

ARDMORE SCHOOL DISTRICT I-19
Carter County, Oklahoma
Financial Statements
Year-End June 30, 2020

ARDMORE SCHOOL DISTRICT NO. I-19
 Carter County, Oklahoma
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 June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Ardmore School District No. I-19, Carter County, Oklahoma
Ardmore, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information Ardmore School District No. I-19, Carter County, Oklahoma, as of and for June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Oklahoma State Department of Education described in Note I. This includes 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 error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note I, the financial statements are prepared by Ardmore School District No. I-19, Carter County, Oklahoma, on the basis of the financial reporting provisions of Oklahoma State Department of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of Oklahoma State Department of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note I and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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 Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Ardmore School District No. I-19, Carter County, Oklahoma, as of June 30, 2020, the changes in its financial position for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position on a regulatory basis of governmental activities, each major fund and the aggregate remaining fund information on a regulatory basis of Ardmore School District No. I-19, Carter County, Oklahoma, as of June 30, 2020, and the respective changes in financial position on a regulatory basis for the year then ended, on the basis of the financial reporting provisions of Oklahoma State Department of Education as described in Note I.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Ardmore School District No. I-19, Carter County, Oklahoma’s financial statements as a whole. The management discussion and analysis, budgetary comparison schedules, combining nonmajor fund financial statements, statement of changes in activity fund subaccounts and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is also not a required part of the financial statements.

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

The management discussion and analysis, budgetary information, statement of statutory fidelity and honesty bonds and schedule of accountant’s professional liability insurance have not been subjected to

the auditing procedures applied in 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 March 29, 2021 on our consideration of the Ardmore School District No. I-19, Carter County, Oklahoma’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 Ardmore School District No. I-19, Carter County, Oklahoma’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 Ardmore School District No. I-19, Carter County, Oklahoma’s internal control over financial reporting and compliance.



Ardmore, Oklahoma

March 29, 2021

ARDMORE SCHOOL DISTRICT NO. I-19
Management's Discussion and Analysis
June 30, 2020
(UNAUDITED)

As management of the Ardmore School District No. I-19, Carter County, Oklahoma (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here. The basic financial statements include government-wide financial statements and fund financial statements. For a further understanding of the difference between these financial statements, a detailed discussion is provided on page 21.

Financial Highlights

With respect to the government-wide financial statements:

The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$36,097,039 (*net position*), which is an increase of \$272,310 from the prior year. Of the amount at June 30, 2020, \$418,070 (*unrestricted net position*) may be used to meet the entity's ongoing obligations to citizens and creditors.

With respect to the fund financial statements:

As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$36,919,618, a decrease of \$3,544,464 from the prior year.

Other highlights:

In December 2019, the Board of Education approved the sale of \$3,825,000 General Obligation Combined Purpose Bonds; the proceeds were received by the District on January 30, 2020. The purpose of these bonds were to provide \$300,000 proceeds for the Transportation series bonds, \$2,075,000 proceeds for the 2013 CCPFA lease payment, and \$1,450,000 proceeds for the 2018 CCPFA lease payment.

The voters approved \$2,500,000 Transportation Series Bonds in November 2017. The first series in the amount of \$1,000,000 was received in March 2018 as part of a combined purpose bond. The second series in the amount of \$300,000 was received in June 2019 as part of a combined purpose bond. The third series in the amount of \$300,000 was received in January 2020 as part of the Combined Purpose Bonds as explained above. Three buses were ordered in May 2020 but not received until October 2020.

On September 1, 2013, the Board of Education entered into ground lease and sublease agreements with the Carter County Public Facilities Authority (CCPFA), a public trust, for the purpose of facilitating the issuance of the bonds, to provide security for payment of the bonds, and to enable the District to utilize the bond proceeds for the construction and placement of improvements on real property. The lease agreements will remain in effect to June 30, 2027. In conjunction with these lease agreements, the District will issue general obligation bonds to repay the lease. On January 30, 2020, the District

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Management's Discussion and Analysis
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(UNAUDITED)

received \$2,075,000 proceeds from the \$3,825,000 General Obligation Combined Purpose Bonds for the 2013 CCPFA lease payment.

On August 1, 2018, the Board of Education entered into ground lease and sublease agreements with the Carter County Public Facilities Authority (CCPFA), a public trust, for the purpose of facilitating the issuance of the bonds, to provide security for payment of the bonds, and to enable the District to utilize the bond proceeds for the construction and placement of improvements on real property. The lease agreements will remain in effect to June 30, 2034. In conjunction with these lease agreements, the District will issue general obligation bonds to repay the lease. On January 30, 2020, the District received \$1,450,000 proceeds from the \$3,780,000 General Obligation Combined Purpose Bonds for the 2018 CCPFA lease payment.

In June 2018, a local charitable foundation granted the District \$4,000,000 to help construct the Performing Arts Center. The grant will be distributed in annual payments of \$500,000 from 2018 through 2025. The third payment of \$500,000 was received on December 20, 2019.

In response to the global COVID-19 pandemic, the Oklahoma State Board of Education recommended that all school districts be closed beginning mid-March 2020. The Governor of Oklahoma declared a State of Emergency and granted this request. The District converted to distance learning for the remainder of the school year. Essential personnel continued to work on premises. The child nutrition program continued to prepare meals for students which were delivered by bus drivers to various bus stops. The District fully reopened on June 1, 2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the entity's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* include the statement of net position – regulatory basis and the statement of activities – regulatory basis and are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position – regulatory basis* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities – regulatory basis* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported using the regulatory basis of accounting whereby revenues represent cash receipts collected by June 30th and

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expenditures represent cash disbursements modified by encumbrances, investments, inventories, capital assets, depreciation, and long-term debt.

The governmental activities of the District include instruction, supporting services, non-instruction services, capital outlay, and other outlays. These functions are principally supported by State of Oklahoma appropriations, grants and fees.

The government-wide financial statements can be found on pages 16-17 of this report.

Overview of the Financial Statements (Continued)

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District only has governmental funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on cash collections and encumbrances, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet – regulatory basis and the governmental fund statement of revenues, expenditures, and changes in fund balances – regulatory basis provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Building Fund, Sinking Fund, and CCPFA 2018 Bond Fund which are considered to be major funds. Data from the other thirteen governmental funds are combined into an aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The District adopts an annual appropriated budget for its general fund, building fund, child nutrition fund, coop fund, and sinking fund. A budgetary comparison statement has been provided for the general fund and all major funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18-19 of this report.

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Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-36 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *other information* concerning the District's budget to actual schedules on major governmental funds, combining and individual fund statements and schedules. Other information can be found on pages 38-47 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$36,097,039 at the close of the most recent fiscal year, as shown on the following page.

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Management's Discussion and Analysis
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The District's Net Position

	Governmental Activities	
	June 30, 2020	June 30, 2019
ASSETS		
Cash and Cash Equivalents	\$ 13,080,299	\$ 15,115,206
Restricted Cash	24,964,284	27,021,682
Investments	37,666	37,666
Capital Assets:		
Land and Construction in Progress	5,360,134	2,642,160
Other Capital Assets, Net of Depreciation	42,922,287	44,773,487
Total Assets	\$ 86,364,670	\$ 89,590,201
LIABILITIES AND EQUITY		
Current Liabilities		
Warrants Payable	\$ 1,047,084	\$ 1,632,193
Reserve for Encumbrances	115,547	78,279
Long-Term Liabilities		
Due within one year	7,350,000	4,840,000
Due in more than one year	41,755,000	47,215,000
Total Liabilities	\$ 50,267,631	\$ 53,765,472
Net Position		
Invested in Capital Assets	29,244,395	27,482,687
Restricted	6,434,574	6,966,191
Unrestricted	418,070	1,375,851
Total Net Position	\$ 36,097,039	\$ 35,824,729

The District's Cash and Cash Equivalents decreased by \$2,034,907, primarily due to payments of debt and decreased revenues.

Restricted Cash of \$24,964,284 consists of unused cash from the advanced lease revenue bonds from the Carter County Public Facilities Authority (CCPFA) 2013 lease (\$95,143) and the CCPFA 2018 lease (\$24,869,141).

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Government-wide Financial Analysis (Continued)

Construction in Progress of \$4,917,484 includes the following site improvement projects:

New Performing Arts Center	\$ 2,494,964
Jefferson Elementary Gym, Secure Entry, Bus Lane and Parking	<u>2,422,520</u>
	<u>\$ 4,917,484</u>

Long-Term Liabilities include \$9,500,000 of general obligation bonds and \$39,605,000 of advanced lease revenue bonds from the Carter County Public Facilities Authority (CCPFA) 2013 and 2018 leases. These liabilities were incurred for the purpose of constructing, equipping, repairing and remodeling school buildings, acquiring school furniture, fixtures and equipment, acquiring and improving school sites, and purchasing school buses. These financing arrangements are described in Notes V and X of the footnotes.

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Government-wide Financial Analysis (Continued)

Governmental activities. Governmental activities increased the District's net position by \$272,310. Key elements of this increase are shown below.

The District's Changes in Net Position

	Governmental Activities	
	Year Ended	
	<u>June 30, 2020</u>	<u>June 30, 2019</u>
Primary Government		
Program Revenues:		
Charges for Services	\$ 1,059,546	\$ 1,282,294
Operating Grants and Contributions	6,159,272	6,563,272
Capital Grants and Contributions	50,980	73,739
Total Program Revenues	<u>\$ 7,269,798</u>	<u>\$ 7,919,305</u>
General Revenues:		
Taxes:		
Property Taxes, levied for general purposes	\$ 6,401,178	\$ 5,748,647
Property Taxes, levied for building purposes	914,709	821,464
Property Taxes, levied for sinking fund purposes	4,027,936	3,869,226
General Taxes	2,798,986	2,970,490
Investment Earnings	587,429	650,233
State Aid - Noncategorical	10,223,587	10,662,468
Gain or (Loss) on Disposal of Assets	8,771	2,797
Miscellaneous	373,357	3,369,330
Total General Revenues	<u>\$ 25,335,953</u>	<u>\$ 28,094,655</u>
 Total Revenues	 <u>\$ 32,605,751</u>	 <u>\$ 36,013,960</u>
 Governmental Activities		
Expenses:		
Instruction	14,599,604	14,112,641
Support Services	13,244,301	14,687,943
Operation of Noninstructional Services	2,285,539	2,383,051
Facilities Acquisition & Construction Services	-	-
Scholarships, Awards, & Other	10,650	9,600
Interest on Long-Term Debt	2,192,629	1,298,267
Other Expenses and Refunds	718	5,000
Total Expenses	<u>32,333,441</u>	<u>32,496,502</u>
 Increase (Decrease) In Net Position	 272,310	 3,517,458
Net Position - Beginning	<u>35,824,729</u>	<u>32,307,271</u>
 Net Position, Ending	 <u>\$ 36,097,039</u>	 <u>\$ 35,824,729</u>

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Government-wide Financial Analysis (Continued)

For the year ended June 30, 2020, Charges for Services revenues decreased \$222,748 primarily due to the State-mandated school closure from mid-March through the end of May 2020. Many student activities, such as athletic games, academic contests, fundraising, cafeteria sales, and bus rentals were halted and cancelled for the last nine weeks of the semester.

