	(5,145)
School Administration	-	452	-	452
Total Expenditures	266,908	303,673	$ 353,771	$ (50,098)
Receipts Over (Under) Expenditures	(11,364)	(686)		
Unencumbered Cash, Beginning	63,135	51,771		
Unencumbered Cash, Ending	$ 51,771	$ 51,085		

UNIFIED SCHOOL DISTRICT NO. 397
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Ad Valorem	$ 225,140	$ 300,315	$ 275,717	$ 24,598
Delinquent	2,214	2,571	2,272	299
Motor Vehicle and 16/20M	15,994	13,779	13,483	296
Recreational Vehicle	250	198	238	(40)
Commercial Vehicle	558	543	719	(176)
Interest	114,233	67,305	50,000	17,305
State Aid	104,472	139,361	139,378	(17)
Other Sources	500,945	554	-	554
Federal Aid	1,056,730	-	-	-
Total Receipts	2,020,536	524,626	$ 481,807	$ 42,819
Expenditures				
Instruction	118,346	27,384	$ 130,000	$ (102,616)
Student Support Services	5,100	5,100	150,000	(144,900)
General Administration	5,863	5,620	-	5,620
School Administration	33,637	24,894	100,000	(75,106)
Central Services	23	266,758	-	266,758
Operations and Maintenance	68,103	138,799	423,244	(284,445)
Transportation Services	-	41,218	90,000	(48,782)
Facility Acquisition and Construction	2,496,163	197,640	415,000	(217,360)
Total Expenditures	2,727,235	707,413	$ 1,308,244	$ (600,831)
Receipts Over (Under) Expenditures	(706,699)	(182,787)		
Unencumbered Cash, Beginning	1,533,137	826,438		
Unencumbered Cash, Ending	$ 826,438	$ 643,651		

UNIFIED SCHOOL DISTRICT NO. 397
DRIVER TRAINING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 1,305	$ 2,240	$ 1,350	$ 890
Other Sources	1,530	1,020	500	520
Total Receipts	2,835	3,260	$ 1,850	$ 1,410
Expenditures				
Instruction	3,059	2,242	$ 5,700	$ (3,458)
Vehicle Operations and Maintenance	755	886	1,750	(864)
Total Expenditures	3,814	3,128	$ 7,450	$ (4,322)
Receipts Over (Under) Expenditures	(979)	132		
Unencumbered Cash, Beginning	15,741	14,762		
Unencumbered Cash, Ending	$ 14,762	$ 14,894		

UNIFIED SCHOOL DISTRICT NO. 397
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Federal Aid	$ 95,731	$ 83,885	$ 94,687	$ (10,802)
State Aid	1,002	1,035	798	237
Food Service Receipts	64,691	67,485	70,505	(3,020)
Operating Transfers	24,666	30,000	-	30,000
Total Receipts	186,090	182,405	$ 165,990	$ 16,415
Expenditures				
Operations and Maintenance	-	2,757	$ -	$ 2,757
Food Service Operation	186,138	172,139	208,253	(36,114)
Total Expenditures	186,138	174,896	$ 208,253	$ (33,357)
Receipts Over (Under) Expenditures	(48)	7,509		
Unencumbered Cash, Beginning	42,314	42,266		
Unencumbered Cash, Ending	$ 42,266	$ 49,775		

UNIFIED SCHOOL DISTRICT NO. 397
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 1,837	$ -	$ -	$ -
Operating Transfers	-	10,000	-	10,000
Total Receipts	1,837	10,000	$ -	$ 10,000
Expenditures				
Instruction	16,253	3,381	$ 22,000	$ (18,619)
Instructional Support Staff	3,906	7,582	25,000	(17,418)
Total Expenditures	20,159	10,963	$ 47,000	$ (36,037)
Receipts Over (Under) Expenditures	(18,322)	(963)		
Unencumbered Cash, Beginning	93,552	75,230		
Unencumbered Cash, Ending	$ 75,230	$ 74,267		

