



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING JUNE 30, 2024

Prepared By:

Department of Finance

Natalie Eneff

Chief Financial Officer

Megan Frederick

Executive Director of Finance

Broken Arrow Public Schools

District No. 1-003

701 South Main Street

Broken Arrow, Oklahoma 74012



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FISCAL YEAR ENDING JUNE 30, 2024

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INTRODUCTORY SECTION



December 9, 2024

CITIZENS & GOVERNING BOARD OF EDUCATION

**Broken Arrow Public Schools, District I-003
701 South Main Street
Broken Arrow, OK 74012**

Management hereby presents the Annual Comprehensive Financial Report ("ACFR") of Broken Arrow Public Schools, Broken Arrow, Oklahoma for the year ended June 30, 2024. This report was prepared by the District's Office of Finance. State law mandates that school districts undergo an annual single audit and publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with auditing standards (GAAS) by a firm of licensed certified public accountants.

Management of the District assumes full responsibility for the completeness and reliability of all of the information presented in this report and provides reasonable assurance that its financial statements are free of any material misstatements.

To provide a reasonable basis for making these representations, the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to gather sufficient reliable information for the preparation of the District's financial statements. The cost of internal controls should not outweigh their benefits; consequently, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. Internal offices of the District, namely the offices of Accounting, Budget, and Accounts Payable, regularly review expenditures of district funds and perform selective and random reviews of operations and controls further ensuring that this report is complete and reliable in all material respects and in conformity with GAAP.

The District's Management Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a required narrative introduction, overview, and analysis of the Basic Financial Statements to be read in conjunction with this letter of transmittal.

The District's financial statements have been audited by Jenkins & Kemper CPAs, P.C. As part of the federally mandated "Single Audit" requirement, Jenkins & Kemper CPAs, P.C., also performs an annual audit of the District's internal controls and compliance thereto with legal requirements involving the administration of federal awards and grants. The Single Audit is designed to meet the needs of federal grantor agencies. These reports are available in the District's separately issued Single Audit Report.



DISTRICT PROFILE

Local Economy & History

The city of Broken Arrow is a suburban community located in northeastern Oklahoma, primarily in Tulsa County with a small section of the city in western Wagoner County. It is the largest suburb of Tulsa. According to the U.S. Census Bureau, Broken Arrow has a population of more than 110,000 residents and is the fourth largest city in the state. It is one of the fastest growing cities in the state, doubling its population since the 1980s.

The city's name comes from an old Creek community in Alabama. Members of that community were expelled from Alabama by the United States government, along the Trail of Tears in the 1830s. The Creek founded a new community in the Indian Territory and named it after their old settlement in Alabama. The town's Creek name was Rekackv (pronounced thlee-Kawtch-kuh), meaning "broken arrow." The new Creek settlement was located several miles south of present-day downtown Broken Arrow.

In the 1960s, Broken Arrow began to grow from a small town into a thriving suburban city. The Broken Arrow Expressway was constructed in the mid-1960s and connected the city with downtown Tulsa, fueling rapid growth in Broken Arrow. The population swelled from a little above 11,000 in 1970 to more than 50,000 in 1990, and then more than 74,000 by the year 2000, with a current population at over 110,000. During this time, the city was more of a bedroom community. In recent years, city leaders have pushed for more economic development to help keep more Broken Arrowans working, shopping and relaxing in town rather than going to other cities.

Named one of the most affordable suburbs in the south by Business Week, Broken Arrow is also considered one of the safest cities in the nation. The city's large land area lends itself to all the best aspects of suburbia, while the low commute times and excellent traffic grid management make getting where you need to go easy. Broken Arrow makes it possible to

get that suburban feel without being far from the action. The Rose District with the Broken Arrow Performing Arts Center and variety of restaurants and specialty stores remains the heart of Broken Arrow's entertainment scene. Broken Arrow is home to a wide range of businesses and industries. In fact, the city is ranked third in its concentration of manufacturers in the state. In addition to the booming manufacturing industry, aerospace and aviation, healthcare and social assistance, business and professional service, and retail all contribute to making Broken Arrow an attractive city to live and work.

Broken Arrow continues to attract new businesses due to the low cost of doing business. It has the lowest sales tax rate in the Tulsa Metro area at 8.35 percent, the lowest utility costs in the region and low property tax rates averaging 1.35 percent, compared to the U.S. average of 2.14 percent.

Broken Arrow has been repeatedly recognized on a national level. USA Today named the Rose District as one of its most charming main streets. According to Livability.com's 10th annual ranking, Broken Arrow is one of the best places to live in America. They cite the community's elusive balance with its big-city amenities, robust economy, and ability to retain and maintain its small-town charm. Business Insider ranked Broken Arrow among the American cities with the lowest violent crime rates. Business Insider published its list of 40 cities, placing Broken Arrow at No. 9 with 6.1 violent crimes per 10,000 residents. And finally, Broken Arrow was recognized as one of the top five most affordable cities in the United States, according to Marketwatch.com. The ranking was determined using seven key factors, including median household income, unemployment rate, home prices, median rent, and the cost of living indexes for groceries, transportation, and miscellaneous goods and services. The article highlighted Broken Arrow's robust manufacturing sector and the highest median income among the top 10 cities, at \$102,700. The city's median home price stands at \$293,000, with grocery costs 5.8% below the national average.

Broken Arrow Public Schools has four early childhood centers, 16 elementary schools, five middle schools, one ninth grade academy, one alternative academy, one STEM facility, one Virtual Academy and one senior high school – all of which combine to provide services to more than 20,000 students. Of the 16 elementary schools, 12 are grades K-5, one is configured to serve students in grades K-2 and one houses students in grades 3-5. Middle schools serve grades 6-8. The high school is composed of two sites – one freshman academy for students in ninth grade and the senior high school for students in grades 10-12. All campuses are fully accredited by the state of Oklahoma and the North Central Association of Secondary Schools and Colleges.



Relationship to Other Governments

Broken Arrow Public Schools values its relationship with other governmental entities. The City of Broken Arrow, Chamber of Commerce and BAPS exchange representation on boards and committees to promote communication and collaboration between entities to improve the quality of life in Broken Arrow. Further, BAPS is represented on the Broken Arrow Economic Development Corporation Board (BAEDC). Focusing on creating wealth, jobs and economic growth in the community through attraction and retention of businesses, workforce development, education and collaboration with regional partners, the BAEDC is governed

by directors that serve as representatives of the business community, the City of Broken Arrow and the school system.

Broken Arrow uses the council-manager model of municipal government. The city council consists of five members with four members elected from the four city wards and the fifth member as an at-large member. Each council member serves for a two-year term and is eligible to serve for four years. Out of the council members, a mayor and vice-mayor are chosen every two years. The day-to-day operations of the city is run by the city manager who reports directly to the city council.

Budgetary Controls

Broken Arrow Public Schools utilizes budgetary controls to ensure compliance with legal appropriation limitations and to provide an operating plan for the district's resources. At the beginning of each fiscal year, BAPS completes an Estimate of Needs report. The County Excise Board then approves the appropriated funds for the legal budget. The Board of Education is required to approve the budget within 45 days after the County Excise Board approves the Estimate of Needs. Once the Board of Education approves the operating budget, any changes to appropriations must be approved by the Board of Education.



The Annual Budget Serves Three Purposes:

1. It is the financial plan for the district for the fiscal year, reflecting goals and priorities at the individual, departmental and district level.
2. It is a management tool for the administrative staff and provides primary control to direct and limit expenditures.
3. It represents planned fiscal activities of the district to the employees, students and patrons of the district. The level of budgetary control is maintained by fund and by project. Individual line items may be adjusted without Board action, but total budgeted expenditures may not exceed appropriations at the major fund level without Board approval. The district utilizes an encumbrance system as a technique of budgetary control with encumbered appropriations lapsing at year end.

Overall responsibility for the budget rests with the chief financial officer under the direction of the superintendent. The chief financial officer develops procedures for budget control and reporting in accordance with state and federal laws and regulations, board policy, and proper internal controls.

During the 2023-24 budgeting process, one of the key goals was to help leverage the fund balance with one-time expenses that helped retain and recruit employees. Additionally, the carryover assisted in protecting the district against unforeseen changes in state funding.



ADMINISTRATION

The administration of Broken Arrow Public Schools is separated into nine divisions with different departments in each division:

Superintendent Services Division

The Superintendent Services Division is responsible for working with the Board of Education to ensure the educational goals and mission of the district are executed, while also coordinating district functions and overseeing the district's strategic plan.

Instructional Services Division

The Instructional Services Division is responsible for ensuring academic accountability at the state and federal level, while also implementing initiatives and support services that enhance academic performance. The team manages the district's instructional technology including the 1:1 initiative and the virtual learning program. The instructional services team also oversees campus security and student health services.

Student Services Division

The Student Services Division provides opportunities for student engagement through fine arts, athletics, student leadership and all other co-curricular activities.

Operations Division

The Operations Division is charged with ensuring student, teachers and staff have a safe and clean learning environment. The operations team oversees capital improvement and construction, maintenance, plant operations, custodial services, facility rentals and the warehouse.

Business Services Division

The Business Services Division is responsible for managing the district's financial operations, including financial reporting, accounts payable, treasury, purchasing, student activity funds, risk management and federal finance. The business services team also oversees district contracts and the financial audit.

Human Resources Division

The Human Resources Division is responsible for overseeing the payroll, benefits and records of all district employees. Their team is responsible for recruitment and retention of employees, coordinating district substitutes, Title IX and Board of Education policies.

Technology Services Division

Technology Services Division is charged with managing the district's network and infrastructure and works to support the technology used every day by students, teachers and staff. The division also oversees student data management and enrollment.

Support Services Division

The Support Services Division oversees transportation, child nutrition, and the district's before and after care program.

Communications Services Division

The Communications Services Division manages media and community relations, internal and external communication, all of the district's social media channels and the videography team, ArrowVision. The communications team works to ensure the district's brand is used correctly and oversees the school spirit store, Tiger Threads.

Board of Education

The Broken Arrow Board of Education is an elected board and enjoys an excellent reputation for selfless service to the community. Board members tackle the enormous job of governing the school district while preserving the core of our democratic values.

The Board is responsible for establishing policies under which the school system operates, adhering to Oklahoma and federal laws, and balancing the unique needs of the

community. As citizen leaders, individual school board members face complex and demanding challenges, contributing hundreds of hours each year to effectively lead the district.

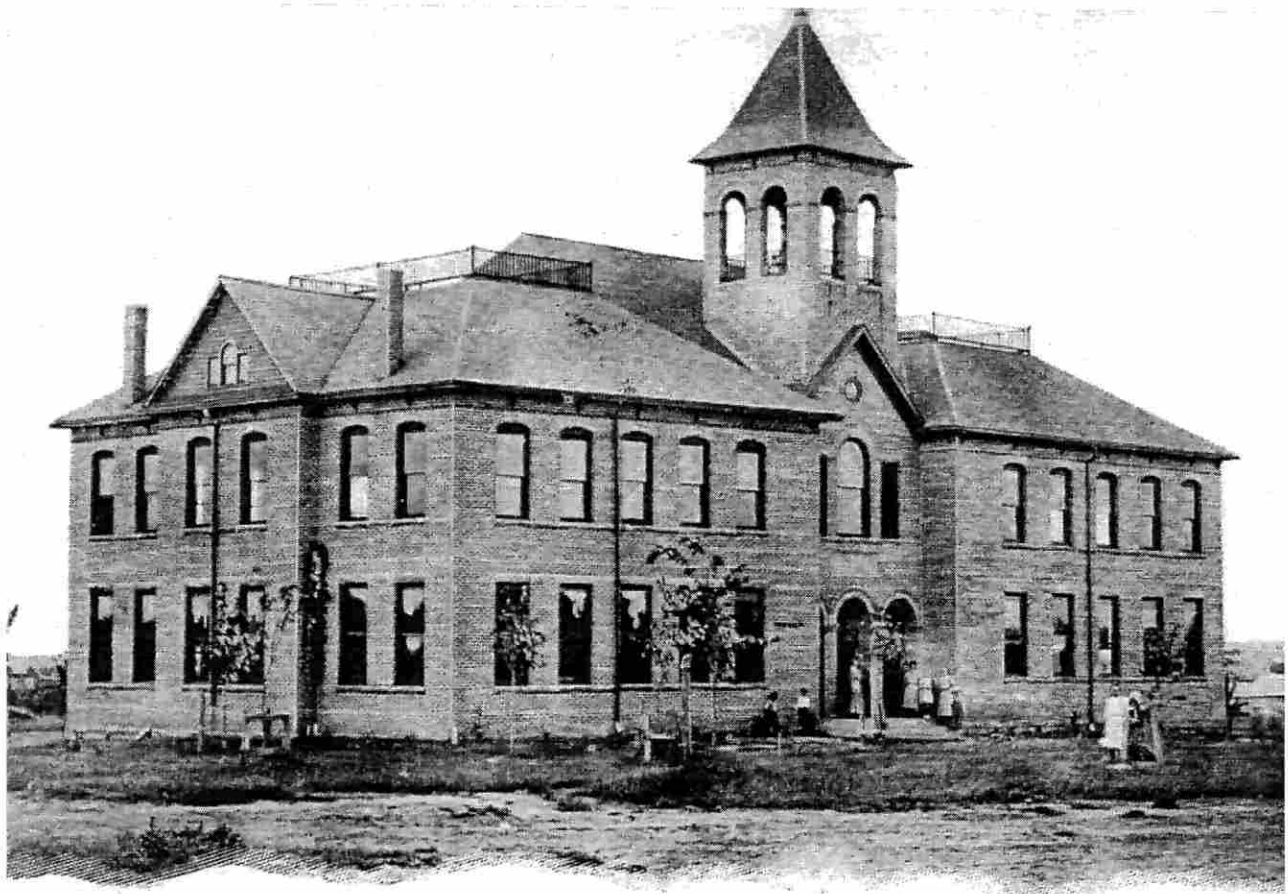
The Board of Education is comprised of five board members, each representing one of the five zones within the district. Each Board member serves a five-year term in office, and annual elections are held each April.

The Board of Education plays an invaluable role by promoting and supporting the mission and vision of the district.

Projected Enrollment

Broken Arrow Public Schools is the 5th largest school district in the state. Broken Arrow Public Schools has seen strong enrollment growth over the past decade. The City of Broken Arrow shows 7,000 new homes could be built within the next several years. The 2009 and 2015 bond issues addressed the rapid growth issues by increasing classroom spaces and square footage across the district. In the last demographic study that was completed it showed the district's core 27 buildings could accommodate 22,026 students. With a footprint in both Tulsa and Wagoner Counties, Broken Arrow will continue to grow as new homes are continuing to be built. The demography study predicts that with every new home built there is .524 new students that a district can expect on average.





History of District Buildings

Even though Oklahoma would not become a state until 1907, Broken Arrow residents were ahead of their time and valued education for their children. In 1904, a two-story school building was constructed on Main Street Broken Arrow from a 2 percent sales tax initiated by the community. The first Broken Arrow High School senior class graduated in 1908 with only three students.

In 1924, Broken Arrow's first school building was damaged by a fire, and because of the damage, the structure was razed. The facility was later rebuilt on the same site and utilized for decades to educate children living in the community.

In the early 2000s, the building was repurposed and called Central on Main. Today it serves as the home to the district's enrollment center, administrative offices and a community ballroom. It is also listed on the National Register of Historic Places, serving as a reminder of Broken Arrow's rich educational history to all who pass through the doors.

Thanks to the overwhelming support of the district's patrons by passing the 2015 and 2023 bond issues, Broken Arrow's buildings have been well maintained and preserved. From the newest state of the art facility in Vanguard Academy to Broken Arrow's first school building, the facilities in Broken Arrow remain a source of pride for the community.

Net Assessed Value

The district's net assessed valuation (NAV) refers to the local property wealth. For the 2023-24 school year, the NAV was \$1,292,263,783. Since 2000, the district has seen a steady increase in the NAV, which has grown at a rate of 3 to 4 percent each year. The NAV determines the bonding capacity of a district and has been critical for BAPS as it passed school bonds for capital improvements needed to serve its growing student population. This has been a key figure as a sign of the district's positive economic position.

2023 Bond

On Nov. 14, voters overwhelmingly approved Broken Arrow Public Schools' 2023 bond issue with 81% support, securing \$52 million in funding over the next five years. This bond will allow the district to address critical facility needs, improve technology, and enhance transportation, all without raising taxes for residents.

The bond featured four propositions on the ballot:

Proposition 1

Operations (\$48 million) - Funds will prioritize technology upgrades, enhanced security, and transportation improvements.

Proposition 2

Transportation (\$4 million) - Funding to add new buses to the district's fleet.

Proposition 3

Classroom Additions (No new money) - Expanding classrooms at existing sites, eliminating the need to build a new elementary school.

Proposition 4

Aquatic Center Location (No new money) -

Allows flexibility to build the aquatic center in a different location than originally planned, with no change in the 2015 bond funding.

This bond comes as Broken Arrow Public Schools continues to grow rapidly, surpassing 20,000 students in 2022, a 24% increase since 2009. The district is projected to grow by nearly 500 students each year. While previous bonds in 2009 and 2015 funded the construction of 13 new buildings and the renovation of 37 facilities, the 2023 bond will focus on maintaining those structures and addressing the needs of aging buildings.

A committee of 60 community members, parents and district employees helped shape the bond proposal. Their recommendations, presented in May, formed the foundation for the bond questions approved by voters, ensuring the district is prepared for future growth.



STAR AWARDS GALA

2024 District Teacher of the Year & Support Employee of the Year

At its annual Star Awards Gala, Broken Arrow Public Schools announced Rhoades Elementary teacher Kyle Cole as the 2024 District Teacher of the Year and Freshman Academy Behavior Coach Maurice Wallace as the winner of the Beyond & Above Award, which is given to the district's top support employee.

During this sit-down dinner event held at Stoney Creek Hotel, 32 Site Teachers of the Year were formally introduced, five were named as finalists, and Mr. Cole was honored as the District Teacher of the Year.

As Teacher of the Year, Mr. Cole received a monetary gift from the Broken Arrow Public Schools Foundation, a paid vacation from Celia DeLeon Insurance and Travel Agency, and the opportunity to drive a district-owned courtesy car. He will go on to represent the district at the upcoming State Teacher of the Year competition.

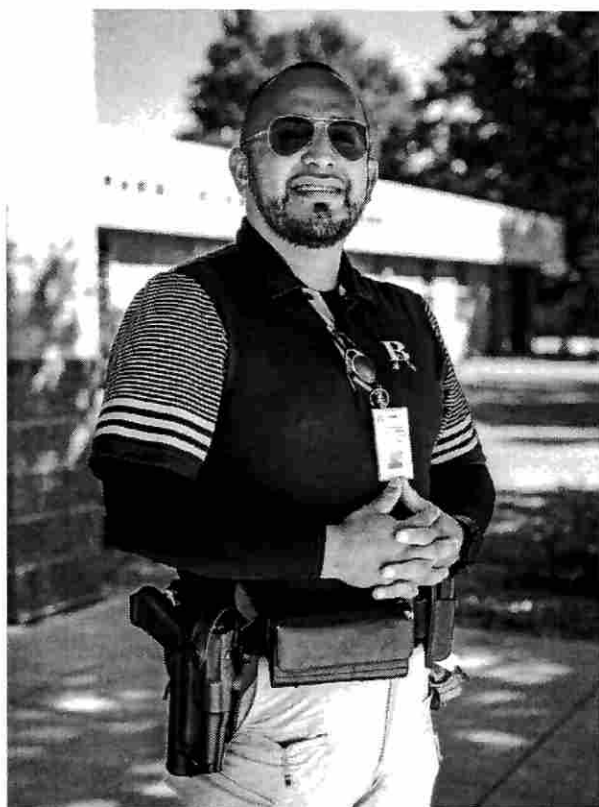
In addition to Mr. Cole being named District Teacher of the Year, five staff members were recognized as Support Staff of the Year finalists, and Freshman Academy Behavior Coach Maurice Wallace was presented with the Beyond and Above award for consistently going the extra mile in support of the district's goals and objectives.

Flintco Construction and the BAPS Foundation helped honor the Beyond & Above Award finalists by providing cash prizes to each of the five finalists. Additionally, Supermercados Morelos is providing free groceries for a year for Mr. Wallace.



Commitment to Safety

With a strong commitment to the safety and well-being of its students and staff, Broken Arrow Public Schools continues to enhance its security measures as part of a long-term safety plan. The district employs 14 security officers to monitor every school site throughout the day, while also working closely with the Broken Arrow Police Department and other local, state, and federal law enforcement agencies to regularly review and update safety procedures.



While some details of BAPS' security plans are confidential, below are some facts regarding security at BAPS.

- BAPS maintains a FEMA-trained School Emergency Response Team (SERT) composed of district administrators from varying sites and departments.
 - All school sites feature secure entrance vestibules and conduct state-required emergency drills each semester, including lockdown and intruder drills.
 - The district monitors more than 1,000 security cameras across the district.
 - Every door will have a reminder to "Stop the Prop," as the district DOES NOT leave doors unlocked or propped open.
 - Students, families and employees can anonymously report violent threats, bullying and drug usage through the district's mobile app and through www.baschools.org/ReportIt.
 - All district sites will have the opportunity to utilize the Rave Panic Button app, which allows users to simultaneously connect with 9-1-1 and first responders and sends a text alert to school staff in the event of an emergency.
- The district employs a campus security coordinator who has more than 40 years of law enforcement experience. His team includes district security guards who train in conjunction with the Broken Arrow Police Department. These guards supplement four BAPD school resource officers.

Parent University

In January 2023, Broken Arrow Public Schools launched a new program called Parent University, which is designed to provide parents with practical tips and strategies to enhance their parenting skills through a number of free parent nights. Topics covered have spanned from cyber safety and exploring enriching summer learning opportunities to addressing the threat of human trafficking and providing tools necessary to navigate the complexities of modern parenting.



ACADEMICS

Academics are the cornerstone of Broken Arrow Public Schools, shaping the minds and futures of our students. We prioritize rigorous learning experiences that not only impart knowledge but also foster critical thinking and personal growth. Through a strong academic foundation, we empower our students to become lifelong learners and well-rounded individuals ready to excel in an ever-evolving world.

- 1,239 graduates
- \$11 million in scholarships reported
- District Attendance Rate: 91.6%
- 50 students graduated with an associate degree and high school diploma through our Early College High School program

National Merit Semifinalists & Finalists

All four of Broken Arrow High School's National Merit semifinalists were honored as finalists for their prestigious academic accomplishments.

Brody Read, William Harris, Philip Oh and Ava Boswell were among approximately 16,000 students from across the nation who qualified and are some of the highest scoring students in the state of Oklahoma.

Established in 1955, the National Merit Scholarship Program is a long-standing academic competition for recognition and scholarships. High school students enter the National Merit Program by taking the Preliminary SAT/National Merit Scholarship Qualifying Test, which serves as an initial screen of nearly 1.5 million entrants each year.

Tiger Connect Program

Tiger Connect is a new short-term elementary program for students in kindergarten through fifth grade who are in need of additional support and have been selected by their school sites. The program focuses on helping students develop strategies for self-regulation, social skills and school-appropriate behavior. With a nurturing environment, students can grow and thrive before returning to their home school.

Options Adult Transition Program

The Option Academy's Adult Transition Program is dedicated to supporting young adults with disabilities as they transition from high school to post-school life. With a focus on building independence, the program equips students with essential life skills, such as job training, social interaction and community engagement. Through individualized learning plans and hands-on experiences, participants are empowered to confidently navigate adulthood.

ARTS, ATHLETICS & ACTIVITIES

Broken Arrow Public Schools believes that a positive school culture is essential for the success of our students and staff. A supportive and inclusive environment helps everyone feel valued and connected, leading to better learning and growth. When students and educators work together in a culture built on respect, collaboration and open communication, it creates a sense of belonging that inspires everyone to do their best.



Stars on Stage

This program uses theatre as a bridge between children with special needs and their peers to put on a fully staged production. Seventy students participated in this year's production of "The Wizard of Oz: Youth Edition" at the Broken Arrow Performing Arts Center.

Fine Arts Signing Day

The district's fine arts department hosted its inaugural Fine Arts Signing Day at the brand-new Student Event Center. The event honored nearly 30 seniors who excelled in the arts and earned more than \$3.3 million in collegiate scholarships. From music and theater to visual arts and dance, these students have demonstrated exceptional commitment to their craft, and this event marked the beginning of their exciting new journeys.

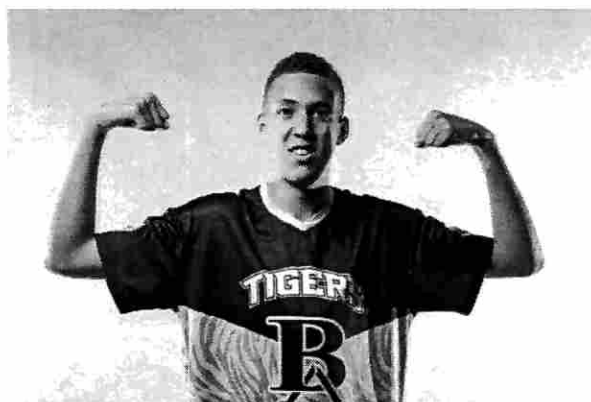


National Signing Day for Student-Athletes

The athletics department hosted its annual National Signing Day ceremony for 35 student-athletes as they committed to competing at the collegiate level. Each athlete showcased not only their athletic talent but also their commitment to academics and personal growth.

Special Olympics

Nealy 125 Broken Arrow Special Olympic athletes and unified peers participated in the 2024 Special Olympics Summer games and brought home 35 gold medals, 19 silver medals and 28 bronze medals.



A Decade of Gym Night

Engagement and connectivity are critical components of student success, and Gym Night is a prime example. Celebrating its 10th year, this annual event brought together two teams of hundreds of students for an epic dance-off, fostering school spirit and camaraderie. It united students from different grades and backgrounds in a shared experience.



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Shark Tank at BAHS

Over 300 leadership students from Broken Arrow High School presented creative proposals for new school events, traditions, and service initiatives, following the format of "Shark Tank." Community volunteers stepped into the role of "sharks," evaluating each pitch. One standout group secured an investment from the BA Civitans to create a sustainable garden.

COMMUNITY PARTNERSHIPS

Behind the Scenes Community Tour

Broken Arrow Public Schools hosted its inaugural "Behind the Scenes" tour, offering business leaders, elected officials and community members an inside look at what it takes to run the 5th largest public school district in Oklahoma. The tour highlighted the extensive operations across the district, including a sneak peek at the new state-of-the-art event center.

Participants visited Vanguard Academy and Early College High School, experiencing firsthand how education is evolving in 2024. Our team also provided insight into the daily logistics of the district, from serving 15,000 meals every day to routing over 200 buses across the district's 115-square-mile coverage area. Guests explored innovative programs like the Tiger Connect initiative at Options Academy, which continues to drive student success.

EngageBA

The district's EngageBA program strives to connect business and local organizations to Broken Arrow Public Schools in a variety of ways. Whether through donating resources, time or expertise, this program continues to create a positive impact on students and staff. Through the Engage BA program, the district received more than \$500,000 in donations, both in-kind and in checks during the 2023-24 school year.



SUPPORT SERVICES

Child Nutrition

The child nutrition department has a vision to serve quality meals to Broken Arrow Public Schools' students and staff. It also strives to promote healthy and nutritious choices in a fun and friendly atmosphere while also providing support, education and information to the students, staff, parents, and community of Broken Arrow. More than 2.28 million meals, including summer feeding, were served during the 2023-24 school year. All meals meet U.S. Department of Agriculture guidelines and are prepared with a number of locally-sourced ingredients.



Technology

The vision of the technology team is to make BAPS a choice destination for education by creating an environment that supports and enhances the technological capabilities provided to students, staff members and the community. BAPS facilitates learning and creativity through innovative technology, providing students with access to modern, state-of-the-art equipment that enhances their ability to succeed in tomorrow's world. The district promotes substantial increases in student achievement motivated by interactive technology resources.

In the fall of 2016, the district began implementation of a one-to-one computer initiative by providing personal computing devices to each student at the Freshman Academy.

By providing students with increased access to technology, the classroom becomes more interactive, assignments are more collaborative and students are more engaged in school. Parents also benefit by having online access to the same information as their children, enabling them to better track student progress. Additionally, students will be better prepared for post-secondary education and the workforce because they are learning to use the same cloud-based technologies utilized by colleges and employers.