The District's Operating Grants and Contributions had a net decrease of \$404,000 during the year ended June 30, 2020, due to the timing of federal claim reimbursements which were offset by several one-time donations.

Property taxes levied for general purposes and building purposes increased \$652,531 and \$93,245, respectively, during the year ended June 30, 2020, primarily due to an increase of 4.3% in property valuations.

Property taxes levied for sinking fund purposes increased \$158,710 during the year ended June 30, 2020, due to timing of payments on outstanding bond debt.

General taxes decreased \$171,504 primarily due to a decrease in Gross Production Taxes offset by increase in Motor Vehicle tax and County 4-Mill tax collections.

Investment earnings decreased \$62,804 primarily due to lower interest rates and less cash to invest.

State Aid – Noncategorical revenues decreased \$438,881 primarily due to the effects of the following categories in the state aid formula: increase in state aid factors (\$677,183), decrease in weighted ADM (\$324,112), increase in ad valorem chargeable (\$653,470), and an increase in other chargeables (\$223,720). In addition to the decrease in the state aid formula, there was an increase in flexible benefit allowance of \$85,238.

The \$8,771 Gain on Disposal of Assets for the year ended June 30, 2020, is primarily attributable to the sale of older vehicles.

Miscellaneous Revenues decreased \$2,995,973 primarily due to the premium received during the prior year on the 2018 CCPFA lease revenue bonds.

Instruction expenses increased \$486,963 primarily due to an increase in salaries (\$295,063) as a result of staffing changes and step raises, and increased technology purchases (\$253,362) due to distance learning.

Support Services decreased \$1,443,642 primarily due to FY19 bond issuance costs including the CCPFA 2018 lease revenue series bonds (\$863,413); decrease in student supplies, entry fees, and

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Management's Discussion and Analysis
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student travel as a result of the State-mandated school closure (\$150,144); a decrease in maintenance repairs and supplies, utilities, and transportation supplies as a result of State-mandated school closure and reclassification of expenses to Building Fund (\$432,380); termination of School Resource Officer contract with the City of Ardmore (\$58,595); offset by increases in salaries due to step raises and staffing changes (\$213,101) and depreciation (\$49,591).

Operation of Noninstructional Services decreased \$97,512 primarily due to decreased cafeteria supplies as a result of the State-mandated school closure (\$127,111); decrease in fundraising expenses as a result of the State-mandated school closure (\$40,839); offset by increases in salaries due to step raises and staffing changes (\$52,521) and cafeteria equipment repairs (\$20,550).

Interest on Long-Term Debt of \$2,192,629 includes \$1,809,356 interest on the 2013 and 2018 CCPFA lease revenue bonds and \$383,273 on general obligation bonds.

Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's *governmental funds* is to provide information on cash collections and encumbrances, as well as balances of spendable resources available at the end of the fiscal year. Such information is useful in assessing the District's financing requirements.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$36,919,618, a decrease of \$3,544,464 in comparison with the prior year. This amount includes \$300,217, *assigned fund balance*, which is available for next year's general operations of the District.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, total fund balance of the general fund was \$418,070, of which \$117,853 was restricted by state statute, donors and external grantors.

General Fund Budgetary Comparisons

The District budgets conservatively. Revenues are budgeted based upon statutorily-limited amounts equaling 90% of the prior year's collections; approved millage rates for ad valorem taxes; and approved allocation amounts from federal, state, and local grantors. Expenditures and carryover are budgeted based upon the legal appropriations approved by the county excise board.

During fiscal year ended June 30, 2020, General Fund property tax revenue was \$527,034 greater than the budgeted amount, reflecting a 9% increase in revenues. This increase is due to an increase in collections of prior years' taxes and current year taxes collected above the 10% allowance for delinquent accounts.

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State revenues decreased \$656,502 primarily due to a decrease in State Foundation and Salary Incentive Aid of \$698,269, decrease in Gross Production Tax of \$296,230, offset by an increase of \$288,389 in Motor Vehicle taxes.

Federal revenues increased \$121,891 primarily due to the timing of federal claim reimbursements.

Other revenues decreased \$111,620 primarily due to decrease in reimbursements from other funds.

General fund actual instruction expenditures were \$368,323 less than budgeted instruction expenditures due to the District's conservative approach to carryover fund balance to the next fiscal year.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$48,282,421 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, buses, vehicles, machinery and equipment, and construction in progress. The net increase in the District's capital assets for the current fiscal year was \$866,774.

The District's Capital Assets
(Net of Depreciation)

	Governmental Activities	
	June 30, 2020	June 30, 2019
Land	\$ 442,650	\$ 442,650
Land Improvements	3,656,894	3,598,724
Buildings	74,192,858	74,192,858
Buses and Vehicles	3,577,476	3,705,508
Machinery and Equipment	4,801,355	4,631,557
Construction in Progress	4,917,484	2,199,510
Total Capital Assets	91,588,717	88,770,807
Accumulated Depreciation	(43,306,296)	(41,355,160)
Net Capital Assets	\$ 48,282,421	\$ 47,415,647

Additional information on the District's capital assets can be found in Note IV on page 29 of this report.

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Management's Discussion and Analysis
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(UNAUDITED)

At year-end, the District had \$49,105,000 in long-term liabilities versus \$52,055,000 last year, as shown below:

	Governmental Activities	
	June 30, 2020	June 30, 2019
Capital Leases	\$ 39,605,000	\$ 41,190,000
General Obligation Debt	9,500,000	10,865,000
Total Governmental Activity Long-Term Liabilities	\$ 49,105,000	\$ 52,055,000

Additional information on the District's long-term obligations can be found in Note V to the financial statements.

Other Currently Known Facts, Decisions, or Conditions

In November 2020, the Board of Education approved the sale of \$3,875,000 General Obligation Combined Purpose Bonds; the proceeds were received by the District on January 7, 2021. The purpose of these bonds were to provide \$300,000 proceeds for the Transportation series bonds, \$2,075,000 proceeds for the 2013 CCPFA lease payment, and \$1,500,000 proceeds for the 2018 CCPFA lease payment.

As part of the Coronavirus Response and Relief Supplemental Appropriations Act (CCRSA) of 2021, the District received a federal grant allocation of \$3,855,459 out of the Elementary and Secondary School Emergency Relief (ESSER) II fund. Allowable uses of ESSER II funds include any expense related to preventing, preparing for and responding to COVID-19, as well as addressing and mitigating learning loss, restoring and maintaining high-quality learning environments, and testing, repairing, and upgrading projects to improve air quality in school buildings.

On March 11, 2021, the President of the United States signed into law the American Rescue Plan Act of 2021. This law provides additional relief to address the continue impact of COVID-19 on the economy, public health, state and local governments, individuals and businesses. Within the American Rescue Plan Act, there is funding for schools. The District anticipates receiving a substantial allocation of grant money from this new law.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the entity's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ardmore School District No. I-19, Carter County, Oklahoma District, P.O. Box 1709, Ardmore, Oklahoma 73402.

BASIC FINANCIAL STATEMENTS

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Statement of Net Position – Regulatory Basis
June 30, 2020

	<u>Governmental Activities</u>
ASSETS	
Cash and Cash Investments	\$ 13,080,299
Restricted Cash	24,964,284
Investments	37,666
Capital Assets:	
Land and Construction in Progress	5,360,134
Other Capital Assets, net of depreciation	<u>42,922,287</u>
 Total Assets	 <u>\$ 86,364,670</u>
 LIABILITIES AND NET POSITION	
Current Liabilities	
Warrants Payable	\$ 1,047,084
Reserve for Encumbrances	115,547
Long -term liabilities	
Due within one year	7,350,000
Due in more than one year	<u>41,755,000</u>
 Total Liabilities	 <u>\$ 50,267,631</u>
 Net Position	
Net Investment in Capital Assets	\$ 29,244,395
Restricted for	
Building Services	2,263,665
Child Nutrition	238,164
Debt Service	2,164,239
Instructional Materials and Technology	1,000,715
Alternative Education	227,226
School Organizations	464,666
Scholarships	
Expendable	24,733
Nonexpendable	51,166
Unrestricted	<u>418,070</u>
Total Net Position	<u>\$ 36,097,039</u>

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Statement of Activities– Regulatory Basis
For the Year Ended June 30, 2020

	Program Revenues			Capital	Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Grants and Contributions	Primary Governmental Activities	
<i>Functions/Programs</i>					
Primary Government					
Governmental Activities					
Instruction	\$ 14,599,604	\$ 427,345	\$ 3,870,586	\$ 31,352	\$ (10,270,321)
Support Services	13,244,301	129,343	890,967	-	(12,223,991)
Operation of Noninstructional Services	2,285,539	464,214	1,296,483	19,628	(505,214)
Scholarships, Awards and Other	10,650	-	4,000	-	(6,650)
Interest on Long-Term Debt	2,192,629	-	-	-	(2,192,629)
Other Expenses and Refunds	718	38,644	97,236	-	135,162
Total Governmental Activities	\$ 32,333,441	\$ 1,059,546	\$ 6,159,272	\$ 50,980	\$ (25,063,643)
General Revenues					
Taxes					
Property taxes, levied for general purposes					\$ 6,401,178
Property taxes, levied for building purposes					914,709
Property taxes, levied for sinking fund purposes					4,027,936
General Taxes					2,798,986
Investment Earnings					587,429
State Aid - Noncategorical					10,223,587
Gain or (Loss) on Disposal of Assets					8,771
Miscellaneous					373,357
Total General Revenues					\$ 25,335,953
Change in Net Position					\$ 272,310
Net Position - Beginning					35,824,729
Net Position - Ending					\$ 36,097,039

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Balance Sheet – Governmental Funds– Regulatory Basis
June 30, 2020

	General Fund	Building Fund	Sinking Fund	CCPFA 2018 Bond Fund 32	Other Governmental Funds	Total
Assets						
Cash and Cash Investments	\$ 1,353,807	\$ 2,334,554	\$ 2,164,239	\$ -	\$ 7,227,699	\$ 13,080,299
Restricted Cash	-	-	-	24,869,141	95,143	24,964,284
Investments	-	-	-	-	37,666	37,666
Total Assets	\$ 1,353,807	\$ 2,334,554	\$ 2,164,239	\$ 24,869,141	\$ 7,360,508	\$ 38,082,249
Liabilities						
Warrants Outstanding	\$ 884,485	\$ 7,465	\$ -	\$ -	\$ 155,134	\$ 1,047,084
Reserve for Encumbrances	51,252	63,424	-	-	871	115,547
Total Liabilities	\$ 935,737	\$ 70,889	\$ -	\$ -	\$ 156,005	\$ 1,162,631
Fund Balances						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 51,166	\$ 51,166
Restricted	117,853	2,220,860	2,164,239	24,548,063	6,617,196	35,668,211
Committed	-	-	-	-	464,666	464,666
Assigned	300,217	42,805	-	321,078	71,475	735,575
Unassigned	-	-	-	-	-	-
Total Fund Balances	\$ 418,070	\$ 2,263,665	\$ 2,164,239	\$ 24,869,141	\$ 7,204,503	\$ 36,919,618
Total Liabilities and Fund Balances	\$ 1,353,807	\$ 2,334,554	\$ 2,164,239	\$ 24,869,141	\$ 7,360,508	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. The costs of assets is \$91,588,717 and the accumulated depreciation is \$43,306,296.

