

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS

FINANCIAL STATEMENT
YEAR ENDED JUNE 30, 2025

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
FINANCIAL STATEMENT
REGULATORY BASIS
Year Ended June 30, 2025

TABLE OF CONTENTS

	Schedule	Page
Independent Auditors' Report		1 - 3
Financial Statement:		
Summary Statement of Receipts, Expenditures, and Unencumbered Cash		4 - 5
Notes to Financial Statement		6 - 15
Supplementary Information:		
Summary of Expenditures - Budget and Actual	1	16
Schedule of Receipts and Expenditures	2	
General Fund		17
Supplemental General Fund		18
Special Education Fund		19
Driver Education Fund		20
Food Service Fund		21
Capital Outlay Fund		22
Vocational Education Fund		23
Professional Development Fund		24
Bilingual Fund		25
At-Risk K-12 Fund		26
At-Risk 4 Year Old Fund		27
Virtual Education Fund		28
KPERS Special Retirement Contribution Fund		29
Federal Grant Funds		30
Other Gifts and Grants Fund		31
Bond and Interest Fund		32
Textbook Rental Fund		33
Contingency Reserve Fund		34
Summary of Receipts and Disbursements - Agency Funds	3	35 - 37
Schedule of Receipts, Expenditures, and Unencumbered Cash	4	
Gate Receipts		38
School Projects		39 - 40
District Activity Funds		41 - 43
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statement Performed in Accordance with *Government Auditing Standards*		44 - 45

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INDEPENDENT AUDITORS' REPORT

Board of Education
Shawnee Heights Unified School District No. 450:

Report on the Audit of the Financial Statement

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Shawnee Heights Unified School District No. 450 (the District) as of and for the year ended June 30, 2025 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2025, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the District as of June 30, 2025 and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 2.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 2 of the financial statement, the financial statement is prepared by the District on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and

accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guid*e as describe in Note 2; this includes determining that the regulatory basis of accounting is an acceptable basis of the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date that the financial statement is issued or available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statement.

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

- exercise professional judgement and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (the financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures used to prepare the financial statement and certain additional procedures, including comparing and reconciling such information directly to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the financial statement as a whole, on the basis of accounting described in Note 2.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

BT & Co., P.A.

December 5, 2025
Topeka, Kansas

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2025

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts
General fund	$ -	$ -	$ 30,533,893
Supplemental general fund	741,323	-	10,416,363
Special purpose funds:			
Special education	1,624,893	68	10,319,224
Driver education	95,234	-	52,237
Food service	649,223	29,975	2,395,110
Capital outlay	5,149,001	25,320	5,251,764
Vocational education	176,312	-	322,424
Professional development	469,875	106	151,504
Bilingual	62,105	-	78,354
At-risk K-12	1,046,297	143	4,171,543
At-risk 4 year old	81,565	-	130,000
Virtual education	149,911	-	100,000
KPERS special retirement contribution	-	-	3,827,495
Federal grant funds	(262,171)	206	1,300,046
Other gifts and grants	49,409	62	430,835
Textbook rental	359,353	2,262	778,881
Contingency reserve	1,491,646	-	-
District activity funds - gate receipts	32,730	-	161,882
District activity funds - school projects	119,070	-	91,985
District activity funds	13,484	-	158,320
Bond and interest fund	3,532,582	-	4,291,257
Total reporting entity (excluding agency funds)	$ 15,581,842	$ 58,142	$ 74,963,117

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2025
(Continued)

FUNDS	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General fund	$ 30,533,893	$ -	$ 1,299,842	$ 1,299,842
Supplemental general fund	10,126,606	1,031,080	-	1,031,080
Special purpose funds:				
Special education	10,443,248	1,500,937	738,668	2,239,605
Driver education	55,100	92,371	3,339	95,710
Food service	2,595,342	478,966	75,068	554,034
Capital outlay	4,946,136	5,479,949	2,622,035	8,101,984
Vocational education	342,559	156,177	35,673	191,850
Professional development	252,514	368,971	28,229	397,200
Bilingual	85,237	55,222	3,553	58,775
At-risk K-12	4,588,146	629,837	374,138	1,003,975
At-risk 4 year old	141,958	69,607	12,103	81,710
Virtual education	120,966	128,945	-	128,945
KPERS special retirement contribution	3,827,495	-	-	-
Federal grant funds	1,093,808	(55,727)	29,246	(26,481)
Other gifts and grants	557,505	(77,199)	71,922	(5,277)
Textbook rental	831,584	308,912	566,620	875,532
Contingency reserve	-	1,491,646	-	1,491,646
District activity funds - gate receipts	170,376	24,236	-	24,236
District activity funds - school projects	110,534	100,521	-	100,521
District activity funds	161,512	10,292	-	10,292
Bond and interest fund	2,585,070	5,238,769	-	5,238,769
Total reporting entity (excluding agency funds)	$ 73,569,589	$ 17,033,512	$ 5,860,436	$ 22,893,948
Composition of cash:				
Checking accounts				$ 22,751,890
Petty cash funds				7,009
Activity funds - checking accounts				403,524
Total cash				23,162,423
Agency funds per schedule 3				(268,475)
Total reporting entity (excluding agency funds)				$ 22,893,948

See accompanying notes to financial statement.

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
NOTES TO FINANCIAL STATEMENT
June 30, 2025

1 - Municipal Financial Reporting Entity

Shawnee Heights Unified School District No. 450 (the District) is a municipal corporation governed by an elected seven-member board. This financial statement includes all the accounts for which the District is considered to be financially accountable. The District has no related municipal entities.