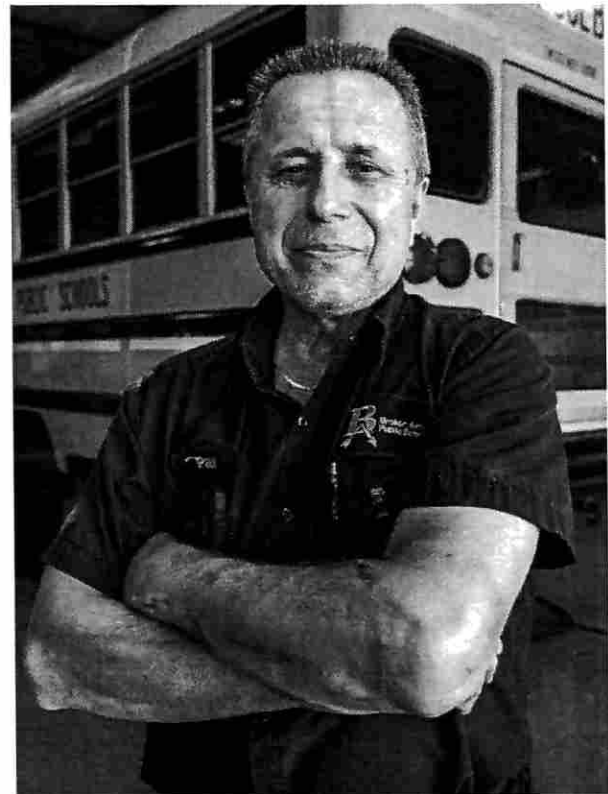
The district is very proud that as of the 2018-19 school year, the one-to-one computer initiative was fully implemented to include students in grades 6-12. This was made possible by the community support of the district's bond initiative.

During the 2023-24 school year, the technology team focused on the instructional aspect of technology in the classroom by replacing outdated Smartboard technology with updated BenQ interactive display boards. Strategically using bond dollars through the support of bonds passed by the community ensures that students are receiving the best quality of instruction through these devices.

Transportation, Maintenance & Custodial Services

The BAPS transportation department runs 183 regular education bus routes (35 high school, 28 Freshman Academy, 57 middle school, 63 elementary), 4 Tulsa Technology routes and 38 special education bus routes. The transportation department is self-contained, housing the auto/diesel mechanic garages which service the entire BAPS fleet. Over the course of the year, there were nearly 2 million route miles driven, 300,000+ gallons of diesel fuel used for buses and approximately 14,000 students eligible to be transported daily on buses. The maintenance and custodial services department takes pride in the operation of schools, supporting education by providing the best possible environment conducive to learning.

The maintenance and custodial services department takes pride in the operation of schools, supporting education by providing the best possible environment conducive to learning. Maintenance and plant operations employees provide routine, preventative and corrective service to the millions of square feet and hundreds of acres of school property. In addition, the maintenance and plant operations employees work tirelessly behind the scenes delivering instructional curriculum, furniture, technology, and food supplies so students in the classroom are set up for a successful learning environment.



Energy Savings

The energy program at Broken Arrow Public Schools in partnership with Cenergistic, a leading energy conservation company, continues to deliver impressive results in reducing utility costs and enhancing sustainability. BAPS personnel have worked closely with Cenergistic engineers, experts and district Energy Specialist Jadon Dykes. The energy program has successfully reduced utility costs by 23.3 percent, resulting in nearly \$6 million in savings for the district.

Dykes tracks energy consumption – including electricity, water, and natural gas – using the latest in energy-accounting software and technology to calculate savings and identify areas that need immediate attention.

A key contributor to this success is the collaboration with our electric provider, Public Service Company of Oklahoma (PSO). Each summer, PSO offers energy reduction events, and over the past eight summers, BAPS has earned over \$571,665 in incentives—an average of \$71,458 per year. These incentive funds have been reinvested into upgrading HVAC systems throughout the district, improving comfort for both students and staff while further contributing to energy efficiency.



Finance Department Receives Honors for Report

Broken Arrow Public Schools was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2023. This marks the eleventh consecutive year the district received the award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. The report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

Additionally, Broken Arrow Public Schools was awarded the Certificate of Excellence in Financial Reporting by the Association of School Business Officials International (ASBO) for its Annual Comprehensive Financial Report for the year ended June 30, 2023. The District believes the Annual Comprehensive Financial Report continues to conform to the standards for which this award was granted.

In Closing

Without the leadership and support of the Broken Arrow Public Schools' Board of Education, preparation of this report would not have been possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Chuck Perry".

Chuck Perry, Superintendent

A handwritten signature in black ink, appearing to read "Natalie Eneff".

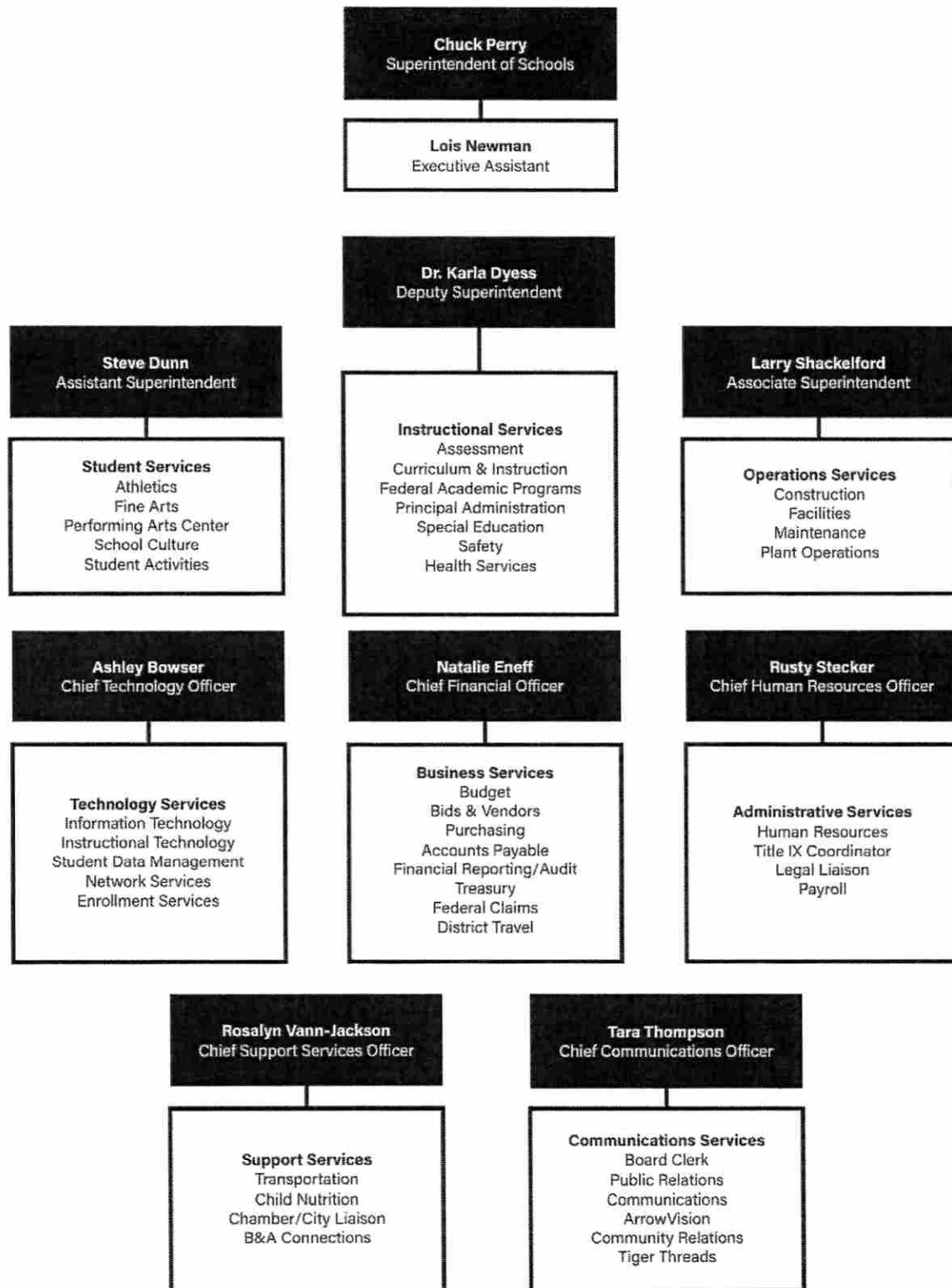
Natalie Eneff, Chief Financial Officer

A handwritten signature in black ink, appearing to read "Megan N. Frederick".

Megan Frederick, Executive Director of Finance

BROKEN ARROW PUBLIC SCHOOLS

DISTRICT LEADERSHIP ORGANIZATIONAL CHART



BROKEN ARROW PUBLIC SCHOOLS

2023-2024 SCHOOL OFFICIALS

BOARD OF EDUCATION



STEVE ALLEN
President

BRANDY ROULET
Clerk

JERRY DENTON
Vice President

DEBBIE TAYLOR
Member

JOHN COCKRELL
Deputy Clerk

CABINET MEMBERS



ASHLEY BOWSER
Chief Technology Officer

LARRY SHACKELFORD
Associate Superintendent

RUSTY STECKER
Chief Human Resources Officer

ROSALYN VANN-JACKSON
Chief Support Services Officer

DR. KARLA DYESS
Deputy Superintendent

NATALIE ENEFF
Chief Financial Officer

CHUCK PERRY
Superintendent of Schools

STEVE DUNN
Assistant Superintendent

TARA THOMPSON
Chief Communications Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Broken Arrow Public Schools, District No. I-003
Oklahoma**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Broken Arrow Public Schools, I-003

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



Ryan S. Stechschulte
President

James M. Rowan, CAE, SFO
CEO/Executive Director



FINANCIAL SECTION





JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Broken Arrow School District No. I-003
Broken Arrow, Oklahoma 74012

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Broken Arrow School District No. I-003, Broken Arrow, Oklahoma (the "School District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Broken Arrow School District No. I-003, Tulsa County, Oklahoma as of June 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Broken Arrow School District No. I-003, Broken Arrow, Oklahoma and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

116 WEST BRECKENRIDGE AVE, BIXBY, OK 74008
PHONE: 918.366.4440 FAX: 918.366.4443
WWW.JENKINSKEMPER.COM

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 27-37, Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual on pages 82,86-89, Schedule of Proportionate Share of the Net Pension Liability on page 80, and Schedule of Contributions on page 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the method of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The combining fund statements, regulatory basis, listed in the accompanying table of contents are presented for purpose of additional analysis, and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 14, 2024, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

November 14, 2024

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

In this section of the Annual Comprehensive Financial Report, Broken Arrow Public School District (the "District") discusses and analyzes its financial performance for the year ended June 30, 2024. Readers should review this section in conjunction with the transmittal letter, the independent auditors' report, and the District's Basic Financial Statements.

The Management's Discussion & Analysis (MD&A) is a required element of the annual financial report under the Governmental Accounting Standards Board (GASB) Statement No. 34 reporting model. Under this model, entities are required to adhere to certain standards of presentation for the financial statements, notes, and required supplementary information (RSI) that must be included within the annual financial report. The intent of the MD&A is to present an objective and simple analysis of the District's financial activities and enhanced knowledge of the District's financial performance.

FINANCIAL HIGHLIGHTS

The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at June 30, 2024, resulting in a government-wide total net position of \$233.3 million. Government-wide net position increased \$9.7 million from June 30, 2023 as a primary result of increased capital assets, higher state and federal source funding, and expenditure decreases from conservative budget plans to combat economic inflationary factors.

The District's Governmental Fund Financial Statements reported a combined ending fund balance in fiscal year 2024 of \$129.4 million. The unassigned fund balance for the general fund was \$39.8 million, or 22.7% of the total general fund expenditures. The general fund had a total of \$173.8 million in revenues and \$175.7 million in expenditures, resulting in the general fund total unassigned fund balance decreasing by \$1.9 million from the prior fiscal year ending June 30, 2023. This reduction was due to a deliberate increase in spending, providing strategic retention stipends for returning staff aimed at lowering overall carryover balances to comply with state and legislative regulations.

Among the other major funds, the Debt Service Fund ended its year with a fund balance of \$31 million which is used for the retirement of debt. The Capital Projects Fund ended the year with a fund balance of \$28.8 million which is restricted for school district construction projects. During fiscal year 2024, the District continued renovation projects at both elementary and secondary sites, and completed construction of a multipurpose activity center. The District issued \$21.8 million in bonds during the fiscal year 2023-24, and ended the year with just under \$115 million outstanding in commercial paper.

During the year, the District's expenses were \$9.7 million less than the \$256.8 million generated in taxes and other revenues for governmental-wide activities. Expenses totaled \$222 million after charges for services and operating grants and contributions (revenue). The total revenue received from property taxes, state aid, investment income, and miscellaneous revenues equaled \$231.7 million.

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis presented is intended to serve as an introduction to the District's Basic Financial Statements. The Basic Financial Statements consist of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. Other supplementary information is included in addition to the Basic Financial Statements.

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Government-Wide Financial Statements. The Government-Wide Financial Statements are designed to present both long-term and short-term broad overviews of the District's financial status.

Statement of Net Position presents information on all the District's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, with the difference between the two reported as the net position. Over time, changes in the statement of net position will give an overall indication of growth (increases) or decline (decreases). Of course, other factors beyond the District's control should also be considered in assessing growth or decline over time.

Statement of Activities presents information showing all current year revenues and expenditures, regardless of when cash is received or paid. As a result, some revenues and expenses reported in this statement will result in cash flows in future fiscal periods (e.g., uncollected taxes).

The Government-Wide Financial Statements distinguish the functions of the District as being principally supported by taxes and intergovernmental revenues (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges.

Component units are legally separate organizations for which the Board of Education of the District is legally accountable. The District has no component units for which it is financially accountable.

Fund Financial Statements. Fund Financial Statements provide more detailed information about the various funds, or grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to demonstrate compliance with finance-related requirements. All of the funds of the District can be divided into three categories:

Governmental Funds - These funds include most of the District's activities, which provide a short-term analysis of District operations and services. 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.

The District maintains four 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, Debt Service Fund, and Capital Projects Fund which are considered to be major funds. Data from the Special Revenue Fund programs are combined in a single, aggregated presentation and are non-major funds. Individual program data for each of these is provided in the form of combining schedules elsewhere in the financial statements.

Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds - These funds are used to account for operations that are financed similar to those found in the private sector. These funds provide both short-term and long-term financial information. There are two types of Proprietary Funds.

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

The first type is the Enterprise Fund, which is used to report the same functions presented as business type activities in the Government-Wide Financial Statements. In the Enterprise Fund, the District charges outside customers a fee for services the District provides. The District has no business-type activities or Enterprise Funds.

The second type is the Internal Service Fund, which is used to accumulate and allocate costs internally among the various functions. The District uses the Internal Service Fund to report activities for its self-insured workers' compensation fund.

Fiduciary Funds - Fiduciary Funds are those over which the District serves as a trustee, or fiduciary, but are actually owned by others. The responsibility of the District is to make sure the funds are used for their intended purpose, and by those to whom they belong. These assets are excluded from District-Wide Financial Statements because they cannot be used to fund operations. The District reports the Private-Purpose Trust Fund (Gift Fund) as a Fiduciary Fund.

Notes to the Basic Financial Statements. The Notes to the Basic Financial Statements provide additional narrative information that is essential to full disclosure in the Government-Wide or Fund Financial Statements.

Required Supplementary Information. In addition to the Basic Financial Statements and accompanying notes, this report also presents certain Required Supplementary Information that further explains and supports the information in the financial statements. A budget is legally adopted by the Board of Education for the General Fund, Building Fund, and Child Nutrition Fund that includes projected revenues and expenditures for the fiscal year. A budgetary comparison schedule has been provided for the General Fund as Required Supplementary Information. The Required Supplementary Information also provides data related to the District's participation in pension and other post-employment benefit plans as required by GASB Statements No. 68 and 75.

Other Supplementary Information. Other Supplementary Information provides additional financial analysis for the District, and is not a required part of the Basic Financial Statements. Other Supplementary Information includes comparative information on selected funds. It also contains the combining schedules referred to earlier in connection with the Special Revenue Funds. The combining statements are also prepared in connection with Fiduciary Funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. Net Position, the residual of all other financial statement elements presented in a statement of financial position, may serve as a useful indicator of a government's financial position over time.

The amount of calculated pension liability for the District ending June 30, 2024 was \$138.3 million compared to \$139.5 million at June 30, 2023, a decrease of \$1.2 million. Deferred pension plan outflows were \$28.3 million at June 30, 2024 compared to \$36.5 million at June 30, 2023, a decrease of \$8.1 million. This decrease was due to the Changes of Assumptions for the measurement period and a decrease in the net difference between expected and actual experience. Deferred pension plan inflows were \$2.7 million at June 30, 2024 compared to \$1.7 million at June 30, 2023, a decrease of \$1.0 million.

Government-wide net investment in capital assets increased by \$17.7 million or 8.8% over the prior fiscal year, representing significant progress in the completion of major projects and spending of bond dollars for capital expenses. The District uses these capital assets to provide services to its students and programs

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

for the student enrichment; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of depreciation, it should be noted that the resources needed to repay this debt must be provided by other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of the change in net position for the fiscal years ended June 30, 2024, and 2023:

Net Position Summary			
Table 1			
	Governmental Activities		
	2024	2023	Change
<u>Assets</u>			
Current and Other Assets	\$ 247,891,364	\$ 245,886,780	\$ 2,004,584
Capital Assets	472,958,359	460,237,499	12,720,860
Total Assets	720,849,724	706,124,279	14,725,444
Deferred Outflows of Resources	28,336,146	36,526,743	(8,190,597)
<u>Liabilities</u>			
Other Liabilities	49,113,073	36,933,163	12,179,910
Long Term Liabilities	374,012,705	396,941,932	(22,929,227)
Total Liabilities	423,125,778	433,875,095	(10,749,317)
Deferred Inflows of Resources	92,720,119	85,155,453	7,564,666
<u>Net Position</u>			
Net Investment in Capital Assets	219,925,629	202,135,428	17,790,200
Restricted	55,433,014	34,018,530	21,414,484
Unrestricted	(42,018,670)	(12,533,484)	(29,485,186)
Total Net Position	\$ 233,339,973	\$ 223,620,475	\$ 9,719,499

The largest portion of the District's government-wide net position reflects its investment in capital assets (e.g., land, buildings, vehicles, furniture, equipment, and construction in progress), net of accumulated depreciation plus deferred inflows/outflows of resources (if applicable) less any related debt used to acquire those assets still outstanding. The District saw a decrease in total liabilities due a decrease in net pension obligations of \$1.2 million that offset an increase in bond indebtedness of \$5.7 million. The implementation of GASB Statements 68 and 71, which became effective for fiscal years beginning after June 15, 2014, significantly changed pension accounting and financial reporting for governmental employees who participate in a pension plan, such as the state-administered Oklahoma Teachers' Retirement System. The inclusion of this financial data does not affect the financial stability of the District, nor does it influence financial decisions for the District.

The government-wide total net position of \$233.3 million, which represents resources that are unrestricted, \$(42.0) million, may be used to meet the District's ongoing obligations to citizens and creditors.

Changes in Net Position. Over the two-year period, a number of shifts can be observed, such as an increase in property taxes tied to the District's net assessed valuation growth of 8%, an increase in state aid, and an increase in other local revenue that reflects continuing growth in areas where the District

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

continues to pioneer new revenue streams while surviving the shortages in the revenue categories which normally produce stable proceeds.

The District's government-wide total revenues were \$256.8 million, an increase of \$28.4 million from the prior fiscal year total of \$228.3 million. The increase is due mainly to state aid increasing with legislative measures impacting the amount of funds the state calculated into the funding formula. A significant portion, 34%, of the District's revenue comes from property taxes; 29% comes from state aid formula grants; 20% from other taxes; 7% is related to other operating grants and contributions; the remaining 10% comes from charges for services and other sources.

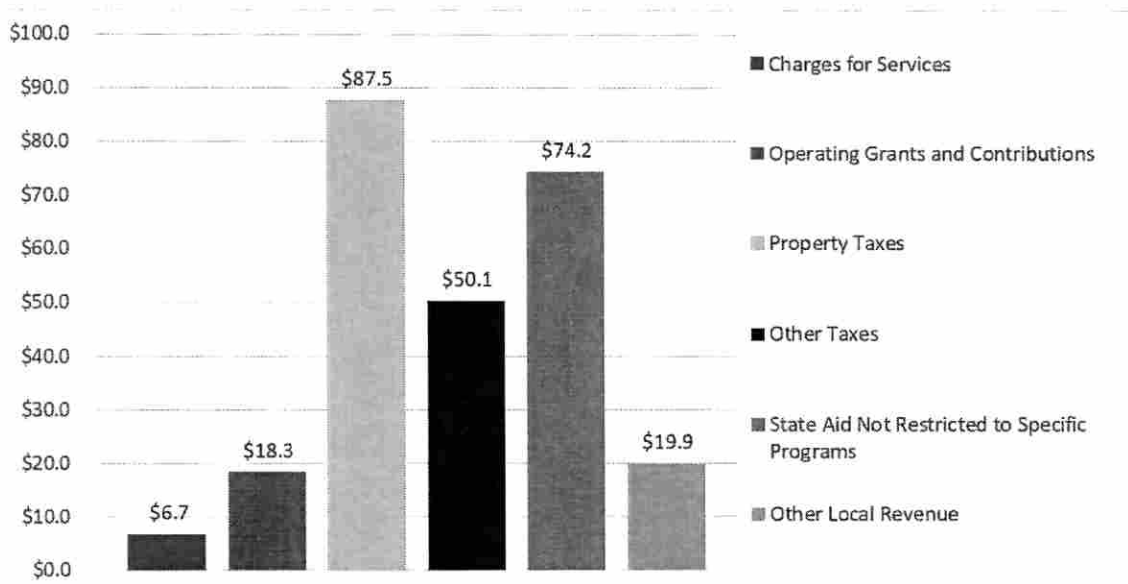
Governmental activities increased in District net position by \$9.7 million. The total cost of all governmental activities programs and services was \$247.1 million. The amount our taxpayers paid for these activities through property taxes was \$87.5 million or 35.4%. The Statement of Activities presents a district-wide summary of revenues and expenses for the fiscal year. The format of the presentation identifies expenses by program areas (functions), and identifies to what extent those expenses are offset by charges for services, operating grants, and contributions.

The District reports its activities in the following functional categories: instruction, student support services, instructional and school leadership, administrative support services, operation and maintenance, pupil transportation services, operation of non-instructional services, facilities acquisition and construction services, private nonprofit schools, and interest on long-term debt.

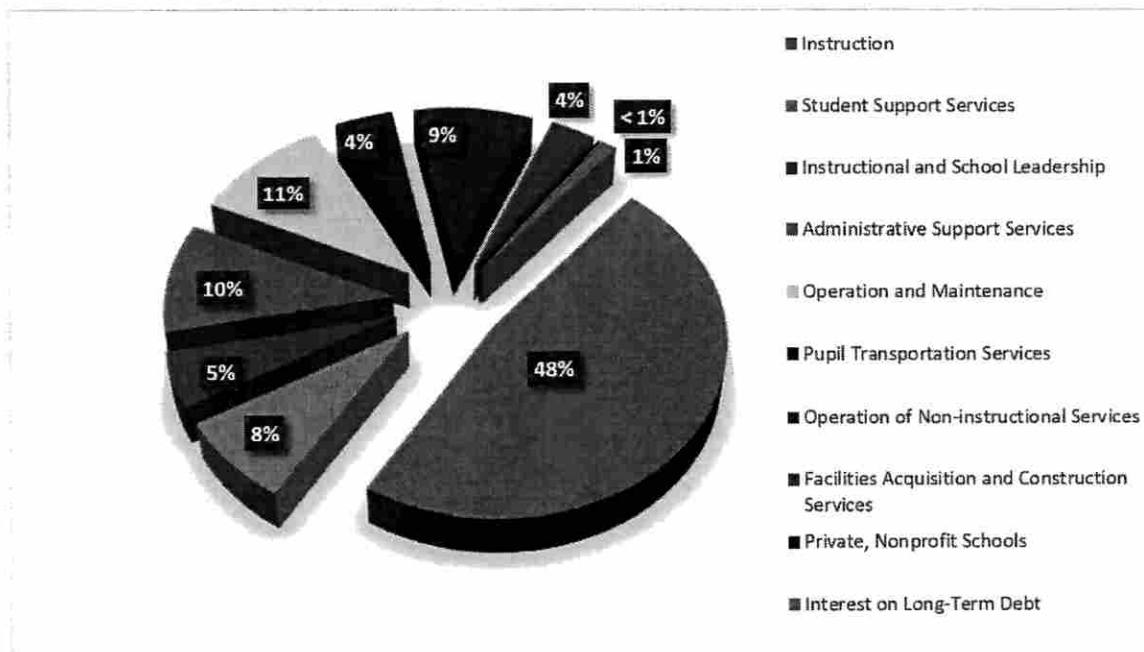
Changes in Net Position				
Table 2				
	Governmental Activities			
	2024	2023	Change	Change %
Revenues				
Program Revenues:				
Charges for Services	\$ 6,746,408	\$ 7,001,436	\$ (255,028)	-3.64%
Operating Grants and Contributions	18,323,420	21,312,804	(2,989,384)	-14.03%
General Revenues:				
Property Taxes	87,543,290	82,912,635	4,630,655	5.58%
Other Taxes	50,104,855	43,507,467	6,597,388	15.16%
State Aid Not Restricted to Specific Programs	74,199,884	62,037,840	12,162,044	19.60%
Other Local Revenue	19,904,699	11,595,669	8,309,030	71.66%
Total Revenues	\$ 256,822,557	\$ 228,367,851	\$ 28,454,706	12.46%
Expenses				
Instruction	117,950,573	96,314,933	21,635,640	22.46%
Student Support Services	19,520,940	16,541,565	2,979,375	18.01%
Instructional and School Leadership	12,533,379	9,306,240	3,227,139	34.68%
Administrative Support Services	25,036,498	20,558,812	4,477,686	21.78%
Operation and Maintenance	26,150,050	20,288,766	5,861,284	28.89%
Pupil Transportation Services	11,085,624	9,273,211	1,812,413	19.54%
Operation of Non-instructional Services	22,730,141	14,880,691	7,849,450	52.75%
Facilities Acquisition and Construction Services	8,729,863	6,412,284	2,317,579	36.14%
Private, Nonprofit Schools	40,155	28,344	11,811	41.67%
Interest on Long-Term Debt	3,325,835	2,590,001	735,834	28.41%
Total Expenses	\$ 247,103,059	\$ 196,194,847	\$ 50,908,212	25.95%
Change in Net Position	9,719,498	32,173,004	(22,453,506)	-69.79%
Net Position, Beginning	223,620,475	191,447,471		
Net Position, Ending	\$ 233,339,973	\$ 223,620,475	\$ 9,719,498	4.35%

**BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

**Revenues by Source - Governmental Activities
In Millions**



Program Expenses by Major Function - Governmental Activities



BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

The District's expenses are predominantly related to instruction of students (48%).

The consistent positive net position and the common annual revenues exceeding ordinary expenses reflects the District's philosophy of managing ongoing growth while maintaining financial stability through strong budgetary and spending controls.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As discussed earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

Governmental Funds. Under the District's fund accounting system, *Governmental Funds* focus is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of a fiscal year.

Below is a summary of the Governmental Funds total fund balance comparison:

GOVERNMENTAL FUNDS					
FUND BALANCES		2024		2023	
Nonspendable:					
Inventory	\$	676,019	0.5%	\$	988,529 0.9%
Permanent fund principal		40,000	0.0%		40,000 0.0%
Restricted for:					
Federal and state allocation carryover		4,804,416	3.7%		4,722,398 4.1%
Capital projects		28,879,598	22.3%		34,257,137 29.7%
Debt service		31,069,501	24.0%		13,692,616 11.9%
Building		10,766,355	8.3%		6,587,615 5.7%
Child Nutrition		7,827,034	6.0%		7,738,323 6.7%
Endowment		6,714	0.0%		4,715 0.0%
Arbitrage		180,261	0.1%		55,261 0.0%
Student activities		5,330,770	4.1%		5,759,748 5.0%
Unassigned		39,893,810	30.8%		41,690,765 36.1%
	\$	129,474,478	100.0%	\$	115,537,107 100.0%

As of the end of the current fiscal year, the District's Governmental Funds reported combined ending total fund balances of \$129.4 million, an increase of \$13.9 million over last year. This increase was primarily due to bond proceeds of \$21.8 million received later in the fiscal year.

The General Fund is the primary operating fund of the District. At June 30, 2024, the General Fund's unassigned fund balance was \$39.8 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total General Fund actual expenditures. General Fund unassigned fund balance represents 22.7% of the total General Fund actual expenditures, which total \$175.7 million while the General Fund total fund balance of \$44.9 million represents 25.6% of that same amount.

The District's overall General Fund balance decreased by \$1.9 million by fiscal year end due to a deliberate increase in spending aimed at lowering overall carryover balances and providing strategic retention stipends for returning staff. This fund balance is carefully calculated to ensure sufficient cash flow is

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

available for operations as the District transitions from one fiscal year to the next. Of the total governmental funds balance, \$0.7 million is nonspendable for investment in inventories and permanent fund principal.

