ANNUAL COMPREHENSIVE FINANCIAL REPORT
UNIFIED SCHOOL DISTRICT NO. 260, DERBY, KANSAS

July 01, 2024 to June 30, 2025

BOARD OF EDUCATION MEMBERS

Robyn Pearman, President
Cathy Boote, Vice President
Mark Boline
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Jennifer Neel

Tessa Lies, Clerk
Pamela Kelly, Treasurer

SCHOOL ADMINISTRATORS

Heather Bohaty, Superintendent
Becky Moeder, Asst. Superintendent, Human Resources
Dr. Holly Putnam-Jackson, Asst. Superintendent, Teaching & Learning

Prepared by District Administration

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

For the Year Ended June 30, 2025

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INTRODUCTORY SECTION

DERBY
PUBLIC SCHOOLS

January 23, 2026

To the Citizens of Unified School District No. 260:

This publication is an Annual Comprehensive Financial Report (ACFR), formerly called Comprehensive Annual Financial Report (CAFR), for Unified School District No. 260 (District) for the fiscal year ended June 30, 2025. Generally Accepted Accounting Principles require that these financial statements present the District (the primary government) and its component units. A component unit is a separate entity for which the District is financially accountable or the nature and significance of the relationship between the District and entity are such that exclusion would cause the District's financial statements to be misleading or incomplete. The District has determined that the Derby Recreation Commission meets the criteria of a component unit and the financial data of the Derby Recreation Commission is included in the financial statements as a discretely presented component unit. The report has been prepared by the District administrative team to provide financial information, useful for making economic, political, and social decisions and for demonstrating accountability and stewardship. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District administrative team.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. Included in the report are all disclosures necessary to enable the reader to gain an understanding of the District's financial activities. Constituents who may find this report useful include voters, taxpayers, service beneficiaries, governing boards, oversight bodies, management, intergovernmental guarantors, investors, lenders, and employees.

The Loyd Group, LLC, Certified Public Accountants, has issued an unmodified opinion on the District's financial statements for the year ended June 30, 2025. The independent auditor's report is located at the front of the Financial Section of this report.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors in the Financial Section of this report.

Profile of the District

Derby Public Schools, USD 260 in Derby, Kansas, is committed to providing an inclusive and high-quality education to approximately 7,300 students. The school district boundary has a total population of 37,579, spanning 50 square miles covering most of the City of Derby and parts of Sedgwick County, including Oaklawn/Sunview and McConnell Air Force Base. The school district is the largest employer in Derby with approximately 1,300 staff members.

Derby Public Schools comprises twelve schools with nine elementary schools, two middle schools, and one high school. Additionally, six buildings support educational functions. The community has prioritized improvements to school facilities through bond initiatives, including a $114 million bond in 2018 that increased safety and security, enhanced Americans with Disabilities Act accessibility, created better efficiency, planned for future growth, and focused on curriculum/program equity. The school district values community support and partnership, promoting community use of school facilities outside of school hours, with 3,158 events totaling 13,152 hours during the 2024-2025 school year.

The total district budget authority for the 2025-2026 school year is projected to be $154,752,309. Derby Public Schools has 48% of students eligible for free or reduced-price meals, five schools receiving Title I support, 21% of students with an IEP/504, and approximately 17% of students who are military-connected.

Educational Programs and Initiatives: Derby Public Schools is dedicated to academic excellence, offering a diverse range of educational services from an award-winning National Blue Ribbon Parents As Teachers program to serving early childhood/pre-kindergarten to grade 12. Services include, but are not limited to, Special Education, Title I programs, an online virtual E-Academy, an alternative learning center (Panther Learning Center/PLC), and extensive Career and Technical Education pathways. Notably, the PLC provides students with an opportunity to receive targeted, individualized learning to help them graduate. The district has integrated innovative STEAM (Science, Technology, Engineering, Arts, and Math) programs at the elementary level and essential Social-Emotional Learning initiatives district-wide. The district emphasizes career pathways and practical learning experiences, such as on-site courses offered through WSU Tech where students can become Certified Nursing Assistants (CNA) while still in high school. Collaboration also occurs with multiple community and postsecondary institutions,

including Wichita State University, Butler Community College, and local worked-based learning partners such as the City of Derby. Additionally, we offer Special Education postsecondary transition services, including Project SEARCH, designed to provide students with disabilities (18-21-year-olds) with real-world experiences to prepare for a smooth transition from high school academics to adult life. Notably, this Project SEARCH partnership with McConnell Air Force Base was the first in the nation on a military installation.

Technology and Innovation: Derby Public Schools stays at the forefront of educational technology, providing students and staff with access to cutting-edge tools and resources. Every student benefits from a 1:1 device, with iPads available for early grades and Chromebooks for older students. Teachers are empowered with the latest technology, including high-performance laptops, state-of-the-art interactive displays, and access to a comprehensive suite of adaptive curriculum resources. These tools enable educators to create dynamic learning environments that cater to the diverse needs of each student.

Our district's commitment to excellence in technology extends beyond the classroom. We prioritize cybersecurity protection solutions while also leveraging AI-enhanced solutions and industry-leading management tools. We ensure that our technology environment is robust and innovative, preparing students for success in a rapidly evolving digital world.

Extracurricular Opportunities: Along with high-quality education and co-curricular opportunities, Derby Public Schools offers a variety of extracurricular activities, including nationally award-winning programs like the Air Force JROTC, which has achieved numerous honors and contributes thousands of community service hours annually.

Strategic Planning and Board Support: The district's Board of Education is dedicated to continuous improvement and has implemented a strategic plan for 2022-2027 designed to be a common foundation and roadmap for the school district. This plan includes proactive strategies to ensure success for students and staff, including incorporating the Kansas State Department of Education's Needs Assessment process as a key component within the strategic plan's academic focus area.

Honors and Recognitions: Derby Public Schools has received multiple accolades, including being one of the first school districts in Kansas to be named a Purple Star School District, recognition as Project Lead the Way Distinguished Schools and awards from the Kansans Can Star Recognition Program, reflecting its commitment to excellence in education and support for students, staff and families.

Safety and Security: Safety and security remain a top priority for the District, which has ensured that all schools feature secured entrance vestibules. To further bolster safety measures, the

District employs a full-time staff member dedicated to overseeing safety and security initiatives. These efforts are supported by district-wide implementation of the Standard Response Protocol for emergency preparedness and the Safe Visitor Management system. During the 2024-2025 year, the District continued collaboration with the City of Derby and the Sedgwick County Sheriff's Department to provide School Resource Officers (SROs) (two high school, two middle school, and two elementary), DARE officers at the elementary level, and Adopt-a-School Officers at select elementary buildings. Also this school year, the District secured funding through a dollar-for-dollar Kansas Safe and Secure Schools Grant, maximizing resources to enhance safety infrastructure. This funding is designated for initiatives aligned with the Kansas Safe and Secure Schools Standards, including improvements to infrastructure, technology, and communication systems.

In all, Derby Public Schools continues to make a significant impact on its students, staff, and the broader community, providing a supportive and enriching environment for all learners.

The Legislature

Kansas school districts fall into three distinct enrollment categories, each one educating about one-third of the state's student population. Kansas has a uniform base budget per pupil and a uniform statewide mill levy. The District is considered a medium-sized school district. Districts raise their operating funds through a Local Option Budget (LOB) resolution. The 1997 State Legislature made significant changes in the LOB process. For the first time, school boards were able to adopt a portion of LOB authority without being subject to a protest petition. In districts where the per pupil budget is below the average of similar-sized districts - like Derby - boards are allowed to adopt LOBs that would allow them to spend at the average without that increase being subject to a protest petition. The District's LOB authority for the 2024-2025 school year was set lower than allowed before being subject to protest petition at 32%, which amounted to $18,031,555.

The State Supreme Court continues to review the equitable distribution of funds and the adequacy of funding. A ruling was made in the spring of 2018 that said the funding from the state for Capital Outlay Funds and Supplemental General Funds was not equitable or adequate. Changes were made by the legislature in these areas that affected funding for the 2018-2019 school year. The State Supreme Court has issued additional rulings towards the end of the 2018-2019 year that have increased funding over the next four years starting in the 2019-2020 school year. The total District budget authority for 2024-2025 was $151,838,729.

Relevant Financial Policies

The administrative team of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from

loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

In addition to internal accounting controls, the District maintains budgetary controls. The District's budget is prepared on the modified accrual basis of accounting further modified by encumbrances. The Superintendent and the Board evaluate the budget proposals of the various District organizations to determine the funding level of the operating and public service programs. After giving due consideration to the needs assessment and input received from the citizens, the Board adopts the budget. The adopted budget thus becomes a document that places before the people of the District a clear and precise picture of the cost of public services that will be provided. The budget is appropriately controlled through an online accounting system to ensure effective fiscal management and accountability. Management may amend the amount of a specific object or purpose appropriation without obtaining authorization from the Board of Education provided the amendments or transfers do not create a total budgeted expenditure amount for a specific fund in excess of that amount adopted by the Board of Education.

Long-Term Financial Planning

The District remains committed to a comprehensive long-term planning process to effectively address building improvement needs. By aligning initiatives identified in the Strategic Plan, replacement rotation schedules, and future needs assessments, we take a proactive approach to facility management.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement to Unified School District No. 260, Derby, Kansas for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2023. The District has received this award for 40 years in a row. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports. The certificate is presented following this letter.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the ACFR was made possible by the dedicated service of the entire staff. Each member of the USD 260 staff who assisted and contributed to its preparation has our

sincere appreciation. We also thank the USD 260 Board members for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Sincerely,

Heather Bohaty, Superintendent of Schools

Pamela Kelly, Director of Finance/Treasurer

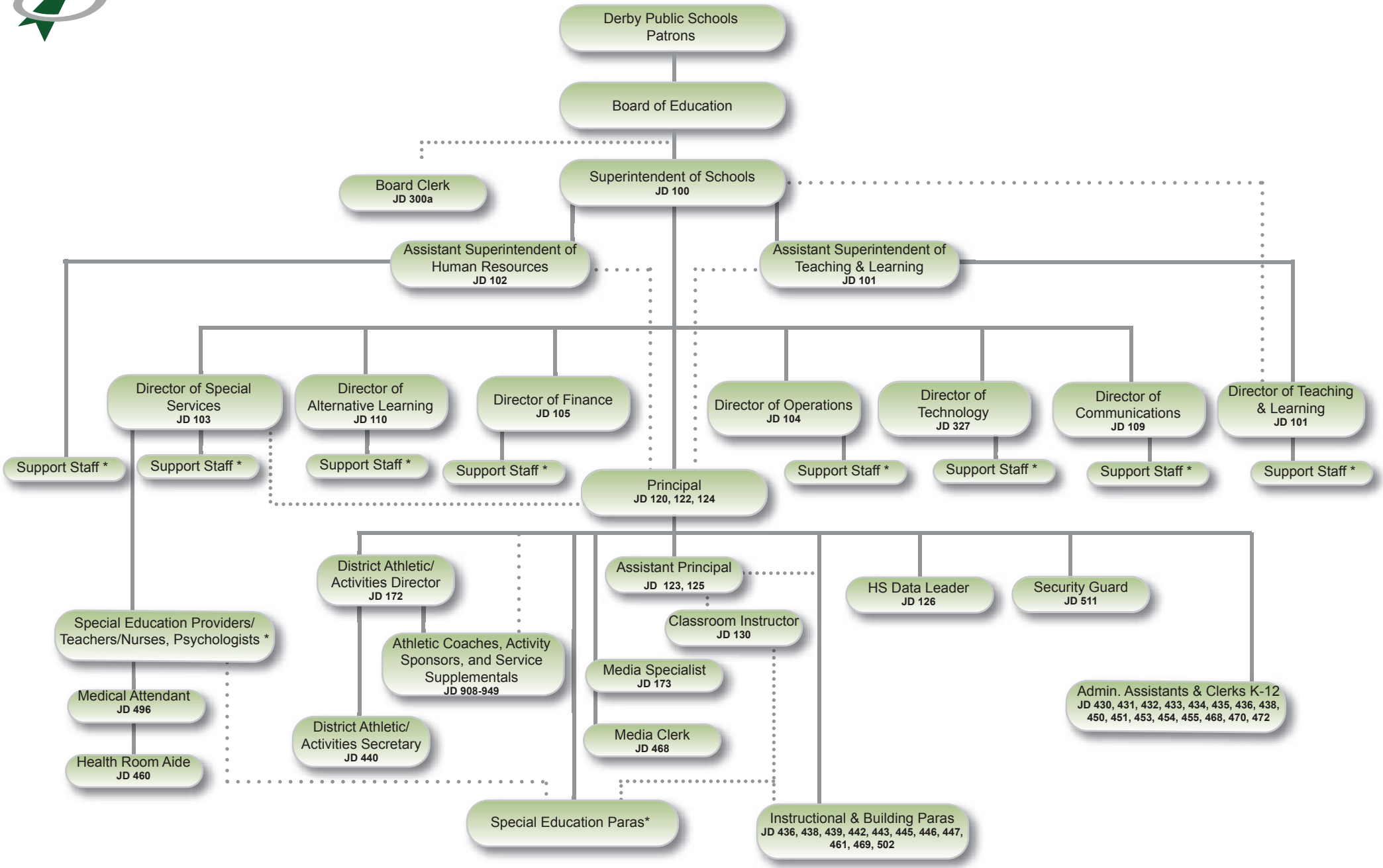
Tessa Lies, Board Clerk

DERBY PUBLIC SCHOOLS

UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2025

School Board President	Robyn Pearman
School Board Vice President	Cathy Boote
School Board Member	Michael Blankenship
School Board Member	Mark Boline
School Board Member	Tanya Jacobucci
School Board Member	Jennifer Neel
School Board Member	Melanie Turner
Superintendent	Heather Bohaty
Assistant Superintendent Human Resources	Becky Moeder
Assistant Superintendent Teaching and Learning	Dr. Holly Putman-Jackson
Director of Finance	Pamela Kelly
Director of Alternative Learning	Luan Sparks
Director of Communications	Katie Carlson
Director of Operations	Burke Jones
Director of Special Services	Dr. Dawn Gresham
Assistant Director of Special Services	Katie May
Assistant Director of Special Services	June Henkelman
Director of Technology	Dennis Elledge
Assistant Director of Technology	Joshua VanNoy
Board Clerk	Tessa Lies



* see department org charts

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Derby Unified School District No. 260
Kansas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

LOYD GROUP, LLC

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 260
Derby, Kansas 67037

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Unified School District No. 260, Kansas (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Unified School District No. 260's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Unified School District No. 260, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Special Education Fund, and At Risk K-12 Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Derby Recreation Commission, which represent 100% percent and 100% percent, respectively, of the assets net position, and revenues of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditors.

Basis for 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 Statements section of our report. We are required to be independent of Unified School District No. 260, 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 audit opinions.

Responsibilities of Management for the Financial Statements

Unified School District No. 260's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Unified School District No. 260'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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 statements.

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 statements.
- 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 Unified School District No. 260'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 statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Unified School District No. 260'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, Schedule of Changes in the Total OPEB Liability – Healthcare, Schedule of the Total OPEB Liability as a Percentage of Covered Employee Payroll - Healthcare, Schedule of Changes in the Total OPEB Liability – KPERS Death and Disability, Schedule of the Total OPEB Liability as a Percentage of Covered Employee Payroll - KPERS Death and Disability, Schedule of the District's Proportionate Share of the Net Pension Liability, Schedule of District's Contributions, and the notes to the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Unified School District No. 260's basic financial statements. The introductory section, the combining and individual general and nonmajor fund financial statements and schedules and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The

schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual general and nonmajor fund financial statements and schedules, and schedule of expenditures of federal awards as listed in the table of contents are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual general and nonmajor fund financial statements and schedules and schedule of expenditures of federal awards as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them**.**

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2026, 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.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
January 23, 2026

Unified School District No. 260, Derby, Kansas
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025

This discussion and analysis of the Derby Unified School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

The Management Discussion and Analysis (MD&A) is an element of financial reporting as prescribed by the Governmental Accounting Standards Board (GASB). Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

The trends of prior years' indicated that during the fiscal year 2024-2025, the Derby Unified School District would experience another year of increases in the cost for educational services. The District continues to rely upon the General Fund and Local Option Budget (LOB) to provide funding for these increases.

USING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This Annual Comprehensive Financial Report consists of management's discussion and analysis, the basic financial statements and required supplementary information. These statements are organized so the reader can understand the District as a whole, an entire operating entity. The basic financial statements include two kinds of statements that present different views of the District. The first series of statements are the district-wide financial statements. The second kind of financial statements are the fund financial statements.

REPORTING THE SCHOOL DISTRICT AS A WHOLE

District-Wide Financial Statements

The district-wide financial statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District using the accrual basis of accounting. This method of accounting is like how private sector companies report the results of their operations. These statements consider all the current year revenues and expenses regardless of when cash is received or paid.

The first of the district-wide statements is the Statement of Net Position. The Statement of Net Position presents balance information for the entire District operations at a given point in time (June 30, 2025). The assets include all cash and investments, receivables including taxes assessed that remain uncollected and capital assets reduced by accumulated depreciation. Liabilities include accounts payable, claims payable and outstanding general obligation debt. This results in a statement that encompasses the entire operations of the Derby Unified School District.

Although the Statement of Net Position reports total net position of $9.5 million surplus, the District has restrictions over the use of these funds. The investment in facilities and equipment is necessary to carry out the mission of the District. Kansas state laws segregate funds and place restrictions on spending. This should be considered when reviewing the report.

The second of the district-wide financial statements is the Statement of Activities. This statement shows the results of operations that caused the net position to change from the prior year to the amount reported on the Statement of Net Position as of June 30, 2025. This statement answers the question, "How did we do financially during fiscal year 2025" This change in net position is important because it tells the reader that, for the school district, the financial position has improved or diminished. The statement for 2025 indicates an decrease of $1.5 million in the District's financial position. The causes of this change may be the result of many factors. Most notably, the results are influenced by:

- the property tax base,
- the unfunded KPERS pension liability,
- the unfunded OPEB liabilities,
- operating expenditure limits imposed by Kansas law,
- building improvements,
- number of students served, and
- new funding sources through federal legislation
- staff levels.

The Statement of Activities classifies expenses by functional area. The report also shows corresponding charges for services and restricted grants for each function that helps support the expenses. The resulting Net (Expenses) Revenue and Changes in Net Position shows the remaining expenses not supported by charges for services and restricted grants. General revenues are then applied to the remaining expenses resulting in the total change in net position for the year.

REPORTING THE SCHOOL DISTRICT'S MAJOR FUNDS

Fund Financial Statements

Financial statements by fund follow the district-wide statements. These statements provide more detail about the District according to the various funds established under Kansas law. The major funds are listed separately with all non-major funds aggregated in the column labeled "Other Governmental Funds." As shown on the reconciliations the fund statements differ from the district-wide statements (Statement of Net Position and Statement of Activities) by excluding the following:

- cost of capital assets less accumulated depreciation,
- deferred outflows of resources related to pension and OPEB liabilities,
- long-term liabilities and,
- deferred inflows of resources related to pension and OPEB liabilities.

The District only has one kind of fund, which is governmental funds.

Governmental Funds

Most of the District's activities are reported in the governmental funds, which focus on 1) how cash and other financial assets, that can be readily converted to cash, flow in and out and 2) the balances left at year end that are available for spending. The statements show revenue, expenditures and fund balances for each listed fund.

The fund classifications provide additional information about the entity. The General and Special Education funds encompass the major operating funds. The Capital Outlay fund is the primary source for the purchase of furniture, equipment and for major repairs and improvements to buildings and grounds. The Debt Service fund is used to pay outstanding general obligation bonds and related interest charges as they become due.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's total net position was $9,470,565 on June 30, 2025.

DERBY UNIFIED SCHOOL DISTRICT NO. 260'S NET POSITION

	2025	2024	Change Increase (Decrease)
Current and other assets	$ 42,495,219	$ 43,087,649	$ (592,430)
Capital assets, net	179,173,964	184,029,946	(4,855,982)
Total assets	221,669,183	227,117,595	(5,448,412)
Deferred outflows of resources	30,514,274	37,825,558	(7,311,284)
Long-term liabilities	232,189,038	240,542,531	(8,353,493)
Other liabilities	6,279,527	6,596,276	(316,749)
Total liabilities	238,468,565	247,138,807	(8,670,242)
Deferred inflows of resources	4,244,327	2,802,615	1,441,712
Net position:			
Net investment in capital assets	33,454,270	32,751,958	702,312
Restricted for capital projects	36,150	35,798	352
Restricted for debt service	11,962,094	10,139,331	1,822,763
Restricted for educational purposes	4,892,443	5,525,278	(632,835)
Unrestricted	(40,874,392)	(33,450,634)	(7,423,758)
Total net position	$ 9,470,565	$ 15,001,731	$ (5,531,166)

The most significant changes from the preceding year include:

- Decrease in capital assets primarily from depreciation.
- Decrease in deferred outflows of recources from the changes in valuations related to pension and OPEB.
- Decrease in long-term liabilities is primarily from valuation change related to pension liability and payments on debt.
- Increase in deferred inflows of recources from the changes in valuations related to pension and OPEB.
- Changes in net assets are primarily from the effects of the above activities on their respective net asset categories.

DERBY UNIFIED SCHOOL DISTRICT No. 260'S CHANGES IN NET POSITION

	2025	2024	Change Increase (Decrease)
Revenues:			
Charges for services	$ 35,511,523	$ 33,890,071	$ 1,621,452
Operating grants and contributions	31,783,840	31,934,696	(150,856)
General revenues:			
Property taxes levied for:			
General purposes	12,379,376	12,189,899	189,477
Debt service	9,866,930	9,341,282	525,648
Capital outlay	4,796,610	4,220,130	576,480
Grants and entitlements not restricted to specific programs	56,771,044	52,640,319	4,130,725
Investment earnings	437,973	453,335	(15,362)
Total revenues	151,547,296	144,669,732	6,877,564
Expenses:			
Instruction	95,739,725	94,354,621	1,385,104
Student support services	8,432,151	7,320,540	1,111,611
Instructional support services	4,291,958	3,684,051	607,907
General administration	2,122,414	2,040,804	81,610
School administration	4,864,167	4,476,465	387,702
Operations and maintenance	16,221,068	9,991,882	6,229,186
Central support services	1,801,219	1,169,129	632,090
Student transportation services	3,058,513	2,849,592	208,921
Other support services	824,011	608,304	215,707
Food service operations	4,995,415	5,470,692	(475,277)
Community service operations	150,025	84	149,941
Interest on long-term debt	6,154,430	6,406,346	(251,916)
Appropriations	4,383,159	4,266,441	116,718
Total expenses	153,038,255	142,638,951	10,399,304
Increase (decrease) in net position	(1,490,959)	2,030,781	(3,521,740)
Net position at July 1	15,001,731	12,970,950	2,030,781
Net position at June 30	$ 9,470,565	$ 15,001,731	$ (5,531,166)

The most significant changes from the preceding year include:

- General revenues grants not restricted increased due to increase in State funding rates per student allocated to schools.
- Instruction and student support services expenses increased due to a budgeted increase in salaries and cost of goods and services expenditures.
- Operations and maintenance increased due to several projects that were not funded by a debt issue this year. This included tennis court remodel, restroom remodel, a $1.5 million HVAC replacement, and $1.5 million in buses, vehicles and other large equipment.

DISTRICT FUNDS

As the District completed the year, its governmental funds reported combined fund balances of $36.9 million. This is a decrease of almost $350,000 from FY 24.

DERBY UNIFIED SCHOOL DISTRICT No. 260'S CHANGES IN FUND BALANCE

Governmental Funds	2025	2024	Change Increase (Decrease)
General	$ 9,332,758	$ 9,999,786	$ (667,028)
Special Education	1,314,077	2,167,248	(853,171)
At Risk K-12	1,422,172	984,068	438,104
Debt Service	11,962,094	10,139,331	1,822,763
Capital Outlay	7,810,117	8,176,409	(366,292)
2018 Bond Project	36,150	35,798	352
Other Governmental Funds	5,095,394	5,804,531	(709,137)
Total Governmental Fund balances	$ 36,972,762	$ 37,307,171	$ (334,409)

General Fund

The School District's budget is prepared according to Kansas State Statutes and is based on the statutory basis of accounting, modified further by the encumbrance method of accounting. The most significant budgeted fund is the General Fund.

Kansas Statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Management may amend the amount of a specific object or purpose appropriation without obtaining authorization from the Board of Education, providing the amendments or transfers do not create a total budgeted expenditure amount for a specific fund in excess of the amount originally adopted by the Board of Education.

The District's total General fund budget was not amended in FY 25. However, the final legal maximum budget was reduced by $822,061 to match funding weightings to audited amounts. This directly effects the change in fund balance.

Special Education Fund

The Special Education fund balance remained stable FY 25, with a decrease of $853,171. The primary cause for the decrease is the continual increase of costs in providing services that are not always matched dollar for dollar by state or federal funding. The ending fund balance will enable the District to fund the program until state aid is received in October. Since Special Education is a special revenue fund, all fund balances are restricted for special education purposes.

At Risk K-12 Fund

The At Risk K-12 fund balance increase in FY 25 by $438,104. The State increased its at risk weighting and funding requirements in FY 25, the state also required the entire weighting to be transferred to the At Risk Fund.

Debt Service Fund

The Debt Service restricted fund balance of $11.9 million is available only to make principal and interest payments on the long-term debt obligations of the District, as authorized by the various bond elections. The fund balance increased by $1,822,763 to a total fund balance of $11.9 million. This net increase is due to the increase in state aid and property tax levied and related decrease in debt payments. The entire fund balance on June 30, 2025, is restricted for payment of bond principal, interest, and issuance costs.

Capital Outlay Fund

The District has the authority to levy up to 8 mills in the Capital Outlay fund. The District levied 8 mills during the FY 25 year.

Capital Outlay Fund revenues was less than expenditures by $366,292, which was in line with what was anticipated on the budget and the Capital Outlay plan as the improvements, repairs, and maintenance have decreased from the completion of the major building project. Resulting in an ending balance of $7.8 million primarily for projects related to facility improvement, utility equipment updates, and technology purchases for student learning

2018 Bond Project Fund

Interest earnings on the bond investments totaled $352 during FY 2025. The bond project expenditures incurred during 2025 were related to construction of $0 resulting in an ending fund balance of $36,150. The entire fund balance is restricted for the construction related project expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of the fiscal 2024 and 2025 years, the District had a net investment of $189 million and $179 million respectively invested in land, buildings, vehicles, artwork and equipment. Decreases are expected as there are no current large capital projects funded with debt and depreciation on the 2018 bond project assets has begun in full in 2025. More detailed information can be found in Note 4 Changes in Capital Assets in the notes to the financial statements.