2 - Summary of Significant Accounting Policies

Fund Descriptions

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

The following regulatory basis fund types comprise the financial activities of the District for the year ended June 30, 2025:

GOVERNMENTAL FUNDS

General Fund and Supplemental General Fund are used to account for the general operations of the District and are used to account for all resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

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

FIDUCIARY FUNDS

Agency Funds are used to account for assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature and do not involve measurements of operations.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (the KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been

permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

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

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, supplemental general fund, special purpose funds (unless specifically exempted by statute), and bond and interest fund. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the fiscal year ended June 30, 2025.

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

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

A legal operating budget is not required for agency funds and the following special purpose funds:

Textbook Rental Fund, Contingency Reserve Fund, Gate Receipts, School Projects, and District Activity Funds.

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

Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

Annual Personal and Sick Leave Benefits

Under the terms of the District's personnel policy, District employees are granted annual personal and sick leave in varying amounts depending on whether the employee is hourly or contracted.

Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

3 - Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. 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; US government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. At June 30, 2025, the District did not have any investments.

Custodial credit risk. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. Kansas statutes require the District's deposits in financial institutions

to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2025.

At June 30, 2025, the District's carrying amount of deposits was $ 23,162,423 and the bank balance was $ 24,997,614. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $ 490,598 was covered by federal depository insurance and the remaining $ 24,507,016 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

4 - Interfund Transfers

The District made the following interfund transfers during the year ended June 30, 2025. The transfers were approved by the Board of Education.

From	To	Regulatory Authority	Amount
General	Bilingual	K.S.A. 72-5167	$ 50,000
General	Virtual Education	K.S.A. 72-5167	100,000
General	Food Service	K.S.A. 72-5167	275,000
General	Professional Development	K.S.A. 72-5167	100,000
General	Special Education	K.S.A. 72-5167	6,939,038
General	Vocational Education	K.S.A. 72-5167	290,000
General	At-Risk 4 Year Old	K.S.A. 72-5167	130,000
General	At-Risk K-12	K.S.A. 72-5167	3,147,743
General	Textbook Rental	K.S.A. 72-5167	250,000
Supplemental General	Bilingual	K.S.A. 72-5143	28,354
Supplemental General	At-Risk K-12	K.S.A. 72-5143	1,023,800
Supplemental General	Special Education	K.S.A. 72-5143	2,079,013

5 - Long-Term Debt

Changes in long-term liabilities for the District for the year ended June 30, 2025 were as follows:

Issue	Interest Rate	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General obligation bonds:									
Series 2011	3.10%	09/01/11	$ 9,985,000	09/01/24	$ 1,355,000	$ -	$ 1,355,000	$ -	$ 21,002
Series 2012	2.00-2.45%	12/15/12	9,990,000	09/01/33	3,135,000	-	-	3,135,000	72,268
Series 2014	3.00%	09/01/13	8,055,000	09/01/24	1,120,000	-	1,120,000	-	16,800
Total general obligation bonds					5,610,000	-	2,475,000	3,135,000	110,070
Finance leases:									
Energy conservation lease	2.35%	03/19/20	4,341,534	03/01/40	3,621,110	-	189,050	3,432,060	85,096
Apple equipment lease 2022	0.00%	05/16/22	703,180	05/16/25	175,795	-	175,795	-	-
Apple equipment lease 2023	0.00%	04/15/23	940,800	04/15/25	313,600	-	313,600	-	-
Midwest bus sales 2023	0.00%	05/01/23	599,907	06/30/28	472,058	-	118,014	354,044	-
Copier lease 2022	0.00%	08/24/22	459,447	08/24/27	283,326	-	91,889	191,437	-
Cisco EA security agreement	0.00%	08/15/22	537,421	08/14/26	322,453	-	107,484	214,969	-
Total finance leases					5,188,342	-	995,832	4,192,510	85,096
Early retirement benefits					406,650	73,150	128,000	351,800	-
Total contractual indebtedness					$ 11,204,992	$ 73,150	$ 3,598,832	$ 7,679,310	$ 195,166

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

	2026	2027	2028	2029	2030	2031-2035	2036-2040	Total
Principal:								
General obligation bonds	$ -	$ -	$ -	$ 495,000	$ 505,000	$ 2,135,000	$ -	$ 3,135,000
Energy conservation lease	193,493	198,040	202,694	207,457	212,332	1,138,895	1,279,149	3,432,060
Midwest bus sales	118,014	118,014	118,016	-	-	-	-	354,044
Copier leases	91,889	91,889	7,659	-	-	-	-	191,437
Cisco EA security agreement	107,484	107,485	-	-	-	-	-	214,969
Early retirement benefits	117,417	96,208	59,858	35,617	18,450	24,250	-	351,800
Total principal	628,297	611,636	388,227	738,074	735,782	3,298,145	1,279,149	7,679,310
Interest:								
General obligation bonds	72,268	72,268	72,268	67,318	56,686	104,843	-	445,651
Energy conservation lease	80,653	76,106	71,452	66,689	61,814	231,835	91,578	680,127
Total interest	152,921	148,374	143,720	134,007	118,500	336,678	91,578	1,125,778
Total principal and interest	$ 781,218	$ 760,010	$ 531,947	$ 872,081	$ 854,282	$ 3,634,823	$ 1,370,727	$ 8,805,088

6 - Defined Benefit Pension Plan

General Information about the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate and the statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 13.38% and 12.57%, respectively, for the fiscal year ended June 30, 2024. The actuarially determined employer contribution rate and the statutory contribution rate was 11.60% and 11.54%, respectively, for the fiscal year ended June 30, 2025.