The Debt Service Fund (Sinking Fund) had a total fund balance of \$31 million, all of which is restricted for the payment of debt service requirements. Millage rates for Sinking Fund levies are not controlled by the District but are set annually by the Tulsa County Excise Board after a thorough review of property valuations and the District's debt service needs. The increase in fund balance is due to the bond payment schedule as set when bonds are sold.

The Capital Projects Fund accounts for the construction of school buildings and improvements. At the end of the current fiscal year, the fund balance was \$28.8 million, which decreased by \$5.3 million, or 15.7% from the 2023 fiscal year. This decrease was primarily due to the district continuing to pay the debt schedule for lease revenue bond acquisition. More information regarding capital project funds and millage levies may be found in the Statistical Section.

Proprietary Funds. The District's Proprietary Funds consist of the Internal Service Fund (Workers' Compensation Fund) and provide the same type of information found in the Government-Wide Financial Statements but in more detail. The Proprietary Fund is funded from the District's General Fund to cover Workers' Compensation claims and received \$0.3 million in revenue during the fiscal year. This represents a consistent revenue stream in total Proprietary Fund revenue over the last two years due to an overall steady flow in workers' compensation related claims for the district.

Fiduciary Funds. The District's Fiduciary Funds consist of the Gift Fund. The Gift Fund (Private Purpose Trust Fund) receives revenues from donations made by individuals or organizations. These funds are used for purposes specified by the donor.

BUDGETARY HIGHLIGHTS

The District's budget is prepared according to Oklahoma law and is based on accounting for certain transactions in appropriated funds on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

For FY 2023-24, the District budgeted original General Fund revenues of \$169.9 million and budgeted original expenditures of \$180 million. The Board of Education approved a final General Fund revenue budget of \$174.0 million and a final expenditure budget of \$180.0 million. The General Fund final expenditure budget approved by the Board of Education represents no change from the original budget; however, actual expenditures for the General Fund of \$175.7 million were \$4.2 million below the final expenditure budget.

During the course of the year, the Board of Education approved revisions to the budgeted revenue and expenditures original appropriations of non-major funds only. These revisions resulted from amendments during the year for changes in programs, insurance recoveries, federal program funds, and estimates for local revenue based on the latest information.

Differences between the final general operating fund budget and the actual amounts are explained as follows:

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

General Fund Revenues:

- ❖ *A net favorable variance of \$8.3 million in total revenues was due to the following variances:*
 - Local property tax collections, including current year, prior year, and penalty and interest, were \$3.4 million or 7.5% higher than anticipated. The unrestricted intermediate county taxes were slightly lower than anticipated by \$0.01 million.
 - Federal sources of revenue were \$2.6 million higher than anticipated.
 - State sources of revenue were \$1.2 million higher than anticipated due to enrollment growth.
 - District sources of revenue (e.g., earnings-investments, rentals, and commissions) were \$1.0 million higher than anticipated.

General Fund Expenditures:

- ❖ *A net favorable variance of over \$4.2 million in expenditures was due to the following variances:*
 - Employee payroll, payroll taxes, and benefits, including the related TRS on behalf payments, were \$0.9 million less than budgeted.
 - Utilities and travel were \$0.2 million lower than anticipated.
 - Instructional programs conservatively spent \$3.1 million less than budgeted.
 - Professional, technical and contracted services were \$0.1 million less than estimated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District has invested \$472.9 million, net of depreciation, in a broad range of capital assets including school buildings, land, athletic facilities, buses and other operational vehicles, computers, and other equipment. This represents a net increase (including additions, deductions and depreciation) of \$12.7 million from the previous year.

Capital Assets (net of depreciation)				
Table 3				
	Governmental Activities			
	2024	2023	Change	Percentage
Land	\$ 24,303,848	\$ 18,252,998	\$ 6,050,850	24.9%
Construction in Progress	139,304,733	134,992,389	4,312,344	3.1%
Subscription Assets	970,311	218,685	751,626	77.5%
Land Improvements	5,675,193	3,516,352	2,158,841	38.0%
Buildings/Improvements	291,232,406	291,818,494	(586,088)	-0.2%
Equipment	11,471,868	11,438,581	33,287	0.3%
Total Capital Assets, Net of Depreciation	<u>\$ 472,958,359</u>	<u>\$ 460,237,499</u>	<u>\$ 12,720,860</u>	<u>2.7%</u>

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

Outstanding General Obligation Bonded Debt			
Table 4			
	Governmental Activities		
	2024	2023	Change
General Obligation Bonds:			
Series 2020	\$ 3,800,000	7,600,000	\$ (3,800,000)
Series 2021	15,000,000	22,500,000	(7,500,000)
Series 2022	42,090,000	46,885,000	(4,795,000)
Series 2023	33,000,000	33,000,000	-
Series 2024	21,800,000	-	21,800,000
Total Outstanding Debt	\$ 115,690,000	\$ 109,985,000	\$ 5,705,000

Outstanding Lease Revenue Bond Debt			
Table 5			
	Governmental Activities		
	2024	2023	Change
Lease Revenue Bonds:			
Series 2016	46,759,000	63,672,000	(16,913,000)
Series 2019	73,431,000	74,426,000	(995,000)
Series 2021	74,625,000	75,620,000	(995,000)
Total Outstanding Debt	\$ 194,815,000	\$ 213,718,000	\$ (18,903,000)

The increase in capital assets net of depreciation was due to the additions of various construction projects due to repayment on lease revenue bonds. The majority of the construction in progress consists of district-wide maintenance projects across 28 sites to ensure quality education and equity across the District. Additional information on the District's capital assets may be found in Note 4, Notes to the Basic Financial Statements.

General obligation bonded debt outstanding as of June 30, 2024 was \$115.6 million, an increase of \$5.7 million from the prior fiscal year, and \$39.5 million due within one year. Lease revenue bond debt outstanding as of June 30, 2024 was \$194.8 million, a decrease of \$18.9 million from the prior fiscal year, and \$6.4 million due within one year. Detailed information on the long-term debt activity can be found in Note 5 and 10 of the Notes to the Basic Financial Statements. The District was given a "AA" rating by Standard & Poor's for the general obligation bonds issued.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Budgetary resource allocations are distributed to campuses and central organizations that support the programs of the District. The District's budget process begins with the development of enrollment projections by the District's Information Services team. Enrollment projections are then used to determine initial campus allocations through the use of District and then Board level approval.

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024

The District uses line-item and site-based budgetary approaches to provide campuses with a standard allocation based on student enrollment. Enrollment projections also drive general operating staffing levels and non-position allocations. Staffing ratios adhere to the Oklahoma legislature mandated by House Bill 1017. Enrollment projections for the year ended June 30, 2024, show stable enrollment numbers, but forecasted growth due to the growing population in the southern and eastern portions of the District boundaries.

Local sources of revenue consist primarily of ad valorem revenue, which is based on an annual levy of 36 mills (one mill is equal to \$1 per \$1,000 of net assessed valuation). For 2023-24, the District's net assessed valuation grew by 8% primarily due to an increase in personal real property within the boundaries of the District. Additional information on the District's net assessed valuation can be found in the Statistical Section of this report. Other local sources of revenue include fees from before and after school care, donations, interest earnings, and facility rentals.

Intermediate sources of revenue include the county 4-mill ad valorem levy and county mortgage apportionment. The largest source of revenue, received from the state, includes Foundation & Salary Incentive Aid, the State Health Insurance Allowance, Motor Vehicle Collections, and State School Land Earnings.

Federal sources of revenue include IDEA, all No Child Left Behind programs, Title programs, other federal programs, and the remaining COVID-19 funding.

The District finance office uses a zero-based budgetary approach for allocation based on historical expenditures and services provided. Despite continued increases in state revenue collections, the District continues to maintain a conservative budget. The District also continued the tradition of preserving a strong year-end fund balance.

The District continues to provide reciprocal benefit to the community and schools, therefore continually experiencing positive citizen support. Bond dollars passed by the community provide the necessary funding for facilities, renovations, technology, textbooks, instructional equipment and uniforms. It is these annual bond dollars and strong patronage that allow the District the opportunity and commitment to maintain facilities and to maximize the use of instructional technology and equipment. State law limits a school district's bonding capacity to ten percent of its net assessed valuation.

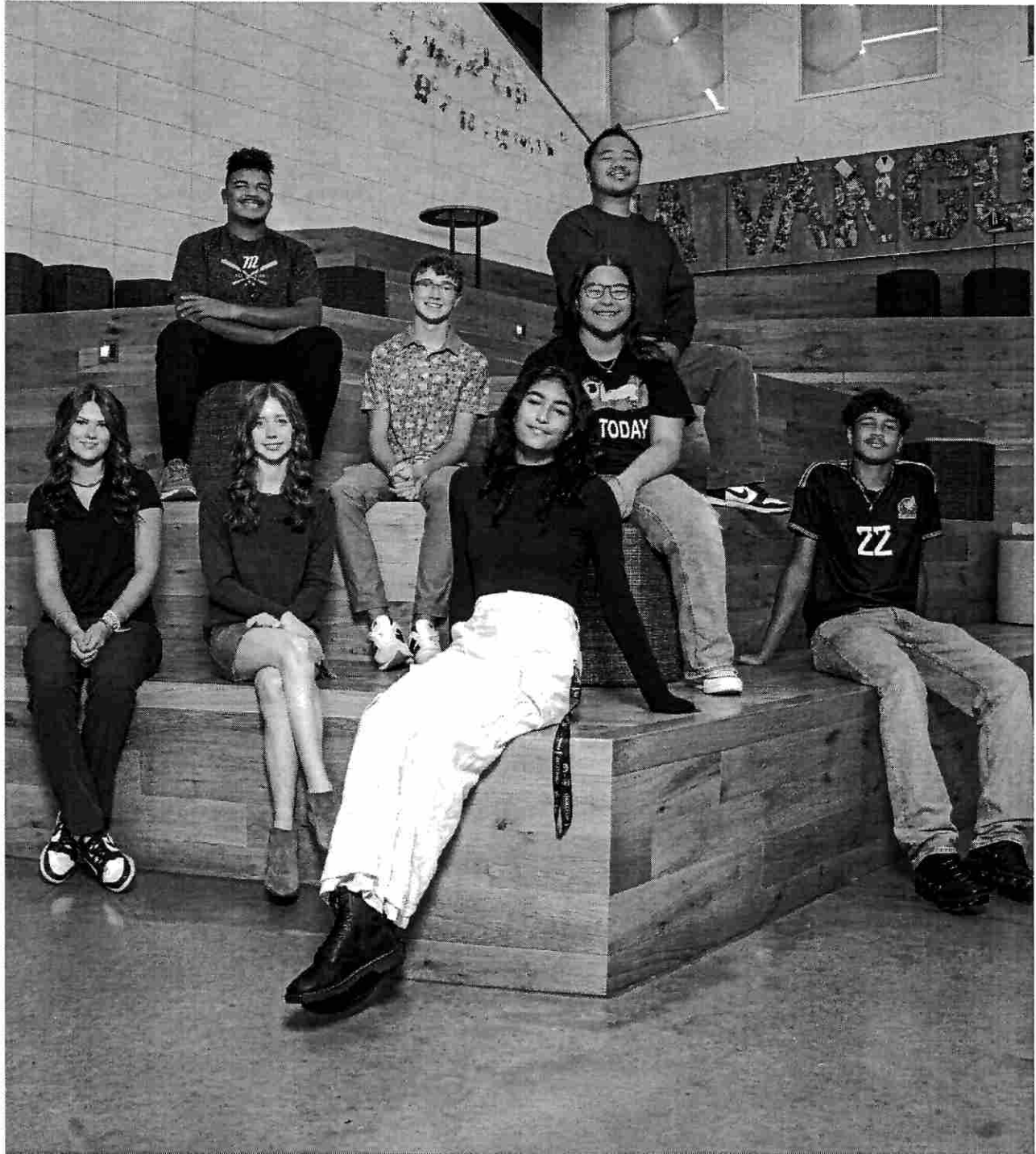
CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of the District's financial position, and to demonstrate the District's accountability for the resources it receives. If you have questions about this report, or would like additional information, contact Mrs. Natalie Eneff, Chief Financial Officer, Broken Arrow Public Schools, 701 S. Main Street, Broken Arrow, Oklahoma, 74012. The District's web page is located at <http://www.baschools.org>.





BASIC FINANCIAL STATEMENTS





Broken Arrow Public Schools
Statement of Net Position
June 30, 2024

	Governmental Activities
ASSETS	
Current:	
Cash and cash equivalents	\$ 29,478,865
Investments	96,061,688
Receivables net of allowance for uncollectibles	121,674,792
Inventories	676,019
Total current assets	<u>247,891,364</u>
Non-current:	
Land and construction-in-progress	163,608,581
Subscription assets, net of amortization	970,311
Capital assets being depreciated, net	308,379,467
Total noncurrent assets	<u>472,958,359</u>
Total assets	<u>720,849,724</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>28,336,146</u>
LIABILITIES	
Current:	
Accounts payable and other current liabilities	1,285,831
Accrued interest payable	1,288,201
Unearned Revenues	260,846
Current portion of long-term obligations	46,278,194
Total current liabilities	<u>49,113,073</u>
Non-current:	
Non-current portion of long-term obligations	235,228,858
Subscription liability	405,276
Net pension liability	138,378,571
Total noncurrent liabilities	<u>374,012,705</u>
Total liabilities	<u>423,125,778</u>
DEFERRED INFLOWS OF RESOURCES	
Succeeding year property tax	90,025,946
Deferred pension plan inflows	2,694,173
Total deferred inflows of resources	<u>92,720,119</u>
NET POSITION	
Net Investment in Capital Assets	219,925,629
Restricted for:	
Debt Service	31,069,501
Building	10,766,355
Child Nutrition	7,827,034
Other Programs	5,770,124
Unrestricted	<u>(42,018,670)</u>
TOTAL NET POSITION	<u><u>\$ 233,339,973</u></u>

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Instruction	\$ 117,950,573	\$ 456,622	\$ 7,145,769	\$ (110,348,182)
Support services - Students and staff	19,520,940	-	2,450,438	(17,070,503)
Instructional and school leadership	12,533,379	-	575,826	(11,957,553)
Administrative support services	25,036,498	-	538,784	(24,497,714)
Operation and maintenance of plant services	26,150,050	-	20,943	(26,129,108)
Student transportation services	11,085,624	-	77,238	(11,008,386)
Operation of non-instructional services	22,730,141	6,289,785	7,505,047	(8,935,309)
Facilities acquisition and construction services	8,729,863	-	-	(8,729,863)
Private, Nonprofit schools	40,155	-	9,376	(30,779)
Interest on long-term debt	3,325,835	-	-	(3,325,835)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 247,103,059	\$ 6,746,408	\$ 18,323,420	\$ (222,033,230)
GENERAL REVENUES				
Taxes:				
Property tax, levied for general purposes				52,818,855
Property tax, levied for debt services				34,724,435
State aid - formula grants				74,199,884
Unrestricted dedicated state revenue				43,071,585
Unrestricted intermediate county taxes				7,033,270
Interest and investment earnings				10,010,735
Gain on sale of capital assets				-
Other local revenue				9,893,965
TOTAL GENERAL REVENUES				231,752,729
CHANGE IN NET POSITION				9,719,498
NET POSITION - BEGINNING				223,620,475
NET POSITION - ENDING				\$ 233,339,973

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Balance Sheet - Governmental Funds
June 30, 2024

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 15,512,422	\$ 51,489	\$ 1,559,347	\$ 12,121,082	\$ 29,244,340
Investments	25,101,533	28,819,062	29,420,804	12,720,288	96,061,688
Receivables net of allowance for uncollectibles	50,884,027	9,046	37,509,370	6,640,465	95,042,908
Inventories	343,073	-	-	332,946	676,019
TOTAL ASSETS	\$ 91,841,055	\$ 28,879,598	\$ 68,489,521	\$ 31,814,781	\$ 221,024,955
LIABILITIES					
Accounts payable	820,105	-	-	443,580	1,263,685
Other liabilities	-	-	-	260,846	260,846
TOTAL LIABILITIES	820,105	-	-	704,426	1,524,531
DEFERRED INFLOWS OF RESOURCES					
Succeeding year property tax	46,031,185	-	37,420,020	6,574,741	90,025,946
TOTAL DEFERRED INFLOWS OF RESOURCES	46,031,185	-	37,420,020	6,574,741	90,025,946
FUND BALANCES					
Non-spendable:					
Inventory	343,073	-	-	332,946	676,019
Permanent fund principal	-	-	-	40,000	40,000
Restricted for:					
Federal and state allocation carryover	4,752,883	-	-	51,533	4,804,416
Capital projects	-	28,879,598	-	-	28,879,598
Debt service	-	-	31,069,501	-	31,069,501
Building	-	-	-	10,766,355	10,766,355
Child Nutrition	-	-	-	7,827,034	7,827,034
Endowment	-	-	-	6,714	6,714
Arbitrage	-	-	-	180,261	180,261
Student activities	-	-	-	5,330,770	5,330,770
Unassigned	39,893,810	-	-	-	39,893,810
TOTAL FUND BALANCES	44,989,766	28,879,598	31,069,501	24,535,614	129,474,478
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 91,841,055	\$ 28,879,598	\$ 68,489,521	\$ 31,814,782	\$ 221,024,956

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2024

Total fund balances - Governmental Funds	\$	129,474,478
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The Statement of Net Position includes those capital assets of the District as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds:

Cost of assets	\$	628,747,896	
Accumulated amortization	\$	(935,321)	
Accumulated depreciation		(154,854,216)	472,958,359

An Internal Service Fund is used by the District's management to charge the costs of the workers' compensation insurance program to the individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities.		212,378
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Funds available for drawdown under the capital lease are reported as a receivable and related construction-in-progress as an accounts payable in the governmental activities, but not reported in governmental funds.		26,631,884
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Interest payable on debt and other long-term obligations are also not recorded in the governmental funds but are reported in the Statement of Net Position.

Long-term liabilities at year-end consist of:

Bonds and contracts	(281,507,052)	
Interest payable	(1,288,201)	(282,795,254)

Some liabilities, including subscriptions and net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.

Subscription liability	(405,276)
Net pension liability	(138,378,571)

Pension related deferred outflows and inflows are not due and payable in the current period, therefore, they are not reported in governmental funds.

Deferred pension plan outflows	28,336,146
Deferred pension plan inflows	(2,694,173)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$	233,339,973
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See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2024

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
REVENUES					
Local sources	\$ 52,068,623	\$ 1,326,579	\$ 36,119,502	\$ 18,375,233	\$ 107,889,937
Intermediate sources	7,033,270	-	-	-	7,033,270
State sources	103,389,913	-	13	4,656,894	108,046,820
Federal sources	10,873,369	-	-	6,721,751	17,595,120
Other sources	455,111	-	-	1,817,691	2,272,801
TOTAL REVENUES	173,820,286	1,326,579	36,119,515	31,571,568	242,837,948
EXPENDITURES					
Current					
Instruction	100,962,499	2,194,341	-	101,008	103,257,848
Student	16,605,323	11,721	-	1,114,219	17,731,263
Instructional staff	8,051,858	3,254,485	-	70,378	11,376,721
Administration	22,444,655	358,637	-	306,856	23,110,148
Operations and maintenance	15,577,870	2,673,845	-	7,989,129	26,240,843
Student transportation	8,948,612	947,875	-	120,187	10,016,673
Child nutrition operations	106,827	-	-	11,785,732	11,892,559
Community service operations	2,334,802	-	-	1,126,623	3,461,425
Other	728,225	-	-	5,065,526	5,793,751
Capital outlay	-	19,063,214	-	13,500	19,076,714
Debt service					
Principal	-	-	16,095,000	-	16,095,000
Interest	-	-	2,747,195	-	2,747,195
Judgements	-	-	61,713	-	61,713
TOTAL EXPENDITURES	175,760,671	28,504,118	18,903,908	27,693,157	250,861,855
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	 (1,940,385)	 (27,177,539)	 17,215,607	 3,878,411	 (8,023,906)
OTHER FINANCING SOURCES (USES)					
Bond issuance	-	21,800,000	-	-	21,800,000
Premium on new bond issuance	-	-	161,278	-	161,278
TOTAL OTHER FINANCING SOURCES (USES)	-	21,800,000	161,278	-	21,961,278
 NET CHANGE IN FUND BALANCES	 (1,940,385)	 (5,377,539)	 17,376,885	 3,878,411	 13,937,372
 FUND BALANCE AT BEGINNING OF YEAR	 46,930,151	 34,257,137	 13,692,616	 20,657,203	 115,537,107
FUND BALANCE AT END OF YEAR	\$ 44,989,766	\$ 28,879,598	\$ 31,069,501	\$ 24,535,614	\$ 129,474,478

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balance with the
District-Wide Statement of Activities
For the Year Ended June 30, 2024

TOTAL NET CHANGE IN FUND BALANCES-GOVERNMENTAL FUNDS \$ 13,937,372

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES ARE DIFFERENT BECAUSE:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the Statement of Net Position and are allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which capital outlays exceed depreciation for the period.

Capital outlays	\$ 30,762,582	
Depreciation expense	(15,983,293)	
Retirements and adjustments	<u>(2,058,429)</u>	12,720,860

Receivables recorded but the related revenues not available soon enough after year-end were reported as deferred inflows of resources in the governmental funds in accordance with GASB Statement No. 65.

This is the net change between fiscal years. (6,616,690)

Bond and noncurrent loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and noncurrent loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which repayments of principal exceeded loan proceeds.

Repayments of principal	34,998,000	
Loan proceeds	<u>(21,800,000)</u>	13,198,000

Premium received on bonds is amortized over the life of the bond. This is the amount by which the current year bond premium was exceeded by amortization.

Current year bond premium	(161,278)	
Amortization of lease-revenue bond premium	(2,604,801)	
Amortization of bond premium	<u>14,958</u>	(2,751,121)

Transactions reported in the Statement of Activities related to lease-revenue escrow accounts not included in governmental funds. This is the amount by which expenditures exceeded interest.

Interest revenues earned on escrow funds	4,112,450	
Expenditures from escrow funds for capital improvement projects	<u>(23,055,130)</u>	(18,942,680)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the governmental funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest cost is recognized as the interest accrues, regardless of when it is due. This is the net change in amount of interest payable.

(593,598)

The District uses Internal Service Funds to charge the costs of certain activities, such as self insurance, to appropriate function in other funds. The net income (loss) of Internal Service Funds are reported with governmental activities. The net effect of this consolidation is to increase the change in net position.

72,127

Some expenses (compensated absences, insurance claims, and pension expense) reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

(1,304,773)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 9,719,498

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Net Position - Proprietary Funds
June 30, 2024

		Governmental Activities - Internal Service Fund: Workers' Compensation Fund -
ASSETS		
CURRENT ASSETS		
Cash and equivalents		\$ 234,524
	TOTAL ASSETS	234,524
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable		22,146
	TOTAL CURRENT LIABILITIES	22,146
NET POSITION		
Restricted for worker's compensation		212,378
	TOTAL NET POSITION	212,378
	TOTAL LIABILITIES AND NET POSITION	\$ 234,524

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Governmental Activities - Internal Service Fund: Workers' Compensation Fund
OPERATING REVENUES	
Reimbursements	\$ 335,000
TOTAL OPERATING REVENUES	<u>335,000</u>
OPERATING EXPENSES	
Medical claims	<u>262,873</u>
TOTAL OPERATING EXPENSES	<u>262,873</u>
OPERATING INCOME (LOSS)	<u>72,127</u>
CHANGES IN NET POSITION	<u>72,127</u>
NET POSITION AT BEGINNING OF YEAR	<u>140,251</u>
NET POSITION AT END OF YEAR	<u>\$ 212,378</u>

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2024

	<u>Governmental Activities - Internal Service Fund: Workers' Compensation Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Interfund services provided	\$ 335,000
Cash payment for insurance claims	(241,001)
Cash payments to suppliers for goods and services	(9,505)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>84,494</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	84,494
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>150,030</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>234,524</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Operating Income (loss)	72,127
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities	
Change in assets, deferred outflows, liabilities, and deferred inflows:	
Increase (decrease) in Accounts payable	<u>12,367</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u><u>\$ 84,494</u></u>

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Fiduciary Net Position
June 30, 2024

	Private-Purpose Trust Fund
ASSETS	
Cash and cash equivalents	\$ 55,777
TOTAL ASSETS	<u>55,777</u>
LIABILITIES	
TOTAL LIABILITIES	<u>-</u>
NET POSITION	
Held for scholarships	<u>55,777</u>
TOTAL NET POSITION	<u>\$ 55,777</u>

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2024

	<u>Private-Purpose Trust Fund</u>
ADDITIONS	
Contributions	\$ 3,000
Interest income	<u>1,277</u>
TOTAL ADDITIONS	<u>4,277</u>
DEDUCTIONS	
Scholarships awarded	<u>5,250</u>
TOTAL DEDUCTIONS	<u>5,250</u>
 CHANGE IN NET POSITION	 (973)
 NET POSITION AT BEGINNING OF YEAR	 <u>56,750</u>
 NET POSITION AT END OF YEAR	 <u>\$ 55,777</u>

See Notes to the Basic Financial Statements

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies

The Basic Financial Statements of the Broken Arrow Public Schools Independent District No. 3 (the "District") have been prepared in conformity with generally accepted accounting principles ("GAAP") promulgated by The Government Accounting Standards Board ("GASB"). The District also complies with any contracts and grants of agencies from which it receives funds. The District has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Government Fund Type Definitions*. The more significant of the District's accounting policies are described below.

Reporting Entity

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 State of Oklahoma support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes. The governing body of the District is the Board of Education composed of five elected members. The appointed Superintendent is the executive officer of the District.

The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board's ("GASB") *Codification of Governmental Accounting and Financial Reporting Standards*, since Board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. There are no component units included within the reporting entity. The District is a governmental entity exempt from federal income taxation under Internal Revenue Code Section 115.

Further, the Broken Arrow Education Foundation and the Broken Arrow Performing Arts Center Foundation are not included in the reporting entity. The District does not appoint any of the board members or exercise any oversight authority over these Foundations.

Government-Wide and Fund Financial Statements

The objective of the statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing government fund type definitions. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance.

The Government-Wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The Statement of Net Position reports the District's financial and capital resources. Liabilities are segregated between current liabilities (those that are due within one year) and long-term liabilities (those that are due in more than one year).

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include tuition or fees paid by students or citizens of the District and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items including Foundation Incentive Aid (also referred to as State Aid), which are not properly included among program revenues, are reported as general revenues. Interest on general long-term debt, adjusted by the amortization of bond premiums, is considered an indirect expense and is reported on the Statement of Activities.

The Fund Financial Statements provide reports on the financial condition and results of operations for three fund categories: Governmental, Proprietary, and Fiduciary. Since the resources in the Fiduciary Funds cannot be used for District operations, they are not included in the Government-Wide Statements. The emphasis on Fund Financial Statements is on major governmental funds, each displayed in a separate column.

Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operation. All other revenues and expenses are non-operating.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Government-Wide Financial Statements use economic resources measurement focus and the accrual basis of accounting, as do the Proprietary and Fiduciary Fund Financial Statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized, when they are susceptible to accrual, as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Property taxes, interest and amounts due from other governments associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Fund Accounting

The District reports its financial activities through the use of fund accounting. This is a system of accounting wherein transactions are reported in self-balancing sets of accounts to reflect results of

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

activities. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained, consistent with legal and managerial requirements. There are three categories of funds: Governmental, Proprietary, and Fiduciary.

Governmental Funds

Governmental Funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (Special Revenue Funds), the acquisition or construction of general capital assets (Capital Projects Fund), and the servicing of general long-term debt (Debt Service Funds). Government Fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various Governmental Funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities plus deferred inflows of resources is reported as the fund balance.

All Governmental Funds can be classified into one of five types: General Fund, Capital Projects Fund, Debt Service Fund, Special Revenue Funds, and Permanent Funds. In the fund financials, data from each *major* fund is presented in a separate single column while data from all the *nonmajor* funds are aggregated into a single column.

The District reports the following Major Governmental Funds:

General Fund - The General Fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under the Foundation and Incentive Aid Program. Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds, and other long-term debt. Federal and state restricted monies that must be expended for specific programs and compensated absences incurred by the District are also included in the General Fund.

Capital Projects Fund - The Capital Projects Fund is used to account for the proceeds of bond sales to be used exclusively for acquiring school sites, constructing and equipping new school facilities, renovating existing facilities and acquiring transportation equipment.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of financial resources for the payment of general long-term (including judgments) debt principal, interest and related costs. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

The District reports the following Nonmajor Governmental Funds:

Special Revenue Funds - Special Revenue Funds are used to account for all financial resources restricted to, or designated for, committed or assigned to expenditures for particular purposes. The District reports the following Special Revenue Funds:

Building Fund - The Building Fund consists mainly of monies derived from property taxes levied for the purpose of erecting, remodeling, repairing, or maintaining school buildings and for purchasing furniture, equipment and computer software to be used on or for school district property, for paying

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

energy and utility costs, for purchasing telecommunications services, for paying fire and casualty insurance premiums for school facilities, and for purchasing security systems.