DERBY UNIFIED SCHOOL DISTRICT No. 260'S CAPITAL ASSETS - NET OF DEPRECIATION

	2025	2024	Change Increase (Decrease)
Land	$ 7,073,271	$ 7,370,301	$ (297,030)
Buildings and improvements	149,931,064	154,350,632	(4,419,568)
Improvements other than buildings	2,773,960	2,588,938	185,022
Furniture and equipment	19,359,519	18,507,332	852,187
Construction work in process	36,151	1,212,743	(1,176,592)
Total capital assets - net of depreciation	$ 179,173,965	$ 184,029,946	$ (4,855,981)

Long-term Debt

Kansas statutes limit the amount of outstanding indebtedness. The District has $159.6 million outstanding (subject to the debt limit) on June 30, 2025.

DERBY UNIFIED SCHOOL DISTRICT No. 260'S Outstanding Debt, at End of Year

	2025	2024	Change Increase (Decrease)
Series 2014	$ 1,305,000	$ 1,540,000	$ (235,000)
Series 2016 Refunding	25,340,000	28,660,000	(3,320,000)
Series 2018	65,290,000	66,345,000	(1,055,000)
Series 2019	4,975,000	5,245,000	(270,000)
Series 2020-A	9,630,000	9,715,000	(85,000)
Series 2020-B	47,655,000	48,105,000	(450,000)
Total outstanding debt	$ 154,195,000	$ 159,610,000	$ (5,415,000)

The change in outstanding debt is a result of the normal annual bond payments. Further information on long-term debt can be found in the notes to the financial statements, Note 5.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Unified School District No. 260, 1550 E Walnut Grove Rd., Derby, Kansas 67037.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Statement of Net Position
June 30, 2025

	Governmental Activities	Component unit
Assets		
Cash, cash equivalents and investments	$ 41,585,094	$ 4,718,531
Receivables:		
Property taxes	576,889	-
Federal aid	333,235	-
Other	-	23,009
Capital assets:		
Nondepreciable - land, construction in progress, other	7,109,422	-
Other capital assets, net of accumulated depreciation	172,064,542	8,181,053
Total assets	221,669,182	12,922,593
Deferred outflows of resources		
Deferred charge on refunding	12,325,347	-
Pension contributions subsequent to the measurement date	7,088,620	-
Deferred outflows relating to pensions	9,676,000	730,633
Deferred outflows relating to other post employment benefits - healthcare	635,153	-
Deferred outflows relating to other post employment benefits - KPERS	174,889	-
OPEB contributions subsequent to the measurement date - KPERS	614,265	-
Total deferred outflows of resources	30,514,274	730,633
Liabilities		
Accounts payable	426,248	140,824
Accrued salaries and wages payable	4,519,320	179,405
Accrued interest payable	1,333,959	10,083
Noncurrent liabilities:		
Due within one year	18,432,970	454,368
Due in more than one year	213,756,068	5,829,877
Total liabilities	238,468,565	6,614,557
Deferred inflows of resources		
Deferred inflows for property taxes receivable	576,889	-
Deferred inflows of resources related to refunded debt	-	147,954
Deferred inflows relating to pensions	2,412,295	1,465
Deferred inflows relating to other post employment benefits - healthcare	802,429	-
Deferred inflows relating to other post employment benefits - KPERS	452,714	-
Total deferred inflows of resources	4,244,327	149,419
Net Position:		
Net investment in capital assets	33,454,270	4,238,099
Restricted for:		
Instruction and support services	4,892,443	-
Facilities and capital projects	36,150	-
Debt service	11,962,094	-
Employee benefits	-	126,399
Unrestricted	(40,874,393)	2,524,752
Total net position	$ 9,470,564	$ 6,889,250

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Unit
Governmental Activities:						
Instruction	$ 95,739,726	$ 33,117,677	$ 19,561,618	$ -	$ (43,060,431)	$ -
Student support services	8,432,151	673,985	3,545,764	-	(4,212,402)	-
Instructional support services	4,291,958	453	294,965	-	(3,996,540)	-
General administration	2,122,414	-	688,313	-	(1,434,101)	-
School administration	4,864,167	-	488,117	-	(4,376,050)	-
Central support services	1,801,219	-	266,405	-	(1,534,814)	-
Operations and maintenance	16,221,068	166,454	74,610	-	(15,980,004)	-
Student transportation services	3,058,513	-	633,941	-	(2,424,572)	-
Other support services	824,011	-	-	-	(824,011)	-
Food service operations	4,995,415	1,552,954	3,418,222	-	(24,239)	-
Community service operations	150,025	-	-	-	(150,025)	-
Interest on long-term debt	6,154,430	-	2,811,885	-	(3,342,545)	-
Intergovernmental:						
Appropriations	4,383,159	-	-	-	(4,383,159)	-
Total Governmental Activities	$ 153,038,256	$ 35,511,523	$ 31,783,840	$ -	(85,742,893)	-
Component Unit:						
Derby Recreation Commission	$ 7,725,940	$ 3,212,376	$ 53,326	$ -	-	(4,460,238)
General Revenues and Transfers:						
General Revenues:						
Property taxes levied for:						
General purposes					12,379,376	3,218,565
Debt service					9,866,930	-
Capital outlay					4,796,610	-
Employee benefits					-	1,164,594
State aid not restricted to specific purposes					56,771,044	-
Investment earnings					437,973	138,310
Total general revenues and transfers					84,251,933	4,521,469
Change in net position					(1,490,960)	61,231
Net position (deficit) at beginning of year:					15,001,731	6,828,019
Prior period adjustments					(4,040,207)	-
As restated					10,961,524	6,828,019
Net position at end of year					$ 9,470,564	$ 6,889,250

The accompanying notes are an integral part of the financial statements.

FUND FINANCIAL STATEMENTS

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Balance Sheet - Governmental Funds
June 30, 2025

	General	Special Education	At Risk K-12	Debt Service	Capital Outlay	2018 Bond Project	Other Governmental Funds	Total Governmental Funds
Assets:								
Cash, cash equivalents and investments	$ 12,098,628	$ 1,826,305	$ 2,253,068	$ 11,962,094	$ 7,903,573	$ 36,150	$ 5,505,276	$ 41,585,094
Property taxes receivable	165,396	-	-	210,500	103,997	-	96,996	576,889
Federal receivable	-	-	-	-	-	-	333,235	333,235
Due from other funds	643	318,049	-	-	-	-	-	318,692
Total assets	$ 12,264,667	$ 2,144,354	$ 2,253,068	$ 12,172,594	$ 8,007,570	$ 36,150	$ 5,935,507	$ 42,813,910
Liabilities:								
Accounts payable	$ 168,693	$ 11,588	$ 2,223	$ -	$ 93,456	$ -	$ 150,288	$ 426,248
Accrued salaries & wages payable	2,597,177	809,759	796,669	-	-	-	315,715	4,519,320
Due to other funds	643	-	-	-	-	-	318,049	318,692
Total liabilities	2,766,513	821,347	798,892	-	93,456	-	784,052	5,264,260
Deferred Inflows of Resources:								
Property taxes receivable	165,396	-	-	210,500	103,997	-	96,996	576,889
Total deferred inflows of resources	165,396	-	-	210,500	103,997	-	96,996	576,889
Fund Balances:								
Restricted	-	-	622,241	11,962,094	-	36,150	4,270,202	16,890,687
Committed	5,516,635	1,246,592	831,935	-	6,210,571	-	784,257	14,589,990
Assigned	1,121,186	76,415	-	-	1,599,546	-	-	2,797,147
Unassigned	2,694,937	-	-	-	-	-	-	2,694,937
Total fund balances	9,332,758	1,323,007	1,454,176	11,962,094	7,810,117	36,150	5,054,459	36,972,761
Total liabilities, deferred inflows and fund balances	$ 12,264,667	$ 2,144,354	$ 2,253,068	$ 12,172,594	$ 8,007,570	$ 36,150	$ 5,935,507	$ 42,813,910

The accompanying notes are an integral part of the financial statements.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2025

Total Governmental Fund Balances		$ 36,972,761
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (capital assets net of accumulated depreciation):		
Cost	$ 271,951,264	
Accumulated depreciation	(92,777,300)	
		179,173,964
Deferred outflows of resources related to unamortized refunding bond costs are not due as a payable in the current period and therefore are not reported as liabilities in the funds		12,325,347
Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position		16,764,620
Pension fundings are reported as a revenue in the funds and as a deferred inflows of resources in the governmental activities in the statement of net position		(2,412,295)
Other than pension benefits (OPEB) payments are reported as expenditures in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position		1,424,307
Other than pension benefits (OPEB) funding are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position		(1,255,143)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable	1,333,959	
Compensated absences payable	4,106,421	
Other postemployment benefits payable - healthcare	2,399,265	
Other postemployment benefits payable - KPERS	799,534	
Early retirement payable	4,591,962	
Net pension liability payable	62,246,815	
General obligation bonds payable	154,195,000	
Unamortized premium on general obligation bonds	3,018,868	
Financing purchase lease obligations payable	831,173	
		(233,522,997)
Net Position of Governmental Activities		$ 9,470,564

The accompanying notes are an integral part of the financial statements.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Statement of Revenues, Expenditures and Changes In Fund Balances - Governmental Funds For the Year Ended June 30, 2025

	General	Special Education	At Risk K-12	Debt Service	Capital Outlay	2018 Bond Project	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	$ 7,819,202	$ -	$ -	$ 9,866,930	$ 4,796,610	$ -	$ 4,560,174	$ 27,042,916
State aid	41,183,303	11,976,425	10,302,529	2,811,885	2,529,554	-	10,416,901	79,220,597
Federal aid	-	2,889,046	-	-	-	-	6,195,432	9,084,478
Charges for services	673,985	12,019	-	-	-	-	2,452,798	3,138,802
Earnings on investments	-	-	-	-	437,621	352	-	437,973
Contributions	-	-	-	-	-	-	144,676	144,676
Other	31,214,427	176,813	-	-	332,908	-	753,706	32,477,854
Total revenues	80,890,917	15,054,303	10,302,529	12,678,815	8,096,693	352	24,523,687	151,547,296
Expenditures:								
Current:								
Instruction	57,615,986	11,220,042	7,813,159	-	1,671,317	-	11,376,138	89,696,642
Student support services	2,466,472	3,279,905	966,433	-	32,970	-	1,461,729	8,207,509
Instructional support services	2,272,399	1,310	990,347	-	44,220	-	952,105	4,260,381
General administration	1,349,320	571,236	-	-	5,205	-	152,109	2,077,870
School administration	4,202,014	-	85,422	-	22,176	-	453,834	4,763,446
Central support services	1,581,474	-	-	-	15,929	-	169,021	1,766,424
Operation and maintenance	9,825,750	-	-	-	5,195,989	-	619,426	15,641,165
Student transportation services	1,491,677	834,981	9,064	-	1,251,641	-	291,311	3,878,674
Other support services	602,828	-	-	-	223,538	-	-	826,366
Food service operation	-	-	-	-	-	-	5,155,003	5,155,003
Community service operations	150,025	-	-	-	-	-	-	150,025
Architectural and engineering services	-	-	-	-	-	-	218,989	218,989
Intergovernmental:								
Appropriations	-	-	-	-	-	-	4,383,159	4,383,159
Capital Outlay:								
Facilities acquisition and construction	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	5,415,000	-	-	-	5,415,000
Interest and other charges	-	-	-	5,441,052	-	-	-	5,441,052
Total expenditures	81,557,945	15,907,474	9,864,425	10,856,052	8,462,985	-	25,232,824	151,881,705
Revenues over (under) expenditures	(667,028)	(853,171)	438,104	1,822,763	(366,292)	352	(709,137)	(334,409)
Net change in fund balances	(667,028)	(853,171)	438,104	1,822,763	(366,292)	352	(709,137)	(334,409)
Fund balances, beginning year	9,999,786	2,167,248	984,068	10,139,331	8,176,409	35,798	5,804,531	37,307,171
Fund balances, end of year	$ 9,332,758	$ 1,314,077	$1,422,172	$ 11,962,094	$ 7,810,117	$ 36,150	$ 5,095,394	$ 36,972,762

The accompanying notes are an integral part of the financial statements.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds		$ (334,410)
Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds report capital outlays as expenditures However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:		
Capital outlays	$ 4,993,204	
Depreciation	(8,739,792)	
Excess capital outlays over depreciation		(3,746,588)
In the statement of activities, the loss on the disposition of capital assets is reported as a functional expense whereas, in the governmental funds statement a loss on disposition of capital assets is not reported		(1,109,394)
In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due		52,608
Pension contributions is an expenditure in the governmental funds but reduces the net pension liability in the statement of net position. Additionally, the effect of changes in deferred outflows and inflows for pensions are only recorded in the statement of activities.		(3,533,837)
In the statement of activities the issuance of debt is reported as a liability whereas, in the governmental funds statements the issuance of debt is reported as an other financing source for:		
General obligation school improvement bonds	-	
Premium on issuance of general obligation school improvement bonds	-	
Capital lease obligations	-	
Total debt issuances		-
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:		
General obligation bond payments	5,415,000	
Financing purchase lease obligation payments	873,879	
Total payments on long-term liabilities		6,288,879
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.		
Early retirement payable	974,150	
Compensated absences payable (excluding effect of $4,040,207 change in accounting principle for GASB 101)	711,869	
Other postemployment benefits payable - healthcare, including deferred outflows and inflows	(12,253)	
Other postemployment benefits payable - KPERS, including deferred outflows and inflows	(51,399)	
Unamortized bond refunding costs	(1,329,894)	
Amortization of premium on issuance of general obligation bonds	599,309	
Total other expenses		891,782
Change in Net Position of Governmental Activities		$ (1,490,960)

The accompanying notes are an integral part of the financial statements.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Budgetary Basis
General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
State aid	$ 57,593,105	$ 56,771,044	$ 56,771,044	$ -
Miscellaneous	-	714,328	714,328	-
Total revenues	57,593,105	57,485,372	57,485,372	-
Expenditures and encumbrances:				
Instruction	24,810,751	24,810,751	21,713,399	(3,097,352)
Student support services	1,557,500	1,557,500	1,632,330	74,830
Instructional support services	797,500	797,500	1,539,155	741,655
General administration	370,500	370,500	451,736	81,236
School administration	1,531,000	1,531,000	1,374,970	(156,030)
Central support services	906,000	906,000	1,211,006	305,006
Operation and maintenance	4,866,000	4,866,000	8,688,120	3,822,120
Student transportation services	1,316,000	1,316,000	1,370,433	54,433
Other support services	422,000	422,000	460,342	38,342
Community service operations	10,000	10,000	150,025	140,025
Transfers out	21,005,854	21,005,854	18,893,856	(2,111,998)
Total expenditures and encumbrances	57,593,105	57,593,105	57,485,372	(107,733)
Adjustment to legal maximum budget	-	(822,061)	-	822,061
Adjustment for other reimbursed expenses	-	714,328	-	(714,328)
Total expenditures and transfers subject to budget	57,593,105	57,485,372	57,485,372	-
Revenues over (under) expenditures and encumbrances	-	-	-	-
Unencumbered cash, beginning of year	-	-	-	-
Unencumbered cash, end of year	$ -	$ -	$ -	$ -

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ -
Separately budgeted general fund subfunds:	
Supplemental General, including $748,063 of encumbrances	875,810
Professional Development, including $779 of encumbrances	301,763
Summer School	99,145
Non-budgeted general fund subfunds:	
Contingency Reserve	4,239,917
Latchkey Program	439,286
Payroll deductions	2,256,872
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	1,119,965
GAAP fund balance, end of year	$ 9,332,758

The accompanying notes are an integral part of the financial statements.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Special Education Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Federal aid	$ 2,350,000	$ 2,350,000	$ 2,889,046	$ 539,046
Charges for services	-	-	12,019	12,019
Miscellaneous	17,000	17,000	176,813	159,813
Transfers in	12,782,676	12,782,676	11,976,425	(806,251)
Total revenues	15,149,676	15,149,676	15,054,303	(95,373)
Expenditures and encumbrances:				
Instruction	11,586,378	11,586,378	11,047,179	(539,199)
Student support services	3,482,000	3,482,000	3,149,883	(332,117)
Instructional support services	36,000	36,000	1,310	(34,690)
Instructional support staff				
General administration	794,300	794,300	570,236	(224,064)
Operation and maintenance	50,000	50,000	-	(50,000)
Student transportation services	955,000	955,000	834,021	(120,979)
Other support services	46,000	46,000	-	(46,000)
Total expenditures and encumbrances	16,949,678	16,949,678	15,602,629	(1,347,049)
Revenues over (under) expenditures and encumbrances	(1,800,002)	(1,800,002)	(548,326)	1,251,676
Unencumbered cash, beginning of year	1,800,002	1,800,002	1,785,987	(14,015)
Unencumbered cash, end of year	$ -	$ -	$ 1,237,661	$ 1,237,661

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 1,237,661
Encumbrances	76,415
GAAP fund balance, end of year	$ 1,314,076

The accompanying notes are an integral part of the financial statements.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Statement of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Budgetary Basis
At Risk K-12 Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Transfers in	$ 10,344,118	$ 10,344,118	$ 10,302,529	$ (41,589)
Total revenues	10,344,118	10,344,118	10,302,529	(41,589)
Expenditures and encumbrances:				
Instruction	9,204,503	9,204,503	7,392,853	(1,811,650)
Student support services	647,000	647,000	966,433	319,433
Instructional support services	928,000	928,000	1,452,209	524,209
School administration	-	-	85,422	85,422
Student transportation services	-	-	9,063	9,063
Total expenditures and encumbrances	10,779,503	10,779,503	9,905,980	(873,523)
Revenues over (under) expenditures and encumbrances	(435,385)	(435,385)	396,549	831,934
Unencumbered cash, beginning of year	435,385	435,385	435,386	1
Unencumbered cash, end of year	$ -	$ -	$ 831,935	$ 831,935

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 831,935
Encumbrances	622,241
GAAP fund balance, end of year	$ 1,454,176

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Notes to the Financial Statements

June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Derby Unified School District No. 260 (the District) is a Kansas school district governed by an elected seven-member board. As required by generally accepted accounting principles in the United States of America (GAAP), these financial statements present Derby Unified School District No. 260 (the primary government) and its component unit. The component unit discussed in the following paragraphs is included in the District's reporting entity because the primary government is considered financially accountable for it.

The component unit column in the government-wide financial statements (see note below for description) includes the financial data of the District's component unit. It is reported in a separate column to emphasize that it is legally separate from the District and to differentiate its financial position and results of operations from that of the primary government. The District's component unit is accounted for using the same principles as the governmental fund types of the District.

The Derby Recreation Commission was established pursuant to Kansas Statutes to operate a system of public recreation in Derby, Kansas. The District appoints two of the five members of the Board of Commissioners of the Derby Recreation Commission. The Derby Recreation Commission taxes are levied under the taxing authority of the District. These taxes are accounted for in the Recreation and Recreation - Employee Benefits funds of the District. The Derby Recreation Commission may not acquire real property or issue debt without the approval of the District. Any lease entered into by the Derby Recreation Commission may be subject to approval of the District. The Derby Recreation Commission is included in the financial statements of the District as a discretely presented component unit. Complete financial statements for the Derby Recreation Commission may be obtained at the Derby Recreation Commission, 801 East Market, Derby, Kansas 67037.

Basis of presentation

The financial statements of the District have been prepared in conformity with accounting principals generally accepted in the United States of America as applied to governmental units. The *Governmental Accounting Standards Board* (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The more significant accounting policies of the District are described here-in.

The District's basic financial statements include both government-wide, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide financial statements

The statement of net position and the statement of activities display information about the District as a whole. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include (1) charges paid by the recipient for goods or services or privileges provided by a given function or activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund financial statements

During the year, the District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at a more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is reported in a separate column. Nonmajor funds are aggregated and presented in a single column in the fund financial statements. Expenditures in the financial statements are grouped by function. The following are descriptions of the District's functions:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Instruction - activities dealing directly with the interaction between teachers and students, and contracted instructional services.

Student support services - Activities designed to assess and improve the well-being of students and to supplement the teaching process.

Instructional support services - Activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.

General administration - Activities concerned with establishing and administering policy for operating the school

School administration - Activities concerned with overall administrative responsibility for a school.

Central support services - Activities concerned with supporting other administrative and instructional functions including fiscal services, human resources, planning, and administrative information technology.

Operations and maintenance - Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the groups, buildings, and equipment in effective working condition.

Student transportation services - Activities concerned with conveying students to and from school, as provided by state and federal law.

Other support services - All other support services not classified elsewhere.

Food services operations - Activities concerned with providing food to students and staff in the school district.

Community service operations - Activities concerned with providing community services to students, staff, or other community participants.

Appropriations - These are funds appropriated, collected and remitted to the Derby Recreation Commission.

Architectural and engineering services - The activities of architects and engineers related to acquiring and improving sites and buildings for those preliminary activities that may or may not result in additions to the school district's

Facilities acquisition and construction - Activities concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, initially installing or extending service systems and other built-in equipment, and improving sites.

Debt service - Activities relating to servicing the long-term debt of the school district, including payments of both principal and interest.

The District's fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (other local governments, individuals, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

Measurement focus and basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. All assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources associated with the operation of the District are included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Measurement focus and basis of accounting (cont.)

Property taxes, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The District reports the following major governmental funds:

General Fund - the General Fund is the District's primary operating fund.

Special Education Fund - used to account for programs which deliver educational services to special needs students. Major resources include federal and state aid are restricted for this purpose.

At Risk K-12 Fund - used to account for moneys allocated specifically for programs developed for kindergarten through 12th grade pupils who have been identified as at risk pupils.

Debt Service Fund - used to account for the payment of principal and interest on the District's general obligation bonds.

Capital Outlay Fund - used to account for tax revenues and other sources which are primarily utilized for the acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing and equipping of District buildings.

2018 Bond Project Fund - used to account for the proceeds and redemption of the general obligation bonds issued April 21, 2018 in the principal amount of $2,000,000; $107,775,000 issued May 21, 2018; and $6,150,000 issued May 1, 2019 that were approved by the voters in the District on February 20, 2018. The proceeds of the bonds are being used to (a) construct, equip and furnish additions to and make renovations and other improvements, including storm shelters, to existing District facilities: Tanglewood Elementary, Derby Hills Elementary, Park Hill Elementary, Swaney Elementary, El Paso Elementary, Wineteer Elementary, Derby Middle School and Derby High School for enhanced safety and security, improved teaching and learning environments, educational and building operating efficiencies, and ADA and other code compliance; (b) construct, equip and furnish a new 3-section Elementary School within the District; (c) construct, equip and furnish a new District facility for Education Support Services/Special Services/Administration and Storm Shelter to be located at the Tanglewood Elementary site; (d) demolish portions and construct, equip, and furnish replacement additions to the existing Oaklawn Elementary and Cooper Elementary Schools within the District; (e) remodel and make needed improvements to the District Maintenance and Transportation Buildings; (f) make needed improvements to District Athletic facilities; (g) make all other necessary improvements appurtenant thereto; and (h) pay the costs of issuance and interest on the general obligation bonds of the District issued to finance the project during the construction thereof.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Cash, cash equivalents and investments

Cash resources of the individual funds (except for the proceeds of general obligation bonds, which are separately invested) are combined to form a pool of cash and temporary investments that are managed by the District Treasurer. Investments of the pooled accounts consist primarily of certificates of deposits. Interest income earned is allocated to various funds based upon statutory requirements detailed in K.S.A. 72-5166.

For purposes of the statement of cash flows, the District considers all investments by fund in the District's cash and investment pool to be cash equivalents.

K.S.A. 12-1675 authorizes the District to invest moneys not regulated by other statutes in: savings deposits, time deposits, certificates of deposit with maturities not more than two years, repurchase agreements consisting of obligations insured by the U.S. government or any agency thereof, direct obligations of or obligations that are insured by the United States or any agency thereof, and the Kansas Municipal Investment Pool.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Cash, cash equivalents and investments (cont.)

District investments are measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District uses the fair value hierarchy established by Generally Accepted Accounting Principles which require an entity to maximize the use of observable inputs when measuring fair value.

Investments of proceeds of long-term debt are governed by specific statutes and authorize the District to invest in direct obligations of the U.S. government or any other agency thereof, money market funds comprised entirely of obligations of the U.S. Treasury and agencies thereof, obligations of any municipality of Kansas, or investment agreements with a financial institution rated in the three highest rating categories by Moody's or Standard and Poor's.

Inventories

Inventories are considered to be immaterial and are not recorded.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term interfund loans are classified as "due to/from other funds." All short-term interfund receivables and payables at year-end will be eliminated in the subsequent year. As a general rule the effect of all other interfund activity has been eliminated from the government-wide financial statements.

Capital assets

Capital assets, which include property, plant, equipment, infrastructure assets, and construction in progress are reported in the applicable governmental activities column in the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of $5,000 or more, and a useful life of more than one year. Capital assets are valued at historical cost, or estimated historical cost (if actual historical cost is not available.) Donated capital assets are valued at their acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are completed and placed into operation.

Depreciation is computed using the straight line method over the following estimated useful lives:

Asset	Life/Years
Buildings	30
Improvements	15
Machinery and equipment	3 - 15

Assets acquired with funds received through federal grants, must be used in accordance with the terms of the grant. Federal regulations require, in some instances, the District to reimburse the federal government for any assets that the District retains for its own use after the termination of the grant unless otherwise provided for by the grantor.

Compensated absences

The District provides compensated absence benefits for the following:

Vacation - All permanent full-time and part-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts. Vacation benefits accrue as payable at a rate from .42 days to 1.83 days per month depending on length of continuous full-time employment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Paid Time Off - Paid time off days accumulate as payable at a rate of 1.33 days per month to a maximum of 180 days. Paid time off accumulated beyond 180 days is payable annually at three-fourths the daily rate. Accumulated paid time off under 180 days is payable upon separation in good standing from the District.