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

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue pension obligation bonds, Series 2012K, with net proceeds of $ 500 million to fund a portion of the School-Group's unfunded actuarial liability. The bond proceeds were received by KPERS on August 26, 2021.

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

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

The State of Kansas is required to contribute the statutory required employer's share except for retired district employees. The District is responsible for the employer's portion of the cost for retired district employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled $ 3,607,786 for the year ended June 30, 2025.

Net Pension Liability

At June 30, 2025, the District's proportionate share of the collective net pension liability reported by KPERS was $ 33,032,499. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2024. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

7 - Other Post-Employment Benefits

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

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

8 - Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2025.

9 - Early Retirement Benefits

The District has a plan that provides early retirement benefits to certain eligible employees. To be eligible for early retirement benefits, employees must have been employed by the District for a minimum of ten years, must not be age sixty-five or older, and must meet one of the following criteria: full retirement qualifications as required by KPERS, have accumulated a minimum of 160 days of sick leave in the District and be at least fifty-nine years of age, or be at least sixty years of age.

Benefits for eligible participants include receiving the longevity payments for which he/she was eligible during the last year of employment and the opportunity to remain in the District's group health insurance plan at his/her own cost. These benefits will continue until the participant reaches age sixty-five.

10 - 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 for which the District carries commercial insurance. Settled claims have not exceeded commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

11 - Stewardship, Compliance, and Accountability

The Federal Grant Funds had a deficit cash balance of $ 26,481 and a deficit unencumbered cash balance of $ 55,727 at June 30, 2025, which is a violation of K.S.A. 10-1113. This was the result of expenditures incurred prior to federal reimbursement.

The Other Gifts and Grants Fund had a deficit cash balance of $ 5,277 and a deficit of unencumbered cash balance of $ 77,199 at June 30, 2025, which is a violation of K.S.A 10-1113. This was the result of expenditures incurred prior to reimbursement.

12 - Commitments and Contingencies

The District receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material negative effect on the financial statement of the District at June 30, 2025.

13 - Subsequent Event

The District has evaluated subsequent events through the date of the independent auditors' report, which is the date that the financial statement was available to be issued.

In August 2025, the District adopted a resolution allowing for the sale of up to $ 65,000,000 of General Obligation Bonds. The District is planning renovations and various building improvements on each school within the District. The issuance of the bonds passed election in November 2025. The debt payments will be budgeted and paid annually from the bond and interest fund.

SUPPLEMENTARY INFORMATION

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2025

	Certified Budget	Adjustments to Comply with Legal Max	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
FUNDS						
General fund	$ 32,091,800	$(1,669,161)	$ 111,254	$ 30,533,893	$ 30,533,893	$ -
Supplemental general fund	10,649,085	(522,479)	-	10,126,606	10,126,606	-
Special purpose funds:						
Special education	10,912,138	-	-	10,912,138	10,443,248	(468,890)
Driver education	89,888	-	-	89,888	55,100	(34,788)
Food service	2,862,479	-	-	2,862,479	2,595,342	(267,137)
Capital outlay	6,026,500	-	-	6,026,500	4,946,136	(1,080,364)
Vocational education	376,004	-	-	376,004	342,559	(33,445)
Professional development	255,775	-	-	255,775	252,514	(3,261)
Bilingual	136,848	-	-	136,848	85,237	(51,611)
At-risk K-12	5,393,125	-	-	5,393,125	4,588,146	(804,979)
At-risk 4 year old	161,340	-	-	161,340	141,958	(19,382)
Virtual education	184,570	-	-	184,570	120,966	(63,604)
KPERS special retirement contribution	4,300,738	-	-	4,300,738	3,827,495	(473,243)
Federal grant funds	1,110,313	-	-	1,110,313	1,093,808	(16,505)
Other gifts and grants	595,192	-	-	595,192	557,505	(37,687)
Bond and interest fund	2,585,070	-	-	2,585,070	2,585,070	-
Totals	$ 77,730,865	$(2,191,640)	$ 111,254	$ 75,650,479	$ 72,295,583	