Child Nutrition Fund - The Child Nutrition Fund consists of monies derived from federal and state financial assistance and food sales. This fund is used to account for the various nutrition programs provided to students.

Arbitrage Rebate Fund - The Arbitrage Rebate Fund is used to pay the rebatable arbitrage of certain bond issues to which the Internal Revenue Service arbitrage rules apply. These funds will either be retained or transferred to the Internal Revenue Service, depending on future financial events and computations. The District did not have any arbitrage liability for the year ended June 30, 2024.

Student Activity Fund - The Student Activity Fund is a special revenue fund used to account for monies collected principally through fundraising efforts of the students and district sponsored groups. The administration is responsible, under the authority of the Board of Education, for collecting and disbursing these funds. These are committed funds and therefore now reported as a non-major governmental fund instead of a fiduciary fund with the implementation of GASB Statement No. 84.

Permanent Fund (Endowment) - The Permanent Fund (Endowment Fund), is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used to support the reporting government's programs and as per the endowment terms. The Endowment Fund receives its assets through contributions from philanthropic foundations, individuals or private organizations for which no repayment or special service to the contributor is expected.

The Texaco/F.A. Petrick Endowment Fund accounts for a donor-restricted endowment whose funds, in the amount of \$46,714, are restricted to expenditures for awarding college scholarships to Broken Arrow high school graduates. The available amounts for expenditure are reflected in the net position as restricted expendable. State law allows for expending available net appreciation of donor-restricted endowment to support the reporting government's programs as per the endowment terms.

Proprietary Funds

Proprietary Funds are used to account for activities similar to those found in the private sector, where the determination of net income is useful to financial administration. Goods and/or services can be provided to both outside parties or to other departments or agencies primarily within the District. Proprietary Funds distinguish operating revenues and expenses from non-operating items. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District reports the following major Proprietary Funds:

Internal Service Fund - The District has established an Internal Service Fund to account for the transactions of its self-insured workers' compensation plan. Income from this fund is derived primarily from charges to governmental funds based on usage. Accrued liabilities include provisions from claims reported and claims incurred but not reported for workers' compensation insurance. The provision for reported claims is determined by estimating the amount that will ultimately be paid to each claimant.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

Fiduciary Funds

Fiduciary Funds are used to account for assets held on behalf of outside parties, including other Governments, or on behalf of other funds within the District. Private-Purpose Trust Funds are used to report other arrangements under which principal and income benefit individuals and use the terms “expendable” or “nonexpendable” (requirement to maintain invested resources intact). Fiduciary Funds are not incorporated into the Government-Wide Financial Statements.

Private-Purpose Trust Fund - This fund is an expendable trust fund and is also called the Gift Fund. The Gift Fund receives its assets by way of philanthropic foundations, individuals, or private organizations for which no repayment or special service to the contributor is expected. These assets are held for the benefit of others and cannot be used to address activities or obligations of the government. The District maintains a meaningful degree of ongoing responsibility for the resources once they have been contributed.

Other Accounting Policies

Cash and Cash Equivalents - The District considers all cash on hand, demand deposits and highly liquid investments with original maturity of three months or less when purchased to be cash and cash equivalents.

Investments - Investments consist of United States Treasury securities and agencies and certificates of deposit. All investments are recorded at fair value generally based on quoted market prices or estimated fair values provided by brokerage statements. The net change in fair value of investments is recognized and reported as earnings (loss) on investments.

Property Tax Revenues and Receivables - 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. These property taxes are distributed to the District's General Fund, Building Fund, and Debt Service Fund based on the levies approved for each fund. The District receives property taxes from two counties.

The County Assessor for each county, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax rolls of 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 first half of taxes is due prior to January 1. The second half is due prior to April 1. If the first payment is not made in a timely manner, the entire tax becomes due and payable on January 2. The second half of taxes become delinquent on April 1 of the year following the year of assessment. 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 owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. Property tax receivables are recorded on the lien date, although the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied. Delinquent property taxes, which are not collected within the availability period, 60 days of the year end, are recorded in the Governmental Fund Financial Statements as deferred inflows of resources. An allowance for uncollectible property taxes is calculated based on historical collection data.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

Inventories - The District uses the consumption method to account for inventories of supplies and materials. Under this method, these items are carried in an inventory account of the respective fund at cost, using the weighted average method of accounting and are subsequently charged to expenditures when consumed or requisitioned. Although food commodities are received at no cost, their fair value is supplied by the Oklahoma Department of Human Services and is recorded as inventory on the date received. In Governmental Funds, inventories are reported as non-spendable fund balance.

Capital Assets - Capital assets, which include land, land improvements, building, building improvements, furniture and equipment, are reported in the Government-Wide Financial Statements. Land, land improvements, buildings and building improvements are recorded at historical cost or estimated historical cost if purchased or constructed.

The capitalization threshold for buildings and improvements, and equipment and fixtures is \$5,000, respectively. Donated capital assets, as well as, capital assets received in a service concession arrangement, are recorded at acquisition value (an entry price) as implemented in GASB Statement No. 72, Fair Value Measurement and Application. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as the projects are constructed.

Building and building improvements of the District are depreciated using the straight-line method beginning in the year they are placed in service. Equipment is depreciated using the straight-line method beginning in the month acquired. The District's capital assets have the following estimated useful lives:

	Useful Life	Threshold
Buildings and structures	10-50 years	\$5,000
Improvements	10-20 years	\$5,000
Equipment and vehicles	10-15 years	\$5,000
Furniture and fixtures	5-20 years	\$5,000
Subscription arrangements	3-5 years	\$5,000

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

Compensated Absences - A liability for compensated absences attributable to the District's governmental funds is recorded in the Government-Wide Financial Statements. It is the District's policy to provide payment to the employee for sick leave, upon retirement or severance of employment. The District policy provides payment to eligible employees for accumulated sick days. This liability is intended to accommodate these payments.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

Accrued Compensation - Salaries, wages, and benefits that have been earned but not paid as of the end of the fiscal year are reported as a liability on the Fund Balance Sheet and Statement of Net Position. The district has two pay cycles. Employees on each cycle, including teachers, render services under their various contracts prior to the end of the fiscal year for which they do not receive payment until after the end of the fiscal year. The total gross amount of salaries, wages, and benefits associated with these services are reported as a liability on the financial statements.

Revenue - All sources of revenue other than federal revenue are recognized as soon as they are both measurable and available. Federal revenue is considered earned in the same period the associated reimbursable expense is recognized. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Deferred Outflows of Resources - In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources until that period. Deferred outflows of resources for the year ended June 30, 2024, consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period. See Note 6 for additional discussion regarding pension deferred outflows of resources.

Deferred Inflows of Resources - In addition to liabilities, the Statement of Net Position and Fund Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The Governmental Fund Balance Sheet includes deferred inflows of resources related to unavailable local sources of revenues and succeeding year property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available or the period levied for and budgeted. In the District's Government-Wide Financial Statements, the property tax revenues for the succeeding year remain a deferred inflow and will be recognized as revenue in the year for which they are levied and budgeted for. The District's Government-Wide Financial Statements also consist of unrecognized items not yet charged to pension expense. See Note 6 for additional discussion regarding pension deferred inflows of resources.

Encumbrances - Encumbrances represent commitments related to purchase orders, contracts, other commitments for expenditures or resources, and goods or services received by the District for which a warrant has not been issued. Expenditures are recorded and liabilities are recognized for outstanding encumbrances at year end in accordance with the regulatory basis of accounting.

Long-Term Liabilities - Long-term liabilities are recognized as a liability of a governmental fund when due, or when resources have been accumulated in the Debt Service Fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. In the Government-Wide Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bonds payable are reported net of the applicable bond premium or discount. Bond premium or discounts on debt qualifying as capital-related debt, is included in calculating the amount that is reported as the net investment in capital assets.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

The District defers and amortizes bond premiums and discounts over the life of the Bonds using the straight-line interest method. Bond issuance costs are not significant and are reported as current year expenditures.

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

Net Positions and Fund Balances - The Government-Wide Financial Statements utilize a net position presentation. Net position on the Statement of Net Position include the following:

Net investment in capital assets - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position, if any. The total unexpended Bond-Capital Purposes is \$28.8 million at June 30, 2024.

Restricted for specific purpose - The component of net position that reports the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources of certain programs should be reported when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

The restricted net position for other programs is made up of the following:

Arbitrage	\$ 180,261
Student activities	5,330,770
Endowment	46,714
Workers compensation	212,378
Total restricted for other programs	\$5,770,124

Unrestricted - This consists of net position that does not meet the definition of restricted net position or net investment in capital assets.

Fund Balances and Equity - Fund balance refers to the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources in the Governmental Funds Balance Sheet.

The District has a Board of Education policy setting the minimum annual General Fund balance of 8.0% of annual revenue. Fund balance consists of five categories, defined in Governmental Accounting Standards Board Statement No. 54, as follows:

Non-spendable - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, permanent fund principal, prepaid items, and long-term receivables.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

Restricted - Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes the child nutrition program, arbitrage, retirement of long-term debt, construction programs, building fund, student activity fund, and other federal and state grants.

Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through formal action at the highest level of decision-making authority. Committed fund balance is reported pursuant to resolution passed by the District's Board of Education.

Assigned - Includes fund balance amounts that are self-imposed by the District to be used for a particular purpose pursuant to the District's Board of Education Policy 6090. This policy dictates that in order to meet the District's financial obligations and provide a contingency for emergencies or unexpected expenditures, the Board establishes an acceptable range for the General Fund year end fund balance.

Based on an analysis of the District's cash flow and the need for a contingency, the targeted minimum annual fund balance for the General Fund is 8.0% of annual revenue. For purposes of this policy, the term "annual revenue" refers to the total amount of annual General Fund collections, excluding the previous year's fund balance, as of June 30. The fund balance can be assigned by the District's Board of Education, the Superintendent, or the Chief Financial Officer.

All other funds will be based on an analysis of cash flow requirements as may be established by state law or regulations.

Unassigned - Includes residual positive fund balances within the General Fund which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District's policy for the application of net position for which both restricted and unrestricted net position is available, restricted net position is considered to have been spent first.

It is the District's policy to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The District's policy for the use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The following information provides the fund balance classifications as shown in the Governmental Funds Balance Sheet as of June 30, 2024:

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
FUND BALANCES					
Nonspendable:					
Inventory	\$ 343,073	-	-	\$ 332,946	\$ 676,019
Permanent fund	-	-	-	40,000	40,000
Restricted for:					
Federal and state					
allocation carryover	4,752,883	-	-	51,533	4,804,416
Capital projects	-	28,879,598	-	-	28,879,598
Debt service	-	-	31,069,501	-	31,069,501
Building	-	-	-	10,766,355	10,766,355
Child Nutrition	-	-	-	7,827,034	7,827,034
Endowment	-	-	-	6,714	6,714
Arbitrage	-	-	-	180,261	180,261
Student activities	-	-	-	5,330,770	5,330,770
Unassigned	39,893,810	-	-	-	39,893,810
TOTAL FUND BALANCES	\$ 44,989,766	\$ 28,879,598	\$ 31,069,501	\$ 24,535,614	\$ 129,474,478

District's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the District to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclose contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Revenues

Local Revenues - Revenue from local sources is the monies generated from within the boundaries of the District and available to the District for its use. 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. These property taxes are distributed to the District's General, Building and Debt Service Funds based on the levies approved for each fund. The County Assessor, upon receipt of the certification of tax levies from the County Excise Board, extends the tax levies on the tax rolls 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 first half of taxes is due prior to January 1. The second half is due prior to April 1.

If the first payment is not made in a timely manner, the entire amount of tax becomes due and payable on January 2. The second half of taxes become delinquent on April 1, of the year following the year of assessment. 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 owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. Other local sources of revenues include tuition, fees, rentals, disposals, commissions and reimbursements.

Intermediate Revenues - Revenue from intermediate sources is from funds collected by an intermediate administrative unit or political subdivision between the District and the state, and distributed to districts in amounts that differ in proportion to those which are collected within such systems.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

State Revenues - Revenue 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.

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 from or additions to the 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. The State Department of Education requires that categorical educational program revenues be accounted for in the General Fund. The aforementioned state revenues are apportioned to the District's General Fund.

Federal Revenues - Federal revenues consist of funds received from the federal government in the form of operating grants or entitlements. An operating grant is a contribution to be used for a specific purpose, activity or facility. A grant may be received either directly from the federal government or indirectly as a pass-through from another government, such as the state. An entitlement is the amount of payment to which the District is entitled pursuant to an allocation formula contained in applicable statutes. The majority of the federal revenues received by the District are apportioned to the General Fund. The District maintains a separate Child Nutrition Fund and the federal revenues received for the child nutrition programs are apportioned there.

Interest Earnings - Represent compensation for the use of financial sources over a period of time.

Other Sources and Non-Revenue Receipts - Other sources represent primarily prior year lapsed encumbrances from the Capital Projects Fund and prior year adjustments. Non-revenue receipts represent receipts deposited into a fund that is not new revenues to the District, but the return of assets.

Expenditures

Instruction Expenditures - Instruction expenditures include the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location, such as a home or hospital, and in other learning situations, such as those involving co-curricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Included here are the activities of teacher assistants of any type (clerks, graders, teaching monitors, etc.) which assist in the instructional process.

The activities of tutors, translators and interpreters would be recorded here. Department chairpersons who teach for any portion of time are included here. Tuition/transfer fees paid to other local education agencies would be included here.

Support Services Expenditures - Support services expenditures provide administrative, technical (such as guidance and health) and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services and enterprise programs, rather than as entities within themselves. These services are designed to assess and improve student well-being and to supplement the teaching process.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 1. Summary of Significant Accounting Policies – cont'd

Operation of Non-Instructional Services Expenditures - Activities concerned with providing non-instructional services to students, staff or the community.

Facilities Acquisition and Construction Services Expenditures - Consists of activities involved with the acquisition of land and buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvements to sites.

Other Outlays Expenditures - A number of outlays of governmental funds are not properly classified as expenditures but still require budgetary or accounting control. These are classified as other outlays. These include debt service payments (principal and interest).

Other Uses Expenditures - This includes scholarships provided by private gifts and endowments, student aid and staff awards supported by outside revenue sources (i.e., foundations), and expenditures for self-funded employee benefit programs administered either by the District or a third-party administrator.

Repayment Expenditures - Repayment expenditures represent checks/warrants issued to outside agencies for refund or restricted revenue previously received for overpayment, non-qualified expenditures and other refunds to be repaid from District funds.

Interfund Transactions - Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services provided and used for reimbursements, are reported as transfers.

Note 2. Cash, Cash Equivalents, and Investments

Maturities of investments as of June 30, 2024 are as follows (000's):

Investment Type	Investment Maturities (In Years, In Millions)		
	% of Portfolio	Fair Value	Less Than 1
Certificates of Deposit/T-Bills	10.86%	\$ 10,433	\$ 10,433
Agency/Treasury Money Market Funds			
GS Financial Sq Government Select	89.14%	85,677	85,677
Total	100.00%	\$ 96,110	\$ 96,110

The District's investment policies are governed by state statute. Permissible investments include direct obligations of the United States government and agencies; certificates of deposit of savings and loan associations, banks, and trust companies; savings accounts or savings certificates of savings and loan associations, banks, and trust companies; warrants, bonds or judgments of the District. Income from investments reported in one fund can be assigned directly to another fund.

Fair Value Measurements - Investments are measured at fair value as defined in GASB Statement No. 72, *Fair Value Measurement and Application*. The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices included within level 1-that are observable for an asset or liability, either directly or indirectly. Level 2 inputs

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 2. Cash, Cash Equivalents, and Investments – cont'd

include: a) quoted prices for similar assets or liabilities in active markets; b) quoted prices for identical or similar assets or liabilities in markets that are not active; and c) inputs other than quoted prices that are observable for the asset or liability, such as: (1) interest rates and yield curves observable at commonly quoted intervals; (2) implied volatilities and (3) credit spreads. Level 3 inputs are significant unobservable inputs.

As of June 30, 2024, all of the District's investments are valued using level 2 inputs. The value determined using quoted prices for similar assets or liabilities in active markets.

Credit Risk - Is the risk that a borrower will default on any type of debt by failing to make required payments. The risk is primarily that of the lender and includes lost principal and interest, disruption to cash flows, and increased collection costs. Fixed-income securities are subject to credit risk. Credit quality ratings are one method of assessing the ability of the issuer to meet its obligation. There is no District policy related to the limitations on credit rating risk. Due to the current economic climate and variable rates for investing, investments were purchased to obtain the highest possible interest rate.

Custodial Credit Risk - Deposits - Is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require collateral for amounts in excess of federally insured amounts. The District's policy 6130 requires collateral equal to 110% of the deposit amount for all deposits not covered by F.D.I.C. insurance. The bank balance was completely covered by federal depository insurance and by collateral held by the District's third-party agent in the District's name. As of June 30, 2024, all of the District's deposits were either covered by federal deposit insurance or were collateralized at 110% of the investment principal.

Custodial Credit Risk - Investments - Is the risk that in the event of failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's policy requires that all investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the investments. As of June 30, 2024, all of the District's investments were either covered by federal deposit insurance or were fully collateralized. Further, all of the District's investments are held by its agent in the District's name. Accordingly, no investments are subject to custodial credit risk.

Concentration of Credit Risk - The District's investment portfolio is diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments. The District's policy 6130 states the District's investment strategy should be based on the following guidelines: safety of principal, liquidity, yield, diversification, maturity, and quality of the investment instrument.

Interest Rate Risk - Is the risk that changes in interest rates will adversely affect the fair market value of an investment. Due to the required liquidity for those investments, these funds have no defined maturity dates. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates but monitors investment performance on an ongoing basis to limit the District's interest rate risk.

Foreign Currency Risk - As of June 30, 2024, the District does not hold any foreign currency investments in the investment portfolio.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 2. Cash, Cash Equivalents, and Investments – cont'd

Cash - The District's bank balance of deposits, cash pools (sweep accounts) and high balance savings at June 30, 2024, was \$49,431,632 of which \$19,946,061 is obligated for outstanding checks.

Investments & Investment Authority - The District Treasurer is required by the Board to invest District monies in the custody of the Treasurer in those investments permitted by law. The Treasurer shall, to the extent practicable, use competitive bids when purchasing direct obligation of the United States Government or other obligations of the United States Government, its agencies or instrumentalities.

The District Treasurer shall limit investments to:

- Direct obligations of the United States Government to the payment of which the full faith and credit of the Government of the United States is pledged; provided the District Treasurer, after completion of an investment education program in compliance with applicable law, may invest funds in the investment account in other obligations of the U.S. Government, its agencies or instrumentalities;
- Obligations to the payment of which the full faith and credit of this state is pledged;
- Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as in the deposit of other public monies;
- Savings accounts or savings certificates of savings and loan associations to the extent that such accounts or certificates are fully insured by the Federal Savings and Loan Insurance Corporation;
- Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 and 2 above, including obligations of the United States, its agencies and instrumentalities, and where the collateral has been deposited with a trustee or custodian bank in an irrevocable trust or escrow account established for such purposes;
- County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value;
- Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities, and investments in those items and those restrictions specified in paragraphs 1 through 6 above;
- Warrants, bonds, or judgments of the District;
- Qualified pooled investment programs through an interlocal cooperative agreement formed pursuant to applicable law and to which the Board of Education has voted to be a member, the investment of which consist of those items specified in paragraphs 1 through 8 above, as well as obligations of the United States, its agencies and instrumentalities; or
- Any other investment that is authorized by law.

At June 30, 2024, the District's investments consisted of certificates of deposits and United States Treasury Bills with an approximate fair market value of \$96.1 million.

Note 3. Receivables

The major receivables for governmental activities are federal revenue and taxes receivables. Amounts are aggregated into a single accounts receivable (net of allowance for uncollectible) line for governmental funds. The majority of the receivable balance is attributable to Due from Other Governments. The District participates in a variety of federal and state programs which it receives grants to partially or fully finance certain activities.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 3. Receivables – cont'd

At June 30, 2024, \$90,025,946 of receivables were considered to be unavailable and were recorded as deferred inflows of resources in governmental funds. Amounts due from federal governments as of June 30, 2024 are presented in the following table. Other receivables were the result of child nutrition catering charges, and building rental amounts not received as of June 30, 2024. These amounts are expected to be collected within the next fiscal year.

Interfund Receivables, Payables and Transfers - Interfund activities among governmental funds and between governmental funds and proprietary funds, which are due within one year, appear as due to/due from other funds on the Governmental Fund Balance Sheet. They also appear on the Proprietary Fund Statement of Net Position and as other financing sources and uses on the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance as well as the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position. These amounts, except for amounts from Fiduciary Funds, are eliminated from the Government-Wide columns of the Statement of Net Position.

Interfund receivables and payables represent amounts involving both reciprocal interfund activity and interfund reimbursements for repayment of expenditures or expenses to the fund that initially paid for them. Any unpaid balance at the end of the fiscal year is reported as an interfund receivable and/or payable. Any outstanding balances between funds results mainly from the time lag between the dates (1)

interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. There were no outstanding interfund receivables or payables as of June 30, 2024.

Receivables at June 30, 2024, all due within one year, for the District's Governmental and Proprietary funds, in detail, are as follows:

Receivables:	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Funds	Total Governmental Funds
Due from other governments					
Local - current year property tax	\$ 97,391	-	\$ 74,414	\$ 13,910	\$ 185,716
Local - succeeding year property tax	45,933,458		37,389,511	6,559,961	89,882,930
Property taxes-delinquent	1,282,884	-	963,489	183,180	2,429,553
Federal	4,752,883	-	-	51,533	4,804,416
Interest	-	9,046	14,935	280	24,261
Other Receivables	2,569	-	-	-	2,569
Gross Receivables:	52,069,184	9,046	38,442,349	6,808,865	97,329,445
Less: Allowance for uncollectible property tax	(1,185,157)	-	(932,980)	(168,400)	(2,286,536)
Net Receivables:	<u>\$ 50,884,027</u>	<u>\$ 9,046</u>	<u>\$ 37,509,370</u>	<u>\$ 6,640,465</u>	<u>\$ 95,042,908</u>

The Government-Wide Financial Statements also include other receivables of approximately \$26.6 million for amounts available to draw down on the lease revenue bond (see Note 10). These funds under the lease revenue bond are reported as a receivable for future construction in progress.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance				Ending Balance
	June 30, 2023	Increases	Transfers	Adjustments **	June 30, 2024
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 18,252,998	\$ -	\$ 6,050,850	\$ -	\$ 24,303,848
Construction in progress	134,992,389	24,422,068	(20,109,723)	-	139,304,733
Total capital assets not being depreciated:	153,245,387	24,422,068	(14,058,874)	-	163,608,581
Capital assets being depreciated/amortized:					
Subscription Assets	1,168,844	1,228,294	-	(491,506)	1,905,632
Land Improvements	5,334,533	382,397	2,148,710	-	7,865,640
Buildings and Building Improvements	387,198,504	1,139,587	11,910,163	-	400,248,255
Furniture and Equipment	53,096,473	3,590,237	-	(1,566,923)	55,119,788
Total capital assets being depreciated/amortized:	446,798,355	6,340,515	14,058,874	(2,058,429)	465,139,315
Total Assets	600,043,742	30,762,582	-	(2,058,429)	628,747,896
Less: Accumulated depreciation/amortization for:					
Subscription Amortization	(950,159)	(476,668)	-	491,506	(935,321)
Land Improvements	(1,818,182)	(372,266)	-	-	(2,190,447)
Buildings and Building Improvements	(95,380,010)	(13,635,839)	-	-	(109,015,849)
Furniture and Equipment	(41,657,893)	(2,805,324)	-	815,297	(43,647,920)
Total accumulated depreciation/amortization:	(139,806,243)	(17,290,097)	-	1,306,803	(155,789,537)
Net Assets All Funds:	\$ 460,237,499	\$ 13,472,486	\$ -	\$ (751,626)	\$ 472,958,359
** Adjustments: Retirements/Disposals/Corrections within classification of assets. (figures may be different due to rounding)					

Depreciation/amortization expense was charged to governmental functions as follows:			
	Depreciation/Amortization		
Governmental Activities:	Expense:	Adjustments:	Balance:
Instruction	\$ 6,256,277	\$ -	\$ 6,256,277
Support Services - Students and Staff	325,617	-	325,617
Instructional Support Services	624,494	-	624,494
Administrative Support Services	206,716	-	206,716
Operations and Maintenance of Plant Services	1,038,918	-	1,038,918
Transportation	1,185,410	(338,629)	846,781
Operation of Non-instructional Services	7,652,665	(968,174)	6,684,491
Total Depreciation/Amortization:	\$ 17,290,097	\$ (1,306,803)	\$ 15,983,293

Note 5. General Long-Term Debt

State statutes prohibit 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 of the date of issue, however, the District typically pays all bonds within 5 to 10 years of the date of issue.

General long-term debt of the District consists of building bonds payable and net pension liability. Debt service requirements for bonds are paid solely from the fund balance and the future revenues of the Debt

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 5. General Long-Term Debt – cont'd

Service Fund. The District primarily liquidates debt through the Debt Service Fund. The net pension liability will be liquidated in future years by the General Fund.

The following is a summary of the long-term debt transactions, with deductions, which includes premium on bonds sold for the District for the year ended June 30, 2024:

	2023	Additions	Deductions	Adjustment	2024	Due in One Year
Governmental activities						
Bonds payable	\$109,985,000	\$ 21,800,000	\$ (16,095,000)	\$ -	\$115,690,000	\$ 39,580,000
Premium on debt issuance	270,610	161,278	(14,958)	-	416,930	232,694
Total	<u>\$110,255,610</u>	<u>\$ 21,961,278</u>	<u>\$ (16,109,958)</u>	<u>\$ -</u>	<u>\$116,106,930</u>	<u>\$ 39,812,694</u>

In compliance with GASB Statement No. 62-187, the District amortizes all premiums on bonds sold. The amortization for the 2023-24 fiscal year was \$14,958, which reduces long-term interest expense.

During the 2023-24 year, the District passed a new bond aimed at addressing critical facility needs, technology upgrades, and enhancing security and transportation, issuing \$8.8 million in General Obligation Combined Purpose Bonds Series 2024, in March of 2024 in order to begin work on these projects. The passage of this new bond allowed the millage rate to remain consistent due to an increase in valuation, resulting in no tax increase for residents. The District also issued an additional \$13 million in General Obligation Combined Purpose Bonds Series 2024 in April 2024 for repayment on Lease Revenue Bond series, as well as to further fund annual department allocations such as instruction, technology, maintenance, transportation, fine arts, and athletics.

Between 2019 and 2023, the District issued a combined total of \$167.5 million in General Obligation Combined Purpose Bonds for various projects and new construction consisting of: two new elementary schools, a new Vo-Ag facility at the High School, new HVAC equipment, purchase of instructional software/equipment, new transportation equipment/buses, renovation projects at multiple sites, technology updates/developments, copiers, athletic department upgrades, fuel station upgrades, new work vehicles, two new Pre-K buildings, construction on Kirkland facility, and the purchase additional music equipment.

Bonds sold at discounts decrease the carrying value of the bond, and bonds sold at a premium increase the carrying value. The discount or premium is then amortized as an increase or decrease, respectively, to the coupon interest payment in reporting interest expense. Interest expense on general long-term debt during the 2023-24 fiscal year totaled \$2.7 million. Amortization on bond premiums for the year ended June 30, 2024 increased long-term interest expense per GASB, Statement No. 23.

The annual debt service requirements, including payment of principal and interest outstanding are:

Fiscal Year	Principal	Interest	Total
Outstanding			
2024-2025	\$ 39,580,000	\$ 688,042	\$ 40,268,042
2025-2026	39,830,000	1,263,765	41,093,765
2026-2027	23,530,000	792,405	24,322,405
2027-2028	9,500,000	422,875	9,922,875
2028-2029	3,250,000	147,875	3,397,875
Total	<u>\$ 115,690,000</u>	<u>\$ 3,314,962</u>	<u>\$ 119,004,962</u>

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 5. General Long-Term Debt – cont'd

A brief description of the outstanding long-term debt at June 30, 2024, is set forth below:

	<u>Amount Outstanding</u>
General Obligation Bonds, Series 2020, original issue \$15,200,000 Dated 4-01-2020, interest rate of 1.75%, due in annual Installments of \$3,800,000, final payment of \$3,800,000 Due 4-01-2025	\$ 3,800,000
General Obligation Bonds, Series 2021, original issue \$30,000,000 Dated 4-01-2021, interest rate of 1.00%, due in annual Installments of \$7,500,000, final payment of \$7,500,000 Due 4-01-2026	15,000,000
General Obligation Bonds, Series 2022, original issue \$46,885,000 Dated 5-01-2022, interest rate of 3.50%, due in four Installments of \$4,795,000, \$14,030,000, \$14,030,000, and Final payment of \$14,030,000 due 5-01-2027	42,090,000
General Obligation Bonds, Series 2023A, original issue \$8,000,000 Dated 3-01-2023, interest rate of 4.50%, due in annual Installments of \$8,000,000, final payment of \$8,000,000 Due 3-01-2025	8,000,000
General Obligation Bonds, Series 2023B, original issue \$25,000,000 Dated 4-01-2023, interest rate of 5.00%, due in annual Installments of \$6,250,000, final payment of \$6,250,000 Due 4-01-2028	25,000,000
General Obligation Bonds, Series 2024A, original issue \$8,800,000 Dated 3-01-2024, interest rate of 4.50%, due in annual Installments of \$8,800,000, final payment of \$8,800,000 Due 3-01-2026	8,800,000
General Obligation Bonds, Series 2024B, original issue \$13,000,000 Dated 4-01-2024, interest rate of 4.75%, due in annual Installments of \$3,250,000, final payment of \$3,250,000 Due 4-01-2029	13,000,000
TOTAL	<u>\$ 115,690,000</u>

Note 6. Employee Retirement System and Plan

General Information about the Pension Plan

Description of Plan - The District participates in the state-administered Oklahoma Teachers' Retirement System (OTRS), a cost sharing, multiple-employer defined benefit public employee retirement system (PERS), administered by the Board of Trustees of the Oklahoma Teachers' Retirement System (the "System"). The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Statutory authority for the Board of Trustees is Title 70, Oklahoma Section 17-106 [70 O.S. 17-106]. These statutes may be amended only through legislative action.