UNIFIED SCHOOL DISTRICT NO. 397
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Other Sources	$ 3,579	$ 10,615	$ 25,000	$ (14,385)
Operating Transfers	928,023	868,421	783,000	85,421
Total Receipts	931,602	879,036	$ 808,000	$ 71,036
Expenditures				
Instruction	880,662	803,272	$ 997,396	$ (194,124)
School Administration	2,499	-	-	-
Vehicle Operating Service	47,791	39,131	55,200	(16,069)
Total Expenditures	930,952	842,403	$ 1,052,596	$ (210,193)
Receipts Over (Under) Expenditures	650	36,633		
Unencumbered Cash, Beginning	243,946	244,596		
Unencumbered Cash, Ending	$ 244,596	$ 281,229		

UNIFIED SCHOOL DISTRICT NO. 397
CAREER AND POSTSECONDARY EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 11,324	$ 18,121	$ 14,918	$ 3,203
Operating Transfers	200,255	170,000	165,000	5,000
Reimbursements	-	-	10,000	(10,000)
Total Receipts	211,579	188,121	$ 189,918	$ (1,797)
Expenditures				
Instruction	181,902	141,417	$ 203,100	$ (61,683)
Instructional Support Staff	72	1,452	200	1,252
School Administration	1,135	-	-	-
Student Transportation Services	29,554	40,454	32,000	8,454
Total Expenditures	212,663	183,323	$ 235,300	$ (51,977)
Receipts Over (Under) Expenditures	(1,084)	4,798		
Unencumbered Cash, Beginning	46,466	45,382		
Unencumbered Cash, Ending	$ 45,382	$ 50,180		

UNIFIED SCHOOL DISTRICT NO. 397
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
State Aid	$ 315,408	$ 314,883	$ 371,787	$ (56,904)
Expenditures				
Employee Benefits	315,408	314,883	$ 371,787	$ (56,904)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

UNIFIED SCHOOL DISTRICT NO. 397
VIRTUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Tuition	$ 354	$ 2,127	$ 355,000	$ (352,873)
Operating Transfers	820,945	925,000	1,012,800	(87,800)
Total Receipts	821,299	927,127	$ 1,367,800	$ (440,673)
Expenditures				
Instruction	458,053	467,696	$ 906,180	$ (438,484)
Instructional Support Staff	56,965	58,351	59,700	(1,349)
General Administration	2,433	2,343	-	2,343
School Administration	325,846	352,751	431,200	(78,449)
Operating and Maintenance	133	83	-	83
Total Expenditures	843,430	881,224	$ 1,397,080	$ (515,856)
Receipts Over (Under) Expenditures	(22,131)	45,903		
Unencumbered Cash, Beginning	51,412	29,281		
Unencumbered Cash, Ending	$ 29,281	$ 75,184		

UNIFIED SCHOOL DISTRICT NO. 397
STUDENT MATERIAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Student Fees	$ 9,217	$ 7,028
Expenditures		
Instruction	533	3,463
Receipts Over (Under) Expenditures	8,684	3,565
Unencumbered Cash, Beginning	12,412	21,096
Unencumbered Cash, Ending	$ 21,096	$ 24,661

UNIFIED SCHOOL DISTRICT NO. 397
TITLE I FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 53,084	$ 52,636
Expenditures		
Instruction	52,870	52,636
Instructional Support Staff	214	-
Total Expenditures	53,084	52,636
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 397
TITLE II-A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 3,122	$ 1,000
Expenditures		
Instruction	2,655	1,000
Student Support Services	154	-
Total Expenditures	2,809	1,000
Receipts Over (Under) Expenditures	313	-
Unencumbered Cash, Beginning	(313)	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 397
TITLE IV FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 17,336	$ 17,163
Expenditures		
Instruction	3,150	2,348
Student Support Services	14,186	14,815
Total Expenditures	17,336	17,163
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 298
FEDERAL REAP GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 5,574	$ 14,987
Expenditures		
Instruction	5,574	14,987
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 298
K-12 FUNDING PROJECT GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ -	$ -
Expenditures		
Instruction	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	322	322
Unencumbered Cash, Ending	$ 322	$ 322

UNIFIED SCHOOL DISTRICT NO. 397
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Miscellaneous	$ -	$ -
Expenditures		
Operations and Maintenance	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	488,102	488,102
Unencumbered Cash, Ending	$ 488,102	$ 488,102