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts:			
State equalization aid	$ 26,763,449	$ 25,315,102	$ (1,448,347)
State special education fund	5,328,351	5,107,537	(220,814)
Reimbursed expenses	-	111,254	111,254
Total cash receipts	$ 32,091,800	30,533,893	$ (1,557,907)
Expenditures, encumbrances, and transfers:			
Instruction	$ 8,073,667	7,368,157	$ (705,510)
Student support services	370,592	372,753	2,161
Instructional support staff	2,119,343	2,240,689	121,346
General administration	834,272	929,992	95,720
School administration	2,591,378	2,106,547	(484,831)
Central services	391,097	398,554	7,457
Operations and maintenance	4,280,893	4,133,599	(147,294)
Transportation	1,591,833	1,701,821	109,988
Transfers to other funds	11,838,725	11,281,781	(556,944)
Adjustment to comply with legal max	(1,669,161)		1,669,161
Legal general fund budget	30,422,639	30,533,893	111,254
Budget adjustment for qualifying budget credits	111,254		(111,254)
Total expenditures, encumbrances, and transfers	$ 30,533,893	30,533,893	$ -
Cash receipts over expenditures, encumbrances, and transfers		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ -	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
SUPPLEMENTAL GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	$ 60,974	$ 172,838	$ 111,864
Ad valorem current tax	3,364,951	3,890,559	525,608
Ad valorem delinquent tax	53,517	181,895	128,378
Motor vehicle tax	384,550	422,487	37,937
Recreational vehicle tax	6,747	7,145	398
Commercial vehicle tax	10,615	10,793	178
In lieu of taxes	98	-	(98)
Supplemental state aid	6,026,317	5,730,646	(295,671)
Total cash receipts	$ 9,907,769	10,416,363	$ 508,594
Expenditures and transfers:			
Instruction	$ 6,995,439	6,995,439	$ -
Transfers to other funds	3,653,646	3,131,167	(522,479)
Adjustment to comply with legal max	(522,479)		522,479
Total expenditures and transfers	$ 10,126,606	10,126,606	$ -
Cash receipts over expenditures and transfers		289,757	
Unencumbered cash, beginning		741,323	
Unencumbered cash, ending		$ 1,031,080	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
SPECIAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	$ 922,993	$ 912,588	$ (10,405)
Medicaid	300,000	268,802	(31,198)
Reimbursed expenses	-	119,783	119,783
Transfer from general fund	6,928,474	6,939,038	10,564
Transfer from supplemental general fund	2,304,204	2,079,013	(225,191)
Total cash receipts and transfers	$ 10,455,671	10,319,224	$ (136,447)
Expenditures and encumbrances:			
Instruction	$ 7,703,262	7,312,561	$ (390,701)
Student support services	2,268,035	2,271,294	3,259
Instructional support staff	60,142	79,585	19,443
General administration	158,091	152,471	(5,620)
School administration	14,419	7,997	(6,422)
Operations and maintenance	885	-	(885)
Transportation	707,304	619,340	(87,964)
Total expenditures and encumbrances	$ 10,912,138	10,443,248	$ (468,890)
Cash receipts and transfers under expenditures and encumbrances		(124,024)	
Unencumbered cash, beginning		1,624,893	
Prior year canceled encumbrances		68	
Unencumbered cash, ending		$ 1,500,937	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
DRIVER EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts:			
State aid	$ 29,625	$ 24,725	$ (4,900)
Local revenues	30,000	27,512	(2,488)
Total cash receipts	$ 59,625	52,237	$ (7,388)
Expenditures and encumbrances:			
Instruction	$ 79,388	44,078	$ (35,310)
Operations and maintenance	10,500	11,022	522
Total expenditures and encumbrances	$ 89,888	55,100	$ (34,788)
Cash receipts under expenditures and encumbrances		(2,863)	
Unencumbered cash, beginning		95,234	
Unencumbered cash, ending		$ 92,371	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
FOOD SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
State aid	$ 14,880	$ 18,218	$ 3,338
Federal aid	1,358,104	1,140,147	(217,957)
Local revenues	1,122,940	961,745	(161,195)
Transfer from general fund	50,000	275,000	225,000
Total cash receipts and transfers	$ 2,545,924	2,395,110	$ (150,814)
Expenditures and encumbrances:			
Operations and maintenance	$ 175,859	170,502	$ (5,357)
Food service	2,686,620	2,424,840	(261,780)
Total expenditures and encumbrances	$ 2,862,479	2,595,342	$ (267,137)
Cash receipts and transfers under expenditures and encumbrances		(200,232)	
Unencumbered cash, beginning		649,223	
Prior year canceled encumbrances		29,975	
Unencumbered cash, ending		$ 478,966	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
CAPITAL OUTLAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	$ 31,817	$ 101,242	$ 69,425
Ad valorem current tax	1,958,905	2,202,174	243,269
Ad valorem delinquent tax	34,074	99,470	65,396
Motor vehicle tax	232,839	246,895	14,056
Recreational vehicle tax	4,085	4,685	600
Commercial vehicle tax	6,427	6,554	127
Other county revenue	5,750	5,130	(620)
Interest on idle funds	600,000	775,080	175,080
Local revenues	-	543,492	543,492
In lieu of taxes	60	-	(60)
State aid	1,274,469	1,267,042	(7,427)
Total cash receipts	$ 4,148,426	5,251,764	$ 1,103,338
Expenditures and encumbrances:			
Instruction	$ 1,975,000	906,675	$ (1,068,325)
Student support services	-	218,000	218,000
General administration	5,000	11,641	6,641
School administration	500	-	(500)
Central services	250,000	160,611	(89,389)
Operations and maintenance	796,000	686,626	(109,374)
Transportation	1,050,000	687,595	(362,405)
Other support services	450,000	79,793	(370,207)
Site improvements	1,000,000	1,611,689	611,689
Building improvements	500,000	583,506	83,506
Total expenditures and encumbrances	$ 6,026,500	4,946,136	$ (1,080,364)