The Oklahoma Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information as well as actuarial reports at <https://oklahoma.gov/TRS.html>. That report may also be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53524, Oklahoma City, OK 73152-3524, or by calling 877-738-6365.

Benefits Provided - OTRS provides retirement, disability, and death benefits. Retirement benefits are determined as 2.0% of final average salary times the employee's years of service. Combination 80 clients (joined prior to 7/1/92) use their highest three salaries in the average salary calculation. Combination 90 and Combination 90/Minimum Age 60 clients use their highest consecutive five salaries in the average salary calculation.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 6. Employee Retirement System and Plan – cont'd

Employees who joined the system prior to November 1, 2017 are fully vested after 5 years of contributory Oklahoma membership service. Those who join on or after November 1, 2017 are fully vested after 7 years of contributory Oklahoma membership service and may choose to take an early, reduced retirement benefit, or stay to qualify for a regular, unreduced retirement benefit.

Employees are eligible for service-related disability when they have at least 10 years of Oklahoma Contributory Service. The same rules apply to nonservice-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The retirement plan provides a lifetime benefit to client in addition to a \$5,000 death benefit paid to the surviving beneficiary(ies).

Employees Covered - At June 30, 2024, the following employees were covered by the benefit terms for each plan:

	Governmental Funds
Inactive employees or beneficiaries currently receiving benefits	38
Active employees participating in the plan	2,341
Total	2,379

Contributions - Per Article 17 of the state of Oklahoma statutes, contribution requirement of the active employees and the District are established and may be amended by the OTRS Board. Employees are required to contribute 7.0% of their annual pay. The District's contractually required contribution rate for the year ended June 30, 2024, was 9.5% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District's total contribution to OTRS in 2024 was \$10.7 million.

The state contributes on behalf of each teacher meeting minimum salary requirements (known as the OTRS year of service credit). The state is also required to contribute to the Oklahoma Teachers' Retirement System on behalf of the participating employers. For 2024, the state of Oklahoma contributed 5.25% of sales taxes, use taxes, corporate income taxes, individual income taxes, and lottery proceeds to OTRS on behalf of participating employers. The District has estimated the amounts contributed to OTRS by the state on its behalf based on a contribution rate provided to the District. For the year ended June 30, 2024, the total amount contributed to OTRS by the state of Oklahoma on behalf of the District was approximately \$9.2 million. In accordance with generally accepted accounting practices, the District recognized the on-behalf-of payments as revenue and expense/expenditure in the Government-Wide and Fund Financial Statements. These on-behalf payments do not meet the definition of a special funding situation.

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

At June 30, 2024, the District reported a net pension liability of \$138.3 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 6. Employee Retirement System and Plan – cont'd

The District's proportion of the net pension liability was based on the District's contributions to OTRS relative to total contributions of OTRS for all participating employers for the year ended June 30, 2023. Based upon this information, the District's proportion was 1.79561438 percent.

For the period ended June 30, 2024, the District recognized pension expense, net of changes in the amount of \$(6.3) million for FY24. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,257,600	\$ (2,694,173)
Changes of assumptions	5,621,608	-
Net difference between projected and actual investment earnings on pension plan investments	9,683,484	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	10,773,454	
Total	\$ 28,336,147	\$ (2,694,173)

Deferred pension outflows totaling approximately \$10.7 million resulting from the District's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. The net deferred pension inflows totaling approximately \$2.7 million will be recognized in pension expense using the average expected remaining life of the plan. The average expected remaining life of the plan is determined by taking the calculated total future service years of the plan divided by the number of people in the plan including retirees.

The total future service years of the plan are estimated at 5.4 years at June 30, 2023 and are determined using the mortality, termination, retirement, and disability assumptions associated with the plan.

Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended June 30:	Amount
2024	\$ 5,897,401
2025	(2,208,445)
2026	11,995,581
2027	(679,461)
2028	(136,557)
Total	\$ 14,868,520

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 6. Employee Retirement System and Plan – cont'd

Actuarial Cost Method	- Entry Age Normal
Amortization Method	- Level Percentage of Payroll
Remaining Amortization Period	- 14 years
Asset Valuation Method	- 5-year smoothed market
Inflation	- 2.25%
Salary Increases	- Composed of 2.25% inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.
Investment Rate of Return	- 7.00 %, net of expenses and compounded annually
Retirement Age	- Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five year experience study for the period ending June 30, 2019.
Mortality	- 2020 GRS Southwest Region Teacher Mortality Table for males and females. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020.

Mortality rates after retirement were based on the 2020 GRS Southwest Region Teacher Mortality Table for Males and Females, as appropriate, with adjustments for generational mortality improvements based on the Ultimate MP scales from the year 2020. Mortality rates for active members were based on Pub-2010 Teachers Active Employee Mortality Table, with adjustments for generational mortality improvements based on the Ultimate MP scales for the year 2010.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study, dated July 15, 2020, for the period July 1, 2014-June 30, 2019 and in conjunction with the five-year experience study for the period ending June 30, 2019.

Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension

plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of the June 30, 2023 actuarial, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38.3%	4.6%
International Equity	16.7%	5.2%
Domestic Fixed Income	22.0%	1.8%
Real Estate**	10.0%	4.4%
Private Equity	8.0%	7.3%
Private Debt	5.0%	5.3%
Total	100.0%	
** The Real Estate total expected return is a combination of Core Real Estate (25% leverage) and Non-Core Real Estate (100% leverage).		

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 6. Employee Retirement System and Plan – cont'd

Discount Rate - The single discount rate used to measure the total pension liability was 7.0%. The single discount rate was based solely on the expected investment rate of return on pension plan investments of 4.9%. The projection of cash flows used to determine the discount rate assumed the pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption - The following table provides the sensitivity of the net pension liability to changes in the discount rate as of the June 30, 2023 actuarial report. In particular, the table presents the plan's net pension liability, if it were calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the single discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	\$ 199,866,555	\$ 138,378,571	\$ 87,475,846

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position and changes in net pension liability is available in the separately issued OTRS financial report.

Other Post-Employment Benefits (OPEB)

The Oklahoma Teachers' Retirement System pays between \$100 and \$105 per month, depending on the members' years of service and final average compensation, to the Employees Group Insurance Division

(EGID) of the Office of Management and Enterprise Services (OMES), for each retiree who elects to obtain health insurance coverage through EGID. The District retains no obligation for this benefit and performs no administrative functions related to the health insurance coverage provided through EGID.

Note 7. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District purchases commercial insurance to cover these risks, including general and auto liability, property damage, and public officials' liability. Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years. The District is self-insured for its workers' compensation coverage.

The District utilizes Consolidated Benefits Resources, LLC (CBR), to provide services for workers' compensation claims and administration. CBR will operate a claims management program for the prevention, investigation, processing, accounting and payment of workers' compensation claims. The District's General Fund pays for claims as they are incurred. As of June 30, 2024, CBR has reported an outstanding reserve for the District to be \$240,940. In order to mitigate the risk associated with this program, the District reserves and restricts a percentage of the fund balance. For 2023-24, this amount was \$0.5 million for general activities.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 7. Risk Management – cont'd

Commercial policies in force during the year contained the following deductibles:

Property, Fire and Extended Coverage	\$	100,000
Flood & Earthquake	\$	50,000
Automotive & General	\$	1,000
School Leader Legal	\$	25,000
Wind/Hail		3% of building value

Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years. The District has purchased specific excess and aggregate excess workers' compensation and employers' liability insurance so the District's liability for claim loss is limited.

Note 8. Commitments and Contingencies

Encumbrance accounting is utilized to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Encumbrances represent commitments related to unperformed contracts for goods or services. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$	820,105
Building Fund - nonmajor fund		396,687
Child Nutrition Fund - nonmajor fund		46,893
Workers Comp Fund		22,146
Total	\$	<u>1,285,831</u>

Federal Grants - Amounts received or receivable from grant 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 amounts, 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.

Litigation - The District is defendant in various 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 Debt Service Fund over a three-year period pursuant to state law.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may establish 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 believes such amounts, if any, to be immaterial.

As of June 30, 2024, the District had outstanding commitments (contracts and purchase orders), of approximately \$1.2 million primarily for supplies and equipment. Construction in progress had \$139.3 million in outstanding projects not completed. These projects consist of construction of an eighth-grade academy, planning for elementary classroom additions, renovations to school buildings, flooring upgrades, and the final stages of construction on a multipurpose event center.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 8. Commitments and Contingencies – cont'd

In certain circumstances and occasions, the District is party to legal proceedings which arise in the normal event of operations. Any liability resulting from these accounts is not believed, by management, to have a material effect on the financial statements.

Arbitrage - Rebatable arbitrage is defined by Internal Revenue Code, Section 148, as earning on investments purchased with the gross proceeds of a bond issue in excess of the amount that would have been earned if the investments were invested at a yield equal to the yield on bond issue. The rebatable arbitrage must be paid to the federal government.

State agencies and institutions of higher education responsible for investment from bond proceeds carefully monitor their investments to restrict earnings to a yield less than the bond issue, and, therefore, limit any arbitrage liability. The District estimates that rebatable arbitrage liability, if any, will be immaterial to its overall financial condition.

Note 9. Tax Abatements

Tax abatements are reduction in tax revenues that result from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. The District is subject to tax abatements granted by other governments only.

For the fiscal year ended June 30, 2024, the District is subject to tax abatements granted by the State of Oklahoma - Oklahoma Tax Commission (Tulsa County). Ad valorem exemptions are available for capital investments made by certain types of companies provided that qualified investment exceeds \$250,000 within the calendar year, and the company complies with certain payroll thresholds; qualifications are sometimes industry specific.

County property taxes were reduced under the agreements entered into by the State of Oklahoma – Oklahoma Tax Commission. All information within the records of the State of Oklahoma Tax Commission is considered confidential unless public disclosure is provided for by law. The Oklahoma Tax Commission provides only those data sources which they deemed were authorized for release under state law.

The Oklahoma Tax Commission declines to provide any information about the breakdown of the exemption by value or type of investment made.

The District also is subject to tax abatements granted by the City of Broken Arrow through its Retail Incentive Policy with the stated purpose of stabilizing and enhancing the city's sales tax base and to incentivize the eligible retail businesses that are included in a mixed-use development. The forms of incentive are to provide infrastructure improvements, assistance with public processes, site acquisition of property for public infrastructure, sales tax rebates on a limited basis, and participation in the State of Oklahoma's Quality Jobs Program. Incentives are based on the estimated amount of new city sales taxes generated that can be reasonably defined and determined to result from new development.

There is no Tax Incentive District (TID) in Broken Arrow City or school district. Broken Arrow Public Schools has three Tax Increment Financing (TIF) Districts, which include Broken Arrow FlightSafety and Downtown

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 9. Tax Abatements – cont'd

Economic Development District No. One, Broken Arrow-Wagoner County TIF District No. Two, and South Broken Arrow Economic Development District No. Three.

The following table relevant to disclosure of these programs includes the following:

Fiscal Year Ended June 30, 2024	Base Value of Assets during the Fiscal Year	Total TIF Increment Assessed Value	Amount of Abatements during the Fiscal Year
Tax Abatement Program (TIF)			
City of Broken Arrow:			
Broken Arrow FlightSafety and Downtown Economic Development District No. One	\$ 4,857,612	\$ 15,088,112	\$ 1,039,118
Broken Arrow - Wagoner County TIF District No. Two	1,633	469,081	\$ 32,170
South Broken Arrow Economic Development District No. Three	363,421	71,228	\$ 4,905
County Board of Commissioners:			
Indian Housing Authority Owned Properties	6,300	623,629	42,949
Total	\$ 5,228,966	\$ 16,252,050	\$ 1,119,143

25 U.S. Code § 4111 and Oklahoma Senate Bill 1706 as amended by Senate Bill 1546 - Reference for Indian Housing Authority - Cooperation & Payment in Lieu of Tax. "The Principal Chief of the tribe [acts] on behalf of the Division of Housing [of low-income housing] to enter into local cooperation agreements and in lieu of tax agreements [with the Tulsa County Board of Commissioners]." The Indian Housing Authority provides a list of all qualifying properties to the Tulsa County Assessor's Office to reflect the ad valorem exempt status no later than December 31 of each year.

Note 10. Conduit Debt Obligations (Lease Revenue Bonds)

Lease Revenue Bonds is an important method for the District to address immediate needs for capital acquisitions while working within the constraints of the District's debt capacity. Ownership of any property constructed with these Lease Revenue Bonds does not occur until the agreed payments have been made.

Prior to the adoption of GASB Statement 91, implemented as of June 30, 2023, the District reported lease revenue bonds issued by the Tulsa County Industrial Authority for the benefit of the District as a footnote to the financial statements only. However, GASB Statement 91, *Conduit Debt Obligations*, now requires annual escrow account receivables of Lease Revenue Bonds and their corresponding lease payments to be treated as assets and liabilities within the financial statements, respectively, rather than a liability of the Authority.

In March 2016, the Tulsa County Industrial Authority issued \$65.3 million of Educational Facilities Lease Revenue Bonds, Series 2016, to provide funds required for the constructing, equipping, repairing and remodeling school buildings, acquiring school furniture, fixtures and equipment and acquiring and improving school sites for the benefit of the Broken Arrow School District.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 10. Conduit Debt Obligations (Lease Revenue Bonds) – cont'd

The Tulsa County Industrial Authority issued additional Educational Facilities Lease Revenue Bonds (Broken Arrow Public School Project Series) in subsequent years as follows:

- March 1, 2019, issued \$77.4 million, Series 2019
- December 1, 2021, issued \$75.6 million, Series 2021

The following is a summary of the long-term debt transactions associated with the District's Lease Revenue Bonds, with deductions, which includes premium on bonds sold for the District for the year ended June 30, 2024:

	2023	Additions	Deductions	Adjustment	2024	Due in One Year
Governmental activities						
Lease Revenue bonds payable	\$213,718,000	\$ -	\$ (18,903,000)	\$ -	\$194,815,000	\$ 6,465,500
Premium on debt issuance	(32,019,678)	-	2,604,800	-	(29,414,878)	930,916
Total	\$181,698,322	\$ -	\$ (16,298,200)	\$ -	\$165,400,122	\$ 7,396,416

Broken Arrow Public Schools will gain ownership to the capital improvements incrementally as each payment is made. The remaining lease revenue bond payments will be as follows:

Year ending June 30	Total Payments	Less Interest	Principal
2025	\$ 12,175,559	\$ (5,710,059)	\$ 6,465,500
2026	\$ 24,881,915	\$ (2,496,415)	\$ 22,385,500
2027	\$ 26,128,458	\$ (1,255,458)	\$ 24,873,000
2028	\$ 35,820,000		\$ 35,820,000
2029	\$ 22,885,000		\$ 22,885,000
2030-2034	\$ 82,386,000		\$ 82,386,000
Totals	\$ 204,276,932	\$ (9,461,932)	\$ 194,815,000

A trustee bank holds the proceeds of each lease revenue bond issue in escrow and makes payments after authorization from the District's Board of Education. Amounts held by the trustee and available for draw down are recorded as an "other receivable" in the Government-Wide Financial Statements.

As of June 30, 2024, amounts available in escrow for construction totaled approximately \$26.6 million.

Note 11. Subscription-Based Information Technology Arrangements

With the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, implemented as of June 30, 2023, the District has identified and reported several subscription-based information technology arrangements (SBITAs) as outlined in detail below.

SBITAs can be defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 11. Subscription-Based Information Technology Arrangements – cont'd

transaction. SBITAs result in right-to-use subscription assets – an intangible asset – and a corresponding subscription liability that are recorded within the District's financial statements.

The following is a summary of the long-term liabilities associated with the District's subscription-based information technology arrangements, with deductions, which includes amortization expense for the District for the year ended June 30, 2024:

	2023	Additions	Deductions	Adjustment	2024	Due in One Year
Governmental activities						
Subscription liability	\$ 405,276	\$ -	\$ -	\$ -	\$ 405,276	\$ 197,696
Subscription interest expense	30,643	-	-	-	30,643	20,264
Total	\$ 435,919	\$ -	\$ -	\$ -	\$ 435,919	\$ 217,960

The future principal and interest subscription payments as of June 30, 2024 are as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total Payment
2025	\$ 197,696	\$ 20,264	\$ 217,960
2026	207,581	10,379	217,960
Total	\$ 405,276	\$ 30,643	\$ 435,919

The majority of the District's subscription-based information technology arrangements are prepaid; therefore, no liability is recorded for those arrangements.

Depreciation and amortization of all exhaustible capital assets and SBITAs are charged as an expense against their operations and are calculated using the straight-line method over the useful life of the asset or subscription agreement as provided:

	Useful Life	Threshold
Buildings and structures	10-50 years	\$5,000
Improvements	10-20 years	\$5,000
Equipment and vehicles	10-15 years	\$5,000
Furniture and fixtures	5-20 years	\$5,000
Subscription arrangements	3-5 years	\$5,000

For the year ended June 30, 2024, the District is entered into the following subscription-based information technology arrangements with the right to use the subscription assets:

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

Note 11. Subscription-Based Information Technology Arrangements – cont'd

Description	Term Begin Date	Term End Date	Interest Rate	Subscription Liability	
				Original Amount	Liability as of June 30, 2024
Infinite Campus Student Information System	May 19, 2023	June 30, 2026	5.00%	691,286	405,276

Description	Term Begin Date	Term End Date	Interest Rate	Right to Use Subscription Assets		
				Original Amount	Accumulated Amortization June 30, 2024	Net Balance June 30, 2024
Infinite Campus Student Information System	May 19, 2023	June 30, 2026	5.00%	\$ 691,286	\$ 230,429	\$ 460,857
Imagenet Laserfiche Document Imaging	July 1, 2019	June 30, 2026	5.00%	166,221	152,326	13,895
Touma Inc ASAP Systems Barcloud Assets	January 15, 2024	January 14, 2029	5.00%	28,167	2,436	25,731
Ivanti Payment Resources Landesk Software	July 1, 2023	June 30, 2026	5.00%	249,968	46,655	203,313
Total				\$ 1,135,642	\$ 431,847	\$ 703,795

Note 12. New Pronouncements

New Accounting Pronouncements Adopted in Fiscal Year 2024: A description of the new accounting pronouncements applicable to the District, the fiscal year in which they are effective, and the District's consideration of the impact of these pronouncements are described below:

- ✓ GASB issued Statement No. 100, *Accounting Changes and Error Corrections, issued June 2022*. This Statement provides guidance on the accounting and financial reporting requirements for accounting changes and error corrections. The requirements of this Statement are effective for periods beginning after June 15, 2023. The District has considered the requirements of this statement in the 2024 fiscal year.
- ✓ GASB issued Statement No. 101, *Compensated Absences, issued June 2022*. This Statement updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for periods beginning after December 15, 2023. The District has considered the requirements of this statement in the 2024 fiscal year.

New Accounting Pronouncements Issued Not Yet Adopted: The GASB has issued new accounting pronouncements, which will be effective for the District in future fiscal years. Descriptions of the new accounting pronouncements are described below:

- ✓ GASB issued Statement No. 102, *Certain Risk Disclosures, issued December 2023*. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024. GASB 102 will be implemented in the District's fiscal year 2025 financial statements and the impact has not yet been determined.



REQUIRED SUPPLEMENTARY INFORMATION





Broken Arrow Public Schools
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Year Ended June 30, 2024
Last 10 Years

	As of June 30, 2023	As of June 30, 2022	As of June 30, 2021	As of June 30, 2020	As of June 30, 2019	As of June 30, 2018	As of June 30, 2017	As of June 30, 2016	As of June 30, 2015	As of June 30, 2014
Proportion of the net pension liability	1.80%	1.70%	1.69%	1.71%	1.68%	1.87%	1.65%	1.66%	1.65%	1.64%
Proportionate share of the net pension liability	\$ 138,378,571	\$ 139,595,682	\$ 86,224,222	\$ 162,042,745	\$ 111,231,171	\$ 112,724,156	\$ 109,466,199	\$ 138,929,572	\$ 100,474,905	\$ 88,199,969
Covered payroll	\$ 97,358,942	\$ 92,125,206	\$ 83,743,622	\$ 82,834,160	\$ 77,390,247	\$ 67,298,802	\$ 70,027,104	\$ 71,777,099	\$ 70,566,602	\$ 67,558,937
Proportionate share of the net pension liability as percentage of covered payroll	142.13%	151.53%	102.96%	195.62%	143.73%	167.50%	156.32%	193.56%	142.38%	130.55%
Plan's fiduciary net position	\$(104,815,135)	\$(107,139,770)	\$(116,592,945)	\$ (99,494,722)	\$(103,897,040)	\$(105,194,365)	\$ (99,873,967)	\$ (99,543,391)	\$(112,981,726)	\$ (81,317,541)
Plan fiduciary net position as a percentage of the total pension liability	75.75%	76.75%	135.22%	61.40%	93.41%	93.32%	91.24%	71.65%	112.45%	92.20%

See Independent Auditors' Report



Broken Arrow Public Schools
Required Supplementary Information
Schedule of District's Pension Plan Contributions
Year Ended June 30, 2024
Last 10 Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 10,007,435	\$ 9,228,466	\$ 8,311,644	\$ 8,300,884	\$ 7,831,480	\$ 7,675,902	\$ 8,055,978	\$ 7,072,456	\$ 6,902,353	\$ 6,656,684
Contributions in relation to the actuarially determined contributions	10,007,435	9,228,466	8,311,644	8,300,884	7,831,480	7,675,902	8,055,978	7,072,456	6,902,353	6,656,684
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$112,235,984	\$ 97,358,942	\$ 92,125,206	\$ 83,743,622	\$ 82,834,160	\$ 77,390,247	\$ 67,298,802	\$ 70,027,104	\$ 71,777,099	\$ 70,566,602
Contributions as a percentage of covered payroll	8.92%	9.48%	9.02%	9.91%	9.45%	9.92%	11.97%	10.10%	9.62%	9.43%
Notes to schedule:										
The District's statutorily required contribution rate:	9.50%									
Valuation date:	6/30/2016									
Actuarial Cost Method	Entry Age Normal									
Amortization Method	Level Percentage of Payroll									
Amortization Period	Amortization over a 20-year period beginning July 1, 2016									
Asset Valuation Method	5-year smoothed market									
Inflation	2.25%									
Salary increases	3.75%, average, including inflation									
Investment rate of return	7.00%, net of expenses and compounded annually									
Payroll growth rate	2.75% per year									
Mortality	2020 GRS Southwest Region Teacher Mortality Table									

See Independent Auditors' Report



Broken Arrow Public Schools
Required Supplementary Information - Unaudited
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
Budgeted Governmental Fund Types - General Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Non-GAAP Actual	Variances - Positive (Negative)
REVENUES				
Local sources	\$ 47,654,004	\$ 46,819,027	\$ 50,314,777	\$ 3,495,751
Intermediate sources	7,046,374	7,046,374	7,033,270	(13,105)
State sources	100,528,149	102,092,599	103,389,913	1,297,315
Federal sources	12,621,455	8,223,651	10,842,584	2,618,933
Other sources	2,110,375	1,509,681	2,462,393	952,712
TOTAL REVENUES	169,960,357	165,691,331	174,042,937	8,351,606
EXPENDITURES				
Instruction	90,042,048	104,122,125	100,962,499	3,159,625
Support services				
Student	19,358,920	16,724,501	16,605,323	119,177
Instructional staff	13,477,419	8,295,927	8,051,858	244,069
Administration	32,516,299	23,014,863	22,444,655	570,208
Operation and maintenance	13,500,000	15,604,469	15,577,870	26,599
Student transportation	8,500,000	9,067,231	8,948,612	118,619
Non-instructional services				
Child nutrition operations	-	106,827	106,827	-
Community services operations	2,000,000	2,335,832	2,334,802	1,031
Other	605,314	728,225	728,225	-
TOTAL EXPENDITURES	180,000,000	180,000,000	175,760,671	4,239,329
EXCESS REVENUES (EXPENDITURES)	(10,039,643)	(14,308,669)	(1,717,734)	12,590,934
FUND BALANCE AT BEGINNING OF YEAR	41,511,584	41,511,584	41,511,584	-
FUND BALANCE AT END OF YEAR	\$ 31,471,941	\$ 27,202,916	\$ 39,793,850	\$ 12,590,935
ADJUSTMENTS TO CONFORM WITH GAAP				
Receivables at end of year			4,852,843	
Inventory			343,073	
FUND BALANCE AT END OF YEAR (GAAP BASIS)			\$ 44,989,766	

See Notes to the Required Supplementary Information

BROKEN ARROW PUBLIC SCHOOLS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

Note 1. Budgets and Budgetary Accounting

Budgetary Comparison Schedule

The District is required by state law to prepare an annual budget. A preliminary budget must be submitted to the Board of Education by December 31, for the fiscal year beginning the following July 1. If the preliminary budget requires an additional levy, the District must hold an election on the first Tuesday in February to approve the levy. If the preliminary budget does not require an additional levy, it becomes the legal budget. If an election is held and the taxes are approved, then the preliminary budget becomes the legal budget. If voters reject the additional taxes, the District must adopt a budget within the approved tax rate.

A budget is legally adopted by the Board of Education for the General Fund, the Building Fund, and the Child Nutrition Fund that includes revenues and expenditures. These budgets are prepared on a cash basis for revenues and the modified accrual basis for expenditures.

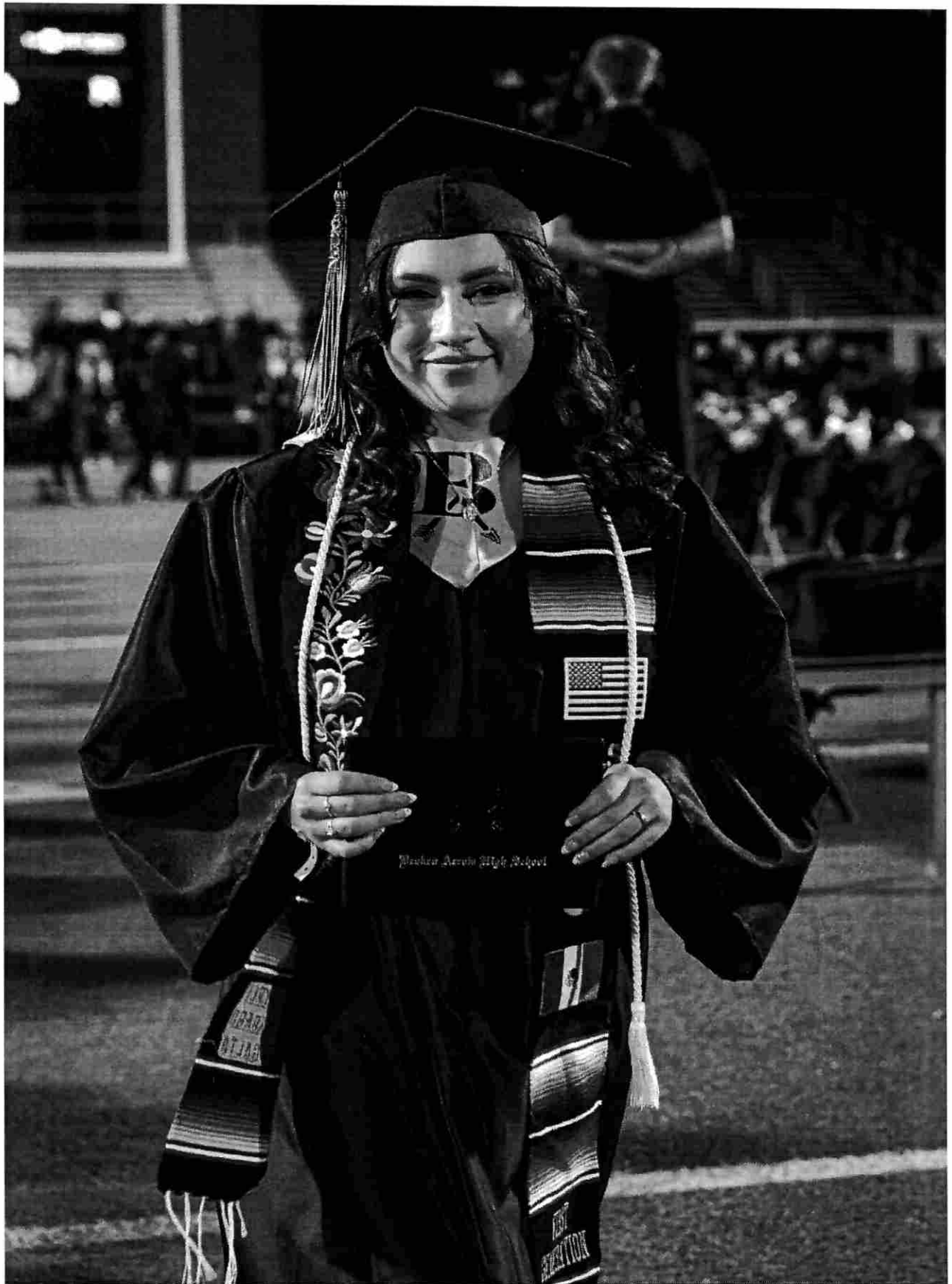
Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund - is utilized in all Governmental Funds of the District.