48,282,421

Long-term capital lease and bond payable obligations are not due and payable in the current period and accordingly are not reported as fund liabilities. Long-term liabilities at year-end consist of:

Bond Payable:	9,500,000
Capital Lease Payable:	<u>39,605,000</u>

(49,105,000)

Net position of governmental activities.

\$ 36,097,039

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Statement of Revenues, Expenditures and Changes in Fund
Balances – Governmental Funds– Regulatory Basis
For the Year Ended June 30, 2020

	General Fund	Building Fund	Sinking Fund	CCPFA 2018 Bond Fund 32	Other Governmental Funds	Total
REVENUE						
Property Taxes	\$ 6,414,535	\$ 914,709	\$ 4,027,936	\$ -	\$ -	11,357,180
Interest	22,670	42,805	79,290	321,078	83,286	549,129
County Revenue	702,110	-	-	-	696,792	1,398,902
State Revenue	12,713,812	-	-	-	424,223	13,138,035
Federal Revenue	2,905,093	-	-	-	1,240,313	4,145,406
Other	456,107	556,027	6,811	1,387,950	3,603,745	6,010,640
Total Revenue	\$ 23,214,327	\$ 1,513,541	\$ 4,114,037	\$ 1,709,028	\$ 6,048,359	\$ 36,599,292
EXPENDITURES						
Current						
Instruction	\$ 13,899,491	\$ 10,113	\$ -	\$ -	\$ 676,052	\$ 14,585,656
Support Services	9,871,593	846,823	-	31,755	475,428	11,225,599
Non-instruction Services	113,674	-	-	-	2,023,526	2,137,200
Capital Outlay	35,353	63,913	-	3,703,815	5,973,023	9,776,104
Other Outlays	323,297	700	-	-	361,728	685,725
Debt Service						
Principal Payment	-	-	5,190,000	-	-	5,190,000
Interest Paid	-	-	383,273	-	-	383,273
Total Expenditures	\$ 24,243,408	\$ 921,549	\$ 5,573,273	\$ 3,735,570	\$ 9,509,757	\$ 43,983,557
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (1,029,081)	\$ 591,992	\$ (1,459,236)	\$ (2,026,542)	\$ (3,461,398)	\$ (7,384,265)
Adjustments to Prior Year Encumbrances	8,801	6,000	-	-	-	14,801
Other Financing Sources						
Transfers	\$ 62,499	\$ (6,000)	\$ -	\$ 3,000	\$ (59,499)	\$ -
Proceeds of Bonds	-	-	-	-	3,825,000	3,825,000
Total Other Financing Sources	\$ 62,499	\$ (6,000)	\$ -	\$ 3,000	\$ 3,765,501	\$ 3,825,000
Net Change in Fund Balances	\$ (957,781)	\$ 591,992	\$ (1,459,236)	\$ (2,023,542)	\$ 304,103	\$ (3,544,464)
Fund Balances - Beginning	1,375,851	1,671,673	3,623,475	26,892,683	6,900,400	40,464,082
Fund Balances - Ending	\$ 418,070	\$ 2,263,665	\$ 2,164,239	\$ 24,869,141	\$ 7,204,503	\$ 36,919,618

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund
Balances – Governmental Funds – Regulatory Basis to the Statement of Activities – Regulatory Basis
For the Year Ended June 30, 2020

*Amounts reported for governmental activities
in the statement of activities are different because:*

Net change in fund balances - total governmental funds \$ (3,544,464)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.

Capital Outlay	\$	2,949,943	
Depreciation Expense		<u>(2,083,169)</u>	866,774

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. However, in the statement of net position issuing debt increases long term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.

Debt repayments this year exceeds debt issued:

Debt Issued		(3,825,000)	
Debt Repayments		<u>5,190,000</u>	1,365,000

The repayment of the principal on capital leases consumes current financial resources of government funds. However this transaction does not have an effect on net position.

1,585,000

Change in net position of governmental activities

\$ 272,310

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Ardmore School District No. I-19, Carter County, Oklahoma (the “District”) is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the state of Oklahoma for support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The Reporting Entity

The governing body of the District is the Board of Education composed of elected members. The superintendent is the executive officer of the Board of Education and the administrative head of the District.

Financial Statement Presentation

The District prepares its financial statements in a presentation format that is, in substance, the format established by the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statement-Management’s Discussion and Analysis-for State and Local Governments*.

GASB Statement No. 34 established a financial reporting model for state and local governments that included the addition of management’s discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities and the use of account groups to the already required fund financial statements and notes.

Government-Wide and Fund Financial Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both government-wide and fund financial statements categorize primary activities as either governmental or business type. Governmental activities include programs primarily supported by taxes, State aid, grants and other intergovernmental revenue. The District does not have any activities classified as business-type. The government-wide focus is more on the sustainability of the District as an entity and the change in the District’s net position resulting from current year’s activities.

Government-Wide Financial Statements: In the government-wide Statement of Net Position-regulatory basis, the District’s governmental activities are reported on cash receipts and disbursement basis modified as required by regulations of the Oklahoma Department of Education to include fixed assets, long-term debt and obligations. The District’s net position is reported in three parts: net investment in capital assets, restricted net position and unrestricted net position.

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The government-wide Statement of Activities – regulatory basis reports both the gross and net cost of each of the District’s programs and functions. The functions are also supported by general government revenues. The Statement of Activities – regulatory basis reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to students, faculty, individuals, or other school districts that purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, interest, transfers and other items not properly included among program revenues are reported instead as *general revenues*.

All interfund transactions are eliminated in the government-wide statements.

Fund Financial Statements: Governmental fund financial statements are reported using the cash receipts and disbursements basis of accounting modified as required by the Oklahoma Department of Education to include investments and inventories on hand, encumbrances issued and warrants outstanding. The fund financial statements provide reports on the financial condition and results of operations of governmental fund categories.

The District reports the following major governmental funds:

General Fund is the primary operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Building Fund is used to account for resources restricted by statutes for ad valorem taxes designated for repair, maintenance, acquisition and construction of buildings.

Debt Service Fund – The District accounts for the accumulation of funds for the periodic payment of general long-term debt in this fund.

CCPFA 2018 Bond Fund 32 – is used to account for proceeds from long-term financing and revenues and expenditures related to authorized construction and other capital asset acquisitions.

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the District reports the following fund types included in the Other Governmental Funds column:

Special Revenue Funds – The District accounts for resources restricted or committed to specific purposes other than debt service or capital projects where the foundation for the fund is those resources or if the fund is legally mandated in special revenue funds.

Capital Project Funds -- The proceeds from long-term financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund.

Permanent Fund – The District reports resources that are restricted to the extent that only earnings, and not principal, may be used to support the District’s programs in this fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

As to the basis of accounting, the basic financial statements are essentially prepared on a basis of cash receipts and disbursements modified as required by the regulations of the Oklahoma Department of Education as follows:

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies and are recorded as expenditures when approved.
- Vendor obligations due and payable for goods and services received are recorded as a payable until paid.
- Warrants/Checks payable are recorded as liabilities when issued.
- Investments and inventories are recorded as assets when purchased and reduced when used.
- Capital assets in the government-wide statements are recorded when acquired and depreciated over their useful lives.
- Long-term debt reported in the government-wide statements is recorded when incurred.
- Accrued compensated absences are recorded as an expenditure and liability when the obligation is incurred.

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

This regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, which would have required the government-wide financial statements as well as the fiduciary fund financial statements to be presented on the accrual basis of accounting. The fund financial statements under accounting principles generally accepted in the United States of America would have been presented on the modified accrual basis of accounting. These financial statements are presented on the basis of accounting described above.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Collateral in the form of obligations of the U.S. government or its agencies, municipalities or the State of Oklahoma is required for demand deposits and certificates of deposit for all amounts not covered by federal depository insurance.

Permissible investments include direct obligations of the United States government and agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations, banks and trust companies.

Investments for the District are reported at historical value. The investments held by the District as equity securities were donated.

Inventories

The value of consumable inventories at June 30, 2020 is not material to the financial statements. On the government-wide financial statements, United States Department of Agriculture (USDA) food commodities are recorded as revenue at fair value as of the date of receipt and as an expense when used. USDA food commodities are not reported in the governmental funds.

Capital Assets

Capital assets, which include land, land improvements, buildings, buses and vehicles, machinery and equipment, and construction in progress, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets

ARDMORE SCHOOL DISTRICT NO. I-19
 Carter County, Oklahoma
 Notes to Financial Statements
 June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the District, is depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Land Improvements	15
Buildings	20 – 40
Buses & Vehicles	5 – 10
Machinery and Equipment	3 – 10

Net Position

When the District incurs an expense for which it may either use restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they are not used.

Net assets on the Statement of Net Position – Regulatory Basis include the following:

Net Investment in Capital Assets, – The component of net position that reports the difference between capital assets less both accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction and improvement of these capital assets.

Restricted for Building Services – The component of net position that reports the excess of property taxes and other revenues collected in excess of expenses for operation of the District’s buildings. This amount is restricted by Oklahoma Statutes.

Restricted for Child Nutrition – The component of net position that report the assets restricted for use by the Child Nutrition program.

Restricted for Debt Service – The component of net position that report the assets restricted for payment of principal and interest on general long-term debt.

ARDMORE SCHOOL DISTRICT NO. I-19

Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted for Instructional Materials and Technology – The component of net position that report the excess of sales tax restricted for technology and instructional materials by voters.

Restricted for Alternative Education – The component of net position that report the assets restricted for alternative education programs.

Restricted for School Organizations – The component of net position that report the assets restricted for use by student organizations and extracurricular activities. This amount is restricted by Oklahoma Statutes.

Restricted for Scholarships – The component of net position that report the assets restricted for scholarships.

Unrestricted – The difference between assets and liabilities that is not reported as restricted for any other purposes.

Fund Equity

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified the original funds donated in the Endowment Fund as being nonspendable as these amounts are legally required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The District has classified amounts restricted by state statute, donors and external grantors in this classification.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District has classified school organization activities as being committed because their use is governed by Board of Education action.