Cash receipts over expenditures and encumbrances		305,628	
Unencumbered cash, beginning		5,149,001	
Prior year canceled encumbrances		25,320	
Unencumbered cash, ending		$ 5,479,949	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
VOCATIONAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Federal aid	$ 22,428	$ 22,738	$ 310
State aid	17,200	9,686	(7,514)
Transfer from general fund	350,000	290,000	(60,000)
Total cash receipts and transfers	$ 389,628	322,424	$ (67,204)
Expenditures and encumbrances:			
Instruction	$ 376,004	342,559	$ (33,445)
Cash receipts and transfers under expenditures and encumbrances		(20,135)	
Unencumbered cash, beginning		176,312	
Unencumbered cash, ending		$ 156,177	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
PROFESSIONAL DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts and transfers:			
Local revenues	$ 19,250	$ 21,739	$ 2,489
State aid	30,000	29,765	(235)
Transfer from general fund	100,000	100,000	-
Total cash receipts and transfers	$ 149,250	151,504	$ 2,254
Expenditures and encumbrances:			
Other support services	$ 1,965	-	$ (1,965)
Instructional support staff	253,810	252,514	(1,296)
Total expenditures and encumbrances	$ 255,775	252,514	$ (3,261)
Cash receipts and transfers under expenditures and encumbrances		(101,010)	
Unencumbered cash, beginning		469,875	
Prior year canceled encumbrances		106	
Unencumbered cash, ending		$ 368,971	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
BILINGUAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	$ 120,000	$ 50,000	$ (70,000)
Transfer from supplemental general fund	33,775	28,354	(5,421)
Total transfers	$ 153,775	78,354	$ (75,421)
Expenditures and encumbrances:			
Instruction	$ 66,848	31,422	$ (35,426)
Instructional support staff	70,000	53,815	(16,185)
Total expenditures and encumbrances	$ 136,848	85,237	$ (51,611)
Transfers under expenditures and encumbrances		(6,883)	
Unencumbered cash, beginning		62,105	
Unencumbered cash, ending		$ 55,222	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
AT-RISK K-12 FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	$ 3,900,251	$ 3,147,743	$ (752,508)
Transfer from supplemental general fund	1,315,667	1,023,800	(291,867)
Total transfers	$ 5,215,918	4,171,543	$ (1,044,375)
Expenditures and encumbrances:			
Instruction	$ 4,538,913	3,753,160	$ (785,753)
Student support services	795,097	779,027	(16,070)
Transportation	59,115	55,959	(3,156)
Total expenditures and encumbrances	$ 5,393,125	4,588,146	$ (804,979)
Transfers under expenditures and encumbrances		(416,603)	
Unencumbered cash, beginning		1,046,297	
Prior year canceled encumbrances		143	
Unencumbered cash, ending		$ 629,837	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
AT-RISK 4 YEAR OLD FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	$ 165,000	$ 130,000	$ (35,000)
Expenditures and encumbrances:			
Instruction	$ 161,340	141,958	$ (19,382)
Transfers under expenditures and encumbrances		(11,958)	
Unencumbered cash, beginning		81,565	
Unencumbered cash, ending		$ 69,607	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
VIRTUAL EDUCATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Transfers:			
Transfer from general fund	$ 125,000	$ 100,000	$ (25,000)
Expenditures:			
Instruction	$ 155,000	116,704	$ (38,296)
Student support service	10,765	-	(10,765)
Instructional support staff	4,705	4,262	(443)
School administration	14,100	-	(14,100)
Total expenditures	$ 184,570	120,966	$ (63,604)
Transfers under expenditures		(20,966)	
Unencumbered cash, beginning		149,911	
Unencumbered cash, ending		$ 128,945	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
KPERS SPECIAL RETIREMENT CONTRIBUTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts:			
State aid	$ 4,300,738	$ 3,827,495	$ (473,243)
Expenditures:			
Instruction	$ 2,940,482	2,562,007	$ (378,475)
Student support services	337,363	327,144	(10,219)
Instructional support staff	188,461	153,396	(35,065)
General administration	80,089	71,781	(8,308)
School administration	243,258	332,289	89,031
Operations and maintenance	43,558	197,325	153,767
Central services	208,370	37,091	(171,279)
Transportation	150,167	146,462	(3,705)
Food service	108,990	-	(108,990)
Total expenditures	$ 4,300,738	3,827,495	$ (473,243)
Cash receipts under expenditures		-	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		$ -	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
FEDERAL GRANT FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Title I	Title II	Title IV	CARES Act	Total Actual	Original and Final Budget	Variance - Over (Under)
Cash receipts:							
Federal aid	$ 343,369	$ 82,024	$ 24,178	$ 850,475	$ 1,300,046	$ 1,372,483	$ (72,437)
Expenditures and encumbrances:							
Instruction	342,825	57,197	319	608,046	1,008,387	$ 1,005,632	$ 2,755
Instructional support staff	-	-	15,545	2,471	18,016	10,460	7,556
General administration	-	-	11,000	-	11,000	14,996	(3,996)
Student support services	726	-	-	30,106	30,832	44,209	(13,377)
Operations and maintenance	-	-	-	3,424	3,424	3,401	23
Transportation	22,149	-	-	-	22,149	31,615	(9,466)
Total expenditures and encumbrances	365,700	57,197	26,864	644,047	1,093,808	$ 1,110,313	$ (16,505)
Cash receipts over (under) expenditures and encumbrances	(22,331)	24,827	(2,686)	206,428	206,238		
Unencumbered cash, beginning	(24,871)	(30,872)	-	(206,428)	(262,171)		
Prior year canceled encumbrances	206	-	-	-	206		
Unencumbered cash, ending	$ (46,996)	$ (6,045)	$ (2,686)	$ -	$ (55,727)		