Sick Leave Bank - The District has three sick leave banks. There is a separate bank for Administrators, Certified and Classified. Each are independent of each other and have their own committee that governs them. Employees are required to donate time in order to be eligible

The compensated absences liability is reported on the government-wide financial statements. The liability is based on current salary costs and the vested portion of accumulated benefits. Paid Time Off esitmate includes leave more likely than not to be used and remaining estimated amounts to be paid out.

Early Retirement - The District maintains a policy of paying early retirement salary to certain former employees, who qualify, for a period not to exceed ten years subsequent to their early retirement date. Early retirement is defined under the program as retirement in or after the school year in which the employee reaches the age of 55, but before the school year the employee reaches the age of 67. To qualify for early retirement, employees have to be at least 55 years of age within the next school year and have a minimum of ten years employment with the District and the Kansas Public Employer's Retirement System (KPERS). Retirement pay is computed based on predetermined factors applied to the employees highest salary of their last four years of employment and is paid on a monthly basis. The computations do not include life expectancy or any other actuarial factors. All early retirement benefits terminate upon the death of the participant. The early retirement obligations were liquidated from the District's Supplemental General Fund during the fiscal year ended June 30, 2025 and the cost of the termination benefits for the year ended June 30, 2025 was $1,038,827. At June 30, 2025, there were 222 former employees receiving early retirement benefit payments. The discount rate applied in the determination of the early retirement benefit liability at June 30, 2025 was 2.756%.

Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

The net pension liability is calculated as the difference between the actuarially calculated value of the projected benefit payments attributed to past periods of employee service and the plan's net fiduciary position. The total pension expense is comprised of the service cost or actuarial present value of projected benefit payments attributed to the valuation year, interest on the total pension liability, plan administrative expense, current year benefit changes, and other changes in plan fiduciary net positon less employee contributions and projected earnings on plan investments. Additionally, the total pension expense includes the annual recognition of outflows and inflows of resources due to pension assets and liability.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Kansas Public Employees Retirement System (KPERS) and additions to/deductions from KPERS' fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and is not recognized as an outflow of resources (expense/expenditure) until the future period. The District reports amounts related to pensions, OPEB liabilities and unamortized bond refunding costs on the government-wide statement of net position as a deferred outflow of resources. A deferred charge in refunding results from the difference in the carrying value of refunded debt versus reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. See Notes 8, 9, and 10 for more information on the deferred outflows for pensions and OPEB.

In addition to liabilities, the statement of net position and balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and is not recognized as an inflow of resources (revenue) until that time. The District reports amounts related to pensions, OPEB liabilities and property taxes receivable on the government-wide statement of net position and unavailable revenues on the governmental funds balance sheet as deferred inflows of resources. See Notes 8, 9, and 10 for more information on the deferred inflows for pensions and OPEB.

Net Position

In the government-wide financial statements, net position is classified into three components:

- Net investment in capital assets - consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowing that are attributable to the acquisition, construction or improvement of those assets.

- Restricted net position - consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District first utilizes restricted resources to finance qualifying activities.

- Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Fund Balance

Governmental fund balance classifications are based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be expended. In the governmental funds financial statements, fund balance is classified into potentially five components:

- *Nonspendable* - assets that are not in spendable form (such as inventory). The District does not have any nonspendable fund balances as of June 30, 2025.

- *Restricted fund balances* - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

- *Committed fund balances* - includes amounts that can only be used for specific purposes pursuant to constraints approved by formal action of the government's highest level of decision- making authority (the Board of Education). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The Board of Education can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Fund Balance (cont.)

- *Assigned fund balances* - the assigned portion of fund balance is comprised of amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the governing body itself, or (b) a body (such as a budget or finance committee) or official (Superintendent) to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The Board of Education has by resolution authorized the Director of Budget and Finance/Treasurer to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating a fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. An additional action does not normally have to be taken for the removal of an assignment.

- *Unassigned fund balances* - is the residual classification for the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

2. BUDGETARY PRINCIPLES

Applicable Kansas statutes require that budgets be legally adopted for all governmental fund types on a 12-month basis, unless exempted by a specific statute. Specific funds exempted from legally adopted budgetary requirements include: Contingency Reserve, Latchkey Program, Payroll Deductions, Sales Tax Payable, Textbook Revolving, Mental Health Liason Grant, Athletic and Activity, KDHE Covid Testing Grant, ESSER II CARES, ESSER III SPED, ESSER III CARES, Stemkamp, Americorps, Kansas Beef Council Grant, ARP HYC II, Special Grants, Title II A, Title I, English Language Learners Title III, MV Homeless Grant, Alcohol and Drug Prevention Grant - City of Derby, Derby Education Foundation/Boeing/Derby Community Foundation Grants, Preschool Block Grant - The Opportunity Project, Military Academic/Support Program Grant, Title IV, Student Activity, and District Activity funds. In addition, the 2018 Bond Project fund is not subject to an annual budget.

The Capital Outlay Fund, included as a capital project fund type, is a budgeted fund and its appropriations lapse at the end of the year.

State 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.

3. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.

4. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The municipality did hold a revenue neutral rate hearing this year.

All budgets are prepared utilizing the statutory basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances (that is, commitments, such as purchase orders and contracts). Encumbrances are reported as expenditures in the current year's budgetary presentation and as committed fund balances in the governmental fund financial statements. Accordingly, the actual expenditure data presented in the budgetary comparison statements differ from the data presented in the governmental fund financial statements prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

2. BUDGETARY PRINCIPLES (CONT.)

Kansas statutes permit transferring budgeted amounts from one object or purpose to another within the same fund; however, such statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. All unencumbered appropriations lapse at the end of the year. Management may amend the amount of a specific object or purpose appropriation without obtaining authorization from the Board of Education provided the amendments or transfers do not create a total budgeted expenditure amount for a specific fund in excess of that amount adopted by the Board of Education. The statutes allow for the Board of Education to increase the originally adopted budget for previously unbudgeted increases in revenue, other than ad valorem property taxes. This process requires a notice of public hearing to amend the budget to be published in the local newspaper. At least ten days after publication the hearing may be held and the Board of Education may amend the budget at that time. There were no individual fund budgets amended during the year ended June 30, 2025.

The General Fund and Supplemental General Fund amended budgets represent the legal maximum budgets for each fund as determined by the Kansas Department of Education.

In preparing a 12-month budget, the remaining taxes from the levy of the preceding calendar year are recognized as assets. All revenues and expenditures are estimated on a 12-month basis. The tax levy required to finance the budget is on a calendar year basis.

State Statues provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. The County Clerk Notifies the taxing entity of their revenue-neutral rate by June 15.
2. The taxing entity decides if they are going to exceed the revenue-neutral rate for the following budget year.
3. The taxing entity notifies the county clerk of their decision by July 20.
4. If the taxing entity exceeds the revenue-neutral rate the county clerk will notify all taxpayers in the taxing jurisdiction how much their taxes will increase.
5. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget 10 days before the hearing.
6. Public hearing between August 20 and September 20, with at least ten days' notice.
7. Adoption of the final budget on or before September 20 with submission to the county clerk.

If the taxing entity does not exceed the revenue-neutral rate after notifying the county clerk on July 20:

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

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash Equivalents - Investment Type	Carrying Amount/Fair Value	Cost	Weighted Average Months to Maturity	Rating	Fair Value Hierarchy
U.S. Government agency securities and mortgage-backed securities (overnight sweep account investments)	$ 36,150	$ 36,150	-	S&P AA+	Level 2
Total	$ 36,150	$ 36,150			

3. CASH, CASH EQUIVALENTS AND INVESTMENTS (CONT.)

Kansas Statutes Annotated (K.S.A.) 9-1401 establishes the depositories that may be used by governmental entities in Kansas. The statutes 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 bank 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 Federal Depository Insurance Corporation (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 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 ad 9-1405. The investments held by the District are related to the bond project and are authorized by the authorizing bond resolution. These investments are not subject to collateralization. The District's allocation of cash and investments as of June 30, 2025, is as follows:

Investment	Percentage of Investments
U.S. Government Treasury and Agency Securities and mortgage backed securities	100%

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District's deposits may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. The District's policy follows applicable State Statutes and requires deposits to be 100% secured by collateral (pledge securities) valued at market, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. State Statutes define the allowable pledge securities.

At year-end, the carrying amount of the District's deposits was $41,548,944 with the bank balances of such accounts being $40,123,783. Of the bank balances, $500,000 was covered by federal depository insurance and the remaining balance of $39,623,783 was covered by collateral held by the District's custodial banks in joint custody in the name of the District and its banks. The fair value of those pledged securities held by the District's custodial investment agencies was $40,492,475 at June 30, 2025.

Custodial Credit Risk - Investments

For an investment, there is the risk that, in the event of failure of the issuer or counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

A reconciliation of cash, cash equivalents and investments as reported in the financial statements at June 30, 2025, is as follows:

Cash and cash equivalents:	
Deposits in financial bank institutions	$ 41,548,944
Certificates of deposits	-
U.S. Treasury and Government agency securities and mortgage backed securities	36,150
Total cash and cash equivalents	$ 41,585,094
A reconciliation of this cash to the basic financial statements is as follows:	
Cash and cash equivalents per the Statement of Net Position	$ 41,585,094
Cash and cash equivalents per the Statement of Fiduciary Net Position	-
Total shown on basic financial statements	$ 41,585,094

4. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Governmental Activities:				
Non-depreciable capital assets:				
Land	$ 7,370,301	$ 8,138	$ 305,168	$ 7,073,271
Construction work in progress	1,212,743	-	1,176,592	36,151
Total non-depreciable capital assets	8,583,044	8,138	1,481,760	7,109,422
Depreciable capital assets:				
Buildings	224,859,338	2,233,948	1,115,444	225,977,842
Improvements other than buildings	7,168,421	1,076,287	438,931	7,805,777
Furniture and equipment	28,782,239	2,851,423	575,439	31,058,223
Total depreciable capital assets	260,809,998	6,161,658	2,129,814	264,841,842
Accumulated depreciation:				
Buildings	70,508,706	6,113,004	574,932	76,046,778
Improvements other than buildings	4,579,483	627,551	175,216	5,031,818
Furniture and equipment	10,274,907	1,999,236	575,439	11,698,704
Total accumulated depreciation	85,363,096	8,739,791	1,325,587	92,777,300
Total depreciable capital assets (net)	175,446,902	(2,578,133)	804,227	172,064,542
Governmental activities capital assets (net)	$ 184,029,946	$ (2,569,995)	$ 2,285,987	$ 179,173,964

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
Instruction	$ 7,399,530
Student support services	2,312
Instructional support services	5,092
General administration	1,770
School administration	219
Operation/maintenance of plant	3,406
Central support services	771,530
Student transportation services	508,087
Other support services	1,113
Food service operations	46,732
Total governmental activities depreciation and amortization expense	$ 8,739,791

The cost and accumulated amortization included in tables above of computer and technology equipment under financing purchase leases at June 30, 2025 is $0 and 0, respectively.

5. LONG-TERM DEBT

The following is a summary of changes in long-term debt transactions of the District for the year ended June 30, 2025:

	Outstanding July 1, 2024	Additions	Deletions	Outstanding June 30, 2025	Due Within One Year
General obligation bonds	$ 159,610,000	$ -	$ 5,415,000	$ 154,195,000	$ 5,785,000
Financing purchase leases	1,705,052	-	873,879	831,173	316,509
Early Retirement	5,566,113	199,226	1,173,377	4,591,962	1,093,862
Compensated absences (see note)	4,818,290	-	711,869	4,106,421	2,801,421
Net premium on issuance of general obligation bonds	3,618,177	-	599,309	3,018,868	551,293
Total other postemployment benefits obligation - healthcare	2,504,394	215,479	320,608	2,399,265	182,000
Total other postemployment benefits obligation - KPERS	827,371	142,414	170,251	799,534	614,265
Net pension liability	65,933,342	-	3,686,527	62,246,815	7,088,620
Total long-term liabilities - Governmental activites	$ 244,582,739	$ 557,119	$ 12,950,820	$ 232,189,038	$ 18,432,970

The compensated absences are reported as a net decrease. In addition, the beginning balance has been restated to reflect a change in accounting principle of $4,040,207 due to the implementation of GASB 101.

The compensated absences, early retirement, other postemployment benefits, and the net pension liability are generally liquidated by the General Fund. The general obligation bonds and related premiums are liquidated through the Debt Service Fund. The financing purchase leases are generally liquidated by the General Fund or Capital Outlay Fund.

General obligation bonds

General obligation bonds payable are serial bonds to be retired through the fiscal year ended June 30, 2044. Debt service on the general obligation bonds is recorded in the Debt Service Fund of the District. At June 30, 2025 the bonds consist of the following.

	Interest rates	Bonds outstanding
General Obligation Bonds, Series 2014 issued June 1, 2014	2.00% - 3.00%	$ 1,305,000
General Obligation Refunding Bonds, Series 2016, issued March 30, 2016	2.00% - 5.00%	25,340,000
General Obligation Refunding and School Building Bonds, Series 2018-B, issued May 21, 2018	3.00% - 5.00%	65,290,000
General Obligation Refunding and School Improvement Bonds, Series 2019, issued May 1, 2019	2.25% - 3.00%	4,975,000
General Obligation Refunding Bonds, Series 2020-A, issued August 5, 2020	1.63%	9,630,000
General Obligation Refunding Bonds, Series 2020-B, issued November 2, 2020	0.39% - 3.00%	47,655,000
Total general obligation bonds outstanding		$ 154,195,000

On July 1, 2012, the District issued $61,750,000 of 2.0% to 5.0% General Obligation Refunding and School Improvement Bonds, Series 2012. $1,595,000 principal amount of the Series 2012 bonds were issued to pay $1,600,000 of principal due under the District's 2004 bonds due October 1, 2012. The remaining principal amount of $60,155,000 was issued to provide permanent financing to (a) construct, equipment an furnish a new grade 6-8 middle school; (b) construct, equipment and furnish an addition to the existing middle school and make renovations and improvements to the existing facility; (c) construct, equip and furnish a new Central Kitchen facility; (d) replace roofing on existing District buildings; (e) construct improvements to certain District elementary schools to provide enhanced safety and security, improve support spaces, provide larger and more functional classrooms, and provide storm shelter areas; (f) construct, equip and furnish additions to the existing high school building to provide additional and improved space for music/orchestra education, improve locker room facilities, expand the existing lobby area, and expand and remodel food service areas; (g) demolish both the existing 6th Grade Center building and the existing Central Kitchen facility; and (h) make all other necessary improvements appurtenant thereto. The Series 2012 bonds maturing on October 1, 2023, and thereafter, are subject to redemption and payment prior to their stated maturity on October 1, 2022, and thereafter, as a whole or in part at any time at the redemption price of 100% of the principal amount plus accrued interest to the redemption date.

5. LONG-TERM DEBT (CONT.)

General Obligation Bonds (cont.)

On June 1, 2014, the District issued $3,300,000 of 2.0% to 3.0% General Obligation Bonds, Series 2014 to provide for the remaining costs related to the school improvements noted in the preceding paragraph. The Series 2014 bonds maturing on October 1, 2024, and thereafter, are subject to redemption and payment prior to maturity on October 1, 2023 and thereafter, as a whole or in part at any time at the redemption price of 100% of the principal amount plus accrued interest to the redemption date.

On March 30, 2016, the District issued $29,430,000 of 2.0% to 5.0% General Obligation Refunding Bonds, Series 2016 to refund $28,570,000 of Series 2012 Bonds maturing October I, 2014 through October 1, 2031 which will be called for early redemption on October 1, 2022. The Series 2016 bonds received a rating of "Aa3" from Moody's Investors Service.

On May 21, 2018, the District issued $107,775,000 of 3.00% to 5.00% of General Obligation Refunding and School Building Bonds, Series 2018-B to provide funding for school building improvements authorized in the public vote on February 20, 2018. The total bonds authorized by the vote were to not exceed $114,020,000. The Series 2018-B serial bonds maturing on October 1, 2027, and thereafter, are subject to redemption and payment prior to maturity on October 1, 2026 and thereafter, as a whole or in part at any time at the redemption price of 100% of the principal amount plus accrued interest to the redemption date. The term bonds with a stated maturity of October 1, 2043 in the principal amount of $20,380,000 shall be subject to mandatory redemption and payment prior to their stated maturity date at a redemption price of 100% of the principal amount plus accrued interest to the redemption date. The mandatory redemption dates are October 1, 2042 in the principal amount of $9,900,000 and October 1, 2043 in the principal amount of $10,480,000. The Series 2018-B bonds

On May 1, 2019, the District issued $6,150,000 of 2.25% to 3.00% of General Obligation Refunding and School Building Bonds, Series 2019 to provide funding for school building improvements in addition to the total authorized bond total approved on February 20, 2018. The total bonds authorized by the vote were to not exceed $114,020,000. The Series 2019 serial bonds maturing on October 1, 2039, and thereafter, are subject to redemption and payment prior to maturity on October 1, 2039 and thereafter, as a whole or in part at any time at the redemption price of 100% of the principal amount plus accrued interest to the redemption date. The Series 2019 bonds received a rating of "Aa3" from Moody's Investors Service.

On September 14, 2020, the District issued $13,535,000 of .1630% of General Obligation Refunding and School Building Bonds, Series 2020-A to provide funding for school building improvements in addition to the total authorized bond total approved on February 20, 2018. The total bonds authorized by the vote were to not exceed $114,020,000. The Series 2020-A serial bonds maturing on October 1, 2032, and thereafter, are subject to redemption and payment prior to maturity on October 1, 2032 and thereafter, as a whole or in part at any time at the redemption price of 100% of the principal amount plus accrued interest to the redemption date. The Series 2020-B bonds received a rating of "Aa3" from Moody's Investors Service.

On September 14, 2020, the District issued $49,555,000 of .391% to 3.002% of General Obligation Refunding and School Building Bonds, Series 2020-B to provide funding for school building improvements in addition to the total authorized bond total approved on February 20, 2018. The total bonds authorized by the vote were to not exceed $114,020,000. The Series 2020-B serial bonds maturing on October 1, 2043, and thereafter, are subject to redemption and payment prior to maturity on October 1, 2043 and thereafter, as a whole or in part at any time at the redemption price of 100% of the principal amount plus accrued interest to the redemption date. The Series 2020-B bonds received a rating of "Aa3" from Moody's Investors Service.

Annual debt service requirements for the general obligation bonds are as follows:

Year ended June 30:	Principal	Interest	Total
2026	$ 5,785,000	5,218,248	$ 11,003,248
2027	6,190,000	4,975,693	11,165,693
2028	6,625,000	4,775,985	11,400,985
2029	6,915,000	4,572,602	11,487,602
2030	7,270,000	4,286,489	11,556,489
2031-2035	38,500,000	17,252,693	55,752,693
2036-2040	42,955,000	10,099,573	53,054,573
2041-2045	39,955,000	2,445,065	42,400,065
Total	$ 154,195,000	$ 53,626,348	$ 207,821,348

5. LONG-TERM DEBT (CONT.)

General obligation bonds (cont.)

The District's limitation on bond issues is established by Kansas Statute 72-6761 which states that the aggregate amount of bonds which the District can issue without authority from the State Board of Education is 14% of the assessed valuation. The State Board of Education authorized the District to exceed its statutory limit in November 2017 for the 2018 General Obligation Bond Issue.

14% of assessed valuation	$ 85,349,232
General obligation debt applicable to limitation	(154,195,000)
Less debt service fund	12,003,736
Debt in excess of limitation	$ (56,842,032)

Financed purchase lease obligations

The District has entered into various lease agreements for financing the acquisition of equipment. These lease agreements qualify as financing purchase leases for accounting purposes and, therefore, have been reported at the present value of their future minimum lease payments as of the inception date. The equipment purchased under financing purchase leases totals $8,129,166 and are included in the capital assets of the District according to the District's capital asset policy. The amortization of this equipment has been included in the District's depreciation expense. Obligations of the District's governmental activities under financing purchase leases at June 30, 2025, are as follows:

Year ending June 30,	Principal	Interest	Total
2026	$ 316,509	$ 17,771	$ 334,280
2027	325,096	9,183	334,279
2028	189,568	13,250	202,818
	$ 831,173	$ 40,204	$ 871,377

Compensated absences

Compensated absences are to be paid from various funds in the same proportion that those funds pay payroll costs. The District's projected liability for compensated absences at June 30, 2025 is $4,106,421, which will primarily be liquidated from the General Fund. Vacation is only carried for a maximum of one year and then is lost. Paid time off esitmate includes leave more likely than not to be used and remaining estimated amounts to be paid out.

6. INTERFUND RECEIVABLES/PAYABLES

Individual fund receivable/payable balances at June 30, 2025 are as follows:

	Due To (Receivable)	Due From (Payable)
Major Funds		
General	$ 643	$ 643
Special Education	-	318,049
Non-major funds		
Americorp Grant	46,602	-
ARP HYC II	1,264	-
MV Homeless Grant	355	-
Preschool Block Grant	20,334	-
Military Academic/Support Program Grant	249,494	-
Total all funds	$ 318,692	$ 318,692

The interfund receivable/payable balances are the result of commitments in the various funds prior to year-end that are to be funded by federal aid that was due to be paid to the District during the month of June 2025. However, the District did not receive the aid payments until July 2025.

7. INTERFUND TRANSFERS

With the implementation of Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the majority of transfers made under the statutory basis of accounting are now classified as state aid. GASB Statement No. 54 provides that "specific restricted or committed revenues may be initially received in another fund and subsequently distributed to a special revenue fund. Those amounts should not be recognized as revenue in the fund initially receiving them; however, those inflows should be recognized as revenue in the special revenue fund in which they will be expended in accordance with specified purposes." State aid is initially received in the General and Supplemental General Funds and various state statutes require the District to make transfers of this state aid to other special revenue funds.

A summary of interfund transfers by individual fund reported as state aid in the governmental funds financial statements but as transfers in the respective budgetary financial statements and schedules are as follows:

	Statutory authority	Transfers In	Transfers Out
Major Funds:			
General	72-6428	$ -	$ 18,893,856
Supplemental General	72-6433	-	6,480,991
At Risk (K-12)	72-6428	10,302,529	-
Special Education	72-6428	11,976,425	-
Nonmajor Funds:			
Parent Education Program	72-6428	169,414	-
Virtual Education	72-6428	293,793	-
Food Service	72-6428	394,344	-
Summer School	72-6428	-	
Bilingual Education	72-6428	1,147,004	-
Four Year Old At Risk	72-6428	194,168	-
Vocational	72-6428	897,170	-
		$ 25,374,847	$ 25,374,847

8. PENSION PLAN

Plan Description

The Kansas Public Employees Retirement System (KPERS, or the System) is a body corporate and an instrumentality of the State of Kansas. KPERS is the administrator of a cost-sharing multiple-employer defined benefit pension plan (Pension Plan) as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, Financial Reporting for Pension Plans. KPERS financial statements are included in its Annual Comprehensive Financial Report which can be found on the System's website at www.kpers.org.

KPERS provides pension benefits to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public employees, which include:
  - State/School
  - Local
- Police and Fireman
- Judges

Substantially all public employees in Kansas are covered by KPERS. The State of Kansas and Kansas schools are required to participate, while participation by local political subdivisions is optional but irrevocable once elected.

Those employees participating in the pension plan for the District are included in the State/School group.

8. PENSION PLAN (CONT.)

Benefits Provided

Benefits are established by statute and may only be changed by the Legislature. Members with ten or more years of credited service, may retire as early as age 55, with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of credited service equal 85 "points."

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. The monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc postretirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new KPERS 3 cash balance retirement plan for new hires starting January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions

Member contribution rates are established by state law and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined based on the results of an annual actuarial valuation for each of the three statewide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74 4921. All of the retirement groups are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers, which includes the state and the school employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

The actuarially determined employer contribution rates and the statutory contribution rates for school employees are 13.38% and 12.57%, respectively. 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.

Employer Allocations

Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Fireman
- Judges

8. PENSION PLAN (CONT.)

Employer Allocations (cont.)

To facilitate the separate (sub) actuarial valuations, the System maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The allocation percentages for each group as of June 30, 2024, are based on the ratio of each employer's contributions to total employer and nonemployer contributions of the group for the fiscal year ended June 30, 2024. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. The employer allocation percentages have been rounded for presentation purposes. Therefore, use of these percentages to recalculate individual employer amounts presented in the schedules of pension amounts by employer and nonemployer may result in immaterial differences due to rounding.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, from the valuation report dated June 30, 2024, the District reported a liability of $62,246,815 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, which was rolled forward to June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal year ended June 30, 2024. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. As of the June 30, 2024 valuation report, the District's proportion was 0.94782% percent, which was an increase of 0.0045% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense of $10,147,999, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

At June 30, 2024 (valuation report date), the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
District contributions subsequent to the measurement date	$ 7,088,620	$ -
Differences between expected and actual experience	3,952,514	-
Net difference between projected and actual earnings on pension plan investments	555,653	-
Changes in assumptions	4,180,605	1,603,278
Changes in proportion	987,228	809,017
Total	$ 16,764,620	$ 2,412,295

The deferred outflows of resources related to pensions totaling $7,088,620 resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Amount
2025	$ 2,258,810
2026	5,655,759
2027	(127,634)
2028	(523,230)
2029	-
Thereafter	-
	$ 7,263,705

8. PENSION PLAN (CONT.)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

The aggregate deferred inflows and deferred outflows of resources as shown on the statement of net position is as follows:

Deferred outflows of pension contributions subsequent to the measuerement date	$ 7,088,620
Deferred outflows of pension amounts other than contributions as listed above	9,676,000
Deferred inflows of pension amounts as listed above	(2,412,295)
Aggregate deferred inflows and deferred outflows of resources	$ 14,352,325

The District contributes 100% of the contributions to the pension plan, therefore, there is no revenue recognized for the support provided by nonemployer contributing entities.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

- Price Inflation — 2.75 percent
- Salary increase — 3.50 to 15.50
- Investment rate of return — 7.00 percent compounded annually, net of investment expense, and including price inflation.

Mortality rates were based on the PUB 2010 Mortality Tables, with age setbacks and age set forwards based on different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The actuarial assumptions used in the calculation of the total pension liability were based on the results of the most recent actuarial experience study dated January 29, 2024.