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Assigned:** This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the superintendent through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds. The District has assigned funds for interest earnings to the special revenue funds and capital project funds where earned by the budgetary process. The assigned classification includes the residual fund balance for the general fund which is for next year's appropriated budget for general operations.
- **Unassigned:** The unassigned classification includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

As of June 30, 2020, fund balances are comprised of the following:

	General Fund	Building Fund	Sinking Fund	CCPFA 2018 Bond Fund 32	Other Governmental Funds	Total Governmental Funds
Nonexpendable						
Endowment	\$ -	\$ -	\$ -	\$ -	\$ 51,166	\$ 51,166
Restricted						
Debt Service	-	-	2,164,239	-	-	2,164,239
Building Operation and Maintenance	-	2,220,860	-	-	-	2,220,860
Alternative Education	-	-	-	-	226,835	226,835
State and Private Grants	117,853	-	-	-	-	117,853
Child Nutrition	-	-	-	-	229,381	229,381
Instructional Materials and Technology	-	-	-	-	996,588	996,588
School Facilities	-	-	-	24,548,063	5,139,725	29,687,788
Scholarships	-	-	-	-	24,667	24,667
Committed						
School Organizations	-	-	-	-	464,666	464,666
Assigned						
Building Operation and Maintenance	-	42,805	-	-	-	42,805
Alternative Education	-	-	-	-	391	391
Child Nutrition	-	-	-	-	8,783	8,783
Instructional Materials and Technology	-	-	-	-	4,127	4,127
School Facilities	-	-	-	321,078	58,108	379,186
Scholarships	-	-	-	-	66	66
General operations	300,217	-	-	-	-	300,217
Unassigned	-	-	-	-	-	-
	<u>\$ 418,070</u>	<u>\$ 2,263,665</u>	<u>\$ 2,164,239</u>	<u>\$ 24,869,141</u>	<u>\$ 7,204,503</u>	<u>\$ 36,919,618</u>

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Property Tax Revenues

The District is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The taxes are due one-half prior to January 1 and the balance prior to April 1. If the first payment is not made timely, the entire tax becomes due and payable on January 1. Second half taxes become delinquent on April 1 of the year following the year of assessment.

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Tax Revenues (Continued)

If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owned. If at the end of the two years the owner has not done so, the purchaser is issued a deed to the property.

State Revenues

Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the districts. Approximately 36% of the District's revenue comes from state sources.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally, such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made.

The District receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs.

II. BUDGETARY INFORMATION

The District is required by law to prepare an annual budget. No later than October 1, each Board of Education shall prepare a financial statement and estimate of needs to be filed with the applicable county clerk and the State Department of Education. Once the county excise board has approved the estimate of needs, the Board shall adopt a final budget within 45 days or the second regularly scheduled board meeting. No later than 15 days prior to adoption of a final budget, the Board must conduct a public hearing for purposes of taking public comments.

A final budget may be revised upon approval of the Board of Education in open meeting.

A budget is legally adopted for the General Fund, Building Fund, Child Nutrition Fund, Coop Fund and Sinking Fund that includes revenue and expenditures. Budgets generally assume the expenditure of all available resources. Therefore, when the legal budget is prepared, it is assumed these funds will not have a carryover balance to a subsequent year. Program revenue received but not spent is restricted and deferred to a subsequent fiscal year.

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

III. DEPOSITS AND INVESTMENTS

Custodial Credit Risk - Custodial credit risk for deposits is the risk that in the event of a 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 requires collateral for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. As of June 30, 2020, cash deposits and investments were fully insured or collateralized by a pledging bank's agent in the District's name.

Investment - The District's investment of \$37,666 at June 30, 2020, represents equity securities valued at historical value that were donated to the District. These securities are uninsured and exposed to the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of the investment.

IV. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<i>Government Activities:</i>				
<i>Capital assets, not being depreciated</i>				
Land	\$ 442,650	\$ -	\$ -	\$ 442,650
Construction in progress	<u>2,199,510</u>	<u>2,717,974</u>		<u>4,917,484</u>
Total capital assets, not being depreciated	<u>\$ 2,642,160</u>	<u>\$ 2,717,974</u>	<u>\$ -</u>	<u>\$ 5,360,134</u>
<i>Capital assets, being depreciated</i>				
Land Improvements	\$ 3,598,724	\$ 58,170	\$ -	\$ 3,656,894
Buildings	74,192,858	-	-	74,192,858
Buses and Vehicles	3,705,508	4,001	132,033	3,577,476
Machinery and Equipment	<u>4,631,557</u>	<u>169,798</u>	<u>-</u>	<u>4,801,355</u>
Total capital assets, being depreciated	\$ 86,128,647	\$ 231,969	\$ 132,033	\$ 86,228,583
Less Accumulated Depreciation	<u>41,355,160</u>	<u>2,083,169</u>	<u>132,033</u>	<u>43,306,296</u>
Total capital assets, being depreciated, net	<u>\$ 44,773,487</u>	<u>\$ (1,851,200)</u>	<u>\$ -</u>	<u>\$ 42,922,287</u>
Governmental activities capital assets, net	<u>47,415,647</u>	<u>866,774</u>	<u>-</u>	<u>48,282,421</u>
Total Primary Government	<u>\$ 47,415,647</u>	<u>\$ 866,774</u>	<u>\$ -</u>	<u>\$ 48,282,421</u>

Depreciation expense was charged to functions/programs of the District as follows:

Government activities:	
Instruction	\$ 14,621
Support	2,049,946
Non-Instruction	<u>18,602</u>
Total depreciation expense - governmental activities	<u>\$ 2,083,169</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Financial Statements
June 30, 2020

V. LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Capital Leases	\$ 41,190,000	\$ -	\$ 1,585,000	\$ 39,605,000	\$ 1,675,000
General Obligation Debt	10,865,000	3,825,000	5,190,000	9,500,000	5,675,000
Total Governmental Activity Long-Term Liabilities	<u>\$ 52,055,000</u>	<u>\$ 3,825,000</u>	<u>\$ 6,775,000</u>	<u>\$ 49,105,000</u>	<u>\$ 7,350,000</u>

The District has entered financing arrangements with the Carter County Public Facilities Authority (see Note X). These financing arrangements are accounted for as capital leases, since for accounting purposes the title transfers at the end of lease term. The leases contain a clause which gives the District the ability to terminate the lease agreements at the end of each fiscal year.

The schedule of future minimum lease payments under the capital leases and the present value of the net minimum lease payments for years ending June 30th are as follows:

<u>Year Ended June 30,</u>	<u>Amount Due</u>
2021	\$ 3,435,744
2022	3,491,025
2023	3,534,850
2024	3,589,038
2025	3,932,865
Thereafter	36,327,516
Less: Interest	<u>(14,706,038)</u>
Total	\$ 39,605,000

Leased construction in progress, buildings and equipment under capital leases in capital assets at June 30, 2020, included the following:

<i>Capital assets, not being depreciated</i>	
Construction in Progress	\$ 4,917,484
<i>Capital assets, being depreciated</i>	
Buildings	\$ 17,679,257
Land Improvements	88,567
Machinery & Equipment	6,747
less Accumulated Depreciation	<u>(1,718,505)</u>
	<u>\$ 20,973,550</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
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V. LONG-TERM DEBT (Continued)

Bonds Payable at June 30, 2020 is composed of the following individual general obligation bond issues:

	Amount Outstanding
Independent School District, I-19 General Obligation Combined Purpose Bonds of 2020, original issue \$3,825,000, interest rates of 2.10%, due in an annual installment of \$475,000 on 1/1/22 and final payment on \$3,350,000 on 1/1/23.	\$ 3,825,000
Independent School District, I-19 General Obligation Combined Purpose Bonds of 2019, original issue \$3,780,000, interest rates of 2.20%, due in annual installments of \$3,780,000 on 6/1/21	3,780,000
Independent School District, I-19 General Obligation Combined Purpose Bonds of 2018, original issue \$3,075,000, interest rates of 2.75%, due in two annual installments of \$1,180,000 on 3/1/20 and final installment \$1,895,000 due on 3/1/21	1,895,000
	\$ 9,500,000

As of June 30, 2020, the annual requirements to amortize all bond debt outstanding, including interest payments, are as follows:

Year Ended June 30,	Principal	Interest	Total
2021	\$ 5,675,000	\$ 135,273	\$ 5,810,273
2022	475,000	160,650	635,650
2023	3,350,000	70,350	3,420,350
Total	\$ 9,500,000	\$ 366,273	\$ 9,866,273

State statute prohibits the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years from the date of issue. General obligation bonded debt of the District is limited by state law to 10% of the assessed valuation of the District. The legal debt limit at June 30, 2020 is approximately \$18,075,000.

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
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June 30, 2020

V. LONG-TERM DEBT (Continued)

Pledged Revenues

The District has pledged \$24,900,000 of future issuances of general obligation bonds to repay \$19,700,000 plus interest lease revenue bonds with Carter County Public Facilities Authority (CCPFA) lease revenue bonds of 2013. Proceeds from the lease revenue bonds are to be for the construction and placement of improvements on real property. The general obligation bonds will be issued prior to the payment due of the lease purchase payments to Carter County Public Facilities Authority. One hundred percent of the general obligation bonds will be used to pay the lease revenue bond payments and bond issuance costs. The annual payments started September 1, 2015 and will continue with final payment due to CCPFA on September 1, 2026.

The District has pledged \$44,165,000 of future issuances of general obligation bonds to repay \$27,255,000 plus interest lease revenue bonds with Carter County Public Facilities Authority (CCPFA) lease revenue bonds of 2018. Proceeds from the lease revenue bonds are to be for the construction and placement of improvements on real property. The general obligation bonds will be issued prior to the payment due of the lease purchase payments to Carter County Public Facilities Authority. One hundred percent of the general obligation bonds will be used to pay the lease revenue bond payments and bond issuance costs. The annual payments start on September 1, 2019 and will continue with final payment due to CCPFA on September 1, 2033.

Property tax revenues collected by the District are pledged to repay the District's General Obligation Bonds. As of June 30, 2020, \$9,500,000 general obligations were outstanding and \$52,725,000 of general obligations bonds were authorized but not issued. Current year had collected \$4,027,936 of pledged revenues and paid \$5,573,273 of principal and interest expense toward obligations.

VI. EMPLOYEE RETIREMENT SYSTEM

Teachers' Retirement System of Oklahoma

Plan Description - The District contributes to the state-administered Oklahoma Teachers' Retirement System ("TRS"), a cost-sharing, multiple-employer public employee retirement system. The System is administered by a board of trustees. TRS provides retirement, disability and death benefits to plan members and beneficiaries. Oklahoma State Statute 70-17 assigns the authority to establish and amend benefit provisions to the TRS Board of Trustees. The System issues a publicly available report that includes financial statements and required supplementary information for TRS. That report may be obtained by contacting the Oklahoma Teachers' Retirement System.