UNIFIED SCHOOL DISTRICT NO. 397
ELEMENTARY & SECONDARY SCHOOL EMERGENCY RELIEF III FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	$ 32,747	$ -
Expenditures		
Instruction	92	-
Student Support Services	2,640	-
Total Expenditures	2,732	-
Receipts Over (Under) Expenditures	30,015	-
Unencumbered Cash, Beginning	(30,015)	-
Unencumbered Cash, Ending	$ -	$ -

UNIFIED SCHOOL DISTRICT NO. 397
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes and shared Revenue:				
Delinquent	$ -	$ 3	$ -	$ 3
Expenditures				
Operating Transfers	-	-	$ -	$ -
Receipts Over (Under) Expenditures	-	3		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ 3		

UNIFIED SCHOOL DISTRICT NO. 397
MOWRER SCHOLARSHIP/STUDENT SCHOLARSHIP FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Donations	$ 37,997	$ 23,126
Interest	1,240	480
Total Receipts	39,237	23,606
Expenditures		
Scholarships	28,601	20,435
Receipts Over (Under) Expenditures	10,636	3,171
Unencumbered Cash, Beginning	329,506	340,142
Unencumbered Cash, Ending	$ 340,142	$ 343,313

UNIFIED SCHOOL DISTRICT NO. 397
GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026
(WITH COMPARATIVE ACTUAL TOTALS FOR THE PRIOR YEAR ENDED JUNE 30, 2025)

SCHEDULE 2

	Prior Year Actual	Current Year Actual
Receipts		
Grants and Donations	$ 261,063	$ 102,081
Kansas Preschool Program	30,813	19,560
Total Receipts	291,876	121,641
Expenditures		
Instruction	32,143	20,928
Student Support Services	2,627	-
Community Service Operations	145,491	69,017
Central Services	-	266,674
Total Expenditures	180,261	356,619
Receipts Over (Under) Expenditures	111,615	(234,978)
Unencumbered Cash, Beginning	342,632	454,247
Unencumbered Cash, Ending	$ 454,247	$ 219,269

UNIFIED SCHOOL DISTRICT NO. 397
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026

SCHEDULE 3

Agency Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Student Organization Funds				
Centre Perk	$ 3,145	$ 49,358	$ 52,324	$ 179
STUCO	2,296	3,106	4,021	1,381
FFA	35,047	61,262	67,848	28,461
FBLA	1,031	110	-	1,141
Class of 2024	81	-	81	-
Class of 2025	906	209	1,115	-
Class of 2026	3,719	675	2,176	2,218
Class of 2027	6,393	5,518	9,043	2,868
Class of 2028	3,234	8,606	6,098	5,742
Class of 2029	1,620	1,735	-	3,355
Class of 2030	1,108	810	19	1,899
Class of 2031	100	1,032	-	1,132
NHS	4,650	4,068	3,834	4,884
Total Student Organization Funds	63,330	136,489	146,559	53,260
Sales Tax Fund	1,422	9,775	9,472	1,725
Total Agency Funds	$ 64,752	$ 146,264	$ 156,031	$ 54,985

UNIFIED SCHOOL DISTRICT NO. 397
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH (REGULATORY BASIS)
FOR THE YEAR ENDED JUNE 30, 2026

SCHEDULE 4

Fund	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Gate Receipts						
Athletics	$ 14,257	$ 74,380	$ 72,994	$ 15,643	$ -	$ 15,643
Athletic Donations	2,414	17,276	15,182	4,508	-	4,508
Subtotal Gate Receipts	16,671	91,656	88,176	20,151	-	20,151
School Projects						
Yearbook	2,952	5,321	4,883	3,390	-	3,390
General Projects	7,402	6,872	6,979	7,295	-	7,295
Student Planner	2,597	1,223	1,213	2,607	-	2,607
Subtotal School Projects	12,951	13,416	13,075	13,292	-	13,292
Revolving Funds						
Ag Ed	-	1,350	1,350	-	-	-
Paw Print	1,508	434	163	1,779	-	1,779
Student Tech	-	13,052	13,052	-	-	-
Subtotal Revolving Funds	1,508	14,836	14,565	1,779	-	1,779
Total District Activity Funds	$ 31,130	$ 119,908	$ 115,816	$ 35,222	$ -	$ 35,222