There were no changes between the measurement date of December 31, 2023, rolled forward to June 30, 2024, and the District's reporting date of June 30, 2025.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 29, 2024, as provided by KPERS' investment consultant, are summarized in the following table:

Asset class	Long-term target allocation	Long-term expected real rate of return
Non-U.S. Equities	43.00%	8.20%
Core Fixed Income	13.00%	2.20%
Yield Driven	12.00%	5.30%
Infrastructure	3.00%	6.80%
Real Estate	15.00%	5.70%
Alternatives	11.00%	12.00%
Short-term Investments	3.00%	0.30%
Total	100.00%	

8. PENSION PLAN (CONT.)

Actuarial Assumptions (cont.)

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate was based on member and employer contributions as outlined below.

In KPERS, the Local, Kansas Police and Firemen, and Judges groups are contributing at the full actuarial contribution rate. However, the State/School groups do not necessarily do so.

Based on legislation first passed in 1993, the employer contribution rates certified by KPERS Board may not increase by more than the statutory cap. Subsequent legislation in 2012 set the statutory cap at 0.90 percent for Fiscal Year 2014, 1.00 percent for Fiscal Year 2015, 1.10 percent for 2016 and 1.20 percent for Fiscal Years 2017 and beyond.

In recent years, the Legislature has made several changes to statutory rates that deviate from the scheduled contribution increases set under the statutorily capped rates.

In 2015, S.B. 4, reduced the previously certified State/School statutory rate from 11.27 percent to 8.65 percent for the last half of Fiscal Year 2015. That same session, S.B. 228 recertified statutory rates to 10.91 percent for Fiscal Year 2016 and 10.781 percent for Fiscal Year 2017 in anticipation of the issuance of $1.0 billion in pension obligation bonds.

Legislation in the 2016 session (S.B. 161) provided for the delay of up to $100.0 million in State and School contributions to the Retirement System for Fiscal Year 2016. Concurrently, 2016 H. Sub for S.B. 249 provided that the delayed contributions would be paid in full, with interest at 8.00 percent, by June 30, 2018. However, legislation passed by the 2017 Legislature removed the repayment provision. In addition, 2017 S. Sub for H.B. 2052 delayed $64.0 million in Fiscal Year 2017 contributions, to be paid over 20 years in level dollar installments. The first-year payment of $6.4 million was paid in full at the beginning of Fiscal Year 2018, and appropriations for Fiscal Year 2018 were made for the State/School group at the statutory contribution rate of 12.01 percent for that year.

Additional legislation in the 2017 Session (S. Sub for H.B. 2002) provided for a reduction of $194.0 million from the previously certified contribution rate of 13.21 percent in the State/School contributions for Fiscal Year 2019. Like the Fiscal Year 2017 reduction, it is to be paid back over a 20-year period, beginning in Fiscal Year 2020. Therefore, both reductions will be accounted for as receivables by the System.

The 2018 Legislature passed H. Sub for S.B. 109 that provided additional contributions to the school group of $56.0 million in Fiscal Year 2018 and $82.0 million in Fiscal Year 2019.

The 2019 Legislature passed S.B. 9 that provided additional contributions to the school group of $115.0 million in Fiscal Year 20109. H. Sub for S.B. 25 from the 2019 Legislative session authorized additional funding for the KPERS School group in Fiscal Year 2020 of $51.0 million.

The 2021 Legislature passed HB 2405, which authorizes the state of Kansas to issue bonds with net proceeds of $500.0 million to fund a portion of the School's unfunded actuarial liability. SB 159 recertified the State/School contribution rates for Fiscal Years 2022 and 2023. Fiscal Year 2022 was recertified from 14.09 percent to 13.33 percent and Fiscal Year 2023 from 13.86 percent to 13.11 percent. The bond proceeds were received by KPERS on August 26, 2021.

The 2022 Legislature passed SB 421, which authorized the state of Kansas to transfer $1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first $253.9 million pays off the outstanding accounts receivable for KPERS-School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019, discussed previously, while the remaining $871.1 million is applied to the KPERS-School unfunded actuarial liability. In Fiscal Year 2022, $600.0 million was transferred to the System. In Fiscal Year 2023 SB 421 authorized transfers totaling $271.0 million. These transfers are included in the cash flows.

The 2023 Legislature passed HB 2196, which expanded the Deferred Retirement Option Plan (DROP) in KP&F to include all of that System's employers as of April 27, 2023. Under that same Bill, the Kansas Department of Wildlife and Parks (KDWP) became an affiliated KP&F employer making certain law enforcement positions in the Agency eligible for KP&F future service participation as of July 1, 2023. HB 2100 was also passed, defining and establishing limits on environmental, social and governance factors when entering into contracts (including investment contracts) and when making proxy votes on behalf of the System. This latter change was not expected to materially affect the asset allocation. Neither act impacted the valuation results.

8. PENSION PLAN (CONT.)

Discount Rate (cont.)

The 2024 Legislature passed HB 2711 that increased both the lump sum retiree death benefit from $4,000 to $6,000 and employer contribution rates for State/School for FY 2025 and FY 2026 and for Local employers for CY 2025 to fund this benefit improvement. The Bill also increased the employer contribution threshold for the 30% Working After Retirement (WAR) rate from $25,000 to $40,000; and the earnings limit for KP&F retirees from $25,000 to $40,000; while creating an exemption from employer contributions for nurses and direct support workers at Community Development Disability Organizations (CDDOs). Further, the Bill increased the alternative investment cap from 15% to 25% and requires the System to divest all publicly traded securities held in funds by countries of concern. None of the changes from this legislation had any impact on the valuation.

Based on employer contribution history as described above, it is a reasonable estimate that the State/School group's contribution rate may not be certified at the statutory rate. It has been assumed that contribution rates will be made within the same range as have been seen in the past few years. Using this assumption, actuarial modeling indicates that employer contribution rates for the State/School group are sufficient to avoid a depletion date.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

1% Decrease (6.00%)	Discount rate (7.00%)	1% Increase (8.00%)
$91,684,921	$62,246,815	$37,588,504

9. OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (OPEB)

Plan Description

The Plan provides healthcare benefits, including medical and dental, to retirees and their dependents. For GASB 75 purposes, the District is considered to be participating in a single employer plan. Retiree health coverage is provided for under K.S.A. 12-5040. Employees who retire with at least 10 years of cumulative service with the District and commence retirement or disability benefits under the Kansas Public Employee Retirement System (KPERS) are eligible for benefits. District retirees pay the same premiums charged to current employees for medical and dental coverage. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these two amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under Government Accounting Standards Board Statement No. 75. Active and retirees pay 100% of the premium rates for dental insurance coverage so no employer implicit subsidy exists for the dental insurance coverage.

Retirees and spouses have the same benefit as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches the Medicare eligibility age, which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age or dies.

As of January 1, 2025, plan membership consisted of the following:

Covered Employees	-
Retirees and beneficiaries receiving benefits	25
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	501
Total	526

Funding Policy

The contribution requirement of plan members and the District are established and can be amended by the Board of Education. Contributions are made to the plan on a pay-as-you-go basis. District retirees pay 100% of their healthcare premiums; the District is not required to share costs of retiree premiums.

There are no assets accumulated in a GASB compliant trust.

9. OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (OPEB) (CONT.)

Annual OPEB Cost and Total OPEB Obligation

The District's annual OPEB cost (expense) consists of the service cost plus interest on total OPEB liability and changes in assumptions and inputs. The service cost is the portion of the Actuarial Present Value of OPEB benefits that is allocated to the current year by the Actuarial Cost method. The following table presents the components of the District's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District's total OPEB obligation to the Plan.

	June 30, 2025
Total OPEB liability - beginning of year	$ 2,504,394
Service cost	111,940
Interest cost	103,539
Changes in benefit terms	-
Differences between actual and expected experience	(43,137)
Changes in assumptions and inputs	(95,471)
Employer contributions (benefit payments)	(182,000)
Net changes	(105,129)
Total OPEB liability - end of year	$ 2,399,265

The District saw no benefit changes to the disabilitant's percentage of replacement income due to the changes from FY24 to FY25.

Changes in assumptions and other inputs reflect a change in the discount rate from 4.1 percent in 2024 to 4.8 percent in 2025.

Changes from the beginning to the end of year measurement for FY 2024-25 are noted below:

- The discount rate changed from 4.1% to 4.8%.
- The assumed retirement and turnover rates were revised based on the latest available data from KPERS pension valuation data.
- The assumed mortality was revised from PUB 2010-General to PUB 2016-Teachers, as published by the Society of Actuaries. The mortality projection scale remains at MP 2021.
- The projected per capita costs, assumed trends and retiree contribution premiums were updated taking into account the January 1, 2025 renewal. The District changed from offering 4 medical plans to 3 and switched from an Association Plan to its own group coverage. The $3500 PPO deductible plan was eliminated and the deductible for the HDHP was reduced from $5000 to $3500.

Total OPEB Liability

The District's total OPEB liability of $2,399,265 reported as of June 30, 2025, and was determined by an actuarial valuation as of January 1, 2025, using the following actuarial assumptions:

Salary increases	3.00%
Discount rate	4.80%
Healthcare cost trend rates	7.25 percent for 2025, decreasing .25 percent to an ultimate rate of 4.50 percent for 2036 and later years

9. OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (OPEB) (CONT.)

Sensitivity of Total OPEB Liability to changes in Healthcare Cost Trend Rate

The following presents the total OPEB liability of the District as well as what the District's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease	Current Trend Assumption	1% Increase
Total OPEB Liability	$ 2,170,834	$ 2,399,265	$ 2,665,927
Increase / (Decrease) from Baseline	(228,431)		266,662

Sensitivity of Total OPEB Liability of changes in the Discount Rate

The following present the total OPEB liability of the District as of June 30, 2025 as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.8%) or 1 percentage point higher (5.8%) than the current rate (4.8%).

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	$ 2,566,565	$ 2,399,265	$ 2,244,481
Increase / (Decrease) from Baseline	167,300		(154,784)

OPEB Expense

For the year ended June 30, 2025, the District recognized OPEB expense of $194,253, which includes the changes in the total OPEB liability, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Under GASB 75, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total OPEB liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. As of June 30, 2025, and deferred inflows and outflows of resources are as follows:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	$ 333,766	$ 260,828
Changes in assumptions	301,387	541,601
Benefit payments subsequent to the measurement date	-	-
Total	$ 635,153	$ 802,429

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an expense/(income) item in future years' OPEB expense as follows:

Year ended June 30:	Amount
2026	$ (21,226)
2027	(21,226)
2028	(21,226)
2029	(21,226)
2030	(21,223)
Thereafter	(61,149)
	$ (167,276)

9. OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (OPEB) (CONT.)

The aggregate deferred inflows and deferred outflows of resources as shown on the statement of net position is as follows:

Deferred outflows of OPEB amounts for Healthcare plan as listed above	$ 635,153
Deferred inflows of OPEB amounts for Healthcare plan as listed above	(802,429)
Aggregate deferred inflows and deferred outflows of resources	$ (167,276)

10. OTHER POSTEMPLOYMENT BENEFIT PLAN - KPERS DEATH & DISABILITY

Plan Description

The District participates in a multiple-employer defined benefit other postemployment benefit (OPEB) plan (the plan) which is administered by the Kansas Public Employees Retirement System (KPERS). For GASB 75 purposes, the District is considered to be participating in a single employer long-term disability plan. The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-04927. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Benefits

Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60% (prior to January 1, 2006, 66 2/3 percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60% of the member's monthly compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability to retirement benefits, workers, compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before ago 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limits to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexes using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than giving the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

The District has the following employees covered by the Plan as of June 30, 2024:

Retirees and beneficiaries receiving benefits	5
Active plan members	1,146
Total	1,151

10. OTHER POSTEMPLOYMENT BENEFIT PLAN - KPERS DEATH & DISABILITY (CONT.)

Total OPEB Liability

The District's total OPEB liability of $799,534 reported as of June 30, 2025, using the report dated June 30, 2024, was measured as of June 30, 2024 (the measurement date), and was determined by an actuarial valuation as of December 31, 2023, using the participant census as of December 31, 2023.

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all period included measurement, unless otherwise noted:

Inflation	2.75%
Salary increases	3.00%
Discount rate	3.93%

Changes in the total OPEB liability

Total OPEB liability - beginning of year	$ 827,371
Service cost	108,732
Interest cost	33,682
Changes in benefit terms	-
Differences between actual and expected experience	-
Changes in economic/demographic gains or losses	(141,117)
Changes in assumptions and inputs	(2,238)
Employer contributions (benefit payments)	(26,896)
Net changes	(27,837)
Total OPEB liability - end of year	$ 799,534

Changes in assumptions

Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% to 3.93% in accordance with GASB 75.

Generational mortality improvements were projected for future years using Projection Scale MP-2021.

The actuarial assumptions used in the June 30, 2024, valuation were based on an actuarial experience study for the period July 1, 2019 - June 30, 2022.

Sensitivity of Total OPEB Liability to changes in Healthcare Cost Trend Rate.

The following presents the total OPEB liability of the District as of June 30, 2024, calculated using the current healthcare cost trend rates as well as what the District's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Current Trend Assumption	1% Increase
Total OPEB Liability	$ 799,534	$ 799,534	$ 799,534

Sensitivity of Total OPEB Liability to changes in the Discount Rate

The following presents the total OPEB liability of the employer as of June 30, 2024, calculated using the discount rate of 3.93%, as well as what the employer's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.93%) or 1 percentage point higher (4.93%) than the current rate.

	1% Decrease 2.93%	Current Single Discount Rate Assumption 3.93%	1% Increase 4.93%
Total OPEB Liability	$ 827,616	$ 799,534	$ 769,085

10. OTHER POSTEMPLOYMENT BENEFIT PLAN - KPERS DEATH & DISABILITY (CONT.)

OPEB Expense

For the year ended June 30, 2025, the District recognized OPEB expense of $27,837, which includes the changes in the total OPEB liability, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources

Under GASB 75, gains and losses which are amortized over future years are referred to as deferred inflows or gains, and deferred outflows or losses. Economic and demographic gains and losses and changes in the total OPEB liability due to changes in assumptions are recognized over a closed period equal to the average expected remaining service lives of all covered active and inactive members, determined as of the beginning of the measurement period. As of June 30, 2024 actuarial study the deferred inflows and outflows of resources are as follows:

Category	Deferred outflows of resources	Deferred inflows of resources
Differences between actual and expected experience	$ 147,925	$ 418,793
Changes in assumptions	26,964	33,921
Benefit payments subsequent to the measurement date	614,265	-
Total	$ 789,154	$ 452,714

The deferred outflows related to OPEB totaling $614,265 resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the subsequent fiscal year. For FY2021 there was a moratorium so there were no Death and Disability insurance payments required. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as an expense/(income) item in OPEB expense as follows:

Year ended June 30:	Amount
2025	$ (29,713)
2026	(29,146)
2027	(22,677)
2028	(17,450)
2029	(35,621)
Thereafter	(143,218)
	$ (277,825)

The aggregate deferred inflows and deferred outflows of resources as shown on the statement of net position is as follows:

Deferred outflows of OPEB amounts for KPERS plan as listed above	$ 789,154
Deferred inflows of OPEB amounts for KPERS plan as listed above	(452,714)
Aggregate deferred inflows and deferred outflows of resources	$ 336,440

11. FUND BALANCE CLASSIFICATIONS

Fund balance classifications reported on the governmental funds balance sheet at June 30, 2025 were as follows:

	General	Special Education	At Risk K-12	Debt Service	Capital Outlay	2018 Bond Project	Other Governmental Funds	Total Governmental Funds
Fund Balances:								
Restricted for:								
Debt Service	$ -	$ -	$ -	$ 11,962,094	$ -	$ -	$ -	$ 11,962,094
2018 Bond Project	-	-	-	-	-	36,150	-	36,150
Career and Postsecondary Education	-	-	-	-	-	-	53,573	53,573
Virtual Education	-	-	-	-	-	-	146,372	146,372
Driver Training	-	-	-	-	-	-	113,376	113,376
Food Service	-	-	-	-	-	-	17,716	17,716
Special Assessment	-	-	-	-	-	-	869,398	869,398
At Risk K-12	-	-	622,241	-	-	-	-	622,241
Stemkamp	-	-	-	-	-	-	7,899	7,899
Textbook Revolving	-	-	-	-	-	-	2,795,904	2,795,904
Special Grants	-	-	-	-	-	-	113,724	113,724
Kansas Beef Council Grant	-	-	-	-	-	-	57,908	57,908
ARP HYC II	-	-	-	-	-	-	-	-
Title IIA	-	-	-	-	-	-	71,808	71,808
MV Homeless Grant	-	-	-	-	-	-	-	-
Title I	-	-	-	-	-	-	6,539	6,539
Alcohol and Drug Prevention Grant	-	-	-	-	-	-	-	-
Derby Education Foundation/Boeing	-	-	-	-	-	-	10,692	10,692
Military Academic/Support Program Grant	-	-	-	-	-	-	-	-
Title IV	-	-	-	-	-	-	5,293	5,293
Committed:								
Supplemental General	875,810	-	-	-	-	-	-	875,810
Professional Development	301,763	-	-	-	-	-	-	301,763
Summer School	99,145	-	-	-	-	-	-	99,145
Contingency	4,239,917	-	-	-	-	-	-	4,239,917
Special Education	-	1,246,592	-	-	-	-	-	1,246,592
Capital Outlay	-	-	-	-	6,210,571	-	-	6,210,571
At Risk K-12	-	-	831,935	-	-	-		
Bilingual Education	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-
Parent Education Program	-	-	-	-	-	-	17,861	17,861
Athletic and Activity	-	-	-	-	-	-	80,577	80,577
Student Activity	-	-	-	-	-	-	599,162	599,162
District Activity	-	-	-	-	-	-	86,657	86,657
Assigned:								
General	1,119,965	-	-	-	-	-		1,119,965
Latchkey Program	1,221	-	-	-	-	-		1,221
Capital Outlay	-	-	-	-	1,599,546	-		1,599,546
Special Education	-	76,415	-	-	-	-		76,415
Unassigned:								
Latchkey Program	438,065	-	-	-	-	-		438,065
Payroll Deductions	2,256,872	-	-	-	-	-	-	2,256,872
Total Fund Balances	$ 9,332,758	$ 1,323,007	$ 1,454,176	$ 11,962,094	$ 7,810,117	$ 36,150	$ 5,054,459	$ 36,972,761

Stabilization Agreements

Under Kansas statutes, the district is permitted to maintain a Contingency Fund. Under current statutes the ending unencumbered cash balance does not have a maximum limitation. This fund can only be spent if the District's Board passes a resolution. The ending balance for June 30, 2025, in the Contingency Fund was $4,239,917.

12. 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 carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

13. TAX ABATEMENTS

Derby USD No. 260 participates in tax abatement agreements entered into by the City of Derby, Kansas and Sedgwick County, Kansas. Those tax abatement programs include Economic Development Exemptions which Article 11, Section 13 of the Kansas Constitution gives counties and cities the authority to exempt from ad valorem taxation all or any portion of the valuation of buildings, land or other improvements used to facilitate business expansion and new employment creation. Kansas Statutes Annotated 79-213 et. seq. establishes procedures by which the taxable value of personal property being financed by industrial revenue bonds may be wholly or partially exempt.

The tax abatements of the most recently closed year granted by the City of Derby, Kansas and Sedgwick County, Kansas applicable to tax levied by the District were approximately $1,415,321 for the year ended June 30, 2025.

14. ADVANCE REFUNDING

On March 30, 2016, the District entered into an advance refunding transaction whereby it issued $29,430,000 of General Obligation Refunding Bonds, Series 2016, with interest rates from 2.00% to 5.00%, to advance refund $28,570,000 of outstanding General Obligation Refunding and School Improvement Bonds, Series 2012 with an interest rate of 5.00%. Proceeds from the Series 2016 Bonds in the amount of $34,849,862 were placed with the District's escrow agent, to provide for the principal amount and interest to the call date, October 1, 2022, to advance refund the General Obligation Refunding and School Improvement Bonds, Series 2012 maturing on October 1, 2024 to October 1, 2031. Included in the deposit with the escrow agent was $87,000 of Series 2016 bond proceeds to pay for all costs of issuance related to the Series 2016 bonds.

The District entered into the refunding transaction for the General Obligation Refunding Bonds Series 2016 to reduce its total debt service payments over the next 17 years by $1,343,534 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $1,075,160.

On May 21, 2018, the District entered into an advance refunding transaction whereby it issued $107,775,000 of General Obligation Refunding and School Building Bonds, Series 2018-B with interest rates from 3.00% to 5.00%, to advance refund $2,000,000 of outstanding General Obligation Bonds, Series 2018-A with an interest rate of 3.25% maturing on September 1, 2019. Proceeds from the Series 2018-B bonds in the amount of $2,017, 153 were placed with the District's escrow agent to provide for the principal amount and interest to the call date of August 1, 2018 for the Series 2018-A bonds.

The District entered into the refunding transaction for the General Obligation Bonds, Series 2018-A which increased its total debt service payments over the next 5 years by $98,932 however, the District obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of $43,415.

On November 2, 2020, the District entered into an advance refunding transaction whereby it issued $13,535,000 of General Obligation Refunding Bonds, Series 2020-A, with an interest rate of 1.630%, to advance refund $12,265,000 of outstanding General Obligation Refunding and School Improvement Bonds, Series 2012 with an interest rate of 4.00%. Proceeds from the Series 2020-A Bonds in the amount of $13,380,595 were placed with the District's escrow agent, to provide for the principal amount and interest to the call date, October 1, 2022, to advance refund the General Obligation Refunding and School Improvement Bonds, Series 2012 maturing on October 1, 2020 to October 1, 2022. Included in the deposit with the escrow agent was $154,405 of Series 2020-A bond proceeds to pay for all costs of issuance related to the Series 2020-A bonds.

The District entered into the refunding transaction for the General Obligation Refunding Bonds Series 2020-A to reduce its total debt service payments over the next 12 years by $679,700 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $1,711,838.

14. ADVANCE REFUNDING (CONT.)

On November 2, 2020, the District entered into an advance refunding transaction whereby it issued $49,555,000 of General Obligation Refunding Bonds, Series 2020-B, with interest rates of .391% to 2.802%, to advance refund $38,560,000 of outstanding General Obligation Refunding and School Improvement Bonds, Series 2018 with an interest rate of 4.00%. Proceeds from the Series 2020-B Bonds in the amount of $49,010,725 were placed with the District's escrow agent, to provide for the principal amount and interest to the call date, October 1, 2022, to advance refund the General Obligation Refunding and School Improvement Bonds, Series 2018 maturing on April 1, 2021 to October 1, 2026. Included in the deposit with the escrow agent was $544,275 of Series 2020-B bond proceeds to pay for all costs of issuance related to the Series 2020-B bonds.

The District entered into the refunding transaction for the General Obligation Refunding Bonds Series 2020-B to reduce its total debt service payments over the next 22 years by $2,251,921 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $12,046,262.

15. COMMITMENTS AND CONTINGENCIES

Commitments

At June 30, 2025, the District had outstanding commitments related to building and facility improvements, architectural engineering fees and equipment acquisitions in the amount of $6,210,571 from the Capital Outlay Fund.

Grant Programs

The District participates in a number of federal and state assisted grant programs that are subject to financial and compliance audits by the grantor agencies or their designee. Accordingly, the District's compliance with applicable grant requirements and any disallowed costs resulting from such audits, if any, could become a liability of the District. It is management's opinion that any such disallowed costs will not have a material affect on the financial statements of the District at June 30, 2025.

Arbitrage

The District's general obligation bond issues are subject to the arbitrage provisions of Section 148 of the Internal Revenue Code. These provisions include the potential for rebates to the Federal Government of the earnings on the bond proceeds in excess of the yield on the bonds. The amounts of any future rebates due on the bonds have not been determined. The District does not expect that bond proceeds will be used in a manner that would cause any bond to be an "arbitrage bond" within the meaning of Code Section 148 and the regulations.

Continuing Disclosure Requirements

The Securities and Exchange Commission of the United States has adopted Rule l 5c2-12 (the Rule) in order to regulate and improve the market for securities (generally Bonds) issued by state and local governmental bodies (Governmental Issuers). The Rule directly regulates only bond underwriters (the parties that purchase bonds with a view of reselling them), but indirectly requires persons committed to support payment of Bonds (Obligated Persons) to make continuing disclosure. The Rule requires that an underwriter, prior to purchasing or selling Bonds in connection with a covered Bond offering, determine that the Governmental Issuer, has undertaken in writing to provide every nationally recognized municipal securities information repository and to the appropriate State information depository, if any, the following:

- By a specified date; annual financial and operating information for the Governmental Issuer for whom financial information or operating data is presented in the official statement (an Annual Information Filing);
- When and if available, audited financial statements for Obligated Persons (Audits); In a timely manner, notice of the occurrence of one of eleven material events (a Material Event Filing); and
- In a timely manner, notice of a failure of any person required to provide the Annual Information Filing referred to above, on or before the date specified in the continuing disclosure agreement (Notice of Failure).

The specific continuing disclosure obligation required is set forth in the District's "Omnibus Continuing Disclosure Undertaking" as adopted by the District in 2014 and included with its bond issuance documents. Those documents require the District to provide the Annual Information Filing within 180 days after the end of the District's fiscal year.

15. COMMITMENTS AND CONTINGENCIES (CONT.)

During the past five years, the District may not have made timely filings of certain event notices. The District believes this information was disseminated or available through other sources.

16. CHANGE IN ACCOUNTING PRINCIPLE

The District implemented GASB 101, Compensated Absences for the year ended June 30, 2025. The standard requires it to be retroactively applied. As a result of implementation, there was a reduction to net position of $4,040,207.

16. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statements of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Changes in the Total OPEB Liability - Healthcare
For the Year Ended June 30, 2025

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability - Beginning of year	$ 2,504,394	$ 2,411,574	$ 2,490,773	$ 2,158,546	$ 2,014,325	$ 2,299,354	$ 2,331,270	$ 2,242,415	For 2016 to 2017, this data is not yet available.	
Service Cost	111,940	96,699	98,340	129,160	125,306	133,644	130,955	121,922		
Interest Cost	103,539	97,271	97,992	44,376	54,270	71,040	78,844	77,922		
Changes in Benefit Terms	-	-	-	-	-	-	-	18,226		
Differences between actual and expected experience	(43,137)	(312,802)	(105,817)	312,121	151,621	(174,622)	(147,322)	-		
Changes in assumptions and inputs	(95,471)	364,652	(16,714)	(15,647)	(82,364)	(185,091)	51,607	15,785		
Employer contributions	(182,000)	(153,000)	(153,000)	(137,783)	(104,612)	(130,000)	(146,000)	(145,000)		
Net Changes	(105,129)	92,820	(79,199)	332,227	144,221	(285,029)	(31,916)	88,855		
Total OPEB Liability - End of year	$ 2,399,265	$ 2,504,394	$ 2,411,574	$ 2,490,773	$ 2,158,546	$ 2,014,325	$ 2,299,354	$ 2,331,270		

* The District adopted GASB 75 in fiscal year 2017-2018. The information for years 2016-2017 is not available under the measurement requirements of GASB 75.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of the Total OPEB Liability as a Percentage of Covered Employee Payroll - Healthcare
For the Year Ended June 30, 2025

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability	$ 2,399,265	$ 2,504,394	$ 2,411,574	$ 2,490,773	$ 2,158,546	$ 2,014,325	$ 2,299,354	$ 2,331,270	For 2016 to 2017, this data is not yet available.	
Fiduciary net position	-									
Net OPEB liability	$ 2,399,265	$ 2,504,394	$ 2,411,574	$ 2,490,773	$ 2,158,546	$ 2,014,325	$ 2,299,354	$ 2,331,270		
Fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Covered-employee payroll	$24,786,737	$24,786,737	$25,845,959	$25,845,959	$26,466,107	$26,466,107	$22,609,222	$ 22,609,222		
Total OPEB liability as a percentage of covered payroll	9.68%	10.10%	9.33%	9.64%	8.16%	7.61%	10.17%	10.31%		

* The District adopted GASB 75 in fiscal year 2017-2018. The information for years 2016-2017 is not available under the measurement requirements of GASB 75.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Changes in the Total OPEB Liability - KPERS Death and Disability
For the Year Ended June 30, 2025

Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability - Beginning of year	$ 827,371	$ 973,968	$ 1,086,016	$ 912,380	$ 798,515	$ 544,315	$ 629,162	$ 808,100	For 2016 to 2017, this data is not yet available.	
Service Cost	108,732	109,108	109,663	106,087	89,743	82,347	81,892	85,800		
Interest Cost	33,682	36,671	24,958	21,917	30,110	22,613	24,980	21,700		
Changes in Benefit Terms	-	-	-	-	-	-	-	-		
Differences between actual and expected experience	(141,117)	(193,910)	(131,036)	97,646	8,092	221,991	(158,247)	-		
Changes in assumptions and inputs	(2,238)	(3,348)	(34,780)	1,898	42,346	12,752	(6,623)	(17,100)		
Employer contributions	(26,896)	(95,118)	(80,853)	(53,912)	(56,426)	(85,503)	(26,849)	(269,300)		
Net Changes	(27,837)	(146,597)	(112,048)	173,636	113,865	254,200	(84,847)	(178,900)		
Total OPEB Liability - End of year	$ 799,534	$ 827,371	$ 973,968	$ 1,086,016	$ 912,380	$ 798,515	$ 544,315	$ 629,200		

* The District adopted GASB 75 in fiscal year 2017-2018. The information for years 2016-2017 is not available under the measurement requirements of GASB 75.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of the District's Proportionate Share of the Net OPEB Liability - KPERS Death and Disability
For the Year Ended June 30, 2025

Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total OPEB Liability	$ 799,534	$ 827,371	$ 973,968	$ 1,086,016	$ 912,380	$ 798,515	$ 544,315	$ 629,200	For 2016 to 2017, this data is not yet available.	
Fiduciary net position	-		-		-		-			
Net OPEB liability	$ 799,534	$ 827,371	$ 973,968	$ 1,086,016	$ 912,380	$ 798,515	$ 544,315	$ 629,200		
State's Proportionate Share of the Total OPEB Liability	$ 799,534	$ 827,371	$ 973,968	$ 1,086,016	$ 912,380	$ 798,515	$ 544,315	$ 629,200		
District's Proportionate Share of the Total OPEB Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Covered-employee payroll	$51,507,358	$48,744,288	$48,357,000	$45,083,896	$43,599,108	$41,724,163	$39,930,000	$ 38,286,000		
Total OPEB liability as a percentage of covered payroll	1.55%	1.70%	2.01%	2.41%	2.09%	1.91%	1.36%	1.64%		

* The District adopted GASB 75 in fiscal year 2017-2018. The information for years 2016-2017 is not available under the measurement requirements of GASB 75.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of the District's Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2025

Kansas Public Employees Retirement System
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportionate percentage of the net pension liability	0.95231%	0.94782%	0.97320%	0.94691%	0.93907%	0.93792%	0.95320%	0.92877%	0.94955%	0.73513%
District's proportionate share of the net pension liability	$ 62,246,815	$ 65,933,342	$ 69,539,421	$ 53,349,222	$ 70,166,826	$ 60,661,742	$ 62,181,798	$ 62,403,962	$ 63,819,632	$ 50,903,781
District's covered payroll	$ 54,995,339	$ 50,768,903	$ 53,986,199	$ 47,541,979	$ 52,473,464	$ 47,939,804	$ 44,309,901	$ 42,286,638	$ 43,066,520	$ 40,675,151
District's proportionate share of the net pension liability as a percentage of its covered payroll	113.19%	129.87%	128.81%	112.21%	133.72%	126.54%	140.33%	147.57%	148.19%	125.15%
Plan fiduciary net position as a percentage of the total pension liability	74.11%	71.70%	70.02%	74.95%	64.81%	68.05%	66.75%	64.90%	63.27%	61.32%

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of District's Contributions
For the Year Ended June 30, 2025

Kansas Public Employees Retirement System
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 6,798,557	$ 6,745,803	$ 6,816,890	$ 6,679,425	$ 6,692,117	$ 6,038,281	$ 5,458,916	$ 5,321,619	$ 3,558,899	$ 3,720,313
Contributions in relation to the contractually required contribution	(6,798,557)	(6,745,803)	(6,816,890)	(6,679,425)	(6,692,117)	(6,038,281)	(5,458,916)	(5,321,619)	(3,558,899)	(3,720,313)
Contribution deficiency (excess)	$ -	$	$	$	$	$	$	$	$	$
District's covered payroll	$ 57,953,609	$ 54,995,339	$ 50,768,903	$ 53,986,199	$ 47,541,979	$ 52,473,464	$ 47,939,804	$ 44,309,901	$ 39,987,866	$ 37,540,999
Contributions as a percentage of covered payroll	- 11.73%	- 12.27%	- 13.43%	- 12.37%	- 14.08%	- 11.51%	- 11.39%	- 12.01%	- 8.90%	- 9.91%

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Notes to Required Supplementary Information
For the Year Ended June 30, 2025

All Pension and OPEB Plans - There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension and OPEB plans.

Other Post Employment Benefits - Healthcare

Changes in benefit terms:

There are no changes in benefits.

Changes in assumptions:

Changes of assumptions and other inputs reflect a change in the discount rate from 4.1% in 2024 to 4.8% in 2025.

Changes from the beginning to the end of year measurement for FY 2024-25 are noted below:

- The discount rate changed from 4.1% to 4.8%.
- The assumed retirement and turnover rates were revised based on the latest available data from KPERS pension valuation data.
- The assumed mortality was revised from PUB 2010-General to PUB 2016-Teachers, as published by the Society of Actuaries. The mortality projection scale remains at MP 2021.
- The projected per capita costs, assumed trends and retiree contribution premiums were updated taking into account the January 1, 2025 renewal. The District changed from offering 4 medical plans to 3 and switched from an Association Plan to its own group coverage. The $3500 PPO deductible plan was eliminated and the deductible for the HDHP was reduced from $5000 to $3500.

Other Post Employment Benefits - KPERS Death and Disabilities

Changes in benefit terms:

There are no changes in benefits.

Changes in assumptions:

Changes from the beginning to the end of year measurement for the valuation report dated June 30, 2024, are noted below:

- Changes of assumptions and other inputs reflect a change in the discount rate from 3.65% in 2023 to 3.93% in 2024.
- Mortality rates used for the death benefits were based on the RP-2014 Healthy Annuitant Mortality Table for Males and Females, adjusted for generational mortality improvement using MP-2018. Mortality rates used for the disability benefits were based on the RP-2014 Disabled Life Table with generational mortality improvement using MP-2021.

Defined Benefit Pension Plan

Changes in benefit terms:

There are no changes in benefits.

Changes in assumptions:

Changes from the beginning to the end of year measurement for the valuation report dated June 30, 2024, are noted below:

- Price inflation remained unchanged at 2.75%.
- Investment return assumption remained unchanged at 7.00 percent componded annually, net of investment expense, and including price inflation.
- General wage growth assumption remained unchanged at 3.5 percent to 12.00 percent, including price inflation.

COMBINING FINANCIAL STATEMENTS
AND
INDIVIDUAL FUND SCHEDULES

GOVERNMENTAL FUNDS

General Fund

The General Fund is used to account for all financial transactions not properly accounted for in another fund. It receives a greater variety and number of taxes and other general revenues than any other fund and these resources also finance a wider range of activities than any other fund. Under the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, certain funds established by statute are required to be included within the General Fund for financial reporting in accordance with generally accepted accounting principles (GAAP). Those combined funds for GAAP basis reporting are as follows:

General Fund - the fund of the District from which operating expenditures are paid and in which taxes levied, all general state aid, payments of federal funds made available under the provisions of Title I of Public Law 874 and such other moneys as provided by law are deposited.

Supplemental General Fund - used to account for revenue received and expenditures incurred related to the District's Local Option Budget (LOB). Moneys available under the LOB may be used for any purpose for which expenditures from the General Fund are authorized or may be transferred to the General Fund or any program weighted fund or categorical fund (as defined by Kansas statute) of the District.

Professional Development Fund - used to account for revenue received and expenditures incurred for teacher inservice training programs.

Summer School Fund - used to account for summer school fees collected and expenditures for summer school.

Contingency Reserve Fund - used to account for moneys transferred from the General Fund in accordance with Kansas statutes. The balance of this fund has no maximum balance limitations under current state law.

Latchkey Program Fund - used to account for moneys received for childcare provided by the District and moneys expended for such childcare.

Payroll Deductions Fund - to account for the various taxes and other elected withholdings from employees of the District.

Sales Tax Payable Fund - to account for the collection of State and local sales tax on miscellaneous taxable sales of the District, generally fund raising activities of the student activity funds.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Balance Sheet
General Fund
June 30, 2025

	General Fund								
	General	Supplemental General	Professsional Development	Summer School	Contingency Reserve	Latchkey Program	Payroll Deductions	Sales Tax Payable	Total General Fund
Assets:									
Cash, cash equivalents and investments	$ 3,680,136	$ 1,077,553	$ 301,763	$ 99,145	$ 4,239,917	$ 443,242	$ 2,256,872	$ -	$ 12,098,628
Property tax receivable	-	165,396	-	-	-	-	-	-	165,396
Due from other funds	-	-	-	-	-	-	-	643	643
Total assets	$ 3,680,136	$ 1,242,949	$ 301,763	$ 99,145	$ 4,239,917	$ 443,242	$ 2,256,872	$ 643	$ 12,264,667
Liabilities:									
Accounts payable	$ 162,342	$ 2,395	$ -	$ -	$ -	$ 3,956	$ -	$ -	$ 168,693
Accrued payroll	2,397,829	199,348	-	-	-	-	-	-	2,597,177
Due to other funds	-	-	-	-	-	-	-	643	643
Total liabilities	2,560,171	201,743	-	-	-	3,956	-	643	2,766,513
Deferred Inflows of Resources:									
Property taxes receivable	-	165,396	-	-	-	-	-	-	165,396
Fund Balances:									
Committed	-	875,810	301,763	99,145	4,239,917	-	-	-	5,516,635
Assigned	1,119,965	-	-	-	-	1,221	-	-	1,121,186
Unassigned	-	-	-	-	-	438,065	2,256,872	-	2,694,937
Total fund balances	1,119,965	875,810	301,763	99,145	4,239,917	439,286	2,256,872	-	9,332,758
Total liabilities and fund balances	$ 3,680,136	$ 1,242,949	$ 301,763	$ 99,145	$ 4,239,917	$ 443,242	$ 2,256,872	$ 643	$ 12,264,667

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
General Fund
For the Year Ended June 30, 2025

	General Fund								
	General	Supplemental General	Professional Development	Summer School	Contingency Reserve	Latchkey Program	Payroll Deductions	Sales Tax Payable	Total General Fund
Revenues:									
Taxes	$ -	$ 7,819,202	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,819,202
State aid	37,877,188	3,288,505	17,610	-	-	-	-	-	41,183,303
Charges for services	-	-	-	-	-	673,985	-	-	673,985
Other	714,328	13,598	-	14,757	-	-	30,440,441	31,303	31,214,427
Total revenue	38,591,516	11,121,305	17,610	14,757	-	673,985	30,440,441	31,303	80,890,917
Expenditures:									
Instruction	21,590,194	5,340,927	-	59,952	-	-	30,593,610	31,303	57,615,986
Student support services	1,632,330	85,819	-	-	-	748,323	-	-	2,466,472
Instructional support services	1,532,674	605,592	134,133	-	-	-	-	-	2,272,399
General administration	450,631	898,475	214	-	-	-	-	-	1,349,320
School administration	1,374,858	2,827,156	-	-	-	-	-	-	4,202,014
Central services	424,844	1,156,630	-	-	-	-	-	-	1,581,474
Operations and maintenance	8,640,411	1,172,347	-	11,060	-	1,932	-	-	9,825,750
Student transportation services	1,373,293	58,257	-	4,788	-	55,339	-	-	1,491,677
Other support services	460,041	118,800	23,987	-	-	-	-	-	602,828
Community service operations	150,025	-	-	-	-	-	-	-	150,025
Total expenditures	37,629,301	12,264,003	158,334	75,800	-	805,594	30,593,610	31,303	81,557,945
Excess of revenues over (under) expenditures	962,215	(1,142,698)	(140,724)	(61,043)	-	(131,609)	(153,169)	-	(667,028)
Net change in fund balances	962,215	(1,142,698)	(140,724)	(61,043)	-	(131,609)	(153,169)	-	(667,028)
Fund balances at beginning of year	157,750	2,018,508	442,487	160,188	4,239,917	570,895	2,410,041	-	9,999,786
Fund balances at end of year	$ 1,119,965	$ 875,810	$ 301,763	$ 99,145	$ 4,239,917	$ 439,286	$ 2,256,872	$ -	$ 9,332,758

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Supplemental General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Taxes	$ 8,059,648	$ 8,059,648	$ 7,819,202	$ (240,446)
State aid	9,769,496	9,769,496	9,769,496	-
Reimbursement	-	-	13,598	13,598
Total revenue	17,829,144	17,829,144	17,602,296	(226,848)
Expenditures and encumbrances:				
Instruction	2,253,770	2,253,770	5,336,710	3,082,940
Student support services	120,000	120,000	85,819	(34,181)
Instructional support services	904,000	904,000	640,898	(263,102)
General administration	932,945	932,945	890,940	(42,005)
School administration	2,775,000	2,775,000	2,827,156	52,156
Central services	1,267,000	1,267,000	453,709	(813,291)
Operations and maintenance	3,985,000	3,985,000	1,140,061	(2,844,939)
Student transportation services	181,000	181,000	56,471	(124,529)
Other support services	188,000	188,000	118,800	(69,200)
Transfers out to other funds	5,424,840	5,424,840	6,480,991	1,056,151
Total expenditures and transfers subject to budget	18,031,555	18,031,555	18,031,555	-
Revenue over (under) expenditures and encumbrances	(202,411)	(202,411)	(429,259)	(226,848)
Unencumbered cash, beginning of year	557,006	557,006	557,006	-
Unencumbered cash, end of year	$ 354,595	$ 354,595	$ 127,747	$ (226,848)

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 127,747
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	748,063
GAAP fund balance, end of year (combined with General Fund for GAAP presentation)	$ 875,810

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Professional Development Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
State aid	$ 22,500	$ 22,500	$ 17,610	$ (4,890)
Reimbursement	2,500	2,500	-	(2,500)
Transfer from other funds	200,000	200,000	-	(200,000)
Total revenue	225,000	225,000	17,610	(207,390)
Expenditures and encumbrances:				
Instructional support services	535,000	535,000	125,757	(409,243)
General administration	-	-	214	214
Other support services	123,333	123,333	23,988	(99,345)
Total expenditures and encumbrances	658,333	658,333	149,959	(508,374)
Revenue over (under) expenditures and encumbrances	(433,333)	(433,333)	(132,349)	300,984
Unencumbered cash, beginning of year	433,333	433,333	433,333	-
Unencumbered cash, end of year	$ -	$ -	$ 300,984	$ 300,984

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 300,984
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	779
GAAP fund balance, end of year (combined with General Fund for GAAP presentation)	$ 301,763

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Summer School Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Reimbursement	$ 17,000	$ 17,000	$ 14,757	$ (2,243)
Expenditures and encumbrances:				
Instruction	63,000	63,000	59,952	(3,048)
Operations and maintenance	11,100	11,100	11,060	(40)
Student transportation services	1,700	1,700	4,788	3,088
Total expenditures and encumbrances	75,800	75,800	75,800	-
Revenue over (under) expenditures and encumbrances	(58,800)	(58,800)	(61,043)	(2,243)
Unencumbered cash, beginning of year	160,188	160,188	160,188	-
Unencumbered cash, end of year	$ 101,388	$ 101,388	$ 99,145	$ (2,243)

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 99,145
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year (combined with General Fund for GAAP presentation)	$ 99,145

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The primary purpose of the Special Revenue Funds is to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following nonmajor Special Revenue Funds are reported:

Four Year Old At Risk Fund - used to account for moneys allocated specifically for programs developed for four year olds identified as at risk pupils.

Bilingual Education Fund - used to account for moneys received and expended to operate a program of bilingual education.

Virtual Education Fund - used to account for moneys received and expenses to operate a program of virtual education.

Driver Training Fund - used to account for revenue and expenditures of moneys utilized in conducting driver education within the school system.

Food Service Fund - established pursuant to state law to account for all moneys received and expended attributable to the food service program. The program is administered according to the state plan of child nutrition operations under which federal funds are received pursuant to federal acts relating to child nutrition. The programs are administered and meals are served on a nonprofit basis.

Parent Education Program Fund - used to account for state aid received and expenditures incurred to operate a program of education of parents in the District regarding pre-school and selected educational problems of students.

Career and Postsecondary Education Fund - used to account for revenue received and expenditures incurred for state and federal vocational aid programs and the District's efforts to increase access to advance placement classes and tests for low-income students and account for vocational programs administered in conjunction with the Carl Perkins Vocational Education Act.

Kansas Public Employees Retirement System Special Retirement Contribution Fund - used to account for the employer contributions to the Kansas Public Employees Retirement System (KPERS). These contributions are made by the State of Kansas to the District and then remitted by the District to KPERS.

Special Assessment Fund - used to account for tax moneys collected and expended to other taxing municipalities to pay the District's portion of special assessment taxes on District owned property. The fund is established and maintained in accordance with applicable state statutes.

Textbook Revolving Fund - used to account for textbook fees collected and expenditures incurred in conjunction with the purchase and maintenance of textbooks.

Mental Health Liaison Grant Fund - A competitive grant used to provide greater access to behavioral health service for K-12 students by identifying students, communicating with families, and linking them to the existing statewide behavioral health system and resources.

ESSER III CARES Fund - Money allocated through the passing of the American Rescue Plan, money is made available to school Districts to support students and staff throughout the pandemic by creating opportunities to combat learning loss, make facilities cleaner and provide training and resources for staff.

Stemkamp Fund - used to account for a 5-day summary camp that offers hands-on STEM experiences for 3rd through 8th grade students at military-connected schools, this is an extensions of military grants the District already receives.

ARP HYC II Fund - a competitive grant used to identify homeless children and youth enabling them to attend school and participate fully in school activities.

Athletic and Activity Fund - used to account for athletic and other activity gate receipts and the expenditures incurred related to those functions.

Americorp Grant Fund - used to account for grant moneys received through the Kansas Department of Education. This grant provides funding geared to education and training of students to prepare them for the workforce.

Kansas Beef Council Grant Fund - to account for special food service and nutrition related grants and contributions.

Title II A Fund - used to account for revenue and expenditures of programs in mathematics, science, computer learning or foreign language administered in conjunction with the Dwight D. Eisenhower Mathematics and Science Act.

Title I Fund - used to account for revenue and expenditures of programs administered in conjunction with the ESEA Chapter I (Low Income) Aid.

English Language Learners Title III Fund - used to account for revenues and expenditures related to the English Language Acquisition grant to assist children with limited English proficiency.

MV Homeless Grant Fund - Money through a competitive grant to serve kids who are considered homeless by providing extra resources to them.

Special Grants Fund - used to account for revenue and expenditures of programs administered in conjunction with non-governmental grants awarded the District.

Alcohol and Drug Prevention Grant - City of Derby Fund - used to account for the appropriation of resources from the City of Derby for alcohol and drug education programs.

Derby Education Foundation/Boeing/Derby Community Foundation Grant Fund - used to account for grant moneys received from a collaboration of supporters to provide financial literacy education for K-12 students and teachers of the District.

Preschool Block Grant - The Opportunity Project Fund - used to account for grant moneys received through The Opportunity Project (TOP) Early Learning Centers which was awarded by the Kansas Department of Children and Families to support working families and offer full and half-day learning opportunities to TOP kids through a variety of learning activities and programs.

Military Academic/Support Program Grant Fund - used to account for grant moneys received through Department of Defense Education Activity DoDEA Educational Partnership Program. The grant program specifically provides resources to military-connected local education agencies to develop and implement projects that are designed to increase academic performance based on college and career ready outcomes, support social emotional. needs of military connected students, enhance and integrate technology through instruction and student work, and promote advanced placement and expanded learning opportunities.

Title IV Fund - used to account for revenues and expenditures related to the Student Support and Academic Enrichment Program Grant to provide all students with access to a well-rounded education, improve school conditions for student learning, and improve the use of technology in order to improve the academic achievement and digital literacy for all students.

Derby Recreation Employee Benefits Fund - used to account for the receipt and disbursement of taxes levied on behalf of the Derby Recreation Commission for employee benefit expenditures as provided for by applicable State Statutes.

Derby Recreation Fund - used to account for the receipt and disbursement of taxes levied on behalf on the Derby Recreation Commission as provided for by applicable state statutes.

Student Activity Funds - to account for moneys held on behalf of the various student organizations.

District Activity Fund - used to account for revenue and expenses relating to co-curricular activities which have student participation in the activity, but are administered by the District.