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
OTHER GIFTS AND GRANTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts:			
Local revenues	$ 90,000	$ 90,140	$ 140
State aid	538,577	340,695	(197,882)
Total cash receipts	$ 628,577	430,835	$ (197,742)
Expenditures and encumbrances:			
Instruction	$ 337,308	338,460	$ 1,152
Student support services	139,490	118,393	(21,097)
Instructional support staff	25,154	25,134	(20)
General administration	15,000	14,346	(654)
Central services	10,000	2,165	(7,835)
Operations and maintenance	51,861	51,861	-
Transportation	8,879	3,795	(5,084)
Food service	7,500	3,351	(4,149)
Total expenditures and encumbrances	$ 595,192	557,505	$ (37,687)
Cash receipts under expenditures and encumbrances		(126,670)	
Unencumbered cash, beginning		49,409	
Prior year canceled encumbrances		62	
Unencumbered cash, ending		$ (77,199)	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

	Original and Final Budget	Actual	Variance - Over (Under)
Cash receipts:			
Ad valorem tax in process	$ 49,242	$ 124,292	$ 75,050
Ad valorem current tax	2,058,524	2,318,589	260,065
Ad valorem delinquent tax	43,036	114,221	71,185
Motor vehicle tax	272,259	298,882	26,623
Recreational vehicle tax	4,777	5,047	270
Commercial vehicle tax	7,515	8,437	922
In lieu of taxes	69	-	(69)
State foundation aid	1,421,789	1,421,789	-
Total cash receipts	$ 3,857,211	4,291,257	$ 434,046
Expenditures:			
Principal	$ 2,475,000	2,475,000	$ -
Interest expense	110,070	110,070	-
Total expenditures	$ 2,585,070	2,585,070	$ -
Cash receipts over expenditures		1,706,187	
Unencumbered cash, beginning		3,532,582	
Unencumbered cash, ending		$ 5,238,769	

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
TEXTBOOK RENTAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Cash receipts and transfers:		
Fees	$	277,256
Other revenue		251,625
Transfer from general fund		250,000
Total cash receipts and transfers		778,881
Expenditures and encumbrances:		
Instruction		831,584
Cash receipts and transfers under expenditures and encumbrances		(52,703)
Unencumbered cash, beginning		359,353
Prior year canceled encumbrances		2,262
Unencumbered cash, ending	$	308,912

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
CONTINGENCY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Unencumbered cash, beginning	$	1,491,646
Unencumbered cash, ending	$	1,491,646

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
Year Ended June 30, 2025

Funds	Balance, July 1, 2024	Cash Receipts	Cash Disbursements	Balance, June 30, 2025
Shawnee Heights High:				
Academic club	$ 693	$ -	$ 277	$ 416
Baseball club	2	13,675	10,910	2,767
Black student union	91	-	-	91
Bowling	2,102	525	750	1,877
Boys basketball	115	-	-	115
Boys golf	492	1,507	1,974	25
Boys soccer club	1,248	2,512	175	3,585
Boys swimming	810	-	77	733
Broadcast journalism	517	-	-	517
Cheerleaders	9,112	34,401	18,297	25,216
Choraliers	2,238	1,638	1,633	2,243
Class of 2023	1,499	-	1,499	-
Class of 2024	1,198	25	1,223	-
Class of 2025	3,389	1,255	2,787	1,857
Class of 2026	2,015	1,059	5	3,069
Class of 2027	1,137	1,125	-	2,262
Class of 2028	-	1,045	-	1,045
Coffee shop	843	3,292	4,135	-
Concessions	37,556	60,686	69,909	28,333
Cookie Shack	1,910	3,434	4,466	878
Cross country club	5,987	108	455	5,640
Drum line	17	-	-	17
FBLA	173	118	-	291
FCA	874	-	-	874
FCCLA	2,602	-	2,602	-
FFA	-	1,748	1,673	75
Football	122	9,522	8,574	1,070
Garden club	169	-	-	169
Girls basketball	6,346	210	-	6,556
Girls golf	1	200	155	46
Girls soccer club	6,904	600	3,126	4,378
Girls swimming	2,497	1,206	1,805	1,898
Girl up	419	-	-	419
GSA	341	1,138	44	1,435
Subtotal forward	$ 93,419	$ 141,029	$ 136,551	$ 97,897

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Funds	Balance, July 1, 2024	Cash Receipts	Cash Disbursements	Balance, June 30, 2025
Shawnee Heights High:				
Subtotal forward	z	$ 141,029	$ 136,551	$ 97,897
Hall of fame	2,235	-	-	2,235
Halo	294	-	-	294
International club	1,957	-	-	1,957
Junior civitan club	5,905	2,033	2,718	5,220
Junior/senior prom	56	13,199	10,531	2,724
Key club	1,156	336	187	1,305
Link crew	3,740	2,500	2,651	3,589
Model U.N.	150	264	285	129
National honor society	445	4,151	4,594	2
Newspaper	3,241	32,135	15,952	19,424
Orchestra	4,688	24,323	1,014	27,997
Parent teacher organization	449	300	300	449
Parking	8,648	2,725	(47)	11,420
Project account	1,019	7,428	8,447	-
Random drug testing	24,687	10,820	8,520	26,987
Regional music	9,841	11,372	7,609	13,604
Renaissance	18	-	-	18
SADD	841	-	-	841
S.A.E.	585	-	-	585
Softball	1,789	5,686	2,847	4,628
Stage band	967	-	211	756
Teen topics	500	-	-	500
Tennis	958	154	240	872
Testing funds	2,315	198	179	2,334
Thunderettes	5,011	2,404	4,887	2,528
TMH classroom	147	-	-	147
Track club	14,585	3,832	2,009	16,408
Volleyball	1,762	394	-	2,156
Weights	(80)	7,530	7,450	-
Wood project	6	-	6	-
Wrestling	1,346	605	478	1,473
Subtotal Shawnee Heights High	$ 99,261	$ 273,418	$ 217,619	$ 248,479