Benefits Provided - The System provides defined retirement benefits based on members' final compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon the death of eligible members. Title 70 O.S. Sec.

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17-105 defines all retirement benefits. The authority to establish and amend benefit provisions rests with the State Legislature.

Funding Policy – Under the System, contributions are made by the District, the State of Oklahoma, and participating employees. Participation is required for all teachers and other certified employees and is optional for all other regular employees of public educational institutions who work at least 20 hours per week.

Contributions – In accordance with *Oklahoma Statutes*, System members are required to contribute 7.00% of applicable compensation. For the year ended June 30, 2020, qualifying employee contributions were reduced by a retirement credit of \$130,149 provided by Enrolled House Bill 1873 and paid by the State of Oklahoma as on-behalf payments. For the year ended June 30, 2020, the District had a statutory contribution rate of 9.5% plus 7.70% as a match for salaries funded by federal programs. The contribution requirements of System members and the District are established and may be amended by the state legislature.

The District's contributions to TRS (net of retirement credit paid by the State of Oklahoma) for the years ended June 30, 2020, 2019 and 2018 were \$1,793,354, \$1,765,219 and \$1,579,265, respectively, equal to the required contributions for each year.

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS financial report that can be obtained at <http://www.ok.gov/trs/>.

VII. OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to the retirement plan described in Note VI, the District participates in the state-administered Supplemental Health Insurance Program (OPEB Plan) within Teachers' Retirement System of Oklahoma (the OPEB System), which is a cost-sharing multiple-employer defined benefit OPEB plan administered by the Teacher Retirement System (TRS).

Plan Description – The OPEB System pays a monthly health insurance premium supplement for each retired member who is enrolled in the health insurance plan provided by the State and Education Employees Group Health and Dental Insurance plan or in an insurance program provided by a participating education employer who provides health insurance coverage to former employees, provided the retired member had at least ten (10) years of Oklahoma service prior to retirement.

Benefits Provided – All retirees are eligible except for special retirees (as defined) and spouses and beneficiaries as long as they have at least 10 years of service. Retirees who elect such coverage receive the smaller of (i) a Medicare supplement benefit, if eligible, or (ii) an amount between \$100 and \$105 per month, depending on service and final average compensation. Payments made on the retirees' behalf to the Employees Group Insurance Division of the Office of Management and Enterprise Services, if the member continues health coverage under

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that Plan, or (ii) to the member's former employer, if the member retains health coverage under a plan maintained by the former employer.

Contributions – Employer and employee contributions are made based upon the TRS Plan provisions contained in State Statute Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. The cost of the subsidy averages 0.007% of normal cost, as determined by an actuarial valuation.

OPEB plan fiduciary net position – Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS financial report that can be obtained at <http://www.ok.gov/trs/>.

VIII. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is a defendant in lawsuits. Although the outcome of these lawsuits is not presently determinable, the District believes the resolution of these matters will not have a material adverse effect on the financial condition of the District. Should a judgment be awarded against the District, it would be levied through the District's sinking fund over a three-year period pursuant to state law.

The District entered into several construction-related contracts during the fiscal year, which include additions, new construction, and remodeling of school buildings. As of June 30, 2020, the District had outstanding construction-related commitments totaling \$28,095,245 that will be financed from proceeds from CCPFA 2018 Bond Fund 32.

Subsequent to June 30, 2020, the District entered into \$282,881 of construction-related projects to be financed from Bond fund 36, Sales Tax Fund and Bond Fund 39.

During 2020, the worldwide coronavirus pandemic impacted local, national and global economies. The District is closely monitoring its operations and available fund balances and actively working to minimize current and future impacts of the unprecedented situation. As of the date of issuance of these financial statements, the full current and future impact to the District is not known.

IX. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omission, injuries to employees, life and health of employees, and natural

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Notes to Financial Statements
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disasters for which the District purchases commercial insurance. There have been no significant reductions in coverage from prior year and settlements have not exceeded coverage in the past three years.

X. LEASE REVENUE BOND AGREEMENTS

On September 1, 2013, the Board of Education entered into ground lease and sublease agreements with the Carter County Public Facilities Authority (CCPFA), a public trust, for the purpose of facilitating the issuance of the bonds, to provide security for payment of the bonds, and to enable the District to utilize the bond proceeds for the construction and placement of improvements on real property. The lease agreements will remain in effect to June 30, 2027. The Authority advanced \$19,700,000 in lease revenue bonds, series 2013, to the District for the acquisition and construction of buildings and improvements. The District will use money received from General Obligation Debt to repay the lease. The advanced funds are being held in a trust and District remits applications for payments. The capital assets acquired and constructed have been shown as capital assets on the District's statement of net position. The remaining balance of the advanced fund is reported as Restricted Cash in CCPFA 2013 Bond Fund 30 on Balance Sheet of Governmental Funds and on the Statement of Net Position.

On August 1, 2018, the Board of Education entered into ground lease and sublease agreements with the Carter County Public Facilities Authority (CCPFA), a public trust, for the purpose of facilitating the issuance of the bonds, to provide security for payment of the bonds, and to enable the District to utilize the bond proceeds for the construction and placement of improvements on real property. The lease agreements will remain in effect to June 30, 2034. The Authority advanced \$27,255,000 in lease revenue bonds, series 2018, to the District for the acquisition and construction of buildings and improvements. The District will use money received from General Obligation Debt to repay the lease. The advanced funds are being held in a trust and District remits applications for payments. The capital assets acquired and constructed have been shown as capital assets on the District's statement of net position. The remaining balance of the advanced fund is reported as Restricted Cash in CCPFA 2018 Bond Fund 32 on Balance Sheet of Governmental Funds and on the Statement of Net Position.

XI. TAX ABATEMENT

The State of Oklahoma has authorized by the Oklahoma State Statutes Title 31 to offer homestead and Veterans exemptions to Ad Valorem property taxes. These exemptions reduce the ad valorem taxes remitted to the District.

The State of Oklahoma has authorized by Oklahoma Statutes 62-850 the creation of tax increment financing (TIF) districts. These districts are intended to provide incentives and exemptions from taxation within certain areas to encourage investment, development and economic growth. The District is subject to tax abatements granted by the City of Ardmore. The City of Ardmore created TIF District #2 in May 2003, amended the project plan in August 2016, and projected the TIF to terminate December 31, 2021. The purpose of TIF District #2 is

ARDMORE SCHOOL DISTRICT NO. I-19

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to develop the Ardmore Commons, Ardmore Family Entertainment Center, Market Street Shopping Center, and surrounding areas. This TIF district reduces the ad valorem taxes remitted to the District over the term of the agreement.

For the year ended June 30, 2020, abated property taxes were \$1,790,684.

XIII. SUBSEQUENT EVENTS

In November 2020, the Board of Education approved the sale of \$3,875,000 General Obligation Combined Purpose Bonds; the proceeds were received by the District on January 7, 2021. The purpose of these bonds were to provide \$300,000 proceeds for the Transportation series bonds, \$2,075,000 proceeds for the 2013 CCPFA lease payment, and \$1,500,000 proceeds for the 2018 CCPFA lease payment.

As part of the Coronavirus Response and Relief Supplemental Appropriations Act (CCRSA) of 2021, the District received a federal grant allocation of \$3,855,459 out of the Elementary and Secondary School Emergency Relief (ESSER) II fund. Allowable uses of ESSER II funds include any expense related to preventing, preparing for and responding to COVID-19, as well as addressing and mitigating learning loss, restoring and maintaining high-quality learning environments, and testing, repairing, and upgrading projects to improve air quality in school buildings.

On March 11, 2021, the President of the United States signed into law the American Rescue Plan Act of 2021. This law provides additional relief to address the continue impact of COVID-19 on the economy, public health, state and local governments, individuals and businesses. Within the American Rescue Plan Act, there is funding for schools. The District anticipates receiving a substantial allocation of grant money from this new law.

The District has evaluated subsequent events through March 29, 2021, the date which the financial statements were available to be issued.

OTHER INFORMATION

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Budgetary Comparison Schedule –General Fund (Unaudited)
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
REVENUE				
Property Taxes	\$ 5,887,501	\$ 5,887,501	\$ 6,414,535	\$ 527,034
Interest	55,842	55,842	22,670	(33,172)
County Revenue	571,294	571,294	702,110	130,816
State Revenue	13,370,314	13,370,314	12,713,812	(656,502)
Federal Revenue	2,783,202	2,783,202	2,905,093	121,891
Other	<u>567,727</u>	<u>567,727</u>	<u>456,107</u>	<u>(111,620)</u>
Total Revenue	<u>\$ 23,235,880</u>	<u>\$ 23,235,880</u>	<u>\$ 23,214,327</u>	<u>\$ (21,553)</u>
EXPENDITURES				
Current				
Instruction	\$ 14,299,166	\$ 14,299,166	13,930,843	\$ 368,323
Support Services	9,875,594	9,875,594	9,875,594	-
Non-instruction Services	113,674	113,674	113,674	-
Other Outlays	<u>323,297</u>	<u>323,297</u>	<u>323,297</u>	<u>-</u>
Total Expenditures	<u>\$ 24,611,731</u>	<u>\$ 24,611,731</u>	<u>\$ 24,243,408</u>	<u>\$ 368,323</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	\$ (1,375,851)	\$ (1,375,851)	\$ (1,029,081)	\$ 346,770
Adjustments to Prior Year Encumbrances				
	<u>-</u>	<u>-</u>	<u>8,801</u>	<u>8,801</u>
Other Financing Sources				
Transfers In	\$ -	\$ -	\$ 62,499	\$ 62,499
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>62,499</u>	<u>62,499</u>
Net Change in Fund Balance				
	(1,375,851)	(1,375,851)	(957,781)	418,070
Fund Balance - Beginning				
	<u>1,375,851</u>	<u>1,375,851</u>	<u>1,375,851</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418,070</u>	<u>\$ 418,070</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Budgetary Comparison Schedule –Building Fund (Unaudited)
For the Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget
	Original	Final		
REVENUE				
Property Taxes	\$ 841,306	\$ 841,306	\$ 914,709	\$ 73,403
Interest	19,574	19,574	42,805	23,231
Other	571,368	571,368	556,027	(15,341)
Total Revenue	<u>\$ 1,432,248</u>	<u>\$ 1,432,248</u>	<u>\$ 1,513,541</u>	<u>\$ 81,293</u>
EXPENDITURES				
Current				
Instruction	\$ 10,113	\$ 10,113	\$ 10,113	\$ -
Support Services	904,736	904,736	846,823	57,913
Non-instruction Services	-	-	-	-
Capital Outlay	2,188,372	2,188,372	63,913	2,124,459
Other Outlays	700	700	700	-
Total Expenditures	<u>\$ 3,103,921</u>	<u>\$ 3,103,921</u>	<u>\$ 921,549</u>	<u>\$ 2,182,372</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,671,673)	(1,671,673)	591,992	2,263,665
Adjustments to Prior Year Encumbrances	-	-	6,000	6,000
Other Financing Sources				
Transfers Out	-	-	(6,000)	(6,000)
Total Other Financing Sources	-	-	(6,000)	(6,000)
Net Change in Fund Balance	(1,671,673)	(1,671,673)	591,992	2,263,665
Fund Balance - Beginning	1,671,673	1,671,673	1,671,673	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,263,665</u>	<u>\$ 2,263,665</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Budgetary Comparison Schedule – Sinking Fund (Unaudited)
For the Year Ended June 30, 2020