Encumbrances outstanding at year-end are included in the "actual" amounts shown expended during the year for the budgetary presentation but are excluded from the fund balances in the Governmental Fund Financial Statements as they do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Revenues

Revenues are recorded on a cash basis and include deposits to district accounts from the first day through the last day of the fiscal year regardless of when they were actually earned.





OTHER SUPPLEMENTARY INFORMATION





Broken Arrow Public Schools
Other Supplementary Information
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds				Permanent Fund	Total Governmental Funds
	Building Fund	Child Nutrition Fund	Arbitrage Fund	Student Activity Fund	Endowment Fund	
ASSETS						
Cash and cash equivalents	\$ 4,421,511	\$ 2,187,403	\$ 180,261	\$ 5,330,770	\$ 1,137	\$ 12,121,082
Investments	6,727,620	5,947,371	-	-	45,297	12,720,288
Receivables net of allowance for uncollectibles	6,640,185	-	-	-	280	6,640,465
Inventories	-	332,946	-	-	-	332,946
TOTAL ASSETS	17,789,316	8,467,719	180,261	5,330,770	46,714	31,814,781
LIABILITIES						
Accounts payable	396,687	46,893	-	-	-	443,580
Other liabilities	-	260,846	-	-	-	260,846
TOTAL LIABILITIES	396,687	307,739	-	-	-	704,426
DEFERRED INFLOWS OF RESOURCES						
Succeeding year property tax	6,574,741	-	-	-	-	6,574,741
TOTAL DEFERRED INFLOWS OF RESOURCES	6,574,741	-	-	-	-	6,574,741
FUND BALANCES						
Non-spendable	-	332,946	-	-	40,000	372,946
Restricted	10,817,888	7,827,034	180,261	5,330,770	6,714	24,162,668
TOTAL FUND BALANCES	10,817,888	8,159,980	180,261	5,330,770	46,714	24,535,614
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 17,789,316	\$ 8,467,719	\$ 180,261	\$ 5,330,770	\$ 46,714	\$ 31,814,782



Broken Arrow Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds				Permanent Fund	Total Governmental Funds
	Building Fund	Child Nutrition Fund	Arbitrage Fund	Student Activity Fund	Endowment Fund	
REVENUES						
Local sources	\$ 8,440,333	\$ 4,266,926	\$ -	\$ 5,665,976	\$ 1,999	\$ 18,375,233
State sources	3,729,607	927,288	-	-	-	4,656,894
Federal sources	71,464	6,650,287	-	-	-	6,721,751
Other sources	1,558,678	9,067	125,000	124,946	-	1,817,691
TOTAL REVENUES	13,800,081	11,853,567	125,000	5,790,921	1,999	31,571,568
EXPENDITURES						
Current						
Instruction	-	-	-	101,008	-	101,008
Student	-	-	-	1,114,219	-	1,114,219
Instructional staff	19,253	-	-	51,125	-	70,378
Administration	71,499	-	-	235,357	-	306,856
Operations and maintenance	7,978,174	-	-	10,954	-	7,989,129
Student transportation	-	-	-	120,187	-	120,187
Child nutrition operations	-	11,785,732	-	-	-	11,785,732
Community service operations	-	-	-	1,126,623	-	1,126,623
Other	1,500,883	104,218	-	3,460,426	-	5,065,526
Capital outlay	-	13,500	-	-	-	13,500
TOTAL EXPENDITURES	9,569,809	11,903,449	-	6,219,899	-	27,693,157
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,230,273	(49,882)	125,000	(428,978)	1,999	3,878,411
NET CHANGE IN FUND BALANCES	4,230,273	(49,882)	125,000	(428,978)	1,999	3,878,411
FUND BALANCE AT BEGINNING OF YEAR	6,587,615	8,209,862	55,261	5,759,748	44,715	20,657,203
FUND BALANCE AT END OF YEAR	\$10,817,888	\$ 8,159,980	\$ 180,261	\$ 5,330,770	\$ 46,714	\$ 24,535,614



Broken Arrow Public Schools
Other Supplementary Information - Unaudited
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
Budgeted Governmental Fund Types - Building Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Non-GAAP Actual	Variances - Positive (Negative)
REVENUES				
Local sources	\$ 7,759,373	\$ 7,759,373	\$ 6,951,286	\$ (808,087)
State sources	230,301	230,301	222,554	(7,746)
Federal sources	3,400,000	3,000,000	3,526,983	526,983
Other sources	1,623	1,623	3,056,691	3,055,068
TOTAL REVENUES	11,391,297	10,991,297	13,757,515	2,766,218
EXPENDITURES				
Support services				
Instruction	-	8,000	-	8,000
Instructional and school leadership	15,000	19,360	19,253	107
Administrative support services	50,000	231,830	71,499	160,331
Operation and maintenance	11,820,000	11,139,927	7,978,174	3,161,753
Non-instructional services				
Other	15,000	1,500,883	1,500,883	-
Capital Outlay	1,000,000	-	-	-
TOTAL EXPENDITURES	12,900,000	12,900,000	9,569,809	3,330,191
EXCESS REVENUES (EXPENDITURES)	(1,508,703)	(1,908,703)	4,187,706	6,096,409
FUND BALANCE AT BEGINNING OF YEAR	6,564,738	6,564,738	6,564,738	-
FUND BALANCE AT END OF YEAR	\$ 5,056,035	\$ 4,656,035	\$ 10,752,444	\$ 6,096,409
ADJUSTMENTS TO CONFORM WITH GAAP				
Receivables at end of year			65,444	
FUND BALANCE AT END OF YEAR (GAAP BASIS)			\$ 10,817,888	



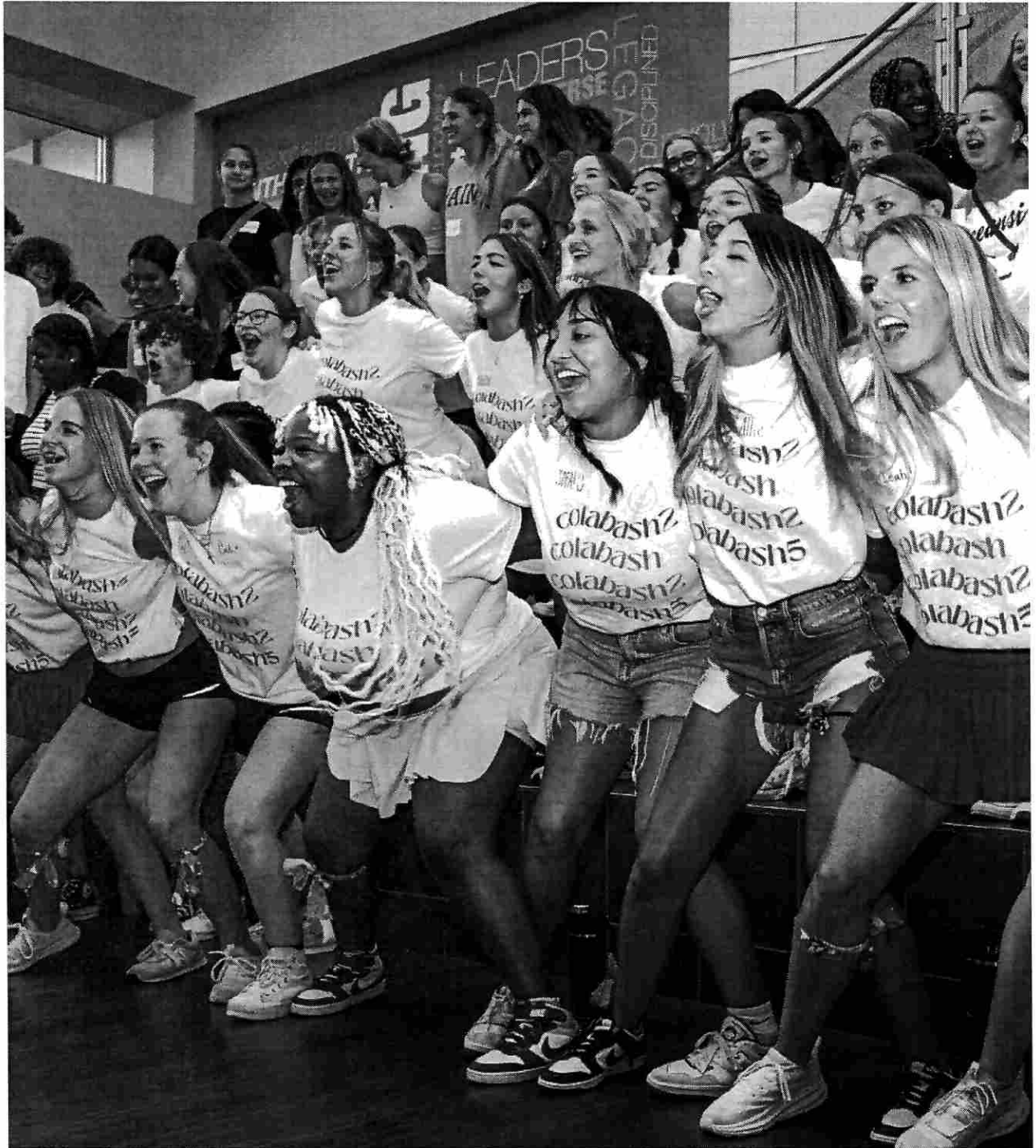
Broken Arrow Public Schools
Other Supplementary Information - Unaudited
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
Budgeted Governmental Fund Types - Child Nutrition Fund
Year Ended June 30, 2024

	Original Budget	Final Budget	Non-GAAP Actual	Variances - Positive (Negative)
REVENUES				
Local sources	\$ 4,264,207	\$ 4,264,207	\$ 4,514,113	\$ 249,906
State sources	814,767	814,767	927,288	112,521
Federal sources	5,931,950	5,931,950	6,650,287	718,336
Other sources	61,952	61,952	9,067	(52,885)
TOTAL REVENUES	11,072,877	11,072,877	12,100,754	1,027,878
EXPENDITURES				
Support services				
Food preparation	5,899,095	5,692,623	5,487,374	205,249
Other direct services	1,056,787	2,009,933	1,692,454	317,479
Food procurement/ a la carte	5,522,145	6,552,440	4,515,521	2,036,919
Other CN Programs	21,973	245,004	208,100	36,904
TOTAL EXPENDITURES	12,500,000	14,500,000	11,903,449	2,596,551
 EXCESS REVENUES (EXPENDITURES)	 (1,427,123)	 (3,427,123)	 197,305	 3,624,429
 FUND BALANCE AT BEGINNING OF YEAR	 7,890,575	 7,890,575	 7,890,575	 -
 FUND BALANCE AT END OF YEAR	 \$ 6,463,452	 \$ 4,463,452	 8,087,881	 \$ 3,624,429
ADJUSTMENTS TO CONFORM WITH GAAP				
Receivables at end of year			-	
Other receivables			(260,846)	
Inventory			332,946	
 FUND BALANCE AT END OF YEAR (GAAP BASIS)			 \$ 8,159,980	





STATISTICAL SECTION





ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDING JUNE 30, 2024
STATISTICAL SECTION

TABLE OF CONTENTS

The statistical section of the Broken Arrow Public Schools' Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

FINANCIAL TRENDS93

These schedules compile trend information and report how the District's financial position has changed over time.

REVENUE CAPACITY99

These schedules provide information regarding the District's major revenue sources, property taxes, and the stability/growth of revenue.

DEBT CAPACITY105

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and their ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION111

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

OPERATING INFORMATION115

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

SOURCES:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report (ACFR) for the relevant year.



FINANCIAL TRENDS





Broken Arrow Public Schools
Government-Wide Net Position by Component
Last Ten Fiscal Years

	2015 ^a	2016	2017	2018	2019 ^b	2020 ^c	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 137,739,696	\$ 150,609,755	\$ 163,470,238	\$ 174,876,931	\$ 191,660,532	\$ 205,056,153	\$ 214,176,559	\$ 233,618,199	\$ 202,135,428	\$ 219,925,629
Restricted for:										
Debt Service	15,657,564	16,318,127	15,825,923	15,425,669	15,673,831	17,332,409	20,871,817	16,429,163	13,692,616	31,069,501
Building	1,016,052	1,881,808	2,808,231	3,434,872	3,947,831	3,430,580	3,655,197	6,130,755	6,587,615	10,766,355
Child Nutrition	-	-	-	-	-	-	1,469,629	6,144,116	7,738,323	7,827,034
Other Programs	40,000	43,316	43,422	43,598	43,997	44,624	4,255,344	4,964,759	5,999,976	5,770,124
Unrestricted	(89,007,984)	(99,961,854)	(86,289,408)	(85,854,617)	(88,830,116)	(71,599,917)	(89,319,041)	(71,327,411)	(12,533,484)	(42,018,670)
Total Governmental activities net position	65,445,328	68,891,152	95,858,406	107,926,453	122,496,075	154,263,849	155,109,505	195,959,582	223,620,475	233,339,973
Business-type activities										
Net investment in capital assets	2,511,342	2,589,356	2,781,513	2,586,182	-	-	-	-	-	-
Unrestricted	1,818,332	2,033,177	2,296,046	2,345,180	-	-	-	-	-	-
Total business-type activities net position	4,329,674	4,622,533	5,077,559	4,931,362	-	-	-	-	-	-
Government-wide										
Net investment in capital assets	140,251,037	153,199,111	166,251,751	177,463,113	191,660,532	205,056,153	214,176,559	233,618,199	202,135,428	219,925,629
Restricted for:										
Debt Service	15,657,564	16,318,127	15,825,923	15,425,669	15,673,831	17,332,409	20,871,817	16,429,163	13,692,616	31,069,501
Building	1,016,052	1,881,808	2,808,231	3,434,872	3,947,831	3,430,580	3,655,197	6,130,755	6,587,615	10,766,355
Child Nutrition	-	-	-	-	-	-	1,469,629	6,144,116	7,738,323	7,827,034
Other Programs	40,000	43,316	43,422	43,598	43,997	44,624	4,255,344	4,964,759	5,999,976	5,770,124
Unrestricted	(87,189,652)	(97,928,677)	(83,993,362)	(83,509,437)	(88,830,116)	(71,599,917)	(89,319,041)	(71,327,411)	(12,533,484)	(42,018,670)
Total government-wide net position	\$ 69,775,002	\$ 73,513,686	\$ 100,935,965	\$ 112,857,815	\$ 122,496,075	\$ 154,263,849	\$ 155,109,505	\$ 195,959,582	\$ 223,620,475	\$ 233,339,973

Source: Statement of Net Position - audited financial reports

^a Note: The District began to report pension net position in conformity with GASB Statement No. 68, Accounting and Financial Reporting for Pensions in 2015. Permanent Fund - restricted for Nonexpendable principal was corrected in the June 30, 2015 fiscal year to be included in Governmental Activities.

^b The District reclassified the Child Nutrition Fund from an Enterprise Fund to a nonmajor Governmental Fund, it is no longer shown under business-type activities.

^c The District adopted GASB Statement No. 84 in 2019-20, which reclassified the Custodial Funds from a Fiduciary Fund to a nonmajor Governmental Fund. See Notes to the Basic Financial Statements for further information regarding the implementation of GASB Statement No. 84.



Broken Arrow Public Schools
Government-Wide Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

Continued on Next Page

	2015	2016 ^a	2017	2018	2019 ^b	2020 ^c	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction	\$ 65,330,950	\$ 75,087,668	\$ 62,518,919	\$ 72,327,553	\$ 90,646,294	\$ 75,304,012	\$ 99,694,569	\$ 85,058,579	\$ 87,366,559	\$ 103,094,309
Support services - students and staff	8,662,516	9,855,840	9,475,049	11,852,416	10,552,243	11,505,508	12,651,434	14,412,923	16,541,565	19,520,940
Instructional and school leadership	5,894,528	6,594,731	6,034,706	6,393,335	6,959,813	6,784,522	7,032,853	6,910,959	9,306,240	12,533,379
Administrative support services	19,254,851	17,069,178	10,474,526	16,039,368	16,185,343	16,461,574	17,519,050	18,573,107	20,558,812	25,036,498
Operations and maintenance services	14,381,484	10,855,305	12,474,582	14,462,651	14,263,568	14,891,541	16,217,967	17,124,130	20,288,766	26,150,050
Student transportation services	5,610,686	6,464,193	6,178,821	5,814,517	6,559,954	6,800,173	6,166,281	7,101,466	9,273,211	9,128,460
Operation of non-instructional services	1,512,250	1,604,731	1,136,458	1,054,692	1,194,839	7,424,673	3,722,116	3,006,193	4,542,428	10,775,869
Child Nutrition	-	-	-	-	9,170,694	8,173,767	8,525,733	9,084,712	10,338,263	11,892,559
Other outlays and uses	973,423	1,002,869	2,842,198	1,171,003	1,606,648	378,249	1,843,097	2,012,922	94,413	8,770,018
Loss on disposal of assets	-	-	-	-	-	-	-	-	-	-
Judgement Paid	-	-	-	22,331	1,837	-	-	-	-	61,713
Depreciation	5,048,754	7,605,398	8,921,607	11,136,470	9,508,343	11,814,622	11,208,089	11,981,081	15,294,589	16,813,429
Interest on long-term debt	1,286,326	1,189,964	1,003,215	1,143,994	1,679,107	2,923,746	2,273,705	1,968,970	2,590,001	3,325,835
Total governmental-type activities expense	127,955,768	137,329,878	121,060,080	141,418,330	168,328,683	162,462,385	186,854,894	177,235,043	196,194,847	247,103,059
Business-type activities										
Food service	9,916,922	8,892,758	8,807,997	9,357,479	-	-	-	-	-	-
Total business-type activities expense	9,916,922	8,892,758	8,807,997	9,357,479	-	-	-	-	-	-
Total district expenses	137,872,690	146,222,636	129,868,077	150,775,809	168,328,683	162,462,385	186,854,894	177,235,043	196,194,847	247,103,059
Program Revenues										
Governmental activities										
Charges for services										
Regular instruction	316,066	320,928	410,372	450,376	305,658	34,949	485,387	631,281	767,829	456,622
Operation of non-instructional services	-	-	-	-	450,993	881,912	1,961,629	2,896,527	6,233,606	6,289,785
Pupil transportation services	-	-	-	-	125,143	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-	-	-
Other support services	31,410	35,530	27,110	18,162	3,478,527	4,520,469	-	-	-	-
Operating grants and contributions	6,380,736	6,194,363	6,681,660	6,967,980	13,510,487	12,300,088	22,288,924	36,399,531	21,312,804	18,323,420
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	6,728,212	6,550,821	7,119,142	7,436,518	17,870,809	17,737,418	24,735,940	39,927,339	28,314,239	25,069,828
Business-type activities										
Charges for services										
Food service	3,741,850	4,024,001	3,821,960	3,795,513	-	-	-	-	-	-
Operating grants and contributions	3,921,853	4,390,841	4,581,035	4,502,001	-	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities revenues	7,663,703	8,414,842	8,402,994	8,297,514	-	-	-	-	-	-
Total district program revenues	\$ 14,391,915	\$ 14,965,663	\$ 15,522,136	\$ 15,734,032	\$ 17,870,809	\$ 17,737,418	\$ 24,735,940	\$ 39,927,339	\$ 28,314,239	\$ 25,069,828



Broken Arrow Public Schools
Government-Wide Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016 ^a	2017	2018	2019 ^b	2020 ^c	2021	2022	2023	2024
Net (Expense) Revenue										
Governmental activities	\$ (121,227,556)	\$ (130,779,056)	\$ (113,940,938)	\$ (133,981,811)	\$ (150,457,875)	\$ (144,724,968)	\$ (162,118,954)	\$ (137,307,703)	\$ (167,880,608)	\$ (222,033,231)
Business-type activities	(2,253,220)	(477,916)	(405,002)	(1,059,965)	-	-	-	-	-	-
Total district net expense	(123,480,776)	(131,256,972)	(114,345,940)	(135,041,776)	(150,457,875)	(144,724,968)	(162,118,954)	(137,307,703)	(167,880,608)	(222,033,231)
General Revenues and Other Changes in Net Position										
Governmental activities										
Taxes:										
Property tax, levied for general purposes	32,019,102	33,431,998	35,931,361	36,848,832	39,020,402	40,587,016	42,234,511	45,080,776	49,680,387	52,818,855
Property tax, levied for debt services	22,628,030	22,676,491	24,634,668	27,903,706	26,421,985	30,842,677	32,069,330	30,925,168	33,232,248	34,724,435
Other taxes	11,043,588	11,499,443	14,471,579	4,911,914	5,076,661	5,519,302	6,184,529	6,961,786	7,046,374	7,033,270
State aid not restricted to specific programs	66,211,831	62,958,660	61,725,150	71,449,446	77,665,415	87,195,975	75,791,964	87,245,857	98,498,933	117,271,469
Interest and investment earnings	114,489	149,464	231,258	661,763	1,279,791	926,689	227,932	202,518	4,465,273	10,010,735
Gain on sale of capital assets	139,493	32,222	695	39,057	32,110	378,249	-	28,711	916,776	-
Other	3,680,702	3,645,992	3,913,483	4,235,141	10,599,770	7,444,765	6,456,346	7,712,964	6,213,621	9,893,965
Total governmental activities	135,837,236	134,394,271	140,908,194	146,049,859	160,096,134	172,894,673	162,964,610	178,157,780	200,053,612	231,752,729
Business-type activities										
State aid not restricted to specific programs	716,967	722,887	839,442	798,893	-	-	-	-	-	-
Interest and investment earnings	921	2,819	5,300	14,205	-	-	-	-	-	-
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	-	-
Capital contribution	1,636,418	-	-	-	-	-	-	-	-	-
Other	12,050	45,071	15,286	100,670	-	-	-	-	-	-
Total business-type activities	2,366,355	770,776	860,028	913,768	-	-	-	-	-	-
Total district-wide	138,203,591	135,165,047	141,768,222	146,963,627	160,096,134	172,894,673	162,964,610	178,157,780	200,053,612	231,752,729
Changes in Net Position										
Governmental activities	14,609,680	3,615,214	26,967,256	12,068,047	9,638,259	28,169,705	845,656	40,850,077	32,173,004	9,719,498
Business-type activities	113,135	292,860	455,026	(146,197)	-	-	-	-	-	-
Total district	\$ 14,722,816	\$ 3,908,074	\$ 27,422,283	\$ 11,921,850	\$ 9,638,259	\$ 28,169,705	\$ 845,656	\$ 40,850,077	\$ 32,173,004	\$ 9,719,498

^a The District began to report net pension liability in conformity with GASB Statement No. 68, Accounting and Financial Reporting for Pensions in 2016.

^b In 2018-19 Business-type activities were reclassified to be part of Governmental activities.

^c The District adopted GASB Statement No. 84 in 2019-20, which reclassified the Custodial Funds from a Fiduciary Fund to a nonmajor Governmental Fund. See Notes to the Basic Financial Statements for further information regarding the implementation of GASB Statement No. 84.



Broken Arrow Public Schools
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019 ^a	2020 ^b	2021	2022	2023	2024
General Fund										
Unreserved										
Nonspendable										
Inventories	\$ 312,927	\$ 306,257	\$ 284,852	\$ 337,135	\$ 322,121	\$ 345,965	\$ 436,096	\$ 312,596	\$ 516,989	\$ 343,073
Restricted										
Federal and state allocation carryover	-	-	-	-	1,125,171	2,718,600	2,433,650	4,869,525	4,722,398	4,752,883
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	14,294,922	12,886,722	12,385,812	16,690,971	16,655,669	19,488,765	24,504,097	30,773,008	41,690,765	39,893,810
Total general fund	\$ 14,607,849	\$ 13,192,980	\$ 12,670,664	\$ 17,028,106	\$ 18,102,961	\$ 22,553,330	\$ 27,373,843	\$ 35,955,128	\$ 46,930,151	\$ 44,989,766
All Other Governmental Funds										
Nonspendable										
Inventories	-	-	-	-	307,733	278,594	316,746	329,275	471,540	332,946
Permanent fund principal	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Restricted										
Federal and state allocation carryover	-	-	-	-	-	-	-	-	-	51,533
Capital projects	29,285,077	19,903,804	22,896,512	24,452,256	45,439,738	18,762,861	32,542,320	49,719,539	34,257,137	28,879,598
Debt service	15,657,564	16,234,350	15,717,771	15,425,669	15,673,831	17,332,409	20,871,817	16,429,163	13,692,616	31,069,501
Building	1,016,052	1,866,206	2,724,918	3,434,872	3,947,831	3,430,580	3,655,197	6,130,755	6,587,615	10,766,355
Child Nutrition	-	-	-	-	1,747,393	1,278,542	1,469,629	6,144,116	7,738,323	7,827,034
Endowment	3,237	3,316	3,422	3,598	3,997	4,624	4,665	4,676	4,715	6,714
Arbitrage	143,945	-	-	-	-	20,000	55,261	55,261	55,261	180,261
Student Activities	-	-	-	-	-	3,993,526	4,011,046	4,561,777	5,759,748	5,330,770
Co-op Fund	5,881	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 46,151,756	\$ 38,047,676	\$ 41,382,623	\$ 43,356,395	\$ 67,160,523	\$ 45,141,136	\$ 62,966,682	\$ 83,414,563	\$ 68,606,956	\$ 84,484,713

^a Beginning in 2018-19, the District changed the classification of the Child Nutrition Fund and the Building Fund to nonmajor Governmental Funds.

^b The District adopted GASB Statement No. 84 in 2019-20, which reclassified the Custodial Funds from a Fiduciary Fund to a nonmajor Governmental Fund. See the Notes to the Basic Financial Statements for further information regarding the implementation of GASB Statement No. 84.