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Funds	Balance, July 1, 2024	Cash Receipts	Cash Disbursements	Balance, June 30, 2025
Shawnee Heights Middle:				
Blue team 7th	$ 131	$ 352	$ 445	$ 38
Blue team 8th	195	123	244	74
Cheerleaders	96	25,705	25,792	9
Dance	2,654	11,836	12,980	1,510
E-team	99	235	322	12
Outdoor club	242	-	131	111
Performing arts	2,151	900	644	2,407
Red team 7th	254	46	256	44
Red team 8th	-	532	354	178
Special education fund	384	-	-	384
Student agenda	-	123	123	-
Student council	3,139	3,309	3,954	2,494
T-Birds pride	15,347	14,278	19,709	9,916
White team 7th	204	207	411	-
White team 8th	65	440	367	138
Subtotal Shawnee Heights Middle	24,961	58,086	65,732	17,315
Tecumseh South Elementary:				
Student council	1,253	6,055	4,627	2,681
Total agency funds	$ 125,475	$ 337,559	$ 287,978	$ 268,475

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
GATE RECEIPTS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Gate receipts:							
Shawnee Heights High	$ 11,282	$ -	$ 126,331	$ 131,769	$ 5,844	$ -	$ 5,844
Shawnee Heights Middle	21,448	-	35,551	38,607	18,392	-	18,392
Total gate receipts	$ 32,730	$ -	$ 161,882	$ 170,376	$ 24,236	$ -	$ 24,236

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
SCHOOL PROJECTS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Shawnee Heights High projects:							
Counselor assistance fund	$ 39	$ -	$ -	$ -	$ 39	$ -	$ 39
Faculty activities	2,544	-	5,567	5,427	2,684	-	2,684
Foundation grant	2,288	-	3,336	2,497	3,127	-	3,127
Grant	7,705	-	75	4,893	2,887	-	2,887
Gym pop	444	-	1,602	712	1,334	-	1,334
Interest	17,440	-	12,041	17,871	11,610	-	11,610
Memorial contributions	2,764	-	-	-	2,764	-	2,764
Sales tax account	846	-	13,112	13,049	909	-	909
SHHS scholarship	2,158	-	1,000	1,000	2,158	-	2,158
Technology fee	-	-	7,662	7,662	-	-	-
Total Shawnee Heights High projects	36,228	-	44,395	53,111	27,512	-	27,512
Shawnee Heights Middle projects:							
Counseling	135	-	-	-	135	-	135
Faculty activities	486	-	22	-	508	-	508
Foundation grant	425	-	2,121	2,546	-	-	-
Interest	5,420	-	3,166	412	8,174	-	8,174
Miscellaneous	19,735	-	3,422	5,076	18,081	-	18,081
Sales tax account	1,061	-	2,226	2,241	1,046	-	1,046
X-tech fund	-	-	295	295	-	-	-
Total Shawnee Heights Middle projects	27,262	-	11,252	10,570	27,944	-	27,944
Berryton Elementary projects:							
Contributions	945	-	-	-	945	-	945
Educational funding group	5,587	-	2,924	2,857	5,654	-	5,654
Foundation grant	3,211	-	350	329	3,232	-	3,232
Miscellaneous	4,083	-	2,438	2,594	3,927	-	3,927
POP	99	-	-	-	99	-	99
Sales tax account	(36)	-	30	25	(31)	-	(31)
Technology fee	291	-	959	959	291	-	291
Total Berryton Elementary projects	$ 14,180	$ -	$ 6,701	$ 6,764	$ 14,117	$ -	$ 14,117

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
SCHOOL PROJECTS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Cash Disbursements	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Shawnee Heights Elementary projects:							
Donations	$ 884	$ -	$ -	$ 877	$ 7	$ -	$ 7
EFG	1,703	-	2,681	1,208	3,176	-	3,176
Memorial	2,750	-	4,345	1,806	5,289	-	5,289
Miscellaneous	-	-	790	790	-	-	-
POP	25	-	533	-	558	-	558
SH Foundation grant	19,325	-	3,541	16,873	5,993	-	5,993
Technology fee	-	-	766	766	-	-	-
Total Shawnee Heights Elementary projects	24,687	-	12,656	22,320	15,023	-	15,023
Tecumseh North projects:							
Donations	1,125	-	-	211	914	-	914
EFG	2,452	-	1,358	3,183	627	-	627
Miscellaneous	314	-	248	270	292	-	292
POP	708	-	701	1,251	158	-	158
Ryan Cochran memorial	453	-	-	-	453	-	453
SH Foundation grant	879	-	3,502	1,863	2,518	-	2,518
SPED adaptive field day	2,196	-	3,815	2,446	3,565	-	3,565
Technology fee	-	-	1,025	1,025	-	-	-
Total Tecumseh North projects	8,127	-	10,649	10,249	8,527	-	8,527
Tecumseh South projects:							
Donations	1,886	-	2,747	3,034	1,599	-	1,599
Grants	-	-	2,714	501	2,213	-	2,213
Library at school	-	-	103	103	-	-	-
Martin family garden grant	1,838	-	-	-	1,838	-	1,838
SH Foundation grant	4,751	-	-	3,114	1,637	-	1,637
Stahel memorial	111	-	-	-	111	-	111
Technology fee	-	-	768	768	-	-	-
Total Tecumseh South projects	8,586	-	6,332	7,520	7,398	-	7,398
Total school projects	$ 119,070	$ -	$ 91,985	$ 110,534	$ 100,521	$ -	$ 100,521