	Original and Final Budget	Actual Budgetary Amounts	Variance with Final Budget
REVENUE			
Property Taxes	\$ 3,883,868	\$ 4,027,936	\$ (144,068)
Interest	-	79,290	(79,290)
Other	-	6,811	(6,811)
Total Revenue	<u>\$ 3,883,868</u>	<u>\$ 4,114,037</u>	<u>\$ (230,169)</u>
EXPENDITURES			
Debt Service			
Interest Paid	\$ 277,957	\$ 383,273	\$ (105,316)
Principal Retirement	3,830,000	5,190,000	(1,360,000)
Total Expenditures	<u>\$ 4,107,957</u>	<u>\$ 5,573,273</u>	<u>\$ (1,465,316)</u>
Net Change in Fund Balance	(224,089)	(1,459,236)	(1,235,147)
Fund Balance - Beginning	224,089	3,623,475	3,399,386
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 2,164,239</u>	<u>\$ 2,164,239</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Combining Balance Sheet – Regulatory Basis – Other Governmental Funds
June 30, 2020

	Special Revenue Funds						Total Other	Permanent Fund	Total Other Governmental Funds
	Coop Fund	Child Nutrition Fund	Sales Tax Fund	Gifts Fund	Take II Fund	Activity Fund	Capital Project Funds	Endowment Fund	
Assets									
Cash and Cash Investments	\$ 170,077	\$ 340,887	\$ 1,004,515	\$ 11,194	\$ 77,799	\$ 473,154	\$ 5,122,284	\$ 27,789	\$ 7,227,699
Restricted Cash	-	-	-	-	-	-	95,143	-	95,143
Investments	-	-	-	-	-	-	-	37,666	37,666
Total Assets	\$ 170,077	\$ 340,887	\$ 1,004,515	\$ 11,194	\$ 77,799	\$ 473,154	\$ 5,217,427	\$ 65,455	\$ 7,360,508
Liabilities									
Warrants Payable	\$ 14,346	\$ 101,852	\$ 3,800	\$ 750	\$ 6,304	\$ 8,488	\$ 19,594	\$ -	\$ 155,134
Reserve for Encumbrances	-	871	-	-	-	-	-	-	871
Total Liabilities	\$ 14,346	\$ 102,723	\$ 3,800	\$ 750	\$ 6,304	\$ 8,488	\$ 19,594	\$ -	\$ 156,005
Fund Balances									
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,166	\$ 51,166
Restricted	155,340	229,381	996,588	10,378	71,495	-	5,139,725	14,289	6,617,196
Committed	-	-	-	-	-	464,666	-	-	464,666
Assigned	391	8,783	4,127	66	-	-	58,108	-	71,475
Unassigned	-	-	-	-	-	-	-	-	-
Total Fund Balances	155,731	238,164	1,000,715	10,444	71,495	464,666	5,197,833	65,455	7,204,503
Total Liabilities and Fund Balances	\$ 170,077	\$ 340,887	\$ 1,004,515	\$ 11,194	\$ 77,799	\$ 473,154	\$ 5,217,427	\$ 65,455	\$ 7,360,508

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Combining Statement of Revenue, Expenditures and Changes in Fund Balance – Regulatory Basis
– Other Governmental Funds
For the Year Ended June 30, 2020

	Special Revenue Funds						Total Other	Permanent Fund	Total Other Governmental Funds
	Coop Fund	Child Nutrition Fund	Sales Tax Fund	Gifts Fund	Take II Fund	Activity Fund	Capital Project Funds	Endowment Fund	
REVENUE									
Interest	\$ 391	\$ 8,783	\$ 4,127	\$ 66	\$ -	\$ 7,337	\$ 58,108	\$ 4,474	\$ 83,286
County Revenue	-	-	696,792	-	-	-	-	-	696,792
State Revenue	188,241	235,982	-	-	-	-	-	-	424,223
Federal Revenue	-	1,240,313	-	-	-	-	-	-	1,240,313
Other	408,664	61,610	-	4,000	92,575	987,896	2,049,000	-	3,603,745
Total Revenue	<u>\$ 597,296</u>	<u>\$ 1,546,688</u>	<u>\$ 700,919</u>	<u>\$ 4,066</u>	<u>\$ 92,575</u>	<u>\$ 995,233</u>	<u>\$ 2,107,108</u>	<u>\$ 4,474</u>	<u>\$ 6,048,359</u>
EXPENDITURES									
Current									
Instruction	\$ 253,097	\$ -	\$ 223,852	\$ -	\$ 14,893	\$ 184,210	\$ -	\$ -	\$ 676,052
Support Services	195,660	-	11,914	6,950	8,328	185,994	62,882	3,700	475,428
Non-instruction Services	-	1,825,391	-	-	-	198,135	-	-	2,023,526
Capital Outlay	-	19,628	31,443	-	18,202	-	5,903,750	-	5,973,023
Other Outlays	-	-	-	-	36	361,692	-	-	361,728
Total Expenditures	<u>\$ 448,757</u>	<u>\$ 1,845,019</u>	<u>\$ 267,209</u>	<u>\$ 6,950</u>	<u>\$ 41,459</u>	<u>\$ 930,031</u>	<u>\$ 5,966,632</u>	<u>\$ 3,700</u>	<u>\$ 9,509,757</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>148,539</u>	<u>(298,331)</u>	<u>433,710</u>	<u>(2,884)</u>	<u>51,116</u>	<u>65,202</u>	<u>(3,859,524)</u>	<u>774</u>	<u>(3,461,398)</u>
Other Financing Sources									
Transfers In (Out)	(52,676)	(9,823)	-	-	-	-	3,000	-	(59,499)
Proceeds of Bonds	-	-	-	-	-	-	3,825,000	-	3,825,000
Total Other Financing Sources	<u>(52,676)</u>	<u>(9,823)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,828,000</u>	<u>-</u>	<u>3,765,501</u>
Net Change in Fund Balances	95,863	(308,154)	433,710	(2,884)	51,116	65,202	(31,524)	774	304,103
Fund Balances, Beginning	59,868	546,318	567,005	13,328	20,379	399,464	5,229,357	64,681	6,900,400
Fund Balances, Ending	<u>\$ 155,731</u>	<u>\$ 238,164</u>	<u>\$ 1,000,715</u>	<u>\$ 10,444</u>	<u>\$ 71,495</u>	<u>\$ 464,666</u>	<u>\$ 5,197,833</u>	<u>\$ 65,455</u>	<u>\$ 7,204,503</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Combining Balance Sheet – Regulatory Basis– Other Capital Project Funds
For the Year Ended June 30, 2020

	Capital Projects Funds						Total Other Capital Project Funds
	CCPFA 2013 Bond Fund 30	Bond Fund 31	Bond Fund 36	Bond Fund 37	Bond Fund 38	Bond Fund 39	
Assets							
Cash and Cash Investments	\$ -	\$ 1,453,119	\$ 10,905	\$ 2,086,980	\$ 305,844	\$ 1,265,436	\$ 5,122,284
Restricted Cash	<u>95,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,143</u>
Total Assets	<u>\$ 95,143</u>	<u>\$ 1,453,119</u>	<u>\$ 10,905</u>	<u>\$ 2,086,980</u>	<u>\$ 305,844</u>	<u>\$ 1,265,436</u>	<u>\$ 5,217,427</u>
Liabilities							
Warrants Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,594	\$ 19,594
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,594</u>	<u>\$ 19,594</u>
Fund Balances							
Restricted	\$ 90,458	\$ 1,438,820	\$ 10,747	\$ 2,066,236	\$ 303,525	\$ 1,229,939	\$ 5,139,725
Assigned	<u>4,685</u>	<u>14,299</u>	<u>158</u>	<u>20,744</u>	<u>2,319</u>	<u>15,903</u>	<u>58,108</u>
Total Fund Balances	<u>95,143</u>	<u>1,453,119</u>	<u>10,905</u>	<u>2,086,980</u>	<u>305,844</u>	<u>1,245,842</u>	<u>5,197,833</u>
Total Liabilities and Fund Balances	<u>\$ 95,143</u>	<u>\$ 1,453,119</u>	<u>\$ 10,905</u>	<u>\$ 2,086,980</u>	<u>\$ 305,844</u>	<u>\$ 1,265,436</u>	<u>\$ 5,217,427</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Combining Statement of Revenue, Expenditures and Changes in Fund Balance – Regulatory Basis
– Other Capital Project Funds
For the Year Ended June 30, 2020

	Capital Project Funds						Total Other Capital Project Funds
	CCPFA 2013 Bond Fund 30	Bond Fund 31	Bond Fund 36	Bond Fund 37	Bond Fund 38	Bond Fund 39	
REVENUE							
Interest	\$ 4,685	\$ 14,299	\$ 158	\$ 20,744	2,319	\$ 15,903	\$ 58,108
Other	<u>2,049,000</u>	-	-	-	-	-	<u>2,049,000</u>
Total Revenue	<u>\$ 2,053,685</u>	<u>\$ 14,299</u>	<u>\$ 158</u>	<u>\$ 20,744</u>	<u>\$ 2,319</u>	<u>\$ 15,903</u>	<u>\$ 2,107,108</u>
EXPENDITURES							
Current							
Support Services	\$ 17,935	\$ 14,935	\$ -	\$ 26,922	\$ 3,090	\$ -	\$ 62,882
Capital Outlay	<u>2,072,606</u>	<u>1,387,950</u>	<u>23,585</u>	<u>2,049,000</u>	<u>-</u>	<u>370,609</u>	<u>5,903,750</u>
Total Expenditures	<u>\$ 2,090,541</u>	<u>\$ 1,402,885</u>	<u>\$ 23,585</u>	<u>\$ 2,075,922</u>	<u>\$ 3,090</u>	<u>\$ 370,609</u>	<u>\$ 5,966,632</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(36,856)</u>	<u>(1,388,586)</u>	<u>(23,427)</u>	<u>(2,055,178)</u>	<u>(771)</u>	<u>(354,706)</u>	<u>(3,859,524)</u>
Other Financing Sources							
Transfers In	\$ 3,000	\$ -	\$ -	\$ -	-	\$ -	3,000
Proceeds of Bonds	<u>-</u>	<u>1,450,000</u>	<u>-</u>	<u>2,075,000</u>	<u>300,000</u>	<u>-</u>	<u>3,825,000</u>
Total Other Financing Sources	<u>3,000</u>	<u>1,450,000</u>	<u>-</u>	<u>2,075,000</u>	<u>300,000</u>	<u>-</u>	<u>3,828,000</u>
Net Change in Fund Balances	(33,856)	61,414	(23,427)	19,822	299,229	(354,706)	(31,524)
Fund Balances, Beginning	<u>128,999</u>	<u>1,391,705</u>	<u>34,332</u>	<u>2,067,158</u>	<u>6,615</u>	<u>1,600,548</u>	<u>5,229,357</u>
Fund Balances, Ending	<u>\$ 95,143</u>	<u>\$ 1,453,119</u>	<u>\$ 10,905</u>	<u>\$ 2,086,980</u>	<u>\$ 305,844</u>	<u>\$ 1,245,842</u>	<u>\$ 5,197,833</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Supplemental Schedule
Combining Statement of Assets and Fund Balances – Activity Fund
For the Year Ended June 30, 2020