Broken Arrow Public Schools
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Local sources	\$ 57,876,782	\$ 57,646,172	\$ 61,677,116	\$ 65,182,356	\$ 74,150,167	\$ 82,331,536	\$ 80,517,561	\$ 86,328,582	\$ 99,000,702	\$ 107,889,937
Intermediate sources	4,365,060	4,573,947	4,761,319	4,911,914	5,076,661	5,519,302	6,184,529	6,961,786	7,046,374	7,033,270
State sources	68,040,801	69,884,157	66,180,379	66,457,459	77,665,415	80,949,160	75,791,964	81,992,053	90,480,533	108,046,820
Federal sources	6,172,973	5,926,438	6,200,370	6,481,122	13,112,015	11,674,296	21,707,256	35,668,397	20,774,196	17,595,120
Other sources	219,210	2,287,169	2,428,275	2,954,130	2,734,308	2,947,362	3,327,524	1,769,526	1,261,418	2,272,801
Total Revenue	136,674,826	140,317,882	141,247,459	145,986,981	172,738,565	183,421,656	187,528,834	212,720,344	218,563,223	242,837,948
Expenditures										
Current										
Instruction	67,331,278	69,260,186	67,216,520	66,229,327	77,651,930	80,777,119	83,177,520	88,236,254	87,923,669	103,257,848
Student	9,256,082	9,160,746	9,102,254	9,600,133	11,170,317	11,520,173	12,651,434	14,792,297	15,564,087	17,731,263
Instructional staff	7,149,975	7,054,784	6,651,380	6,597,870	8,384,970	7,288,534	7,891,155	7,786,198	9,030,515	11,376,721
Administration	15,959,607	16,085,306	15,472,790	14,866,078	17,182,660	17,015,013	17,666,678	19,097,442	19,808,685	23,110,148
Operations and maintenance	15,513,467	18,298,238	14,587,040	15,072,223	16,190,616	16,520,629	16,953,807	18,710,788	20,556,173	26,240,843
Student transportation	6,846,658	7,134,523	6,479,865	6,177,370	7,393,010	7,699,748	7,087,708	8,304,158	8,935,137	10,016,673
Non-Instruction expenditures										
Child Nutrition operations	-	-	-	42,453	9,270,820	8,470,482	7,484,695	9,174,710	9,946,203	11,892,559
Community service operations	982,404	985,006	1,103,343	1,001,928	1,164,549	4,158,390	2,202,033	3,164,923	2,939,863	3,461,425
Other	835,544	644,169	910,491	613,845	766,701	692,905	2,473,420	2,087,680	1,729,819	5,793,751
Capital outlay	24,794,259	23,043,842	15,169,844	16,313,803	15,798,741	36,831,530	9,354,797	23,894,350	42,414,651	19,076,714
Debt service										
Principal	23,021,882	21,675,000	23,665,000	24,370,000	25,745,000	26,205,000	25,540,000	33,355,000	34,385,000	16,095,000
Interest	1,732,960	1,842,961	2,118,963	2,159,275	2,284,128	2,991,878	2,458,178	1,973,590	2,393,360	2,747,195
Judgements	-	-	-	-	-	-	-	-	-	61,713
Total expenditures	\$ 173,424,117	\$ 175,184,760	\$ 162,477,491	\$ 163,044,305	\$ 193,003,442	\$ 220,171,401	\$ 194,941,425	\$ 230,577,390	\$ 255,627,162	\$ 250,861,855
Excess (deficiency) of revenues over (under) expenditures	(36,749,291)	(34,866,878)	(21,230,031)	(17,057,324)	(20,264,877)	(36,749,744)	(7,412,591)	(17,857,046)	(37,063,939)	(8,023,906)
Other financing sources (uses)										
Issuance of debt	\$ 34,551,700	\$ 23,925,000	\$ 23,500,000	\$ 23,325,000	\$ 42,500,000	\$ 15,200,000	\$ 30,000,000	\$ 46,885,000	\$ 33,000,000	\$ 21,800,000
Capital Leases	-	-	-	-	-	-	-	-	-	-
Premium on new issuance of debt	1,307,103	1,390,707	541,969	24,482	296,870	4,408	58,650	1,212	231,355	161,278
Proceeds on disposal of capital asse	139,493	32,222	695	39,057	1,811	378,249	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	35,998,297	25,347,929	24,042,664	23,388,539	42,798,682	15,582,657	30,058,650	46,886,212	33,231,355	21,961,278
Net changes in fund balances	\$ (750,994)	\$ (9,518,949)	\$ 2,812,632	\$ 6,331,214	\$ 22,533,804	\$ (21,167,088)	\$ 22,646,059	\$ 29,029,166	\$ (3,832,584)	\$ 13,937,372
Debt service as a percentage of noncapital expenditures^a	17.19%	16.18%	17.91%	18.41%	16.16%	16.28%	15.36%	17.38%	17.56%	8.59%

^a Noncapital expenditures debt service percentage calculations are total expenditures less capital outlays reported on the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities.



REVENUE CAPACITY





**Broken Arrow Public Schools
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Real Property Assessed Value ^a	Personal Property Net Assessed Value ^a	Public Service Property Assessed Value ^b	Total Net Assessed Value	Total Estimated Actual Value ^c	Ratio of Net Assessed Value to Total Estimated Actual Value	Total Direct Tax Rate ^d
2015	658,515,724	77,554,379	32,953,314	769,023,417	7,069,347,080	10.88%	71.10
2016	691,169,953	82,030,524	26,793,531	799,994,008	7,383,360,050	10.84%	69.73
2017	728,256,008	77,967,565	33,712,941	839,936,514	7,718,321,096	10.88%	71.00
2018	799,481,750	54,063,523	35,826,575	889,371,848	8,160,962,344	10.90%	71.24
2019	845,459,879	63,809,309	36,588,071	945,857,259	8,673,867,904	10.90%	71.34
2020	874,410,554	71,998,701	39,123,068	985,532,323	9,027,278,482	10.92%	73.17
2021	929,017,748	80,474,397	42,758,939	1,052,251,084	9,621,426,481	10.94%	71.95
2022	967,513,142	103,959,296	45,701,543	1,117,173,981	10,207,358,171	10.94%	69.83
2023	1,043,328,783	109,833,190	43,898,225	1,197,060,198	11,050,824,016	10.83%	69.31
2024	1,144,664,946	102,415,690	45,183,147	1,292,263,783	12,881,429,861	10.03%	68.87

^a Assessed value is defined as the taxable value of real personal property and is subject to an assessment rate set by the County Assessor to calculate the amount of tax liability.

^b Public service property is centrally assessed by the Oklahoma State Board of Equalization. The assessment rates on public service property, airlines and railroads are included in this category.

^c Estimated actual value is used in computing the gross assessed value for tax purposes. The Oklahoma Constitution provides that this value will not exceed a 5% increase over the previous year unless improvements were made to the property or if title to the property is transferred, changed, or conveyed to another person.

^d Components of total direct tax rate are found on the Direct and Overlapping Property Tax Rate table.

Source: Tulsa & Wagoner County Assessors



**Broken Arrow Public Schools
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Fiscal Year	Direct Rates Broken Arrow School District			Rates for Taxpayers in the City of Broken Arrow Overlapping Rates					Total Direct & Overlapping Rates
	General	Building	Sinking	Total Direct Rates	Tulsa County	Tulsa Community College	Tulsa Vo-Tech	City of Broken Arrow	
2015	36.40	5.20	29.50	71.10	22.23	7.21	13.33	17.14	131.01
2016	36.40	5.20	28.13	69.73	22.22	7.21	13.33	17.10	129.59
2017	36.40	5.20	29.40	71.00	22.24	7.21	13.33	16.92	130.70
2018	36.40	5.20	29.64	71.24	22.24	7.21	13.33	16.84	130.86
2019	36.40	5.20	29.74	71.34	22.74	7.21	13.33	15.61	130.23
2020	36.40	5.20	31.57	73.17	22.66	7.21	13.33	15.66	132.03
2021	36.40	5.20	30.35	71.95	23.25	7.21	13.33	16.19	131.93
2022	36.40	5.20	28.23	69.83	23.26	7.21	13.33	16.05	129.68
2023	36.40	5.20	27.71	69.31	23.16	7.21	13.33	16.61	129.62
2024	36.40	5.20	27.27	68.87	22.60	7.21	13.33	16.49	128.50
Ten-Year Average									\$ 130.42

Note: A mill is the equivalent of \$1 per \$1,000 of net assessed value. The District's millage rate levy is pursuant to provisions of the Constitution of the State of Oklahoma contained in Article X. The County Excise Board certifies the Estimate of Needs submitted by the District annually and computes the rate of mill levy necessary for General Fund, Building Fund, and Sinking Fund purposes.

Source: Notice of Sale and Official Statement prepared by Stephen L. Smith Corporation and Tulsa and Wagoner County Assessors



**Broken Arrow Public Schools
Principal Property Taxpayers
Current Year and Nine Years Ago**

Taxpayer	2024			2015		
	Net Assessed Valuation	Percentage of District's Net Assessed Valuation ^a	Rank	Net Assessed Valuation	Percentage of District's Net Assessed Valuation ^b	Rank
Public Service Company of Oklahoma	\$ 12,736,291	0.99%	1	\$ 6,981,141	0.91%	1
Greens at Broken Arrow/Battle Creek	6,664,092	0.52%	2	5,592,976	0.73%	2
Alpine/JMCR Broken Arrow LLC	6,087,246	0.47%	3	-	-	
St. Johns Hospital	6,073,716	0.47%	4	2,032,917	0.26%	10
Walmart Stores	5,848,171	0.45%	5	5,194,176	0.68%	3
Flight Safety	4,644,764	0.36%	6	4,591,545	0.60%	5
Heights Battle Creek LLC	4,376,186	0.34%	7	-	-	
Park at Mission Hills	4,098,899	0.32%	8	3,942,206	0.51%	6
Valor Communications of OK/Windstream	4,030,190	0.31%	9	4,975,022	0.65%	4
Oklahoma Natural Gas	3,891,427	0.30%	10	2,916,359	0.38%	8
Auburndale Halifx Broken Arrow LLC	-	-		3,307,918	0.43%	7
LSREF2 Oreo (Heights) LLC	-	-		2,111,116	0.27%	9
Total	<u>\$ 58,450,982</u>	<u>4.52%</u>		<u>\$ 41,645,376</u>	<u>5.42%</u>	

^a Based on FY23-24 District Net Assessed Valuation of \$1,292,263,783

^b Based on FY14-15 District Net Assessed Valuation of \$769,023,417

Source: Tulsa and Wagoner County Assessors



**Broken Arrow Public Schools
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collected in Subsequent Years ^b	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	54,599,566	53,295,303	97.61%	971,679	54,266,983	99.39%
2016	55,704,874	54,964,159	98.67%	996,621	55,960,780	100.46%
2017	59,552,346	58,212,751	97.75%	1,260,346	59,473,097	99.87%
2018	63,275,425	61,916,217	97.85%	1,021,194	62,937,410	99.47%
2019	67,385,585	65,859,432	97.74%	1,107,972	66,967,405	99.38%
2020	72,018,661	68,808,535	95.54%	1,283,179	70,091,714	97.32%
2021	75,603,020	72,525,412	95.93%	3,027,209	75,552,622	99.93%
2022	77,900,358	74,575,281	95.73%	1,402,760	75,978,041	97.53%
2023	82,839,409	79,272,916	95.69%	3,680,388	82,953,304	100.14%
2024	88,864,060	86,427,561	97.26%	1,410,999	87,838,560	98.85%

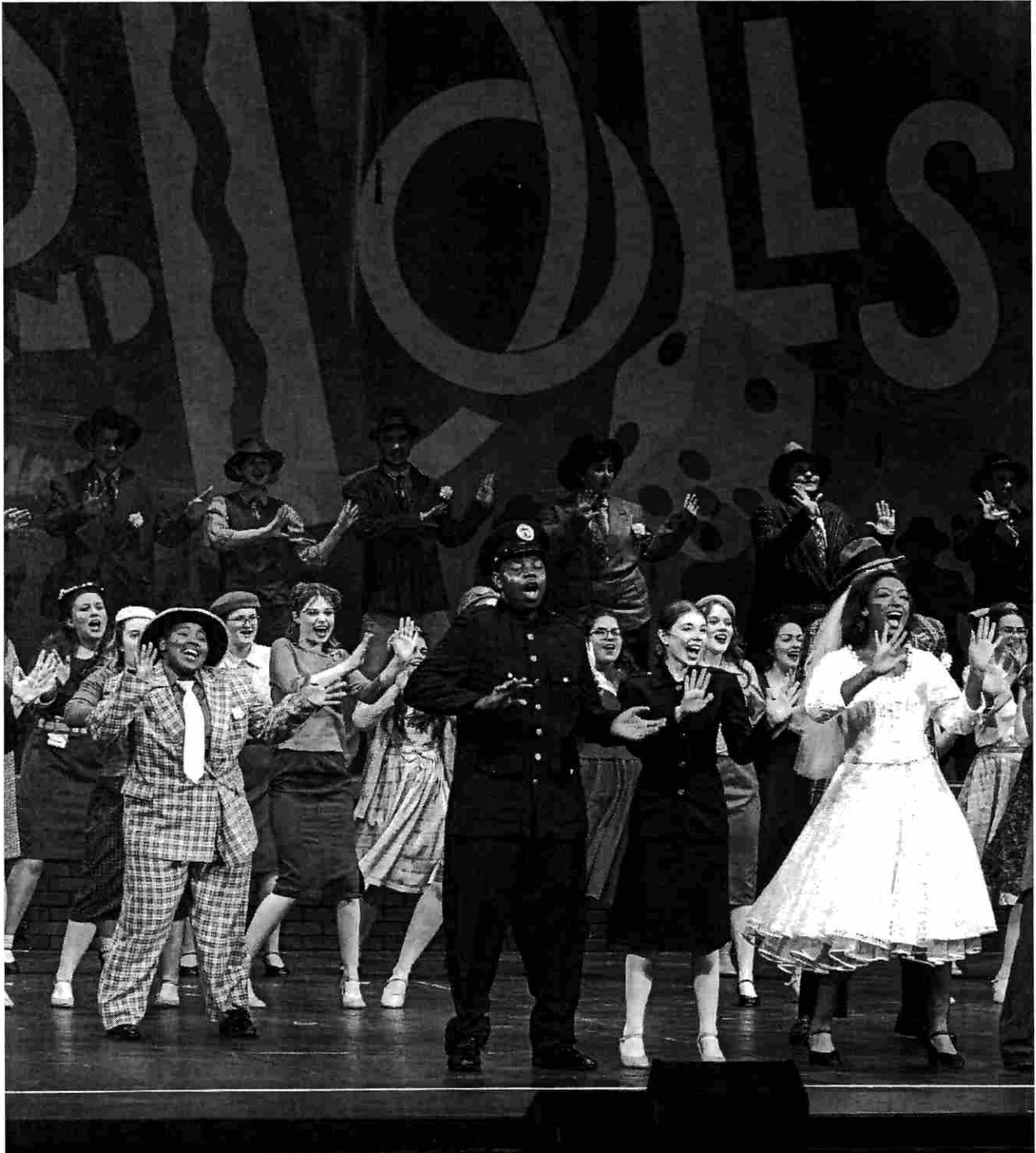
^a The Tulsa County Assessor is required to file a tax roll report on or before October 1 of each year with the Tulsa County Treasurer who must begin collecting taxes by November. The first half of taxes become due and payable on or before December 31. The second half becomes due and payable on or before March 31. If the first half is not paid by December 31, the total tax becomes due and payable on January 1.

^b Ad valorem taxes not paid on or before April 1 are considered delinquent. Interest accrues on delinquent taxes at the rate of one and one-half percent monthly (18 percent annually) to a maximum of 100 percent of the taxes due until such time as the delinquent taxes are paid. If not paid by the following October 1, the property is offered for sale of the amount of taxes due.

Source: Tulsa and Wagoner County Treasurer's records.



DEBT CAPACITY





**Broken Arrow Public Schools
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Governmental Activities General Obligation Bonds	Governmental Activities Capital Leases	Governmental Activities Subscription Liability ^c	Governmental Activities Lease Revenue Bonds ^c	Total District	Total Estimated Actual Value ^a	Ratio of Outstanding Debt to Estimated Actual Value ^a	Total Personal Income	Ratio of Outstanding Debt Per Personal Income	Average Daily Membership (ADM) ^b	Ratio of Outstanding Debt Per Student ^b
2015	88,817,178	3,124,376	-	-	91,941,554	7,069,347,080	1.30%	167,291,805	54.96%	18,372	5,004
2016	91,495,050	-	-	-	91,495,050	7,383,360,050	1.24%	173,186,712	52.83%	18,796	4,868
2017	90,693,794	-	-	-	90,693,794	7,718,321,096	1.18%	167,502,814	54.14%	18,899	4,799
2018	88,645,469	-	-	-	88,645,469	8,160,962,344	1.09%	173,817,578	51.00%	19,081	4,646
2019	105,115,172	-	-	-	105,115,172	8,673,867,904	1.21%	186,102,700	56.48%	19,070	5,512
2020	93,690,036	-	-	-	93,690,036	9,027,278,482	1.04%	191,835,000	48.84%	19,436	4,820
2021	97,963,940	-	-	-	97,963,940	9,621,426,481	1.02%	221,611,000	44.21%	18,619	5,262
2022	111,435,174	-	-	-	111,435,174	10,207,358,171	1.09%	214,670,000	51.91%	19,530	5,706
2023	110,255,610	-	405,276	181,698,322	292,359,208	11,050,824,016	2.65%	230,350,000	126.92%	20,116	14,534
2024	116,106,930	-	405,276	165,400,122	281,912,328	12,881,429,861	2.19%	256,819,000	109.77%	20,057	14,056

^a Estimated actual valuation is taken from the table, Assessed and Estimated Actual Value of Taxable Property.

^b Per capita calculations are based on the final audited average daily membership (ADM) certified by the Oklahoma State Department of Education.

^c Prior to 2023-24, Subscription Liability and Lease Revenue Bonds were not included in Governmental Activities. See Notes to the Basic Financial Statements. Beginning with 2023-24, the District changed the presentation of information to conform with GASB Statement No. 91, *Conduit Debt Obligations* and GASB Statement No. 96 *Subscription-Based Information Technology Arrangements*.

Sources:

District records

Oklahoma State Department of Education



Broken Arrow Public Schools
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds	Less Sinking Fund Balance	Net General Bonded Debt Outstanding	Total Estimated Actual Value ^a	Ratio of Net Debt to Estimated Actual Valuation ^a	Average Daily Membership (ADM) ^b	Ratio of Net Debt Per Student ^b
2015	88,817,178	15,657,564	73,159,614	7,069,347,080	1.03%	18,372	3,982
2016	91,495,050	16,234,350	75,260,700	7,383,360,050	1.02%	18,796	4,004
2017	90,693,794	15,717,771	74,976,023	7,718,321,096	0.97%	18,899	3,967
2018	88,645,469	15,425,669	73,219,800	8,160,962,344	0.90%	19,081	3,837
2019	105,115,172	15,673,831	89,441,341	8,673,867,904	1.03%	19,070	4,690
2020	93,960,036	17,332,409	76,627,627	9,027,278,482	0.85%	19,436	3,943
2021	97,963,940	20,871,817	77,092,123	9,621,426,481	0.80%	18,619	4,141
2022	111,435,174	16,429,163	95,006,011	10,207,358,171	0.93%	19,530	4,865
2023	110,255,610	13,692,616	96,562,994	11,050,824,016	0.87%	20,116	4,800
2024	116,106,930	31,069,501	85,037,429	12,881,429,861	0.66%	20,057	4,240

^a Estimated actual valuation is taken from the table, Assessed and Estimated Actual Value of Taxable Property.

^b Per capital calculations are based on the final audited average daily membership (ADM) certified by the Oklahoma State Department of Education.

Sources:

District records
Oklahoma State Department of Education



Broken Arrow Public Schools
Direct and Overlapping Governmental Activities Debt
As of June 30, 2024

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Direct and Overlapping Debt ^b</u>
Tulsa County	\$ 2,973,673	16.76%	\$ 498,548
Wagoner County	-	N/A	-
Tulsa Community College	-	N/A	-
Tulsa Vo-Tech #18	-	N/A	-
City of Broken Arrow	178,298,229	100.00%	178,298,229
City of Tulsa	307,370,970	0.68%	2,090,122
City of Coweta	-	N/A	-
Subtotal, overlapping debt			180,886,899
District direct debt ^c			281,912,328
Total direct and overlapping debt			\$ 462,799,227

^a The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the County's taxable assessed value that is within the District's boundaries and dividing it by the County's total taxable assessed value.

^b Overlapping governments are those that coincide, at least in part, with the geographical boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments.

^c This direct debt amount is the sum of the governmental activities debt in the Statistical Section schedule of debt ratios.

Source: Official Statement and Notice prepared by Stephen L. Smith Corporation



Broken Arrow Public Schools
Legal Debt Margin
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024:

Secondary assessed valuation		\$ 1,292,263,783
Debt Limit (10% of assessed value)		129,226,378
Debt applicable to limit	116,106,930	
Current sinking fund balance	(31,069,501)	85,037,429
Legal debt margin		<u><u>\$ 44,188,949</u></u>

Fiscal Year Ended June 30	Net Assessed Valuation ^a	Legal Debt Limit 10% of Net Assessed Valuation ^b	Outstanding District Indebtedness	Less Sinking Fund Balance	Total Net Debt Subject to Legal Limit	Legal Debt Margin ^c	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2015	769,023,417	76,902,342	91,941,554	15,657,564	76,283,990	618,352	99.20%
2016	799,994,008	79,999,401	91,495,050	16,235,350	75,259,700	4,739,701	94.08%
2017	839,936,514	83,993,651	90,693,794	15,717,771	74,976,023	9,017,628	89.26%
2018	889,371,848	88,937,185	88,645,469	15,425,669	73,219,800	15,717,385	82.33%
2019	945,857,259	94,585,726	105,115,172	15,673,831	89,441,341	5,144,385	94.56%
2020	985,532,323	98,553,232	93,960,036	17,332,409	76,627,627	21,925,605	77.75%
2021	1,052,251,084	105,225,108	97,693,940	20,871,817	76,822,123	28,402,985	73.01%
2022	1,117,173,981	111,717,398	111,435,174	16,429,163	95,006,011	16,711,387	85.04%
2023	1,197,060,198	119,706,020	110,255,610	13,692,616	96,562,994	23,143,026	80.67%
2024	1,292,263,783	129,226,378	116,106,930	31,069,501	85,037,429	44,188,949	65.81%

^a Net assessed valuation is taken from the table, Assessed and Estimated Actual Value of Taxable Property.

^b The general obligation indebtedness of the District is limited by Oklahoma law to 10% of the net assessed value of the taxable property in the District.

^c The legal debt margin is the additional debt incurring capacity of the District as allowed by Oklahoma law.

Sources:

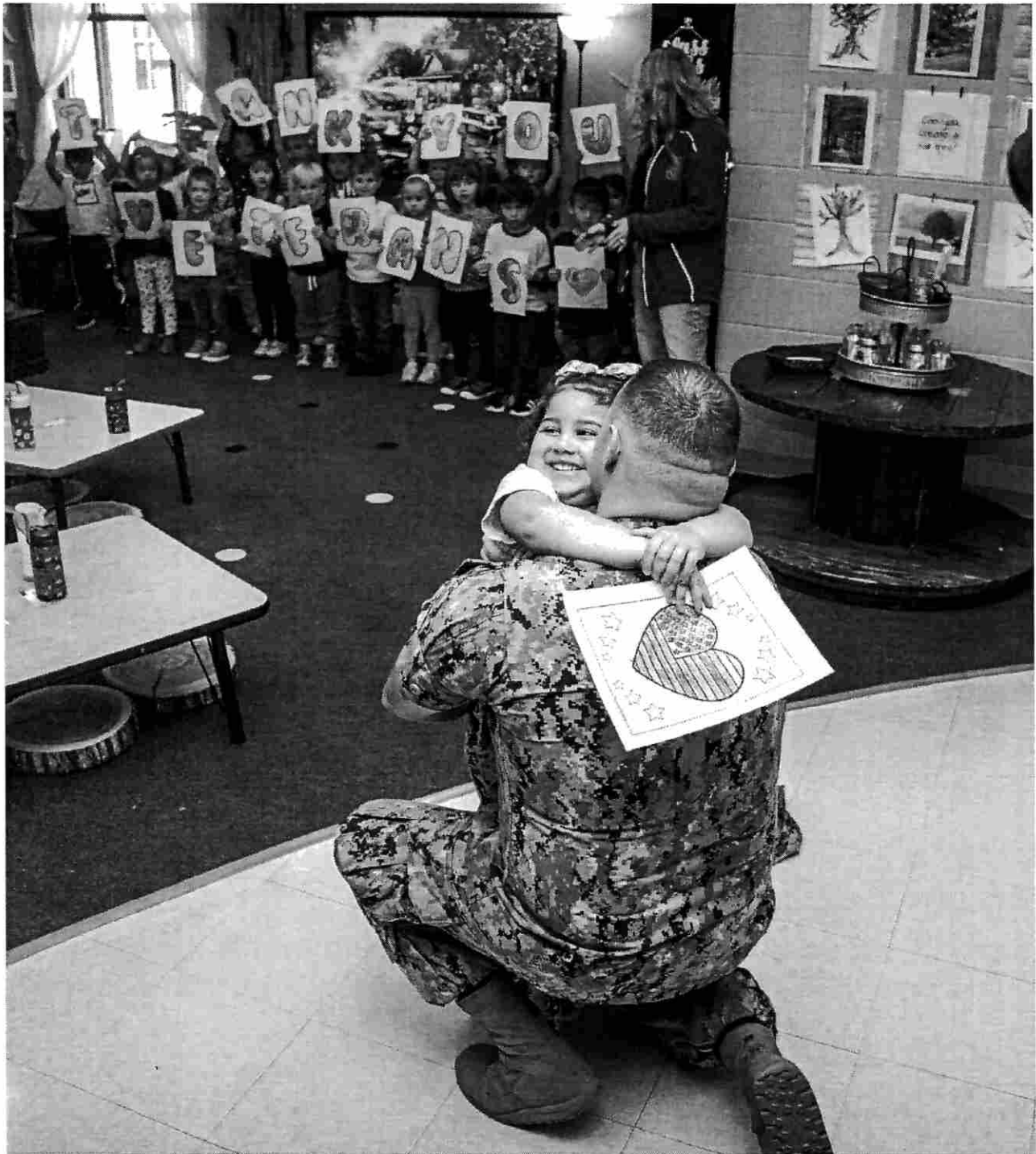
District financial records

Tulsa and Wagoner County Assessors





DEMOGRAPHIC & ECONOMIC INFORMATION





**Broken Arrow Public Schools
Demographic and Economic Statistics
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Population ^a	Total Personal Income ^c	Real Per Capita Personal Income ^a	Unemployment Rate ^b	District Average Daily Membership Population ^d
2015	107,506	167,291,805	24,208	3.70%	18,372
2016	106,563	173,186,712	26,655	4.20%	18,796
2017	107,403	167,502,814	25,762	3.60%	19,074
2018	108,303	173,817,578	26,437	3.50%	19,081
2019	109,171	186,102,700	26,472	3.20%	19,070
2020	113,540	191,835,000	28,011	7.40%	19,436
2021	115,458	221,611,000	31,797	3.20%	18,619
2022	117,911	214,670,000	36,303	3.40%	19,530
2023	120,448	230,350,000	41,844	2.60%	20,116
2024	120,949	256,819,000	45,118	3.30%	20,057

^a US Census Bureau

^b Oklahoma Employment Security Commission

^c US Bureau of Economic Analysis

^d District records



**Broken Arrow Public Schools
Broken Arrow Area Principal Employers
Current Year and Nine Years Ago**

Employer	2024			2015		
	Employees ^a	Rank	Percentage of Total Employment ^b	Employees ^a	Rank	Percentage of Total Employment ^c
Broken Arrow Public Schools	2,519	1	2.08%	2,221	1	2.07%
Northeastern State University	800	2	0.66%	800	3	0.74%
FlightSafety International	750	3	0.62%	715	4	0.67%
City of Broken Arrow	675	4	0.56%	675	5	0.63%
Zeeco	647	5	0.53%	487	6	0.45%
Oklahoma HealthCare Services	460	6	0.38%	460	7	0.43%
AG Equipment	360	7	0.30%	-	-	0.00%
Exterran, Inc.	350	8	0.29%	350	8	0.33%
Micahtek Inc.	350	9	0.29%	350	9	0.33%
McDaniel Technical Services	325	10	0.27%	325	10	0.30%
Walmart	-			900	2	0.84%
	<u>7,236</u>		<u>5.98%</u>	<u>7,283</u>		<u>6.77%</u>

Sources:

^a Broken Arrow Chamber of Commerce

^b Based on US Census Bureau population of 120,949

^c Based on US Census Bureau population of 107,506



Broken Arrow Public Schools
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	Full-Time Equivalent District Employees by Type										Percentage Change
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2024
Supervisory											
Principals	28	29	27	30	35	30	31	30	32	29	3.57%
Assistant Principals	29	28	28	26	19	29	30	31	34	43	48.28%
Total supervisory	57	57	55	56	54	59	61	61	66	72	26.32%
Instruction											
Teachers	1,068	1,090	1,066	967	1,053	1,060	1,032	1,037	1,062	1,110	3.93%
Other professionals	122	113	108	140	127	123	135	134	153	153	25.41%
Aides	239	435	506	280	289	212	258	249	271	323	35.15%
Total instruction	1,429	1,638	1,680	1,387	1,469	1,395	1,425	1,420	1,486	1,586	10.99%
Student Services											
Librarians	21	18	20	20	22	23	22	23	22	22	4.76%
Technicians	54	23	25	31	35	23	26	26	28	29	-46.30%
Social Workers/ Counselors	39	42	42	40	42	43	43	43	45	47	20.51%
Total student services	114	83	87	91	99	89	91	92	95	98	-14.04%
Support and Administration ^a											
Office	184	209	211	216	212	236	227	227	226	240	30.43%
Maintenance	195	231	251	177	182	188	195	177	194	206	5.64%
Food Service	83	238	237	205	196	131	139	133	140	148	78.31%
Transportation	159	237	205	194	172	144	142	149	154	160	0.63%
Total support and administration	621	915	904	792	762	699	703	686	714	754	21.42%
Total	2,221	2,693	2,726	2,326	2,384	2,242	2,280	2,259	2,361	2,510	13.01%

Source: State Department of Education and District records

^a Total Support and Administration does not include instructional support personnel or principals/assistant principals.