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds					
	At Risk 4 Yr Olds	Bilingual Education	Virtual Education	Driver Training	Food Service	Parent Education
Assets:						
Cash, cash equivalents and investments	$ -	$ 165,405	$ 146,372	$ 113,376	$ 54,252	$ 27,077
Property tax receivable	-	-	-	-	-	-
Federal receivable	-	-	-	-	-	-
Total assets	$ -	$ 165,405	$ 146,372	$ 113,376	$ 54,252	$ 27,077
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ -	$ 36,536	$ 285
Accrued payroll	-	133,401	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	-	133,401	-	-	36,536	285
Deferred inflows of resources:						
Property tax receivable	-	-	-	-	-	-
Fund Balances:						
Restricted	-	-	146,372	113,376	17,716	-
Committed	-	32,004	-	-	-	26,792
Total fund balances	-	32,004	146,372	113,376	17,716	26,792
Total liabilities and fund balances	$ -	$ 165,405	$ 146,372	$ 113,376	$ 54,252	$ 27,077

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds					
	Career and Postsecondary Education	KPERS Retirement	Special Assessment	Textbook Revolving	Mental Health Liason Grant	ESSER III CARES
Assets:						
Cash, cash equivalents and investments	$ 168,608	$ -	$ 869,398	$ 2,860,229	$ 5,771	$ -
Property tax receivable	-	-	3,736	-	-	-
Federal receivable	-	-	-	-	-	-
Total assets	$ 168,608	$ -	$ 873,134	$ 2,860,229	$ 5,771	$ -
Liabilities:						
Accounts payable	$ 171	$ -	$ -	$ 64,325	$ -	$ -
Accrued payroll	114,864	-	-	-	5,771	-
Due to other funds	-	-	-	-	-	-
Total liabilities	115,035	-	-	64,325	5,771	-
Deferred inflows of resources:						
Property tax receivable	-	-	3,736	-	-	-
Fund Balances:						
Restricted	53,573	-	869,398	2,795,904	-	-
Committed	-	-	-	-	-	-
Total fund balances	53,573	-	869,398	2,795,904	-	-
Total liabilities and fund balances	$ 168,608	$ -	$ 873,134	$ 2,860,229	$ 5,771	$ -

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds					
	Stemkamp	Athletic and Activity	Americorp Grant	Kansas Beef Council Grant	ARP HYC II	Title IIA
Assets:						
Cash, cash equivalents and investments	$ 7,899	$ 80,577	$ -	$ 57,908	$ -	$ 82,473
Property tax receivable	-	-	-	-	-	-
Federal receivable	-	-	46,602	-	1,264	-
Total assets	$ 7,899	$ 80,577	$ 46,602	$ 57,908	$ 1,264	$ 82,473
Liabilities:						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 10,665
Accrued payroll	-	-	-	-	-	-
Due to other funds	-	-	46,602	-	1,264	-
Total liabilities	-	-	46,602	-	1,264	10,665
Deferred inflows of resources:						
Deferred property taxes	-	-	-	-	-	-
Fund Balances:						
Restricted	7,899	-	-	57,908	-	71,808
Committed	-	80,577	-	-	-	-
Total fund balances	7,899	80,577	-	57,908	-	71,808
Total liabilities and fund balances	$ 7,899	$ 80,577	$ 46,602	$ 57,908	$ 1,264	$ 82,473

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds						
	Title I	English Language Learners Title III	MV Homeless Grant	Special Grants	Alcohol & Drug Prevention Grant - City of Derby	Derby Education Foundation/ Boeing/Derby Community Foundation Grant	Preschool Block Grant - The Opportunity Project
Assets:							
Cash, cash equivalents and investments	$ 55,851	$ -	$ -	$ 114,082	$ -	$ 10,692	$ 10,523
Property tax receivable	-	-	-	-	-	-	-
Federal receivable	-	-	355	-	-	-	20,334
Total assets	$ 55,851	$ -	$ 355	$ 114,082	$ -	$ 10,692	$ 30,857
Liabilities:							
Accounts payable	$ 1,750	$ -	$ -	$ 358	$ -	$ -	$ -
Accrued payroll	47,562	-	-	-	-	-	10,523
Due to other funds	-	-	355	-	-	-	20,334
Total liabilities	49,312	-	355	358	-	-	30,857
Deferred inflows of resources:							
Deferred property taxes	-	-	-	-	-	-	-
Fund Balances:							
Restricted	6,539	-	-	113,724	-	10,692	-
Committed	-	-	-	-	-	-	-
Total fund balances	6,539	-	-	113,724	-	10,692	-
Total liabilities and fund balances	$ 55,851	$ -	$ 355	$ 114,082	$ -	$ 10,692	$ 30,857

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds						
	Military Academic/ Support Program Grant	Title IV	Derby Recreation Employee Benefits	Derby Recreation	Student Activity	District Activity	Total Nonmajor Governmental Funds
Assets:							
Cash, cash equivalents and investments	$ 3,594	$ 26,305	$ -	$ -	$ 599,162	$ 86,657	$ 5,546,211
Property tax receivable	-	-	24,848	68,412	-	-	96,996
Federal receivable	264,680	-	-	-	-	-	333,235
Total assets	$ 268,274	$ 26,305	$ 24,848	$ 68,412	$ 599,162	$ 86,657	$ 5,976,442
Liabilities:							
Accounts payable	$ 15,186	$ 21,012	$ -	$ -	$ -	$ -	$ 150,288
Accrued payroll	3,594	-	-	-	-	-	315,715
Due to other funds	249,494	-	-	-	-	-	318,049
Total liabilities	268,274	21,012	-	-	-	-	784,052
Deferred inflows of resources:							
Deferred property taxes	-	-	24,848	68,412	-	-	96,996
Fund Balances:							
Restricted	-	5,293	-	-	-	-	4,270,202
Committed	-	-	-	-	599,162	86,657	825,192
Total fund balances	-	5,293	-	-	599,162	86,657	5,095,394
Total liabilities and fund balances	$ 268,274	$ 26,305	$ 24,848	$ 68,412	$ 599,162	$ 86,657	$ 5,976,442

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds					
	At Risk 4 Yr Olds	Bilingual Education	Virtual Education	Driver Training	Food Service	Parent Education
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
State aid	194,168	1,147,004	293,793	7,975	434,479	430,494
Federal aid	-	-	-	-	2,843,815	16,299
Charges for services	-	-	-	-	1,497,105	-
Contributions	-	-	-	-	-	-
Other	-	-	-	25,500	28,503	-
Total revenue	194,168	1,147,004	293,793	33,475	4,803,902	446,793
Expenditures:						
Current:						
Instruction	194,168	1,117,802	162,596	3,456	-	-
Student support services	-	-	-	-	-	436,927
Instructional support services	-	-	-	-	-	-
General administration	-	-	-	-	-	-
School administration	-	-	-	-	-	-
Central services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Student transportation services	-	-	-	-	9,640	-
Food service	-	-	-	-	4,977,585	-
Architectural and engineering services	-	-	-	-	-	-
Intergovernmental:						
Appropriations	-	-	-	-	-	-
Total expenditures	194,168	1,117,802	162,596	3,456	4,987,225	436,927
Excess of revenues over (under) expenditures	-	29,202	131,197	30,019	(183,323)	9,866
Net change in fund balances	-	29,202	131,197	30,019	(183,323)	9,866
Fund balances at beginning of year	-	2,802	15,175	83,357	201,039	16,926
Fund balances at end of year	$ -	$ 32,004	$ 146,372	$ 113,376	$ 17,716	$ 26,792

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds					
	Career and Postsecondary Education	KPERS Retirement	Special Assessment	Textbook Revolving	Mental Health Liason Grant	ESSER III CARES
Revenues:						
Taxes	$ -	$ -	$ 177,015	$ -	$ -	$ -
State aid	912,578	6,996,410	-	-	-	-
Federal aid	232,245	-	-	-	96,626	688,541
Charges for services	-	-	-	348,580	-	-
Contributions	-	-	-	-	-	-
Other	53,810	-	-	2,997	-	-
Total revenue	1,198,633	6,996,410	177,015	351,577	96,626	688,541
Expenditures:						
Current:						
Instruction	1,476,730	4,547,667	-	661,490	-	451,410
Student support services	-	699,641	-	-	96,626	23,206
Instructional support services	5,166	209,892	-	153,031	-	13,566
General administration	-	139,928	-	-	-	12,181
School administration	-	419,785	-	-	-	32,864
Central services	-	139,928	-	-	-	29,093
Operations and maintenance	-	489,749	-	-	-	53,567
Student transportation services	30,309	209,892	-	-	-	38,059
Food service	-	139,928	-	-	-	34,595
Architectural and engineering services	-	-	218,989	-	-	-
Intergovernmental:						
Appropriations	-	-	-	-	-	-
Total expenditures	1,512,205	6,996,410	218,989	814,521	96,626	688,541
Excess of revenues over (under) expenditures	(313,572)	-	(41,974)	(462,944)	-	-
Net change in fund balances	(313,572)	-	(41,974)	(462,944)	-	-
Fund balances at beginning of year	367,145	-	911,372	3,258,848	-	-
Fund balances at end of year	$ 53,573	$ -	$ 869,398	$ 2,795,904	$ -	$ -

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds					
	Stemkamp	Athletic and Activity	Americorp Grant	Kansas Beef Council Grant	ARP HYC II	Title IIA
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
State aid	-	-	-	-	-	-
Federal aid	-	-	140,463	-	1,313	294,727
Charges for services	-	264,228	-	-	-	-
Contributions	-	-	-	-	-	-
Other	12,114	-	-	27,346	-	453
Total revenue	12,114	264,228	140,463	27,346	1,313	295,180
Expenditures:						
Current:						
Instruction	10,577	184,431	140,452	-	-	-
Student support services	-	-	-	-	18,400	-
Instructional support services	-	-	11	-	-	223,372
General administration	-	-	-	-	-	-
School administration	-	1,185	-	-	-	-
Central services	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	-	-
Student transportation services	766	-	-	-	-	-
Food service	-	-	-	2,895	-	-
Architectural and engineering services	-	-	-	-	-	-
Intergovernmental:						
Appropriations	-	-	-	-	-	-
Total expenditures	11,343	185,616	140,463	2,895	18,400	223,372
Excess of revenues over (under) expenditures	771	78,612	-	24,451	(17,087)	71,808
Net change in fund balances	771	78,612	-	24,451	(17,087)	71,808
Fund balances at beginning of year	7,128	1,965	-	33,457	17,087	-
Fund balances at end of year	$ 7,899	$ 80,577	$ -	$ 57,908	$ -	$ 71,808

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds						
	Title I	English Language Learners Title III	MV Homeless Grant	Special Grants	Alcohol & Drug Prevention Grant - City of Derby	Derby Education Foundation/ Boeing/Derby Community Foundation Gran	Preschool Block Grant - The Opportunity Project
Revenues:							
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State aid	-	-	-	-	-	-	-
Federal aid	1,192,466	82,461	2,817	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Contributions	-	-	-	43,464	101,212	-	-
Other	-	-	-	-	-	-	105,132
Total revenue	1,192,466	82,461	2,817	43,464	101,212	-	105,132
Expenditures:							
Current:							
Instruction	957,068	82,461	-	29,489	-	-	103,632
Student support services	134,979	-	2,934	-	40,496	-	-
Instructional support services	95,480	-	-	-	-	-	-
General administration	-	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-
Central services	-	-	-	-	-	-	-
Operations and maintenance	-	-	-	-	74,610	-	1,500
Student transportation services	801	-	-	-	-	-	-
Food service	-	-	-	-	-	-	-
Architectural and engineering services	-	-	-	-	-	-	-
Intergovernmental:							
Appropriations	-	-	-	-	-	-	-
Total expenditures	1,188,328	82,461	2,934	29,489	115,106	-	105,132
Excess of revenues over (under) expenditures	4,138	-	(117)	13,975	(13,894)	-	-
Net change in fund balances	4,138	-	(117)	13,975	(13,894)	-	-
Fund balances at beginning of year	2,401	-	117	99,749	13,894	10,692	-
Fund balances at end of year	$ 6,539	$ -	$ -	$ 113,724	$ -	$ 10,692	$ -

-Continued-

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds						
	Military Academic/ Support Program Grant	Title IV	Derby Recreation Employee Benefits	Derby Recreation	Student Activity	District Activity	Total Nonmajor Governmental Funds
Revenues:							
Taxes	$ -	$ -	$ 1,164,594	$ 3,218,565	$ -	$ -	$ 4,560,174
State aid	-	-	-	-	-	-	10,416,901
Federal aid	507,165	96,494	-	-	-	-	6,195,432
Charges for services	-	-	-	-	-	342,885	2,452,798
Contributions	-	-	-	-	-	-	144,676
Other	-	-	-	-	497,851	-	753,706
Total revenue	507,165	96,494	1,164,594	3,218,565	497,851	342,885	24,523,687
Expenditures:							
Current:							
Instruction	350,802	41,947	-	-	521,768	338,192	11,376,138
Student support services	-	8,520	-	-	-	-	1,461,729
Instructional support services	182,198	69,389	-	-	-	-	952,105
General administration	-	-	-	-	-	-	152,109
School administration	-	-	-	-	-	-	453,834
Central services	-	-	-	-	-	-	169,021
Operations and maintenance	-	-	-	-	-	-	619,426
Student transportation services	-	1,844	-	-	-	-	291,311
Food service	-	-	-	-	-	-	5,155,003
Architectural and engineering services	-	-	-	-	-	-	218,989
Intergovernmental:							
Appropriations	-	-	1,164,594	3,218,565	-	-	4,383,159
Total expenditures	533,000	121,700	1,164,594	3,218,565	521,768	338,192	25,232,824
Excess of revenues over (under) expenditures	(25,835)	(25,206)	-	-	(23,917)	4,693	(709,137)
Net change in fund balances	(25,835)	(25,206)	-	-	(23,917)	4,693	(709,137)
Fund balances at beginning of year	25,835	30,499	-	-	623,079	81,964	5,804,531
Fund balances at end of year	$ -	$ 5,293	$ -	$ -	$ 599,162	$ 86,657	$ 5,095,394

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
At Risk 4 Year Old Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Transfers from other funds	$ 268,900	$ 268,900	$ 194,168	$ (74,732)
Expenditures and encumbrances:				
Instruction	268,900	268,900	194,168	(74,732)
Revenue over (under) expenditures and encumbrances	-	-	-	-
Unencumbered cash, beginning of year	-	-	-	-
Unencumbered cash, end of year	$ -	$ -	$ -	$ -

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ -
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ -

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Bilingual Education Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Transfers from other funds	$ 1,115,000	$ 1,115,000	$ 1,147,004	$ 32,004
Expenditures and encumbrances:				
Instruction	1,117,802	1,117,802	1,117,802	-
Revenue over (under) expenditures and encumbrances	(2,802)	(2,802)	29,202	32,004
Unencumbered cash, beginning of year	2,802	2,802	2,802	-
Unencumbered cash, end of year	$ -	$ -	$ 32,004	$ 32,004

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 32,004
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ 32,004

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Virtual Education Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Transfers from other funds	$ 150,000	$ 150,000	$ 293,793	$ 143,793
Expenditures and encumbrances:				
Instruction	150,175	150,175	147,596	(2,579)
Revenue over (under) expenditures and encumbrances	(175)	(175)	146,197	146,372
Unencumbered cash, beginning of year	175	175	175	-
Unencumbered cash, end of year	$ -	$ -	$ 146,372	$ 146,372

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 146,372
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ 146,372

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Driver Training Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
State aid	$ 10,800	$ 10,800	$ 7,975	$ (2,825)
Other	25,000	25,000	25,500	500
Total revenue	35,800	35,800	33,475	(2,325)
Expenditures and encumbrances:				
Instruction	119,157	119,157	3,456	(115,701)
Revenue over (under) expenditures and encumbrances	(83,357)	(83,357)	30,019	113,376
Unencumbered cash, beginning of year	83,357	83,357	83,357	-
Unencumbered cash, end of year	$ -	$ -	$ 113,376	$ 113,376

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 113,376
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ 113,376

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Food Service Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
State aid	$ 35,840	$ 35,840	$ 40,135	$ 4,295
Federal aid	3,778,943	3,778,943	2,843,815	(935,128)
Charges for services	1,584,618	1,584,618	1,497,105	(87,513)
Other	16,000	16,000	28,503	12,503
Transfers from other funds	250,000	250,000	394,344	144,344
Total revenue	5,665,401	5,665,401	4,803,902	(861,499)
Expenditures and encumbrances:				
Student transportation services	15,810	15,810	9,473	(6,337)
Food service	5,737,000	5,737,000	4,895,628	(841,372)
Total expenditures and encumbrances	5,752,810	5,752,810	4,905,101	(847,709)
Revenue over (under) expenditures and encumbrances	(87,409)	(87,409)	(101,199)	(13,790)
Unencumbered cash, beginning of year	87,409	87,409	101,199	13,790
Unencumbered cash, end of year	$ -	$ -	$ -	$ -

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ -
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	17,716
GAAP fund balance, end of year	$ 17,716

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Parent Education Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
State aid	$ 275,000	$ 275,000	$ 261,080	$ (13,920)
Federal aid	20,000	20,000	16,299	(3,701)
Transfer from other funds	120,000	120,000	169,414	49,414
Total revenue	420,000	420,000	446,793	26,793
Expenditures and encumbrances:				
Student support services	436,927	436,927	436,927	-
Student transportation services	-	-	-	-
Total expenditures and encumbrances	436,927	436,927	436,927	-
Revenue over (under) expenditures and encumbrances	(16,927)	(16,927)	9,866	26,793
Unencumbered cash, beginning of year	16,927	16,927	16,926	(1)
Unencumbered cash, end of year	$ -	$ -	$ 26,792	$ 26,792

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 26,792
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
Inventory	-
GAAP fund balance, end of year	$ 26,792

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Career and Postsecondary Education Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
State aid	$ 214,983	$ 214,983	$ 15,408	$ (199,575)
Federal aid	225,000	225,000	232,245	7,245
Other	20,000	20,000	53,810	33,810
Transfer from other funds	1,200,000	1,200,000	897,170	(302,830)
Total revenue	1,659,983	1,659,983	1,198,633	(461,350)
Expenditures and encumbrances:				
Instruction	1,971,128	1,971,128	1,495,439	(475,689)
Instructional support services	-	-	5,285	5,285
Student transportation services	56,000	56,000	30,309	(25,691)
Total expenditures and encumbrances	2,027,128	2,027,128	1,531,033	(496,095)
Revenue over (under) expenditures and encumbrances	(367,145)	(367,145)	(332,400)	34,745
Unencumbered cash, beginning of year	367,145	367,145	367,145	-
Unencumbered cash, end of year	$ -	$ -	$ 34,745	$ 34,745

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 34,745
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	18,828
Due from others	-
GAAP fund balance, end of year	$ 53,573

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
KPERS Special Retirement Contribution Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
State aid	$ 8,402,165	$ 8,402,165	$ 6,996,410	$ (1,405,755)
Expenditures and encumbrances:				
Instruction	5,629,451	5,629,451	4,547,667	(1,081,784)
Student support services	840,217	840,217	699,641	(140,576)
Instructional support services	168,043	168,043	209,892	41,849
General administration	168,043	168,043	139,928	(28,115)
School administration	504,130	504,130	419,785	(84,345)
Central services	168,043	168,043	139,928	(28,115)
Operations and maintenance	504,130	504,130	489,749	(14,381)
Student transportation services	252,065	252,065	209,892	(42,173)
Food service	168,043	168,043	139,928	(28,115)
Total expenditures and encumbrances	8,402,165	8,402,165	6,996,410	(1,405,755)
Revenue over (under) expenditures and encumbrances	-	-	-	-
Unencumbered cash, beginning of year	-	-	-	-
Unencumbered cash, end of year	$ -	$ -	$ -	$ -

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ -
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
Inventory	-
GAAP fund balance, end of year	$ -

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Special Assessment Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Taxes	$ 178,756	$ 178,756	$ 177,015	$ (1,741)
Expenditures and encumbrances:				
Facilities acquisition	725,000	725,000	218,989	(506,011)
Revenue over (under) expenditures and encumbrances	(546,244)	(546,244)	(41,974)	504,270
Unencumbered cash, beginning of year	911,371	911,371	911,372	1
Unencumbered cash, end of year	$ 365,127	$ 365,127	$ 869,398	$ 504,271

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 869,398
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ 869,398

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Capital Outlay Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary	Variance With Final Budget Over
	Original	Final	Basis	(Under)
Revenue:				
Taxes	$ 4,818,228	$ 4,818,228	$ 4,796,610	$ (21,618)
State aid	2,529,554	2,529,554	2,529,554	-
Earnings on investments	-	-	437,621	437,621
Other	-	-	332,908	332,908
Total revenue	7,347,782	7,347,782	8,096,693	748,911
Expenditures and encumbrances:				
Instruction	4,075,000	4,075,000	1,698,415	(2,376,585)
Student support services	-	-	32,970	32,970
Instructional support services	125,000	125,000	-	(125,000)
General administration	15,000	15,000	274	(14,726)
School administration	305,000	305,000	22,382	(282,618)
Central services	35,000	35,000	15,929	(19,071)
Operations and maintenance	4,850,684	4,850,684	5,352,270	501,586
Student transportation services	700,000	700,000	1,155,215	455,215
Other support services	230,000	230,000	130,170	(99,830)
Building improvements	45,000	45,000	-	(45,000)
Other	3,800,000	3,800,000	311,162	(3,488,838)
Total expenditures and encumbrances	14,180,684	14,180,684	8,718,787	(5,461,897)
Revenue over (under) expenditures and encumbrances	(6,832,902)	(6,832,902)	(622,094)	6,210,808
Unencumbered cash, beginning of year	6,832,902	6,832,902	6,832,665	(237)
Unencumbered cash, end of year	$ -	$ -	$ 6,210,571	$ 6,210,571
Differences between budgetary and GAAP fund balance:				
Unencumbered cash, end of year			$ 6,210,571	
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received			1,599,546	
Inventory			-	
GAAP fund balance, end of year			$ 7,810,117	

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Debt Service Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Taxes	$ 9,908,573	$ 9,908,573	$ 9,866,930	$ (41,643)
State aid	2,811,886	2,811,886	2,811,885	(1)
Total revenue	12,720,459	12,720,459	12,678,815	(41,644)
Expenditures and encumbrances:				
Principal	5,415,000	5,415,000	5,415,000	-
Interest and fiscal charges	5,441,054	5,441,054	5,441,052	(2)
Total expenditures and encumbrances	10,856,054	10,856,054	10,856,052	(2)
Revenue over (under) expenditures and encumbrances	1,864,405	1,864,405	1,822,763	(41,642)
Unencumbered cash, beginning of year	10,139,331	10,139,331	10,139,331	-
Unencumbered cash, end of year	$ 12,003,736	$ 12,003,736	$ 11,962,094	$ (41,642)

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ 11,962,094
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ 11,962,094

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Recreation Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Taxes	$ 3,231,521	$ 3,231,521	$ 3,218,565	$ (12,956)
Other	400,000	400,000	-	(400,000)
Total revenue	3,631,521	3,631,521	3,218,565	(412,956)
Expenditures and encumbrances:				
Appropriation to recreation commission	3,631,191	3,631,191	3,218,565	(412,626)
Revenue over (under) expenditures and encumbrances	330	330	-	(330)
Unencumbered cash, beginning of year	-	-	-	-
Unencumbered cash, end of year	$ 330	$ 330	$ -	$ (330)

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ -
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ -

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Budgetary Basis
Recreation - Employee Benefits Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenue:				
Taxes	$ 1,169,346	$ 1,169,346	$ 1,164,594	$ (4,752)
Other	200,000	200,000	-	(200,000)
Total revenue	1,369,346	1,369,346	1,164,594	(204,752)
Expenditures and encumbrances:				
Appropriation to recreation commission	1,261,111	1,261,111	1,164,594	(96,517)
Revenue over (under) expenditures and encumbrances	108,235	108,235	-	(108,235)
Unencumbered cash, beginning of year	-	-	-	-
Unencumbered cash, end of year	$ 108,235	$ 108,235	$ -	$ (108,235)

Differences between budgetary and GAAP fund balance:	
Unencumbered cash, end of year	$ -
Encumbrances for expenses ordered but not received are not reported for GAAP purposes until received	-
GAAP fund balance, end of year	$ -

STATISTICAL SECTION

Derby Unified School District No. 260

STATISTICAL SECTION

This part of the Derby Unified School District No. 260's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents	**Page**
Financial Trends	95
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	99
These schedules contain information to help the reader assess the District's most significant local revenue source.	
Debt Capacity	103
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	107
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	110
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the District's Annual Comprehensive Financial Reports for the relevant year.

Unified School District No. 260, Derby, Kansas

Net Position by Component Governmental Activities, Last Ten Fiscal Years
(accrual basis of accounting)

Table 1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	$ 29,360,735	$ 29,956,187	$ 27,660,299	$ 96,351,707	$ 28,018,137	$ 28,911,095	$ 31,660,203	$ 32,557,869	$ 32,751,958	$ 33,454,270
Restricted for debt service	4,178,872	4,622,934	6,276,341	5,275,062	7,843,981	8,852,994	8,814,195	8,449,880	10,139,331	11,962,094
Restricted for construction	1,125,275	-	-	113,952,214	13,238,501	23,486,949	8,434,980	7,861,618	35,798	36,150
Restricted for educational services	956,759	2,408,982	3,078,872	9,679,733	9,019,434	12,059,477	14,087,202	15,998,093	5,525,278	4,892,443
Unrestricted	(60,163,051)	(58,736,369)	(53,636,145)	(245,278,336)	(63,233,290)	(79,519,692)	(61,596,968)	(51,896,510)	(33,450,634)	(40,874,392)
Total governmental activities net position	$ (24,541,410)	$ (21,748,266)	$ (16,620,633)	$ (20,019,620)	$ (5,113,237)	$ (6,209,177)	$ 1,399,612	$ 12,970,950	$ 15,001,731	$ 9,470,565

* 2014 Restated for implementation of GASB Statement No. 68

Unified School District No. 260, Derby, Kansas

Changes in Net Position of Governmental Activities, Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities:										
Instruction	$ 55,309,078	$ 46,800,139	$ 44,999,643	$ 57,957,142	$ 44,102,860	$ 93,374,750	$ 80,489,871	$ 81,699,055	$ 94,354,621	$ 95,739,725
Student support services	5,580,918	4,926,226	4,504,614	5,421,288	5,520,317	6,179,960	6,744,324	6,027,139	7,320,540	8,432,151
Instructional support services	1,629,933	1,900,754	1,930,214	2,036,657	2,042,131	2,198,795	2,167,997	3,044,898	3,684,051	4,291,958
General adminstration	1,209,878	1,222,851	1,278,427	1,632,921	1,621,967	1,825,799	1,769,989	1,737,421	2,040,804	2,122,414
School administration	3,866,916	3,180,128	3,331,677	3,901,162	3,918,312	4,205,785	4,003,333	3,712,623	4,476,465	4,864,167
Central support services	1,037,219	1,291,811	1,309,806	7,804,761	1,655,449	3,128,945	1,645,663	2,230,854	1,169,129	1,801,219
Operations and maintenance	9,526,429	6,930,089	7,268,413	1,273,650	7,509,467	9,656,491	9,885,590	10,510,633	9,991,882	16,221,068
Student transportation	1,804,271	1,786,908	1,712,342	2,191,184	2,163,150	2,278,031	2,637,602	2,579,818	2,849,592	3,058,513
Other support services	2,955,061	3,271,832	3,383,378	-	458,614	454,201	597,068	719,294	608,304	824,011
Food service operations	3,451,869	3,407,964	3,387,659	3,495,392	3,585,931	3,818,868	4,515,154	5,296,370	5,470,692	4,995,415
Community service operations	137,403	137,451	137,648	145,011	145,024	145,000	145,000	145,002	84	150,025
Interest on long-term debt	8,192,087	2,297,804	2,466,075	5,934,787	5,924,004	1,341,664	5,958,909	6,142,636	6,406,346	6,154,430
Intergovernmental:										
Appropriations	-		-			3,718,822	3,488,182	3,921,245	4,266,441	4,383,159
Total governmental activities expenses	94,701,062	77,153,957	75,709,896	91,793,955	78,647,226	132,327,111	124,048,682	127,766,988	142,638,951	153,038,255
Program revenues										
Governmental Activities:										
Instruction	1,091,760	1,055,587	1,034,929	2,342,180	1,827,996	30,233,085	29,407,009	30,454,526	31,694,590	33,117,677
Student support services	553,653	540,025	481,054	604,172	453,642	156,727	693,443	1,233,116	761,212	673,985
Instructional support services	-	-	-	-	-	-	-	-	2,400	453
General adminstration	370	2,371	782	-	-	-	-	-	-	-
School administration	-	-	-	-	-	-	-	-	-	-
Central support services	28	365	10	-	-	-	-	-	-	-
Operations and maintenance	3,980	39,189	4,383	304,408	101,098	268,011	314,923	174,679	109,433	166,454
Student transportation	1,096	52,357	32,588	-	-	-	-	-	-	-
Food service operations	1,078,712	1,100,272	1,115,401	1,222,024	970,394	102,375	146,224	1,364,832	1,319,436	1,552,954
Recreation	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-	3,000	-
Operating grants and contributions	7,311,644	15,806,235	19,840,424	6,084,596	23,183,951	27,866,176	31,074,198	32,031,104	31,934,696	31,783,840
Capital grants and contributions	678,221			-		-		-		-
Total governmental activities revenues	10,719,464	18,596,401	22,509,571	10,557,380	26,537,081	58,626,374	61,635,797	65,258,257	65,824,767	67,295,363
Net (Expense)/Revenue										
Total Government net expense	$ (83,981,598)	$ (58,557,556)	$ (53,200,325)	$ (81,236,575)	$ (52,110,145)	$ (73,700,737)	$ (62,412,885)	$ (62,508,731)	$ (76,814,184)	$ (85,742,892)
General Revenues and Other		-		-		-		-		
Changes in Net Position										
Governmental activities:										
Property taxes	$ 11,028,407	$ 10,299,333	$ 11,430,170	$ 6,900,537	$ 6,938,228	$ 10,537,926	$ 9,907,709	$ 11,627,861	$ 12,189,899	$ 12,379,376
Debt Service	3,343,214	3,533,558	3,414,987	7,054,501	7,913,588	8,229,903	7,813,973	8,590,564	9,341,282	9,866,930
Capital Outlay	3,286,823	3,453,605	3,622,927	3,772,870	3,937,068	3,989,819	3,737,049	3,872,334	4,220,130	4,796,610
Grants and entitlements not restricted to specific programs	47,841,847	41,695,281	41,414,326	56,138,601	46,120,419	47,128,111	48,558,983	49,874,968	52,640,319	56,771,044
Investment earnings	47,090	95,327	551,966	2,497,169	2,863,048	148,262	3,861	114,342	453,335	437,973
Total General Revenue	65,547,381	59,077,104	60,434,376	76,363,678	67,772,351	70,034,021	70,021,575	74,080,069	78,844,965	84,251,933
Total Governmental change in net position	$ (18,434,217)	$ 519,548	$ 7,234,051	$ (4,872,897)	$ 15,662,206	$ (3,666,716)	$ 7,608,690	$ 11,571,338	$ 2,030,781	$ (1,490,959)