	Balance 6/30/2019	Receipts	Adjusting Entries	Checks	Balance 6/30/2020
Unit 50 ADMINISTRATION					
Project 888 SPIRIT OF THE TIGERS	\$ 3,318	\$ 3,088	\$ -	\$ 1,681	\$ 4,725
Project 894 ACS FITNESS ACCOUNT	217	1,319	-	14	1,522
Project 895 ACS ELEMENTARY MUSIC	4,200	10,543	-	9,621	5,122
Project 896 HUGS	37,143	77,698	-	61,811	53,030
Project 898 TRANSPORTATION	-	300	-	256	44
Project 899 OPERATIONAL	26,072	14,170	-	9,782	30,460
Project 901 UNITED WAY DONATION ACCOUNT	163	1,830	-	1,403	590
Project 907 SPECIAL OLYMPICS	1,184	2,579	-	600	3,163
Project 912 ACS IECBOOSTER	2,278	1,702	-	1,417	2,563
Project 917 SUNSHINE WELFARE	1,108	50	-	54	1,104
Project 939 PUBLIC RELATIONS/CURRICULUM	266	1,617	-	1,262	621
Project 939 FELLOWSHIP OF CHRISTIAN ATHLET	-	290	-	15	275
Project 962 CHILD NUTRITION	-	43,845	-	43,845	-
Total Unit 50	<u>75,949</u>	<u>159,031</u>	<u>-</u>	<u>131,761</u>	<u>103,219</u>
Unit 110 CHARLES EVANS ELEMENTARY					
Project 801 CHARLES EVANS	4,758	15,543	-	12,685	7,616
Project 802 CHARLES EVANS LIBRARY	1,028	3,092	-	3,060	1,060
Project 803 CHARLES EVANS PTO	7,946	7,108	-	8,096	6,958
Project 906 CLEARING ACCOUNT	-	64	-	64	-
Project 911 CHARLES EVANS WELFARE	714	1,010	-	1,428	296
Total Unit 110	<u>14,446</u>	<u>26,817</u>	<u>-</u>	<u>25,333</u>	<u>15,930</u>
Unit 120 JEFFERSON ELEMENTARY					
Project 811 JEFFERSON	13,513	12,619	-	9,003	17,129
Project 812 JEFFERSON LIBRARY	67	1,996	-	1,932	131
Project 813 JEFFERSON PTO	2,054	437	-	384	2,107
Project 818 JEFFERSON STAFF ACTIVITY	664	76	-	-	740
Project 819 JEFFERSON CHRISTMAS	8,929	-	-	4,234	4,695
Project 820 JEFFERSON ARCHERY	155	-	-	-	155
Project 906 CLEARING ACCOUNT	-	21	-	21	-
Total Unit 120	<u>25,382</u>	<u>15,149</u>	<u>-</u>	<u>15,574</u>	<u>24,957</u>
Unit 125 LINCOLN ELEMENTARY					
Project 808 LINCOLN SUNSHINE ACCOUNT	166	618	-	54	730
Project 814 LINCOLN	4,569	9,938	-	7,417	7,090
Project 815 LINCOLN LIBRARY	1,759	4,735	-	5,264	1,230
Project 816 LINCOLN PTO	5,569	6,726	-	8,639	3,656
Project 906 CLEARING ACCOUNT	-	278	-	278	-
Total Unit 125	<u>12,063</u>	<u>22,295</u>	<u>-</u>	<u>21,652</u>	<u>12,706</u>
Unit 135 WILL ROGERS ELEMENTARY					
Project 804 WILL ROGERS ACTIVITY	8,702	38,875	-	24,943	22,634
Project 805 WILL ROGERS LIBRARY	2,124	-	-	58	2,066

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Supplemental Schedule
Combining Statement of Assets and Fund Balances – Activity Fund
For the Year Ended June 30, 2020

	Balance 6/30/2019	Receipts	Adjusting Entries	Checks	Balance 6/30/2020
Project 806 WILL ROGERS WELFARE	728	1,068	-	1,761	35
Project 817 WILL ROGERS PTO	3,976	9,370	-	7,730	5,616
Project 906 CLEARING ACCOUNT	-	81	-	81	-
Total Unit 135	<u>15,530</u>	<u>49,394</u>	<u>-</u>	<u>34,573</u>	<u>30,351</u>
Unit 505 ARDMORE MIDDLE SCHOOL					
Project 825 AMS ATHLETIC ACTIVITY	1,470	10,249	-	7,420	4,299
Project 826 AMS VOCAL MUSIC	1,915	-	-	690	1,225
Project 827 AMS POM SQUAD	864	8,295	-	7,967	1,192
Project 828 AMS MISCELLANEOUS	7,723	2,269	-	3,201	6,791
Project 829 AMS CHEERLEADERS	968	2,842	-	2,696	1,114
Project 830 AMS SCIENCE EXPLORERS	5,196	-	-	800	4,396
Project 831 AMS ART	1,331	-	-	-	1,331
Project 832 AMS STUDENT COUNCIL	3,070	945	-	1,688	2,327
Project 833 AMS FCCLA	161	-	-	-	161
Project 834 AMS NJHS	1,680	65,481	-	65,098	2,063
Project 835 AMS GIRLS ATHLETICS	-	6,820	-	6,154	666
Project 884 AMS LIBRARY	1,168	1,206	-	1,170	1,204
Project 893 AMS ENVIRONMENTAL CAMP	5,187	-	-	-	5,187
Project 906 CLEARING ACCOUNT	-	24	-	24	-
Project 923 AMS DRAMA CLUB	-	10,707	-	7,941	2,766
Project 926 AMS PTT	243	-	-	-	243
Project 931 AMS YEARBOOK	2,764	-	-	-	2,764
Project 933 AMS STAFF ACTIVITY	209	76	-	35	250
Project 946 AMS OUTDOOR CLASSROOM	564	-	-	-	564
Total Unit 505	<u>34,513</u>	<u>108,914</u>	<u>-</u>	<u>104,884</u>	<u>38,543</u>
Unit 705 ARDMORE HIGH SCHOOL					
Project 837 AHS ART	38	70	-	80	28
Project 838 AHS ATHLETICS	20,988	161,676	-	145,620	37,044
Project 839 AHS BAND	910	195,171	-	172,041	24,040
Project 841 AHS BAND BOOSTER CLUB	17,101	21,964	-	18,147	20,918
Project 843 AHS VOCAL MUSIC	3,954	28,660	-	29,725	2,889
Project 844 AHS TEST FEES	6,068	1,278	-	484	6,862
Project 845 AHS CLASS OF 2020	4,283	1,860	224	2,028	4,339
Project 846 AHS CLASS OF 2019	857	-	(224)	633	-
Project 847 AHS CLASS OF 2022	786	680	-	663	803
Project 848 AHS CLASS OF 2023	-	590	-	127	463
Project 850 AHS CLASS OF 2021	1,338	1,390	-	519	2,209
Project 851 AHS FORENSIC BOOSTER	11	-	-	-	11
Project 852 AHS CRITERION	9,703	3,960	-	185	13,478
Project 855 AHS POM SQUAD	4,587	13,560	-	10,927	7,220
Project 856 AHS DUGOUT CLUB	12,600	11,954	-	14,751	9,803
Project 857 AHS FORENSICS	328	22,036	-	22,338	26

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Supplemental Schedule
Combining Statement of Assets and Fund Balances – Activity Fund
For the Year Ended June 30, 2020

	Balance 6/30/2019	Receipts	Adjusting Entries	Checks	Balance 6/30/2020
Project 859 AHS FCCLA	440	9,045	-	7,075	2,410
Project 861 AHS TECHNOLOGY CLUB	11	-	-	-	11
Project 863 AHS LIBRARY	98	-	-	-	98
Project 864 AHS MISCELLANEOUS	1,791	1,063	-	1,709	1,145
Project 865 AHS NATIONAL HONOR SOCIETY	50	-	-	-	50
Project 866 AHS QUARTERBACK CLUB	2,250	-	-	-	2,250
Project 867 AHS SCIENCE CLUB	710	-	-	-	710
Project 869 AHS INTERNATIONAL CLUB	663	-	-	-	663
Project 871 AHS STRINGS/ORCHESTRA	5,937	10,836	-	8,025	8,748
Project 872 AHS STUDENT COUNCIL	1,481	275	-	1,480	276
Project 873 AHS TAKEDOWN CLUB	358	2,494	-	2,786	66
Project 874 AHS TENNIS CLUB	4,051	4,800	-	4,855	3,996
Project 877 AHS QB CLUB/NOBLE MAINTENANCE	645	-	(645)	-	-
Project 878 AHS VARSITY CHEERLEADERS	5,056	12,421	-	17,231	246
Project 879 AHS TIGERS SOCCER CLUB	19,204	8,919	-	9,372	18,751
Project 897 AHS TIGER TRACK MEET	2,623	340	-	-	2,963
Project 906 CLEARING ACCOUNT	-	384	-	384	-
Project 913 AHS NATIVE AMERICAN CLUB	4,292	3,768	-	4,492	3,568
Project 918 AHS GIRLS FASTPITCH CLUB	7,251	7,223	-	13,184	1,290
Project 919 AHS SOCCER	452	18,001	-	17,790	663
Project 921 AHS STATE TRACK MEET	532	1,000	-	-	1,532
Project 922 AHS HOLIDAY FESTIVAL	349	-	-	72	277
Project 938 AHS BENEVOLENCE	432	285	-	328	389
Project 943 AHS FOOTBALL CAMP	20,637	16,641	-	28,211	9,067
Project 943 TIGER BOYS BASKETBALL	1,784	-	-	384	1,400
Project 945 AHS ADVERTISING REVENUE	40,476	19,625	645	27,432	33,314
Project 947 AHS BOYS RUNNING	-	2,655	-	1,795	860
Project 951 LADY TIGER BASKETBALL	902	11,095	-	7,401	4,596
Project 953 AHS TIGER RUN ACCOUNT	3,139	17,609	-	16,882	3,866
Project 964 AHS SPORTS MEDICINE	32	-	-	-	32
Project 972 AHS GOLF	12,383	305	-	7,098	5,590
Total Unit 705	<u>221,581</u>	<u>613,633</u>	<u>-</u>	<u>596,254</u>	<u>238,960</u>
Grand Total	<u>\$ 399,464</u>	<u>\$ 995,233</u>	<u>\$ -</u>	<u>\$ 930,031</u>	<u>\$ 464,666</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Supplemental Schedule
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