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Shawnee Heights High:							
AP funds	$ 3,489	$ -	$ 22,200	$ 25,339	$ 350	$ -	$ 350
Class fees	-	-	3,381	3,380	1	-	1
Driver education	-	-	4,605	4,605	-	-	-
Equipment replacement	-	-	1,978	1,978	-	-	-
Instrument rental	-	-	75	75	-	-	-
Justice Mitchell scholarship	383	-	-	-	383	-	383
Library book replacement	-	-	33	52	(19)	-	(19)
Lunch account	1,300	-	42,444	43,444	300	-	300
PE uniforms	-	-	10	10	-	-	-
Petty cash #1	1,500	-	3,579	3,579	1,500	-	1,500
Petty cash #2	1,500	-	5,227	5,227	1,500	-	1,500
Sports participation fees	-	-	450	450	-	-	-
Textbook rental	-	-	2,395	2,395	-	-	-
Yearbook	-	-	3,243	3,243	-	-	-
Subtotal Shawnee Heights High	8,172	-	89,620	93,777	4,015	-	4,015
Shawnee Heights Middle:							
Class fees	-	-	1,048	1,048	-	-	-
Earbuds	-	-	719	328	391	-	391
Football	-	-	1,561	-	1,561	-	1,561
Instrument rental	-	-	70	70	-	-	-
Library book replacement	-	-	76	76	-	-	-
Lunch account	200	-	11,469	11,469	200	-	200
PE uniforms	-	-	113	113	-	-	-
Petty cash	1,500	-	5,241	5,241	1,500	-	1,500
Sports participation fees	-	-	765	765	-	-	-
Technology fee	-	-	873	873	-	-	-
Textbook rental	-	-	469	469	-	-	-
Yearbook	-	-	1,069	1,069	-	-	-
Subtotal Shawnee Heights Middle	$ 1,700	$ -	$ 23,473	$ 21,521	$ 3,652	$ -	$ 3,652

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Berryton Elementary:							
Band/orchestra	$ (74)	$ -	$ 259	$ 270	$ (85)	$ -	$ (85)
Class fees	-	-	1,385	1,385	-	-	-
Intramurals	-	-	575	575	-	-	-
Library book replacement	(47)	-	20	20	(47)	-	(47)
Lunch account	310	-	11,396	11,396	310	-	310
Petty cash	300	-	248	248	300	-	300
Textbook rental	-	-	690	705	(15)	-	(15)
Yearbook	3	-	56	56	3	-	3
Subtotal Berryton Elementary	492	-	14,629	14,655	466	-	466
Shawnee Heights Elementary:							
Band/orchestra	-	-	100	100	-	-	-
Class fees	-	-	1,410	1,410	-	-	-
Library book replacement	-	-	50	50	-	-	-
Lunch account	-	-	7,021	7,021	-	-	-
Petty cash	300	-	193	193	300	-	300
Textbook fees	-	-	366	366	-	-	-
Subtotal Shawnee Heights Elementary	300	-	9,140	9,140	300	-	300
Tecumseh North:							
Band/orchestra	-	-	53	53	-	-	-
Class fees	-	-	3,857	3,857	-	-	-
Instrument rental	-	-	75	75	-	-	-
Intramurals	-	-	600	600	-	-	-
Library book replacement	-	-	236	236	-	-	-
Lunch account	-	-	4,180	4,180	-	-	-
Petty cash	300	-	283	283	300	-	300
Textbook rental	-	-	250	250	-	-	-
Subtotal Tecumseh North	$ 300	$ -	$ 9,534	$ 9,534	$ 300	$ -	$ 300

(Continued)

SHAWNEE HEIGHTS UNIFIED SCHOOL DISTRICT NO. 450
TECUMSEH, KANSAS
DISTRICT ACTIVITY FUNDS
SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
(Continued)
Year Ended June 30, 2025

Funds	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Tecumseh South:							
Band/orchestra	$ -	$ -	$ 503	$ 503	$ -	$ -	$ -
Class fees	-	-	1,950	1,950	-	-	-
Instrument rental	-	-	75	75	-	-	-
Intramural fees	-	-	475	475	-	-	-
Lunch account	-	-	5,683	5,683	-	-	-
Miscellaneous	2,220	-	3,048	4,009	1,259	-	1,259
Petty cash	300	-	-	-	300	-	300
Textbook fees	-	-	190	190	-	-	-
Subtotal Tecumseh South	2,520	-	11,924	12,885	1,559	-	1,559
Total District activity funds	$ 13,484	$ -	$ 158,320	$ 161,512	$ 10,292	$ -	$ 10,292

BT & Co. P.A.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Education
Shawnee Heights Unified School District No. 450:

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 (*Government Auditing Standards),* the summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Shawnee Heights Unified School District No. 450 (the 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 financial statement, and have issued our report thereon dated December 5, 2025. Our report contained an adverse opinion because the financial statement was presented using accounting practices prescribed or permitted by the State of Kansas.

Report on 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 opinion 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 or significant deficiencies may exist that were not identified.

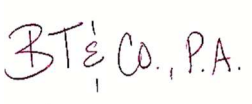
Report on Compliance and Other Matters

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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



December 5, 2025
Topeka, Kansas