Unified School District No. 260, Derby, Kansas

Fund Balances, Governmental Funds

(modified accrual basis of accounting)

Last Ten Fiscal Years

Table 3

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved:										
Committed	2,736,374	2,811,288	3,330,854	3,835,229	4,120,585	4,573,958	4,631,500	5,171,194	6,861,100	5,516,635
Assigned	-	154,788	31,082	132,901	63,344	7,465	139,337	145,963	174,487	1,121,186
Unassigned	516,790	71,362	25,207	23,047	21,922	2,521,822	2,774,725	2,819,932	2,964,199	2,694,937
Total general fund	$ 3,253,164	$ 3,037,438	$ 3,387,143	$ 3,991,177	$ 4,205,851	$ 7,103,245	$ 7,545,562	$ 8,137,089	$ 9,999,786	$ 9,332,758
All other governmental funds										
Restricted	$ 7,386,181	$ 7,564,537	$ 115,412,962	$ 116,983,396	$ 72,457,793	$ 34,533,992	$ 16,738,664	$ 15,561,266	$ 15,700,407	$ 16,890,687
Committed	4,000,633	4,788,992	5,122,640	6,355,958	10,607,374	7,262,367	7,988,547	10,242,707	9,881,973	9,073,356
Assigned	-	408,345	6,674,407	3,286,605	5,480,710	1,101,351	1,838,329	1,188,461	1,725,005	1,675,961
Unassigned	-		-	(13,997)	21,922	30,517	(23,329)	(42,710)		
Total other governmental funds	$ 11,386,814	$ 12,761,874	$ 127,210,009	$ 126,611,962	$ 88,567,799	$ 42,928,227	$ 26,542,211	$ 26,949,724	$ 27,307,385	$ 27,640,004

Unified School District No. 260, Derby, Kansas

Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years

(modified accrual basis of accounting)

Table 4

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	$ 17,658,444	$ 17,286,496	$ 18,468,084	$ 17,727,908	$ 18,788,884	$ 22,754,092	$ 21,458,731	$ 24,090,758	$ 25,751,311	$ 27,042,916
Intergovernmental	55,380,859	56,581,430	60,853,110	62,100,173	69,197,157	74,866,535	79,470,945	81,723,982	84,325,023	88,305,075
Charges for services	2,119,376	2,242,433	2,123,248	2,936,386	2,329,612	954,155	1,757,242	3,545,759	2,979,406	3,138,802
Investment earnings	47,090	95,327	551,966	2,497,169	2,863,048	148,262	3,861	114,342	453,335	437,973
Miscellaneous	1,061,076	1,835,424	947,539	1,659,421	1,130,732	29,937,351	28,966,593	29,863,484	31,160,657	32,622,530
Total revenues	76,266,845	78,041,110	82,943,947	86,921,057	94,309,433	128,660,395	131,657,372	139,338,325	144,669,732	151,547,296
Expenditures										
Current:										
Instruction	42,592,186	42,792,370	44,962,993	47,904,157	50,122,727	78,305,385	80,328,300	82,201,696	87,079,558	89,696,642
Student support services	4,677,940	4,921,942	5,098,442	5,160,082	5,869,970	5,827,338	6,952,376	6,893,380	7,228,718	8,207,509
Instructional support services	1,544,471	1,885,754	1,966,826	1,914,020	2,097,017	2,061,355	2,228,825	3,269,169	3,730,715	4,260,381
General administration	1,006,881	1,210,316	1,382,590	1,272,293	1,652,586	1,728,121	1,817,239	1,921,895	1,988,617	2,077,870
School administration	3,168,578	3,228,101	3,606,424	3,662,780	4,019,616	3,918,900	4,133,700	4,272,881	4,475,356	4,763,446
Operation and maintenance of plant	8,299,040	6,556,107	7,502,829	7,284,731	1,761,970	9,600,254	9,848,583	12,323,813	11,730,560	15,641,165
Central Support Services	1,161,682	1,286,168	1,408,780	1,010,626	8,321,177	3,058,545	1,683,666	2,382,111	1,135,485	1,766,424
Student transportation services	1,524,142	1,761,566	2,413,831	2,509,032	2,628,287	2,614,417	2,951,820	2,441,246	3,157,551	3,878,674
Other support services	-	-	-	444,078	468,051	449,551	608,161	714,204	608,784	826,366
Food service operation	3,093,242	3,053,327	3,154,754	3,386,625	3,602,112	3,752,708	4,512,329	5,421,978	5,429,760	5,155,003
Community service operations	137,403	137,451	137,648	145,011	145,024	145,000	145,000	145,002	84	150,025
Recreation	2,955,061	3,271,832	3,383,378	-	-	-	-	-	-	-
Capital Outlay										
Facilities acquisition and construction	10,246,432	969,657	764,818	10,351,587	45,833,789	44,964,514	18,352,106	1,845,030	848,087	218,989
Intergovernmental:										
Appropriations	-	-	-	-	-	3,718,822	3,488,182	3,921,245	4,266,441	4,383,159
Debt service:										
Debt principal payments	3,470,665	3,838,880	3,510,895	2,630,000	2,875,000	3,785,000	4,640,000	4,845,000	5,170,000	5,415,000
Debt interest payments	2,817,471	2,554,336	2,440,215	6,237,838	6,947,447	6,142,303	5,910,883	5,740,635	5,599,658	5,441,052
Total expenditures	86,695,194	77,467,807	81,734,423	93,912,860	136,344,773	170,072,213	147,601,170	138,339,285	142,449,374	151,881,705
Excess of revenues over (under) expenditures	(10,428,349)	573,303	1,209,524	(6,991,803)	(42,035,340)	(41,411,818)	(15,943,798)	999,040	2,220,358	(334,409)
Other Financing Sources (Uses)										
Proceeds from sale of general obligation refunding bonds	29,430,000	-	109,775,000	6,150,000	-	-	-	-	-	-
Bond Issue costs	-	-	-	(174,200)	-	63,090,000	-	-	-	-
Premium on general obligation refunding bonds	5,423,831	-	5,216,532	144,200	-	(393,962)	-	-	-	-
Premium from sale of general obligation bonds	-	-	-	-	-	-	-	-	-	-
Proceeds from capitalized lease obligations	892,300	586,031	613,937	877,790	-	-	-	-	-	-
Payment to refunded bonds escrow agent	(34,849,862)	-	(2,017,153)	-	-	(62,391,321)	-	-	-	-
Transfers in	909,805	1,571,142	1,032,381	-	1,000,000	441,670	1,338,193	1,311,683	-	-
Transfers out	(909,805)	(1,571,142)	(1,032,381)		(1,000,000)	(441,670)	(1,338,193)	(1,311,683)		
Total other financing sources (uses)	896,269	586,031	113,588,316	6,997,790		304,717	-		-	
Net change in fund balances	$ (9,532,080)	$ 1,159,334	$ 114,797,840	$ 5,987	$ (42,035,340)	$ (41,107,101)	$ (15,943,798)	$ 999,040	$ 2,220,358	$ (334,409)
Debt service as a percentage of noncapital expenditures	8.49%	8.49%	7.60%	11.01%	11.01%	8.11%	8.35%	7.85%	7.77%	7.33%

Unified School District No. 260, Derby, Kansas

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 5

	Real Property		Personal Property	
Fiscal Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2016	294,858,714	1,943,118,925	83,660,057	310,378,811
2017	309,859,771	2,041,975,891	85,000,520	315,351,929
2018	318,553,382	2,101,097,604	85,634,998	317,705,842
2019	335,527,273	2,213,053,099	84,665,205	314,107,909
2020	360,019,313	2,374,596,405	83,718,545	310,595,800
2021	374,603,243	2,470,788,322	68,551,400	254,325,692
2022	376,364,957	2,682,407,390	60,303,523	235,073,450
2023	408,288,486	2,909,930,990	57,395,892	223,739,007
2024	450,516,009	3,255,986,330	59,042,512	230,827,091
2025	486,560,955	3,518,322,010	56,126,164	221,245,003

	Utilities					
Fiscal Year	Assessed Value	Estimated Actual Value	Total Assessed Value	Total Direct Tax Rate	Total Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value
2016	9,711,509	29,717,218	388,230,280	62.16	2,283,214,954	17.00%
2017	9,962,515	30,485,296	404,822,806	59.43	2,387,813,116	17.00%
2018	11,579,888	35,434,457	415,768,268	60.68	2,454,237,903	16.90%
2019	13,364,874	40,896,514	433,557,352	65.70	2,568,057,522	17.00%
2020	14,760,841	45,168,173	458,498,699	66.00	2,730,360,378	16.80%
2021	15,380,507	47,064,351	458,535,150	65.89	2,772,178,365	16.79%
2022	15,883,465	48,131,712	452,551,945	66.27	2,965,612,552	15.26%
2023	16,714,511	50,650,033	482,398,889	66.27	3,184,320,031	15.15%
2024	17,287,625	52,386,742	526,846,146	65.30	3,539,200,163	14.89%
2025	17,773,448	53,858,933	560,460,567	64.91	3,793,425,946	14.77%

Source: The above information was obtained from the office of the Sedgwick County Clerk.

Assessed value is calculated by the appraised value times the state assessment percentage by property class. Property class assessment percentages are set by the State Constitution and cannot be adjusted by the county. Classifications of property are appraised at "market value", i.e., estimated actual value, except for Agricultural Land which is appraised at "use value". Property classes and their assessment percentages are as follows: Residential -11.5%; Vacant Lots -12.0%; Not For Profit Organizations - 12.0%; Commercial - 25.0%; Agricultural Improvements - 25.0%; Agricultural Land - 30.0%; and Other Not Elsewhere Classified - 30.0%.

Unified School District No. 260, Derby, Kansas

Property Tax Rates Direct and Overlapping Governments
(Per $1,000 of Assessed Value)
Last Ten Fiscal Years

Table 6

					Recreation Commission						
Fiscal Year	General Fund	Supplemental General Fund	Capital Outlay	Bond and Interest	General Fund	Employee Benefit	Special Assessment	Total	State, County and Other District	City	Total
2016	20.000	17.897	7.992	7.918	5.581	1.409	1.359	62.156	31.951	47.009	141.116
2017	20.000	14.518	8.000	8.054	5.588	1.912	1.361	59.433	31.946	48.021	139.400
2018	20.000	17.170	7.997	7.478	5.585	1.910	0.544	60.684	31.929	48.075	140.688
2019	20.000	13.853	8.000	15.795	5.587	1.918	0.546	65.699	31.908	48.063	145.670
2020	20.000	13.260	8.000	16.706	5.587	1.922	0.529	52.744	31.900	48.049	145.953
2021	20.000	13.299	8.000	16.681	5.589	1.918	0.401	65.888	31.428	48.040	145.792
2022	20.000	13.45	8.000	16.887	5.589	1.941	0.405	66.272	31.714	47.417	145.403
2023	20.000	14.671	7.360	16.461	5.589	1.941	0.25	66.272	31.648	46.978	144.898
2024	20.000	13.443	7.360	16.461	5.589	1.941	0.502	65.296	31.185	46.068	142.549
2025	20.000	12.907	7.999	16.442	5.338	1.941	0.287	64.914	31.843	45.498	142.255

Source: The above information was obtained from the office of the Sedgwick County Clerk.

Unified School District No. 260, Derby, Kansas

Principal Property Taxpayers
Current Year and Nine Years Prior

Table 7

	2025			2016		
Taxpayer	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Spirit AeroSystems, Inc	$ 97,661,608	1	16.03%	$ 56,537,981	1	13.97%
The Boeing Company	9,649,549	2	2.16%	35,656,493	3	8.81%
Evergy Kansas South Inc	9,184,992	3	1.43%	-		
The Greens at Derby	4,862,673	4	0.81%	3,772,002	8	0.93%
The Trails At Derby	4,288,650	5	0.72%	-		
CBC Derby LLC	4,135,400	6	0.74%	-		
Phillips 66	4,068,581	7		-		
Walmart Real Estate Business	3,451,975	8	0.65%	4,411,025	7	1.09%
Silver Derby	3,396,050	9	0.54%	-		
Air Capital Flight Line LLC	6,149,397	10	0.49%	-		
Mid-Western Aircraft Systems Inc.	-		0.00%	44,523,798	2	11.00%
Derby USD 260 Board of Education	-		0.00%	5,000,228	5	1.23%
Kansas Gas & Electric-A Westar Energy Co	-		0.00%	4,763,822	6	1.18%
Dillon Companies	-		0.00%	2,198,930	9	0.54%
Fairways at Derby LP	-		0.00%	2,148,662	10	0.53%
Derby Marketplace Three LLC	-		0.00%	7,773,095	4	1.92%
All Others	413,616,692		75.85%	238,036,770		58.80%
Total	$ 560,465,567		99.43%	$ 404,822,806		100.00%

Source: Sedgwick County Clerk Office

Unified School District No. 260, Derby, Kansas

Property Tax Levies and Collections
Last Ten Fiscal Years

Table 8

Fiscal Year	Total Tax Levy (2)	Current Tax Collections (2)	Percentage of Levy Collected	Delinquent Tax Collections (1)	Total Tax Collections	Percentage of Total Tax Collections To Tax Levy	Total Current Yr Outstanding Delinquent Taxes	Percent Of Delinquent Taxes To Tax Levy
2016	16,366,032	16,033,107	97.97%	180,249	16,213,356	99.07%	332,925	2.03%
2017	16,382,800	15,572,844	95.06%	1,310,920	16,883,764	103.06%	809,956	4.94%
2018	16,930,396	16,845,501	99.50%	147,435	16,992,936	100.37%	84,895	0.50%
2019	18,575,058	17,723,909	95.42%	851,149	18,575,058	100.00%	-	0.00%
2020	19,832,190	19,489,471	98.27%	342,719	19,832,190	100.00%	342,719	1.73%
2021	21,114,320	20,537,422	97.27%	576,898	21,114,320	100.00%	576,898	2.73%
2022	19,911,817	19,170,539	96.28%	741,278	19,911,817	100.00%	741,278	3.72%
2023	22,345,318	21,478,224	96.27%	181,446	21,659,670	96.93%	518,700	2.32%
2024	22,970,875	22,630,201	98.52%	199,460	22,829,661	99.39%	291,780	1.27%
2025	23,960,664	22,910,682	95.62%	314,138	23,224,820	96.93%	1,049,982	4.38%

Source: Sedgwick County Clerk and County Treasurer's office

(1) County Treasurer's records do not provide a determination of which year the collections in subsequent years is applied to. For this schedule all collections of delinquent taxes are applied to the preceding year.

(2) Excludes tax levy and collections for the General Fund. General Fund tax collections are distributed directly to the State of Kansas by the County Treasurer and then re-distributed to Kansas school districts under the State Aid formula.

Unified School District No. 260, Derby, Kansas

Ratios of Net General Bonded Debt to Assessed Value
Total Bonded Debt Per Capita and
Net Bonded Debt Per Pupil
Last Ten Fiscal Years
(dollars in thousands)

Table 9

Fiscal Year	Population (1)	Total District Enrollment	Assessed Value	Gross Bonded Debt	Capital Leases And Certificates Of Participation	Unamortized Premium On General Obligation Bonds	Total Debt	Amount Available From Debt Service Fund	Net Bonded Debt	Ratio Of Net Bonded Debt To Assessed Value	Total Debt Per Capita	Net Bonded Debt Per Pupil	Total Debt As A Percentage Of Personal Income
2016	50,112	7,071	404,823	62,190	5,010	9,758	76,958	4,179	67,769	16.74%	1,536	9,584	0.31%
2017	51,615	7,073	415,768	59,860	4,087	8,901	72,848	4,623	64,138	15.43%	1,411	9,068	*
2018	53,163	7,211	443,557	165,140	3,685	12,996	181,821	6,276	171,860	38.75%	3,420	23,833	*
2019	54,758	7,302	435,409	168,660	3,939	12,100	184,699	6,984	173,776	39.91%	3,373	23,798	*
2020	56,401	7,416	458,499	165,785	2,921	11,049	179,755	7,844	168,990	36.86%	3,187	22,787	*
2021	58,093	7,188	458,535	174,265	5,560	6,666	186,491	8,853	172,078	37.53%	3,210	23,940	*
2022	58,093	7,211	452,552	169,625	4,206	5,247	179,078	8,814	166,058	36.69%	3,083	23,028	*
2023	58,120	7,267	482,398	164,780	2,893	4,223	171,896	8,450	160,553	33.28%	2,958	22,093	*
2024	58,200	7,278	526,844	159,610	1,705	3,618	164,933	10,139	153,089	29.06%	2,834	21,034	*
2025	58,823	7,318	560,461	154,195	831	3,019	158,045	12,004	145,210	25.91%	2,687	19,843	*

Source: The above information was obtained form the USD 260 financial records and the office of the Sedwick County Clerk
(1) Estimate of district population
*Information not available

Unified School District No. 260, Derby, Kansas

Ratios of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures and General Bonded Debt to Total General Expenditures Last Ten Fiscal Years

Table 10

Fiscal Year	Principal		Interest		Total Debt Service	General Bonded Debt	Total General Expenditures (1)	Ratio of Debt Service to Total General Expenditures	Ratio of General Bonded Debt to Total General Expenditures
2016	3,470,665		2,817,471		6,288,136	71,948,017	86,695,194	0.07	0.83
2017	3,838,880		2,554,336		6,393,216	68,760,718	77,467,807	0.08	0.89
2018	4,495,000	(4)	2,355,371	(4)	6,850,371	178,135,934	81,196,916	0.08	2.19
2019	2,630,000		6,237,838		8,867,838	180,760,193	93,912,860	0.09	1.92
2020	2,875,000		6,947,447		9,822,447	176,834,352	136,344,773	0.07	1.30
2021	3,785,000		6,141,682		9,926,682	174,931,107	170,072,213	0.06	1.03
2022	4,640,000		5,910,883		10,550,883	174,872,434	147,601,170	0.07	1.18
2023	4,845,000		5,740,635		10,585,635	169,002,586	138,339,285	0.08	1.22
2024	5,170,000		5,599,658		10,769,658	163,228,177	142,449,374	0.08	1.15
2025	5,415,000		5,441,052		10,856,052	157,213,868	151,881,706	0.07	1.04

Source: The above information was obtained from Unified School District No. 260 financial records.

(1) Includes general, special revenue, debt service and capital project funds of primary government only.

(2) Excludes payments by escrow agent totaling $139,700 in 2010.

(3) Excludes payments by escrow agent totaling $7,610,000 in 2010.

(4) Excludes payments to escrow agent of $2,000,000 in principal and $17,153 in interest.

Unified School District No. 260, Derby, Kansas

Governmental Activities Direct and Overlapping Debt
Current Year and Nine Years Ago

Table 11

Government Units	June 30, 2016 Principal Amount of Debt Outstanding	June 30, 2016 % Applicable to Taxpayers of USD No. 260 (1)	June 30, 2016 Total Direct and Overlapping Debt	June 30, 2025 Principal Amount of Debt Outstanding	June 30, 2025 % Applicable to Taxpayers of USD No. 260 (1)	June 30, 2025 Total Direct and Overlapping Debt
Sedgwick County, KS	$ 56,740,000	8.93%	$ 5,068,899	$ 38,618,180	7.87%	$ 3,040,498
City of Derby, KS	53,695,000	7.56%	4,060,775	512,715,000	0.99%	5,068,461
City of Wichita, KS	622,729,962	8.56%	53,299,993	92,120,000	98.76%	90,982,092
Total Other Government Agencies			62,429,667			99,091,051
Unified School District, Derby, KS	76,958,044	100.00%	76,958,044	154,195,000	100.00%	154,195,000
Total direct and overlapping debt			$ 139,387,711			$ 253,286,051

Source: The above information was obtained fom the Sedgwick County, Kansas Clerk's Office.

(1) Allocation based on assessed valuation of Derby USD 260 portion of the total assessed valuation for the governmental unit.

Unified School District No. 260, Derby, Kansas

Computation of Legal Debt Margin
June 30, 2025

Table 12

Assessed valuation of taxable Tangible property	$	560,460,567
Assessed valuation of motor vehicles		49,176,806
Equalized assessed tangible valuation for computation of bonded debt limit	$	609,637,373
Debt limit - 14%	$	85,349,232
State Board of Education Exemption Authority		116,980,133
Total legal debt authority		202,329,365
Less: Total bonded debt		154,195,000
Legal additional debt limit	$	48,134,365

Source: Assessed valuation obtained from Sedgwick County Treasurer.

KSA 72-6761; 1997 Supply. Establishes authority for USD's to have bonded indebtedness of 14% of their equalized assessed valuation (total assessed valuation plus assessed motor vehicle valuation). USD's may apply to the Kansas State Board of Education to exceed the 14% limitation.

Legal Debt Margin Information

Last Ten Fiscal Years
(dollars in thousands)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Legal debt limit	$ 73,501	$ 75,254	$ 169,385	$ 183,557	$ 187,392	$ 187,608	$ 188,780	$ 190,942	$ 203,881	$202,329
Total net debt applicable to limit	62,190	59,860	165,140	168,660	165,785	186,491	179,078	164,780	159,610	154,195
Legal debt margin	$ 11,311	$ 15,394	$ 4,245	$ 14,897	$ 21,607	$ 1,117	$ 9,702	$ 26,162	$ 44,271	$ 48,134
Total net debt applicable to the limit as a percentage of debt limit	84.61%	79.54%	97.49%	91.88%	88.47%	99.40%	94.86%	86.30%	78.29%	76.21%

Source: Prior year annual reports, Derby Unified School District No. 260.

Unified School District No. 260, Derby, Kansas

Demographic Statistics (1)
Last Ten Fiscal Years

Table 13

Site (Year Opened 19XX)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Derby High School (93)										
Square Feet	381,808	381,808	381,808	381,808	381,808	422,000	422,000	422,000	422,000	422,000
Capacity (students)	2,234	2,234	2,234	2,234	2,234	2,458	2,458	2,458	2,458	2,458
Enrollment	1,935	1,912	1,973	2,020	2,098	2,182	2,138	2,172	2,172	2,172
Derby Middle School (59)										
Square Feet	195,471	195,471	195,471	195,471	195,471	195,471	215,375	215,375	215,375	215,375
Capacity (students)	1,008	1,008	1,008	1,008	1,008	1,045	1,045	1,045	1,045	1,045
Enrollment	862	823	879	866	904	938	945	931	931	923
Derby North Middle School (2015)										
Square Feet	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000	195,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	790	832	820	836	865	828	793	828	828	832
Cooper Elementary (2022)										
Square Feet	48,819	48,819	48,819	48,819	48,819	48,819	62,622	62,622	62,622	62,622
Capacity (students)	388	388	388	388	388	388	388	388	388	388
Enrollment	372	335	318	324	295	251	250	268	268	278
Derby Hills Elementary (85)										
Square Feet	59,735	59,735	59,735	59,735	59,735	78,503	78,503	78,503	78,503	78,503
Capacity (students)	596	596	596	596	596	596	596	596	596	596
Enrollment	490	527	557	567	555	354	381	379	379	396
El Paso Elementary (66)										
Square Feet	49,960	49,960	49,960	49,960	49,960	49,960	49,960	49,960	49,960	49,960
Capacity (students)	484	484	484	484	484	484	484	484	484	484
Enrollment	274	263	273	299	290	260	265	271	271	276
Oaklawn Elementary (2022)										
Square Feet	49,149	49,149	49,149	49,149	49,149	49,149	63,835	63,835	63,835	63,835
Capacity (students)	416	416	416	416	416	416	416	416	416	416
Enrollment	272	291	301	264	294	258	222	216	216	250
Park Hill Elementary (2002)										
Square Feet	58,110	58,110	58,110	58,110	64,508	64,508	64,508	64,508	64,508	64,508
Capacity (students)	456	456	456	456	466	466	466	466	466	466
Enrollment	351	355	374	365	361	361	405	403	403	391

(continued)

Unified School District No. 260, Derby, Kansas

Demographic Statistics (1)
Last Ten Fiscal Years

Table 13

Site (Year Opened 19XX)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Pleasantview Elementary (55)										
Square Feet	43,559	43,559	43,559	43,559	43,559	-	-	-	-	-
Capacity (students)	360	360	360	360	360	-	-	-	-	-
Enrollment	288	295	280	261	242	-	-	-	-	-
Stone Creek Elementary (21)										
Square Feet	-	-	-	-	-	82,278	82,278	82,278	82,278	82,278
Capacity (students)	-	-	-	-	-	485	485	485	485	485
Enrollment	-	-	-	-	-	363	402	418	418	445
Swaney Elementary (55)										
Square Feet	77,045	77,045	77,045	77,045	77,045	77,045	77,045	77,045	77,045	77,045
Capacity (students)	507	507	507	507	507	507	507	507	507	507
Enrollment	398	441	439	443	453	408	382	371	371	348
Tanglewood Elementary (81)										
Square Feet	56,890	56,890	56,890	56,890	56,890	56,890	58,584	58,584	58,584	58,584
Capacity (students)	360	360	360	360	360	360	360	360	360	360
Enrollment	636	599	587	597	608	627	642	619	619	607
Wineteer Elementary (59)										
Square Feet	61,330	61,330	61,330	61,330	61,330	61,330	61,330	61,330	61,330	61,330
Capacity (students)	568	568	568	568	568	568	568	568	568	568
Enrollment	464	453	463	460	490	397	373	391	391	397
Administration Center (63)										
Square Feet	8,901	8,901	8,901	8,901	8,901	40,590	40,590	40,590	40,590	40,590
Educational Support Center (75)										
Square Feet	18,225	18,225	18,225	18,225	18,225	18,225	18,225	18,225	18,225	18,225
Service Center (68)										
Square Feet	31,336	31,336	31,336	31,336	31,336	31,336	31,336	31,336	31,336	31,336

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.
Source: The above information was obtained from USD No. 260 State Audit and the District Facilities Office.
(1) Based on September 20th head count at district attendance centers.
(2) 2015 capacities were adjusted based on a study from an outside consulting group.