				Federal CFDA Number	Pass Through Grantor's Project Number	Balance 6/30/2019	Federal Grant Receipts	Federal Grant Cash Basis Expenditures	Balance 6/30/2020	
U.S. Dept. of Interior										
Direct Program										
				FY19	15.130	563	\$ (28,900)	\$ 28,900	\$ -	\$ -
				FY20	15.130	563	-	31,832	33,981	(2,149)
							<u>\$ (28,900)</u>	<u>\$ 60,732</u>	<u>\$ 33,981</u>	<u>\$ (2,149)</u>
U.S. Dept. of Education										
Direct Program										
				FY20	84.041	591, 592	-	116,791	116,791	-
				FY20	84.060A	561	-	151,200	151,200	-
							<u>\$ -</u>	<u>\$ 267,991</u>	<u>\$ 267,991</u>	<u>\$ -</u>
Passed Through State Department of Education:										
				FY19	84.010	511, 515, 518	\$ (521,922)	\$ 529,990	\$ 8,068	\$ -
				FY20	84.010	511, 515, 518	-	1,141,732	1,435,022	(293,290)
							<u>\$ (521,922)</u>	<u>\$ 1,671,722</u>	<u>\$ 1,443,090</u>	<u>\$ (293,290)</u>
				FY19	84.027	613, 615, 621, 625	\$ (141,613)	\$ 141,613	-	-
				FY20	84.027	613, 615, 621, 625	-	461,489	617,568	(156,079)
				FY19	84.173	641	(3,811)	3,811	-	-
				FY20	84.173	641	-	11,728	15,444	(3,716)
							<u>\$ (145,424)</u>	<u>\$ 618,641</u>	<u>\$ 633,012</u>	<u>\$ (159,795)</u>
				FY19	84.367	541, 543	(4,215)	4,215	-	-
				FY20	84.367	541, 543	-	38,304	40,729	(2,425)
				FY19	84.365	572	(7,150)	7,150	-	-
				FY20	84.365	572	-	14,177	14,177	-
				FY19	84.424A	552	(8,799)	8,799	-	-
				FY20	84.424A	552	-	17,578	21,517	(3,939)
				FY19	84.358B	587	(12,689)	12,689	-	-
				FY20	84.358B	587	-	40,024	53,313	(13,289)

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Supplemental Schedule
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

		Federal CFDA Number	Pass Through Grantor's Project Number	Balance 6/30/2019	Federal Grant Receipts	Federal Grant Cash Basis Expenditures	Balance 6/30/2020
<i>U.S. Dept. of Education - continued</i>							
<i>Passed Through State Department of Education:</i>							
Title IX, Part A - McKinney-Vento Ed for Homeless Children	FY20	84.196	596	-	13,469	16,054	(2,585)
COVID-19 Elementary & Secondary School Emergency Relief Fund- CARES Act of 2020	FY20	84.425	788	-	-	201,380	(201,380)
Gear Up Grant	FY19	84.334	770	65	-	65	-
Adult Education and Literacy	FY19	84.002	731	(20,518)	20,518	-	-
Adult Education and Literacy	FY20	84.002	731	-	61,985	71,068	(9,083)
JAVITS Gifted & Talented Students Education	FY19	84.206A	783	(20,000)	20,000	-	-
 <i>Passed Through Oklahoma Department of Rehabilitation Services:</i>							
Job Training **	FY20	84.126	456	-	270	270	-
Total U.S. Department of Education				<u>\$ (740,652)</u>	<u>\$ 2,817,532</u>	<u>\$ 2,762,666</u>	<u>\$ (685,786)</u>
 <i>U.S. Department of Agriculture</i>							
<i>Passed Through State Department of Education:</i>							
National School Lunch Program	FY20	10.555	763	\$ 94,822	\$ 900,579	\$ 995,401	\$ -
School Breakfast Program	FY20	10.553	764	-	316,478	316,478	-
Summer Food Service Program	FY19	10.559	766	(23,256)	23,256	-	-
<i>Passed Through the Oklahoma Department of Human Services</i>							
Lunch Program - Commodities	FY20	10.555	763	-	129,864	129,864	-
Child Nutrition Cluster				<u>\$ 71,566</u>	<u>\$ 1,370,177</u>	<u>\$ 1,441,743</u>	<u>\$ -</u>
Total U.S. Department of Agriculture				<u>\$ 71,566</u>	<u>\$ 1,370,177</u>	<u>\$ 1,441,743</u>	<u>\$ -</u>
 <i>U.S. Department of Health and Human Services</i>							
<i>Passed Through centers for Medicare and Medicaid and Oklahoma Health Care Authority:</i>							
Medical Assistance Program (Medicaid)	FY20	93.778	698	\$ -	\$ 26,829	\$ 26,829	\$ -
Total U.S. Dept. of Health and Human Services				<u>\$ -</u>	<u>\$ 26,829</u>	<u>\$ 26,829</u>	<u>\$ -</u>
 Total Expenditures of Federal Awards				49	<u>\$ (697,986)</u>	<u>\$ 4,275,270</u>	<u>\$ 4,265,219</u>
							<u>\$ (687,935)</u>

ARDMORE SCHOOL DISTRICT NO. I-19
Carter County, Oklahoma
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Ardmore School District No. I-19 Carter County, Oklahoma under programs of the federal government for the year ended June 30, 2020. The information in this 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 Ardmore School District No. I-19 Carter County, Oklahoma, it is not intended to and does not present the basic financial statements as listed in the table of contents, of Ardmore School District No. I-19 Carter County, Oklahoma.

Note B: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on using the cash basis of accounting. Some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement. Nonmonetary assistance is reported in the schedule at the fair market value of commodities received.

Note C: Indirect Cost Rate

Ardmore School District No. I-19 Carter County, Oklahoma has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note D: Subrecipients

Ardmore School District No. I-19 Carter County, Oklahoma did not have any awards that have been passed through to subrecipients.



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

To the Board of Education
Ardmore School District, No. I-19, Carter County, Oklahoma
Ardmore, Oklahoma

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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ardmore School District No. I-19, Carter County, Oklahoma, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Ardmore School District No. I-19, Carter County, Oklahoma's basic financial statements and have issued our report thereon dated March 29, 2021. Our report included an adverse opinion on U.S. generally accepted accounting principles because the District prepares its financial statements on a prescribed regulatory basis of accounting.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Ardmore School District No. I-19, Carter County, Oklahoma'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 statements, but not for the purpose of expressing an opinion on the effectiveness of Ardmore School District No. I-19, Carter County, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of Ardmore School District No. I-19, Carter County, Oklahoma'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 statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control

that might be material weakness 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 Ardmore School District No. I-19, Carter County, Oklahoma's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Mary E Johnson & Associates PLLC

Ardmore, Oklahoma
March 29, 2021



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

To the Board of Education
Ardmore School District, No. I-19, Carter County, Oklahoma
Ardmore, Oklahoma

Report on Compliance for Each Major Federal Program

We have audited Ardmore School District, No. I-19, Carter County, Oklahoma's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Ardmore School District, No. I-19, Carter County, Oklahoma's major federal programs for the year ended June 30, 2020. Ardmore School District, No. I-19, Carter County, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Ardmore School District, No. I-19, Carter County, Oklahoma's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ardmore School District, No. I-19, Carter County, Oklahoma's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Ardmore School District, No. I-19, Carter County, Oklahoma's compliance.

Opinion on Each Major Federal Program

In our opinion, Ardmore School District, No. I-19, Carter County, Oklahoma 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, 2020.

Report on Internal Control Over Compliance

Management of Ardmore School District, No. I-19, Carter County, Oklahoma is responsible for establishing and maintaining effective internal control over compliance referred to above. In planning and performing our audit, we considered Ardmore School District, No. I-19, Carter County, Oklahoma's internal control over compliance with the requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Ardmore School District, No. I-19, Carter County, Oklahoma's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Mary E Johnson & Associates PLLC

Ardmore, Oklahoma
March 29, 2021

ARDMORE SCHOOL DISTRICT I-19
 Carter County, Oklahoma
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2020

Section I Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued	Unmodified Regulatory Basis	
Internal control over financial reporting:		
Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant Deficiency(ies) identified?	_____ Yes	_____ <u>X</u> None Reported
Noncompliance material to financial statement	_____ Yes	_____ <u>X</u> No

Federal Awards:

Internal control over major program:		
Material weakness(es) identified?	_____ Yes	_____ <u>X</u> No
Significant Deficiency(ies) identified ?	_____ Yes	_____ <u>X</u> None Reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? _____ Yes _____ X No

Identification of Major Programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.027; 84.173	Special Education Cluster (IDEA)
84.010	Title I, Part A & School Improvement

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as a low-risk auditee? _____ Yes _____ X No

ARDMORE SCHOOL DISTRICT I-19
Carter County, Oklahoma
Schedule of Findings and Questioned Costs
Year Ended June 30, 2020

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

ARDMORE SCHOOL DISTRICT I-19
Carter County, Oklahoma
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2020

Financial Statement Findings

None

Federal Award Findings and Questioned Costs

None

Other Oklahoma Department of Education Requirements

ARDMORE SCHOOL DISTRICT I-19
Carter County, Oklahoma
Statement of Statutory Fidelity and Honesty Bonds (Unaudited)
For the Year Ended June 30, 2020

The District has a public official position bond with Western Surety Company. The bond number is 71825359. This bond covers the superintendent for \$100,000. The term is August 31, 2019 to August 31, 2020.

The District has a public official position bond with Western Surety Company. The bond number is 69537183. This bond covers the treasurer for \$100,000. The term is July 1, 2019 to June 30, 2020.

The District has a blanket bond with Western Surety Company, bond number 70784644 for various positions including the minutes clerk, encumbrance clerk and activity fund custodian, in the amount of \$100,000. The term is July 1, 2019 to June 30, 2020.

ARDMORE SCHOOL DISTRICT I-19
Carter County, Oklahoma
Schedule of Accountant's Professional Liability Insurance Affidavit (unaudited)
For the Year Ended June 30, 2020

State of Oklahoma)

County of Carter)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Ardmore School District I-19 for the audit year 2019-2020.

MARY E. JOHNSON & ASSOCIATES, PLLC

Mary E. Johnson

BY: _____
Authorized Agent

Subscribed and sworn to before me on this 30th day of, March, 2021.

Jillian Luker

Notary Public

Commission Number: _____

My commission expires on: _____