Unified School District No. 260, Derby, Kansas

Principal Employers
Current Year and Nine Years Ago

Table 14

		2016			2025		
Major Employers	Product/Service	Employees	Rank	Percentage of Total Employment	Estimated Employees	Rank	Percentage of Total Employment
USD #260	Education	1,107	1	37.9%	1,314	1	36.9%
Walmart	Retail Sales	320	3	11.0%	382	2	10.7%
Dillons	Retail Sales	282	2	9.7%	315	3	8.9%
Rock Regional Hospital	Health Care	-	-	0.0%	252	4	7.1%
City of Derby	Government	203	4	7.0%	245	5	6.9%
Derby Recreation Commission	Recreation	100	10	3.4%	173	6	4.9%
Lowe's Home Improvement	Retail Sales	140	5	4.8%	150	7	4.2%
BG Automation Inc	Manufacturing	-	-	0.0%	119	8	3.3%
Buffalo Wild Wings Grill & bar	Food	-	-	0.0%	110	9	3.1%
Chick-fil-a Derby Marketplace	Food	-	-	0.0%	102	10	2.9%
Target	Retail Sales	105	7	3.6%	101	11	2.8%
Walmart Neighborhood Market	Retail Sales	75	12	2.6%	86	12	2.4%
Glenn Carr House Memory Care	Health Care	-	-	0.0%	74	13	2.1%
Westview Manor	Senior Housing	75	11	2.6%	74	14	2.1%
Kohl's	Retail Sales	65	14	2.2%	60	15	1.7%
El Paso Animal Hospital	Health Care	-	-	0.0%	-	-	0.0%
Derby Family Medical Center	Health Care	70	13	2.4%	-	-	0.0%
Citizens Bank of Kansas (Verus Bank)	Banking	35	17	1.2%	-	-	0.0%
BRG Precision Products	Manufacturing	40	15	1.4%	-	-	0.0%
Commerce Bank	Banking	-	-	0.0%	-	-	0.0%
Walmart Financial	Insurance Claims	112	6	3.8%	-	-	0.0%
Walgreens	Retail Sales	30	18	1.0%	-	-	0.0%
Derby Health & Rehab, LLC	Health Care	100	9	3.4%	-	-	0.0%
Q Corporation	Manufacturing	40	16	1.4%	-	-	0.0%
Hampton Inn	Hotel	18	19	0.6%	-	-	0.0%

Source: City Clerk, Derby, Kansas.

Unified School District No. 260, Derby, Kansas

Staff/Student Information By Building
Last Ten Fiscal Years

Table 15

Site	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Derby High School										
Certified Instructional Staff FTE	96.7	100.1	99.1	99.5	100.1	100.2	101.7	105.2	106.0	110.0
Special Education Instructional FTE	17.8	14.8	14.3	20.1	18.5	16.0	16.0	16.0	19.0	18.0
Certified Non-Instructional Staff FTE	7.0	8.0	7.0	8.0	9.6	9.7	11.7	12.5	4.0	13.0
Enrollment	1,935	1,912	1,973	2,015	2,096	2,182	2,138	2,172	2,207	2,236
Number Free and Reduced Students	878	854	852	865	889	940	918	939	865	872
Percent of Free/Reduced to Total Students	45.4%	44.7%	43.2%	42.9%	42.4%	43.1%	42.9%	43.2%	39.2%	39.0%
Student Teacher Ratio	20:1	19:1	20:1	16:1	16:1	22:1	18:1	16:1	19:1	16:1
Derby Middle School										
Certified Instructional Staff FTE	45.4	45.3	45.3	46.4	46.2	48.4	46.4	48.2	46.0	47.0
Special Education Instructional FTE	6.5	5.5	6.5	6.5	6.5	6.5	6.5	7.0	9.0	8.0
Certified Non-Instructional Staff FTE	4.3	5.3	3.0	5.0	5.6	6.0	5.8	5.5	5.0	6.0
Enrollment	862	823	879	799	855	938	945	931	859	866
Number Free and Reduced Students	427	419	442	427	436	421	404	431	405	398
Percent of Free/Reduced to Total Students	49.5%	50.9%	50.3%	53.4%	51.0%	44.9%	42.8%	46.3%	47.2%	45.9%
Student Teacher Ratio	19:1	18:1	19:1	14:1	15:1	19:1	18:1	15:1	16:1	14:1
Derby North Middle School										
Certified Instructional Staff FTE	44	44.3	44.9	45.4	45.8	48.4	47.9	49.7	47.0	47.0
Special Education Instructional FTE	9	7.5	8.5	8.5	9.5	8.5	8.5	7.5	8.0	8.0
Certified Non-Instructional Staff FTE	4	5.3	3.0	5.0	5.0	5.0	5.0	4.0	4.0	4.0
Enrollment	790	832	820	836	867	828	793	828	861	874
Number Free and Reduced Students	358	379	375	370	383	360	393	401	342	354
Percent of Free/Reduced to Total Students	0	45.6%	45.7%	44.3%	44.2%	43.5%	49.6%	48.4%	39.7%	41.0%
Student Teacher Ratio	18:1	19:1	18:1	14:1	14:1	17:1	14:1	14:1	16:1	15:1
Cooper Elementary										
Certified Instructional Staff FTE	29.4	29.4	26.4	27.3	25.2	23.2	33.2	22.2	25.0	24.0
Special Education Instructional FTE	3.0	3.0	2.0	3.5	3.2	3.2	3.1	3.1	4.0	3.0
Certified Non-Instructional Staff FTE	2.0	1.0	1.0	2.6	2.8	3.0	2.5	2.5	3.0	2.0
Enrollment	372	335	318	284	252	251	250	268	371	306
Number Free and Reduced Students	311	273	255	257	228	214	204	210	147	273
Percent of Free/Reduced to Total Students	83.6%	81.5%	80.2%	90.5%	90.5%	85.3%	81.6%	78.4%	39.6%	90.0%
Student Teacher Ratio	13:1	11:1	12:1	9:1	8:1	11:1	11:1	10:1	10:1	10:01

(continued)

Unified School District No. 260, Derby, Kansas

Staff/Student Information By Building
Last Ten Fiscal Years

Table 15

Site	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Derby Hills Elementary										
Certified Instructional Staff FTE	33.4	28.5	29.3	31.5	32.4	23.8	23.9	24.2	25.0	25.0
Special Education Instructional FTE	5.0	2.5	2.5	3.0	3.2	2.2	2.7	2.7	4.0	5.0
Certified Non-Instructional Staff FTE	1.5	1.0	1.0	2.6	2.8	2.5	2.5	2.5	3.0	2.0
Enrollment	490	527	557	551	534	354	381	379	371	442
Number Free and Reduced Students	147	151	139	149	141	126	142	165	147	202
Percent of Free/Reduced to Total Students	30.0%	28.7%	25.0%	27.0%	26.4%	35.6%	37.3%	43.5%	39.6%	45.7%
Student Teacher Ratio	15:1	19:1	19:1	15:1	14:1	15:1	14:1	13:1	15:01	14:01
El Paso Elementary										
Certified Instructional Staff FTE	20.4	16.4	16.9	16.9	17.1	16.6	17.0	17.2	18.0	18.0
Special Education Instructional FTE	1.3	1.0	1.0	2.0	2.7	2.2	4.2	2.2	2.0	2.0
Certified Non-Instructional Staff FTE	1.0	1.0	1.0	2.0	2.9	3.1	4.7	3.0	2.0	2.0
Enrollment	274	263	273	280	272	260	265	271	268	318
Number Free and Reduced Students	138	117	94	83	86	118	123	139	111	139
Percent of Free/Reduced to Total Students	50.4%	44.5%	34.4%	29.6%	31.6%	45.4%	46.4%	51.3%	41.4%	44.0%
Student Teacher Ratio	13:1	16:1	16:1	13:1	12:1	16:1	13:1	12:1	14:1	14:1
Oaklawn Elementary										
Certified Instructional Staff FTE	19.8	19.8	21.3	21.3	21.8	22.3	21.8	22.8	20.0	25.0
Special Education Instructional FTE	4.0	4.2	4.2	3.0	4.7	4.7	4.2	4.2	6.0	6.0
Certified Non-Instructional Staff FTE	2.0	2.0	1.0	5.0	5.5	5.0	4.7	3.4	3.0	3.0
Enrollment	272	291	301	238	255	258	222	216	246	274
Number Free and Reduced Students	247	257	265	217	236	237	190	196	209	257
Percent of Free/Reduced to Total Students	90.8%	88.3%	88.0%	91.2%	92.5%	91.9%	85.6%	90.7%	85.0%	93.8%
Student Teacher Ratio	14:1	15:1	14:1	13:1	8:1	12:1	9:1	7:1	11:1	8:1
Park Hill Elementary										
Certified Instructional Staff FTE	20.0	20.5	21.5	21.5	21.8	22.8	23.1	23.1	24.0	25.0
Special Education Instructional FTE	3.0	4.0	4.0	3.0	3.4	4.3	4.3	6.3	6.0	6.0
Certified Non-Instructional Staff FTE	1.4	1.0	2.0	3.0	2.7	3.0	3.5	3.5	3.0	2.0
Enrollment	351	355	374	361	358	361	361	403	401	442
Number Free and Reduced Students	79	88	114	111	85	93	112	118	114	113
Percent of Free/Reduced to Total Students	22.5%	24.8%	30.5%	30.7%	23.7%	25.8%	31.0%	29.3%	28.4%	25.8%
Student Teacher Ratio	18:1	17:1	17:1	13:1	13:1	16:1	13:1	12:1	16:1	13:1

(continued)

Unified School District No. 260, Derby, Kansas

Staff/Student Information By Building
Last Ten Fiscal Years

Table 15

Site	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Pleasantview Elementary										
Certified Instructional Staff FTE	19.7	18.8	19.8	19.3	16.3	-	-	-	-	-
Special Education Instructional FTE	1.0	1.3	1.3	1.3	1.1	-	-	-	-	-
Certified Non-Instructional Staff FTE	2.0	2.0	1.0	1.0	2.2	-	-	-	-	-
Enrollment	288	295	280	259	237	-	-	-	-	-
Number Free and Reduced Students	209	193	188	154	138	-	-	-	-	-
Percent of Free/Reduced to Total Students	72.6%	65.4%	67.1%	59.5%	58.2%	0.0%	0.0%	0.0%	0.0%	-
Student Teacher Ratio	14:1	16:1	14:1	12:1	12:1	0:00	-	-	-	-
Stone Creek Elementary										
Certified Instructional Staff FTE	-	-	-	-	-	23.6	24	25	25	27
Special Education Instructional FTE	-	-	-	-	-	2.2	2	2	3	5
Certified Non-Instructional Staff FTE	-	-	-	-	-	2.9	3	3	3	1
Enrollment	-	-	-	-	-	363	402	418	424	485
Number Free and Reduced Students	-	-	-	-	-	81	120	130	121	158
Percent of Free/Reduced to Total Students	-	-	-	-	-	0	29.85%	31.10%	28.54%	32.78%
Student Teacher Ratio	-	-	-	-	-	15:1	16:1	14:1	17:1	15:1
Swaney Elementary										
Certified Instructional Staff FTE	22.4	24.5	24.5	25.4	25.6	25.1	24.9	25.2	26.5	26.0
Special Education Instructional FTE	4.5	4.5	4.5	4.5	5.2	4.7	4.3	5.2	5.0	5.0
Certified Non-Instructional Staff FTE	1.0	1.0	1.0	4.0	4.0	3.5	3.5	3.5	2.0	1.0
Enrollment	398	441	439	416	423	408.0	382	371	398	388
Number Free and Reduced Students	220	237	209	222	233	205.0	223	224	213	235
Percent of Free/Reduced to Total Students	55.3%	53.7%	47.6%	53.4%	55.1%	50.2%	58.4%	60.4%	53.5%	60.6%
Student Teacher Ratio	18:1	18:1	18:1	12:1	12:1	16:1	13:1	11:1	11:1	12:1
Tanglewood Elementary										
Certified Instructional Staff FTE	20.6	19.6	18.6	18.5	19.4	22.7	24.2	23.0	23.0	24.0
Special Education Instructional FTE	4.0	3.7	2.7	2.7	3.2	3.7	2.8	4.2	4.0	1.0
Certified Non-Instructional Staff FTE	1.0	1.0	2.0	4.0	3.5	3.8	2.9	2.5	2.0	4.0
Enrollment	636	599	587	600	608	627.0	642	619	361	380
Number Free and Reduced Students	162	161	119	120	121	127.0	134	131	113	157
Percent of Free/Reduced to Total Students	25.5%	26.9%	20.3%	20.0%	19.9%	20.3%	20.9%	21.2%	31.3%	41.3%
Student Teacher Ratio	31:1	31:1	32:1	24:1	23:1	28:1	24:1	21:1	14:1	13:1
Wineteer Elementary										
Certified Instructional Staff FTE	32.2	31.2	31.6	29.9	30.0	28.0	28.4	27.4	27.0	27.0
Special Education Instructional FTE	4.0	4.0	4.0	3.0	3.2	3.7	2.8	2.7	3.0	4.0
Certified Non-Instructional Staff FTE	1.0	1.0	1.0	4.0	3.5	3.5	2.9	2.5	2.0	2.0

Unified School District No. 260, Derby, Kansas

Staff/Student Information By Building
Last Ten Fiscal Years

Table 15

Site	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Enrollment	464	453	463	441	454	397	373	391	368	447
Number Free and Reduced Students	270	265	268	235	251	228	215	207	142	207
Percent of Free/Reduced to Total Students	58.2%	58.5%	57.9%	53.3%	55.3%	57.4%	57.6%	52.9%	38.6%	46.5%
Student Teacher Ratio	14:1	15:1	15:1	12:1	12:1	14:1	12:1	12:1	13:1	14:1

Source: Kansas State Department of Education.

(1) Derby North Middle School opened with the closing of Derby Sixth Grade Center, June 30, 2015.

Unified School District No. 260, Derby, Kansas

Miscellaneous Statistics
June 30, 2025

Table 16

Date of organization	1872
Form of Government	Seven Member Board
Area	50 square miles

Education	
Pre-kindergarten through fifth	171 days
Sixth through twelfth	170.5 days
Special Educaiton	170.5 days
Vocational Education	170.5 days
English Speakers of Other Languages	170.5 days
Driver Training	Summer School
Summer School	4 weeks

Support Centers		Athletic Facilities	
Laundry	1	Stadiums	2
Warehouse	1	Tennis Courts	3
Service Center	1	Baseball Diamond	1
Maintenance Center	1	Gymnasiums	5
Central Kitchen	1	Track	3
Educational Support Center	1		
Administrative Center	1		

Employees		Transportation	
Administration	50	Buses	66
Cerfified	534	Vans	32
Classifed	569	Trucks	27
Bus Drivers	45	Automobiles	1

Source: The above information was obtained from Unified School District No. 260 Business Office.

Unified School District No. 260, Derby, Kansas

Other Operating Statistics
Last Ten Fiscal Years

Table 17

Year	Expenses	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/ Teacher Ratio (1)	Student Attendance Percentage
2016	86,695,194	7,071	12,261	-18.73%	537	14:1	93%
2017	77,467,807	7,073	10,953	-10.67%	534	13:1	93%
2018	81,734,423	7,211	11,335	3.49%	531	14:1	93%
2019	93,912,860	7,302	12,861	13.46%	529	14:1	93%
2020	136,344,773	7,416	18,385	42.95%	515	14:1	93%
2021	170,072,213	7,188	23,661	28.70%	517	14:1	94%
2022	147,601,170	7,211	20,469	-13.49%	530	14:1	92%
2023	138,339,285	7,267	19,037	-7.00%	539	14:1	93%
2024	142,449,374	7,278	19,573	2.81%	539	14:1	93%
2025	151,881,705	7,318	20,755	6.04%	542	13:1	93%

Source: School District Financial Records, KSDE.

(1) Enrollment divided by pupil/teacher ratio to the nearest whole number.

Unified School District No. 260, Derby, Kansas

Economic Statistics
Last Ten Fiscal Years

Table 18

Year	Sedgwick County Population		Personal Income (1)	Per Capita Personal Income	Sedgwick County Unemployment Rate
2016	511,574	*	25,197,029	49,213	4.8%
2017	511,995	*	(2)	(2)	4.2%
2018	513,687	*	(2)	(2)	(2)
2019	513,607	*	25,222,667	49,101	3.8%
2020	516,042	*	27,619,954	53,776	3.5%
2021	523,824		27,647,784	53,577	8.7%
2022	523,828	*	16,698,065	31,877	3.0%
2023	526,513	*	30,386,645	57,713	3.1%
2024	528,469		32,480,499	57,570	2.9%
2025	536,081		32,480,499	61,462	3.9%

Source: Kansas Statistical Abstract, State of Kansas. All information based on Sedgwick County statistics.

* Designates an estimate
(1) Expressed in thousands of dollars.
(2) Information not available at this time.

Unified School District No. 260, Derby, Kansas

Bachelor's Teachers Salaries Schedule and FTE
By Range and Step for 2024-2025

Table 19

Level	B	FTE	B+10	FTE	B+20	FTE	B+30	FTE	B+40	FTE
AA	$ 50,003	25.0	$ 50,435	3.0	$ 50,735	2.0	$ 51,067	0.0	$ 51,344	0.0
A	50,333	35.0	50,814	2.0	51,092	3.0	51,473	2.0	51,677	3.0
B	50,663	14.0	51,193	10.0	51,449	4.0	51,879	1.0	52,209	0.0
C	51,323	5.0	51,951	6.0	52,264	2.0	52,492	1.0	53,274	3.0
D	51,982	1.0	52,709	1.0	53,178	3.0	53,504	2.0	54,338	5.0
E	52,142	1.0	53,267	5.0	53,692	2.0	54,516	4.0	55,403	2.0
F	52,302	2.0	53,425	1.0	54,306	0.0	55,529	3.0	56,468	9.0
G	52,561	1.0	53,883	0.0	55,221	0.0	56,541	1.0	57,533	6.0
H	52,821	0.0	54,241	1.0	56,135	0.0	57,554	2.0	58,597	0.0
I	53,481	0.0	54,999	0.0	57,049	2.0	58,566	1.0	59,662	2.0
J	54,141	0.0	55,757	0.0	57,963	0.0	59,578	0.0	60,727	0.0
K	54,800	0.0	56,515	0.0	58,877	0.0	60,591	1.0	61,792	5.0
L	55,460	0.0	57,274	0.0	59,792	0.0	61,604	0.0	62,857	4.0
M	56,120	0.0	58,032	0.0	60,706	0.0	62,617	0.0	63,922	9.0
N	56,779	1.0	58,790	1.0	61,620	2.0	63,632	2.0	64,986	11.0
Total FTE by range:		85.0		30.0		20.0		20.0		59.0

Average Teacher's Salary $ 55,443

Unified School District No. 260, Derby, Kansas

Master's Teachers Salaries Schedule and FTE
By Range and Step for 2024-2025

Table 20

Level	M	FTE	M+10	FTE	M+20	FTE	M+30	FTE	M+40	FTE	M+50	FTE	M+60	FTE	Doctorate	FTE
AA	$52,762	4	$53,619	0	$54,303	3	$54,919	1	$55,609	1	$56,273	0	$57,142	0	$58,044	0
A	53,470	19	54,360	3	55,073	2	55,689	6	56,411	1	57,027	0	58,061	2	59,095	0
B	54,178	14	55,101	4	55,843	3	56,459	2	57,213	1	57,829	0	58,986	1	60,145	0
C	55,594	5	56,583	4	57,382	7	57,998	3	58,816	0	59,431	2	60,838	0	62,246	0
D	57,011	7	58,065	1	58,922	6	59,538	3	60,419	1	61,884	3	62,690	6	64,346	1
E	58,427	3	59,546	6	60,461	4	61,077	6	62,122	2	64,385	2	64,542	1	66,447	3
F	59,843	1	61,028	5	62,000	6	62,616	5	64,448	4	66,088	2	66,394	0	68,548	2
G	61,260	2	62,510	3	63,540	1	64,155	5	66,127	3	67,391	3	68,246	2	70,649	0
H	62,676	4	64,119	5	65,079	3	66,093	1	67,657	3	68,694	1	70,097	5	72,750	0
I	64,092	0	65,604	0	66,619	3	67,382	4	68,844	2	70,049	2	71,950	11	74,851	0
J	65,509	1	66,955	0	68,158	1	68,774	3	70,335	2	71,652	0	73,801	3	76,952	1
K	66,925	1	68,437	4	69,926	1	70,313	5	71,641	2	73,255	1	75,653	11	79,053	0
L	68,341	1	69,919	0	71,468	1	71,852	0	73,245	1	74,122	0	77,505	13	81,154	0
M	69,758	3	71,400	0	72,777	1	73,391	1	74,848	0	75,461	2	79,357	15	83,255	0
N	$71,175	1	$72,880	3	$74,315	2	$74,931	4	$76,449	4	$77,064	3	$81,208	34	$85,354	1
Total FTE by range:		66.0		38.0		44.0		49.0		27.0		21.0		104.0		8.0

Average Teacher's Salary $63,552

SINGLE AUDIT SECTION

LOYD GROUP, LLC

520 S. Main Street
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
Unified School District 260
Derby, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statement of Unified School District No. 260, Kansas, (District) as of and for the year ended June 30, 2025, and the related notes to the financial statement which collectively comprise the District's basic financial statement, and have issued our report thereon dated January 23, 2026.

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) as a basis for designing 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 entity'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statement is free 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 financial statement. 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.*

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
January 23, 2026

LOYD GROUP, LLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Education
Unified School District 260
Derby, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Unified School District No. 260's (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the *Kansas Municipal Audit and Accounting Guide;* 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.

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.

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.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
January 23, 2026

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/ Pass Through Grantor/ Program Title	Federal Assistance Listing Number	Grant Number	Disbursements/ Expenditures
U.S. Department of Education			
Direct Program			
Impact Aid - School Assistance in Federally Affected Areas	84.041		$ 147,630
Passed Through State Department of Education			
Special Education Cluster (IDEA)			
Special Education - IDEA - Part B	84.027A	DO260	1,674,772
Special Education - IDEA Preschool	84.173	DO260	26,198
Total Special Education Cluster (IDEA)			1,700,970
Elementary and Secondary School Emergency Relief Cluster			
ARP HCY II	84.196	DO260	1,313
COVID-19 Elementary and Secondary School Emergency Relief III Fund	84.425U	DO260	688,541
Total Elementary and Secondary School Emergency Relief Cluster			689,854
Title I	84.010	DO260	1,192,466
Title IIA	84.367	DO260	294,139
Title III	84.365	DO260	80,720
Title IV-A	84.424	DO260	96,494
Homeless Children and Youth	84.196A	DO260	2,934
Career and Technical Education - Carl Perkins Vocational Education	84.048A	DO260	64,432
TOTAL U.S. DEPARTMENT OF EDUCATION			4,269,639
U.S. Corporation for National and Community Service			
Passed Through State Department of Education			
Americorps	94.006	DO260	140,464
TOTAL U.S. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			140,464
U.S. Department of Defense			
Direct Program			
Competitive Grants: Promoting K-12 Student Achievement at Military Connected Schools	12.556	HE1254-21-1-0010	218,890
TOTAL U.S. DEPARTMENT OF DEFENSE			218,890
U.S. Department of Agriculture			
Passed Through State Department of Education			
Child Nutrition Cluster			
School Breakfast Program	10.553	DO260	408,251
National School Lunch Program	10.555	DO260	2,065,502
Summer Food Service Program for Children	10.559	DO260	307,943
Total Child Nutrition Cluster			2,781,696
Fresh Fruit and Vegetable	10.582	DO260	62,119
TOTAL U.S. DEPARTMENT OF AGRICULTURE			2,843,815
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			$ 7,472,808

DERBY PUBLIC SCHOOLS
UNIFIED SCHOOL DISTRICT NO. 260
DERBY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT.)
For the Year Ended June 30, 2025

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Unified School District Number 260, Derby, Kansas (the District), under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District. The Schedule is presented using a modified accrual basis of accounting, which is the same basis of accounting as the fund financial statements accompanying this schedule.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) The District has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

DERBY PUBLIC SCHOOL
UNIFIED SHOOL DISTRICT NO. 260
DERBY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Section 1 – Summary of Auditor's Results

Financial Statements

1. Type of auditor's opinion issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
2. Internal control over financial reporting:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	No
3. Noncompliance material to the financial statements noted?	No

Federal Awards

1. Internal control over major programs:	
a. Material weaknesses identified?	No
b. Significant deficiencies identified?	None Reported
2. Type of auditor's report issued on compliance for major programs:	Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	No
4. Identification of major programs:	

Name of Federal Program or Cluster	CFDA Number
Child Nutrition Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Summer Food Service Program for Children	10.559
Title I	84.010

5. Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
6. Auditee qualified as a low-risk auditee?	Yes

Section 2 – Findings – Financial Statement Audit

There were no reportable findings.

Section 3 – Findings and Questioned Costs – Major Federal Award Programs

U.S. DEPARTMENT OF EDUCATION

Title I – Assistance Lising Number 84.010

There were no reportable findings.

U.S. DEPARTMENT OF AGRICULTURE

Child Nutrition Cluster – Assistance Lising Number 10.553, 10.555, 10.559

There were no reportable findings.