OPERATING INFORMATION





Broken Arrow Public Schools
Capital Assets by Function and Activity
Last Ten Fiscal Years

	2015	2016	2017	2018	2019 ^b	2020	2021	2022 ^c	2023	2024
Governmental Activities										
Instruction	\$ 226,222,682	\$ 249,359,547	\$ 265,238,327	\$ 281,092,680	\$ 296,877,119	\$ 300,207,529	\$ 301,119,277	\$ 479,117,650	\$ 501,701,909	\$ 527,024,304
Student	6,258,506	6,258,506	6,307,726	6,324,456	6,324,456	6,324,456	6,324,456	6,340,292	6,340,292	6,340,292
Instructional support	4,005,821	4,880,445	5,715,149	6,419,824	7,481,067	7,999,744	8,858,045	9,550,229	10,239,897	10,647,729
General administration	176,427	176,427	448,952	448,952	472,093	472,093	619,720	619,720	619,720	644,978
School administration	812,784	975,507	975,507	975,507	975,507	1,528,947	1,528,947	1,528,947	1,528,947	1,528,947
Business	10,649,898	10,649,898	10,649,898	10,649,898	10,649,898	10,649,898	10,649,898	10,718,697	10,795,409	10,928,240
Operations and maintenance	6,605,416	10,978,022	11,565,686	12,581,160	14,147,870	49,243,662	49,979,502	51,132,514	52,848,504	55,939,454
Transportation	5,416,963	6,280,370	6,639,624	7,987,486	8,644,321	9,543,896	10,465,323	10,954,592	12,003,036	11,383,989
Non-instructional	1,102,204	1,102,204	1,108,185	1,108,185	5,893,613	5,957,703	4,181,477	3,932,294	3,879,520	4,223,454
Other-unclassified	86,509	86,509	86,509	86,509	86,509	86,509	86,509	86,509	86,509	86,509
Total Governmental Activities	261,337,209	290,747,435	308,735,562	327,674,656	351,552,452	392,014,436	393,813,154	573,981,443	600,043,742	628,747,896
Business-Type Activities^a										
Child nutrition services	4,002,097	4,240,587	4,613,539	4,689,813	-	-	-	-	-	-
Total Capital Assets	<u>\$ 265,339,307</u>	<u>\$ 294,988,021</u>	<u>\$ 313,349,100</u>	<u>\$ 332,364,469</u>	<u>\$ 351,552,452</u>	<u>\$ 392,014,436</u>	<u>\$ 393,813,154</u>	<u>\$ 573,981,443</u>	<u>\$ 600,043,742</u>	<u>\$ 628,747,896</u>

^a Prior to 2011-12, Business-Type Activities are included in Governmental Activities. See Notes to the Basic Financial Statements. Beginning with 2011-12, the District changed the presentation of information to conform with GASB Statement No.34.

^b Beginning in 2018-19, the District reclassified the Child Nutrition Fund from a Business-type activity to a Governmental activity.

^c The District restated their capital assets in 2021-22 related to construction in progress using lease revenue bonds/conduit debt to conform with GASB Statement No. 91. See Notes to the Basic Financial Statements for additional information.

Note: See Notes to the Basic Financial Statements for full details on capital assets.

Source: District Records



**Broken Arrow Public Schools
Employee Information
Last Ten Fiscal Years**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Certified Personnel										
Bachelor's										
Minimum Salary	\$ 29,525	\$ 29,525	\$ 29,525	\$ 29,525	\$ 34,904	\$ 38,521	\$ 38,821	\$ 38,821	\$ 39,121	\$ 42,121
Maximum Salary	\$ 44,222	\$ 44,822	\$ 45,422	\$ 44,822	\$ 52,905	\$ 60,969	\$ 61,269	\$ 61,269	\$ 61,569	\$ 67,569
Average Salary	\$ 35,272	\$ 35,253	\$ 35,167	\$ 35,922	\$ 39,955	\$ 43,943	\$ 44,189	\$ 43,716	\$ 43,278	\$ 47,913
Number of Teachers	856	730	833	907	860	846	861	852	865	901
Master's										
Minimum Salary	\$ 30,806	\$ 30,806	\$ 30,806	\$ 30,806	\$ 36,361	\$ 39,911	\$ 40,211	\$ 40,211	\$ 40,511	\$ 43,511
Maximum Salary	\$ 48,053	\$ 48,728	\$ 49,403	\$ 48,728	\$ 57,162	\$ 62,891	\$ 63,191	\$ 63,191	\$ 63,491	\$ 69,491
Average Salary	\$ 38,830	\$ 38,687	\$ 38,583	\$ 39,964	\$ 44,280	\$ 47,013	\$ 47,021	\$ 46,391	\$ 46,634	\$ 51,574
Number of Teachers	317	292	330	306	327	352	345	360	385	391
Doctoral										
Minimum Salary	\$ 32,137	\$ 35,909	\$ 33,298	\$ 32,137	\$ 37,869	\$ 41,301	\$ 41,601	\$ 41,601	\$ 41,901	\$ 44,901
Maximum Salary	\$ 42,559	\$ 42,559	\$ 43,459	\$ 59,259	\$ 58,766	\$ 65,315	\$ 65,615	\$ 53,137	\$ 65,915	\$ 71,915
Average Salary	\$ 36,844	\$ 38,500	\$ 38,674	\$ 40,651	\$ 42,492	\$ 49,262	\$ 46,561	\$ 45,090	\$ 42,673	\$ 53,113
Number of Teachers	5	6	9	9	11	11	12	12	7	8
Total Certified Personnel ^a	1,178	1,028	1,172	1,222	1,198	1,209	1,218	1,224	1,257	1,300
Support Personnel										
Number of Support	942	1,582	991	1,010	1,094	1,030	1,039	1,001	1,044	1,105
Administrative Personnel										
Number of Administrators	101	83	97	94	92	102	101	102	109	114

^a Certified personnel is defined as any employee paid from the certified salary schedule who are required to have certification for their position, per the Oklahoma State Department of Education.

Source: District records



Broken Arrow Public Schools
Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Average Daily Membership (ADM) ^a	Operating Expenditures ^b	Cost per Pupil ^c	Percentage Change	Teaching Staff ^d	Pupil/Teacher Ratio	Percentage of Students Receiving Free or Reduced - Price Meals ^e
2015	18,372	132,538,686	7,214	-1.41%	1,068	24:1	42.00%
2016	18,796	146,222,636	7,780	7.84%	1,090	24:1	42.00%
2017	18,899	129,868,077	6,872	-11.67%	1,066	24:1	42.00%
2018	19,081	150,775,808	7,902	14.99%	967	26:1	48.00%
2019	19,070	168,328,683	8,827	11.71%	1,053	26:1	44.00%
2020	19,436	162,462,385	8,359	-5.30%	1,060	26:1	46.00%
2021	18,619	186,854,894	10,036	20.06%	1,032	24:1	35.96%
2022	19,530	177,235,043	9,075	-9.57%	1,037	24:1	35.64%
2023	20,116	196,194,847	9,753	7.47%	1,062	25:1	44.00%
2024	20,057	247,103,059	12,320	26.32%	1,110	25:1	53.00%

^a Final audited average daily membership (ADM) obtained from the Oklahoma State Department of Education.

^b Operating expenditures are the total expenses of the District as reported in the Government-Wide Statement of Activities.

^c Cost per pupil is calculated by dividing operating expenditures by the final audited average daily membership (ADM) certified by the Oklahoma State Department of Education.

^d Teaching staff includes all certified personnel whose pay is based on the Broken Arrow Education Association's contract.

^e Percentage of free or reduced students obtained from District records maintained by the Child Nutrition Department.



Broken Arrow Public Schools
School Building Information
Last Ten Fiscal Years
Continued on Next Page

School	Fiscal Year Ending June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Early Childhood Center										
Arrow Springs (2014) ^a										
Square Feet	28,479	28,479	28,479	28,479	28,479	28,479	28,479	28,479	28,479	28,479
Capacity	260	260	260	286	286	286	286	286	286	286
Enrollment	239	225	228	218	218	222	149	139	138	101
Aspen Creek (2013)										
Square Feet	28,712	28,712	28,712	28,712	28,712	28,712	28,712	28,712	28,712	28,712
Capacity	320	320	320	352	352	352	352	352	352	352
Enrollment	299	294	301	306	306	271	256	275	271	258
Creekwood (2013)										
Square Feet	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400	28,400
Capacity	320	320	320	352	352	352	352	352	352	352
Enrollment	339	314	307	309	309	275	312	270	266	271
Park Lane (2013) ^b										
Square Feet	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280
Capacity	360	360	360	396	396	396	396	396	396	396
Enrollment	299	251	305	321	321	302	218	231	260	256
Elementary										
Arrow Springs (1981) ^a										
Square feet	28,479	28,479	28,479	28,479	28,479	28,479	28,479	28,479	28,479	28,479
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Arrowhead (1970)										
Square feet	68,960	68,960	68,960	68,960	68,960	68,960	68,960	68,960	68,960	68,960
Capacity	696	696	696	728	728	728	728	728	728	728
Enrollment	466	436	454	449	449	401	374	426	411	423
Aspen Creek (2013) ^c										
Square feet	92,539	92,539	92,539	92,539	92,539	92,539	92,539	92,539	92,539	92,539
Capacity	792	792	792	896	896	896	896	896	896	896
Enrollment	633	673	705	680	680	730	578	574	628	622
Country Lane (1993)										
Square feet	90,266	90,266	90,266	90,266	90,266	90,266	90,266	90,266	90,266	90,266
Capacity	984	984	984	1,092	1,092	1,092	1,092	1,092	1,092	1,092
Enrollment	834	828	853	764	764	725	686	680	667	701
Country Lane Int. (2007)										
Square feet	97,330	97,330	97,330	97,330	97,330	97,330	97,330	97,330	97,330	97,330
Capacity	1,224	1,224	1,224	1,232	1,232	1,232	1,232	1,232	1,232	1,232
Enrollment	769	845	845	746	746	733	732	689	747	695
Creekwood (2013)										
Square feet	92,539	92,539	92,539	93,067	93,067	93,067	93,067	93,067	93,067	93,067
Capacity	792	792	792	952	952	952	952	952	952	952
Enrollment	672	677	677	583	583	624	554	588	640	588
Highland Park (2012)										
Square feet	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000	92,000
Capacity	864	864	864	1,008	1,008	1,008	1,008	1,008	1,008	1,008
Enrollment	846	853	897	797	797	853	629	677	698	695
Indian Springs (1974) ^c										
Square feet	42,066	42,066	42,066	21,803	21,803	21,803	21,803	21,803	21,803	21,803
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-



Broken Arrow Public Schools
School Building Information
Last Ten Fiscal Years
Continued on Next Page

School	Fiscal Year Ending June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Lelsure Park (1983)										
Square feet	72,530	72,530	72,530	72,530	72,530	72,530	72,530	72,530	72,530	72,530
Capacity	816	816	816	868	868	868	868	868	868	868
Enrollment	661	669	658	648	648	658	502	515	541	522
Liberty (2004)										
Square feet	81,466	81,466	81,466	81,446	81,446	81,446	81,446	81,446	81,446	81,446
Capacity	1,032	1,032	1,032	1,092	1,092	1,092	1,092	1,092	1,092	1,092
Enrollment	732	749	713	684	684	632	586	622	624	648
Lynn Wood (1980)										
Square feet	65,395	65,395	65,395	65,395	65,395	65,395	65,395	65,395	65,395	65,395
Capacity	744	744	744	690	690	690	690	690	690	690
Enrollment	512	504	472	471	471	436	353	377	395	429
Oak Crest (1964) ^d										
Square feet	54,020	54,020	54,020	54,020	54,020	54,020	54,020	54,020	54,020	54,020
Capacity	816	816	816	644	644	644	644	644	644	644
Enrollment	405	405	427	363	363	375	337	354	378	367
Park Lane (1978) ^b										
Square feet	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280	33,280
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Rhoades (1958)										
Square feet	68,461	68,461	68,461	68,461	68,461	68,461	68,461	68,461	68,461	68,461
Capacity	720	720	720	728	728	728	728	728	728	728
Enrollment	445	481	489	392	392	411	392	393	413	403
Rosewood (2021)										
Square feet	-	-	-	-	-	-	81,882	81,882	81,882	81,882
Capacity	-	-	-	-	-	-	667	667	667	667
Enrollment	-	-	-	-	-	-	459	508	622	583
Spring Creek (1987)										
Square feet	68,314	68,314	68,314	68,314	68,314	68,314	68,314	68,314	68,314	68,314
Capacity	744	744	744	784	784	784	784	784	784	784
Enrollment	513	536	516	520	520	598	395	548	494	511
Timber Ridge (2017)										
Square feet	-	-	-	90,145	90,145	90,145	90,145	90,145	90,145	90,145
Capacity	-	-	-	952	952	952	952	952	952	952
Enrollment	-	-	-	566	566	666	559	584	623	589
Vandever (1974)										
Square feet	64,180	64,180	64,180	64,180	64,180	64,180	64,180	64,180	64,180	64,180
Capacity	768	768	768	728	728	728	728	728	728	728
Enrollment	445	478	454	421	421	390	368	387	396	453
Westwood (1986) ^e										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Wolf Creek (1991)										
Square feet	87,584	87,584	87,584	80,987	80,987	80,987	80,987	80,987	80,987	80,987
Capacity	864	864	864	924	924	924	924	924	924	924
Enrollment	540	570	545	565	565	570	518	545	550	525



Broken Arrow Public Schools
School Building Information
Last Ten Fiscal Years
Continued on Next Page

School	Fiscal Year Ending June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Middle										
Centennial (2003)										
Square feet	142,200	142,200	142,200	142,200	142,200	142,200	142,200	142,200	142,200	142,200
Capacity	1,400	1,400	1,400	1,680	1,680	1,680	1,680	1,680	1,680	1,680
Enrollment	1,024	1,043	1,070	982	982	1,063	1,933	1,180	1,121	1,088
Childers (1986)										
Square feet	123,464	123,464	123,464	123,464	123,464	132,014	132,014	132,014	132,014	132,014
Capacity	1,110	1,110	1,110	1,320	1,320	1,290	1,290	1,290	1,290	1,290
Enrollment	692	770	775	763	763	764	580	779	796	790
Haskell (1958) ^d										
Square feet	-	-	-	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Oliver (1992)										
Square feet	141,305	141,305	141,305	141,305	141,305	141,305	141,305	141,305	141,305	141,305
Capacity	1,150	1,150	1,150	1,380	1,380	1,380	1,380	1,380	1,380	1,380
Enrollment	823	812	790	754	754	818	603	851	898	937
Oneta Ridge (2013) ^d										
Square feet	132,688	132,688	132,688	132,688	132,688	132,688	132,688	132,688	132,688	132,688
Capacity	1,250	1,250	1,250	1,470	1,470	1,470	1,470	1,470	1,470	1,470
Enrollment	795	815	876	874	874	878	696	905	924	856
Sequoyah (1967)										
Square feet	99,696	99,696	99,696	131,621	131,621	131,621	131,621	131,621	131,621	131,621
Capacity	1,025	1,025	1,025	1,470	1,470	1,470	1,470	1,470	1,470	1,470
Enrollment	535	544	571	717	717	809	500	755	720	679
High										
Senior High (1982) ^f										
Square feet	506,417	506,417	506,417	537,524	537,524	537,524	537,524	537,524	537,524	537,524
Capacity	4,050	4,050	4,050	5,160	5,160	5,160	5,160	5,160	5,160	5,160
Enrollment	3,285	3,403	3,679	3,692	3,692	3,961	4,369	4,407	4,205	3,577
North Intermediate (1952) ^h										
Square feet	175,150	175,150	53,559	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
South Intermediate (1976)										
Freshman Academy (2014) ^f										
Square feet	186,636	186,636	186,636	207,456	207,456	207,456	207,456	207,456	207,456	207,456
Capacity	2,130	2,130	2,130	2,220	2,220	2,220	2,220	2,220	2,220	2,220
Enrollment	1,261	1,249	1,291	1,344	1,344	1,121	981	1,271	1,305	1,393
Options & Virtual Academy (1954) ^d										
Square feet	120,092	120,092	120,092	120,440	120,440	120,440	120,440	120,440	120,440	120,440
Capacity	1,224	1,224	1,224	1,260	1,260	1,260	1,260	1,260	1,260	1,260
Enrollment	120	127	120	152	152	150	150	230	259	502
Vanguard Academy (2021)										
Square feet	-	-	-	-	-	-	-	61,376	61,376	61,376
Capacity	-	-	-	-	-	-	-	480	480	480
Enrollment	-	-	-	-	-	-	-	141	145	254



**Broken Arrow Public Schools
School Building Information
Last Ten Fiscal Years**

School	Fiscal Year Ending June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Other										
Central on Main (1925)										
Square feet	60,807	60,807	60,807	73,574	73,574	73,574	73,574	73,574	73,574	73,574
Southside (1955)										
Square feet	-	-	-	-	-	-	-	-	-	-
Education Service Center (1973) ^a										
Square feet	-	-	-	-	-	-	-	-	-	-
Education Service Center (2009)										
Square feet	86,230	86,230	86,260	90,303	90,303	90,303	90,303	90,303	90,303	90,303
Warehouse (1974)										
Square feet	59,217	59,217	59,217	59,218	59,218	59,218	59,218	59,218	59,218	59,218
Transportation (1974)										
Square feet	22,380	22,380	22,380	22,380	22,380	22,380	22,380	22,380	22,380	22,380
Maintenance (1974)										
Square feet	7,488	7,488	7,488	7,488	7,488	7,488	7,488	7,488	7,488	7,488
Maintenance/Transportation (2015)										
Square feet	-	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Special Services (1974)										
Square feet	-	-	-	-	-	-	-	-	-	-
Indoor Practice Facility (2014)										
Square feet	71,624	71,624	71,624	71,624	71,624	71,624	71,624	71,624	71,624	71,624
Kirkland Activity Complex (2018) ^h										
Square feet	-	-	-	42,630	42,630	42,630	42,630	42,630	42,630	42,630
Student Event Center (2024)										
Square feet	-	-	-	-	-	-	-	-	-	114,000

^a Arrow Springs Elementary was under construction during the 2013-14 school year as it was being transformed into an early childhood center, opening August 2014.

^b Park Lane Elementary was re-purposed to an early childhood center in 2013-14.

^c Indian Springs Elementary was vacant during the 2013-14 school year as students moved into the new Aspen Creek Elementary, opening August 2013.

^d Students from Oak Crest Elementary and Arrow Springs Early Childhood Center temporarily resided at Haskell Middle School for the 2013-14 school year only while Oak Crest was under renovation. Haskell students were moved to Oneta Ridge when it opened August 2013. The building now houses the Options & Virtual Academy students.

^e Westwood Elementary was absorbed by the High School campus as part of their athletic facility upgrade as students moved into the new Creekwood Elementary.

^f During the 2014-15 school year the sophomore class was moved to the high school campus, changing South Intermediate High School to the Freshman Academy.

^g New Education Service Center built in 2009, old Education Service Center demolished in 2011.

^h Kirkland Activity complex opened on the grounds of the former North Intermediate High School.

Notes: Enrollment is based on the annual October 1 District child count required by the Oklahoma State Department of Education. Only increases for regular instructional classroom space square footage additions are shown. Renovated/rebuilt schools include information only after renovations/rebuilding.

Source: District records



There will be no discrimination in the District because of race, color, sex, pregnancy, gender, gender expression or identity, national origin, religion, disability, veteran status, sexual orientation, age, or genetic information in its programs, services, activities and employment. The district also provides equal access to the Boy Scouts of America and other designated youth groups.

Broken Arrow Public Schools will take all necessary steps to ensure that each school and work place in the District is free from unlawful discrimination or harassment.

The following people within the District have been designated to handle inquiries regarding the District's non-discrimination policies, issues and concerns:

- For all student issues related to Title VI of the Civil Rights Act of 1964, as amended (questions or complaints based on race, color, and national origin), the Deputy Superintendent should be contacted at 918-259-5700 or at 701 South Main Street, Broken Arrow, OK 74012;
- For all student issues related to Title II of the Americans with Disabilities Act of 1990, Section 504 of the Rehabilitation Act of 1973, and the Individuals with Disabilities Education Act of 2004 (IDEA) (for questions or complaints based on disability), the Executive Director of Special Services should be contacted at 918-259-5700 or at 701 South Main Street, Broken Arrow, OK 74012;
- For all student issues related to Title IX, of the Education Amendments of 1972 (for questions or complaints based on sex, pregnancy, gender, gender expression or identity), the Assistant Superintendent should be contacted at 918-259-7722 or at 701 South Main Street, Broken Arrow, OK 74012;
- For issues related to accessibility to facilities, services and activities pursuant to the Americans with Disabilities Act, the Associate Superintendent should be contacted at 918-259-5728 or at 701 South Main Street, Broken Arrow, OK 74012;
- For all non-student and/or employment related issues (including questions or complaints based on age), or for any individual who has experienced some other form of discrimination, including discrimination not listed above, the Chief Human Resources Officer should be contacted at 918-259-7724 or at 701 South Main Street, Broken Arrow, OK 74012.

Inquiries concerning non-discrimination can also be made to, and outside assistance obtained from, the United States Department of Education's Office for Civil Rights. The contact information for the Kansas City Enforcement Office is included below:

Office of Civil Rights, U.S. Department of Education

One Petticoat Lane
1010 Walnut Street, Suite 320
Kansas City, MO 64106
Telephone: (816) 268-0550
TTY: (877) 521-2172
Facsimile: (816) 823-1404
Email: OCR.KansasCity@ed.gov

SINGLE AUDIT COMPLIANCE REPORTS
BROKEN ARROW SCHOOL DISTRICT NO. 1-3,
TULSA COUNTY, OKLAHOMA

JUNE 30, 2024



JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

BROKEN ARROW SCHOOL DISTRICT NO. I-3
TULSA COUNTY, OKLAHOMA
JUNE 30, 2024

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**INDEPENDENT SCHOOL DISTRICT NO. 1-3, TULSA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass Through Grantor/Program Title	Federal Award Listing Number	Pass-through Grantor's Project Number	Program or Award Amount	Beginning Balance 7/1/2023	Revenue Collected	Total Expenditures	Ending Balance 6/30/2024
<u>U.S. Department of Education</u>							
<u>Direct Programs:</u>							
Title VI-Part A, Indian Education	84.060	561	\$ 638,196		379,841	638,196	(258,355)
Title VI-Part A, Indian Education 2022-23	84.060	799		(231,939)	231,939		
Subtotal - Direct Programs			<u>638,196</u>	<u>(231,939)</u>	<u>611,780</u>	<u>638,196</u>	<u>(258,355)</u>
<u>Passed Through State Department of Education:</u>							
<u>Title I Cluster:</u>							
Title I-Part A, Improving Basic Programs	84.010	511	2,844,434		1,304,563	2,271,640	(967,077)
Title I-Part A, Improving Basic Programs 2022-23	84.010	799		(964,512)	964,512		
Title I-School Improvement Grant	84.010	515	109,074		21,482	63,617	(42,135)
Subtotal - Title I Program (Cluster)			<u>2,953,508</u>	<u>(964,512)</u>	<u>2,290,557</u>	<u>2,335,257</u>	<u>(1,009,212)</u>
Title II-Part A, Teacher & Principal Training	84.367	541	589,585		360,782	480,330	(119,548)
Title II-Part A 2022-23	84.367	799		(193,842)	193,842		
<u>Title III Cluster:</u>							
Title III-Immigrant Education	84.365	571	18,285		932	5,586	(4,654)
Title III-English Lang. Acq.	84.365	572	152,376		74,055	135,784	(61,729)
Title III-English Lang. Acq. 2022-23	84.365	799		(51,306)	51,306		
Subtotal - Title III Program (Cluster)			<u>170,661</u>	<u>(51,306)</u>	<u>126,293</u>	<u>141,370</u>	<u>(66,383)</u>
Title IV-SSAE Grant	84.424A	552	203,711		99,271	121,250	(21,979)
Title IV-SSAE Grant 2022-23	84.424A	799		(38,741)	38,741		
Title IX-Homeless	84.196	596	59,805		35,738	55,032	(19,294)
School Nurse Support Grant 2022-23	93.323	799		(294,796)	294,796		
* <u>Education Stabilization Funds (Covid19)</u>							
Title IV, Part A Art Tech (Covid19)	84.425D	714	10,156		2,191	6,656	(4,465)
Title IV, Part A Art Tech (Covid19) 2022-23	84.425D	799		(940)	940		
ARP/ESSER Counselor Grant (Covid19)	84.425U	722	636,000		348,504	583,622	(235,118)
ARP/ESSER Counselor Grant (Covid19) 2022-23	84.425U	799		(213,128)	213,128		
ARP/ESSER III OPSTS (Covid19)	84.425U	725	31,482		31,482	31,482	
ARP/ESSER III Science of Reading (Covid19)	84.425U	726	31,654		31,654	31,654	
ARP/ESSER III (Covid19)	84.425U	795	341,487		237,022	313,072	(76,050)
ARP/ESSER III (Covid19) 2022-23	84.425U	799		(465,607)	465,607		
ARP/ESSER III Homeless (Covid19)	84.425U	796	33,130		5,998	30,377	(24,379)
ARP/ESSER III Homeless (Covid19) 2022-23	84.425U	799		(3,766)	3,766		
ARP/ESSER III Homeless II (Covid19)	84.425U	797	49,609		38,829	49,396	(10,567)
ARP/ESSER III Homeless II (Covid19) 2022-23	84.425U	799		(28,474)	28,474		
Subtotal - Education Stabilization Funds (Covid19)			<u>1,133,518</u>	<u>(711,915)</u>	<u>1,407,595</u>	<u>1,046,259</u>	<u>(350,579)</u>
* <u>Special Education Cluster:</u>							
IDEA-B Staff Development	84.027	613	5,849		3,680	3,680	
IDEA-B Staff Development 2022-23	84.027	799		(465)	465		
IDEA-B Staff Development	84.027	615	16,445		12,436	16,445	(4,009)
IDEA-B Staff Development 2022-23	84.027	799		(6,340)	6,340		
IDEA-B Transition Services	84.027	618	39,626		6,408	6,408	
IDEA-B Flowthrough	84.027	621	\$ 4,529,353		1,588,362	4,242,268	(2,653,906)
IDEA-B Flowthrough 2022-23	84.027	799		(1,775,681)	1,775,681		

**INDEPENDENT SCHOOL DISTRICT NO. 1-3, TULSA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass Through	Federal Award Listing	Pass-through Grantor's Project	Program or Award	Beginning Balance	Revenue	Total	Ending Balance
<u>Grantor/Program Title</u>	<u>Number</u>	<u>Number</u>	<u>Amount</u>	<u>7/1/2023</u>	<u>Collected</u>	<u>Expenditures</u>	<u>6/30/2024</u>
IDEA-B Flowthrough Private School	84.027	625	\$ 15,299		5,467	9,436	(3,969)
IDEA-B Flowthrough Private School 2022-23	84.027	799		(193)	193		
ARP/IDEA-B Flowthrough	84.027X	628	274,305		274,305	274,305	
ARP/IDEA-B Flowthrough 2022-23	84.027X	799		(270,453)	270,453		
IDEA-B Preschool	84.173	641	87,474		49,207	86,001	(36,794)
IDEA-B Preschool 2022-23	84.173	799		(27,518)	27,518		
ARP/IDEA-B Preschool	84.027X	643	10,640		10,340	10,340	
ARP/IDEA-B Preschool 2022-23	84.027X	799		(16,984)	16,984		
Subtotal - Special Education Program (Cluster)			4,978,991	(2,097,634)	4,047,839	4,648,883	(2,698,678)
Subtotal - Passed Through State Dept of Education			10,089,779	(4,352,746)	8,895,454	8,828,381	(4,285,673)
<u>Passed Through State Department of Career and Technology Education:</u>							
Carl Perkins Grant	84.048	421	148,954			137,630	(137,630)
Carl Perkins Grant 2022-23	84.048	799		(65,532)	65,532		
Carl Perkins Supplemental Grants	84.048	424	90,950		56,346	82,571	(26,225)
Carl Perkins Supplemental Grant 2022-23	84.048	799		(26,969)	26,969		
Subtotal - Carl Perkins Grant			239,904	(92,501)	148,847	220,201	(163,855)
<u>U.S. Department of Agriculture:</u>							
<u>Passed Through State Department of Education:</u>							
Local Food for Schools Program	10.185	757			9,762	9,762	
<u>Child Nutrition Cluster:</u>							
<u>Cash Assistance:</u>							
Supply Chain Assistance	10.555	759		128,623	472,233	600,856	
National School Lunch Program	10.555	763		4,281,815	4,964,727	7,268,793	1,977,749
School Breakfast Program	10.553	764			1,134,537	1,134,537	
Summer Food Program	10.559	766			69,027	69,027	
Cash Assistance Subtotal				4,410,438	6,640,524	9,073,213	1,977,749
<u>Passed Through State Department of Human Services:</u>							
Non-cash Assistance (Commodities)	10.555	N/A			728,738	728,738	
Subtotal - Child Nutrition Program (Cluster)				4,410,438	7,369,262	9,801,951	1,977,749
<u>Other Federal Assistance:</u>							
Johnson O'Malley	15.130	563	154,980		33,296	78,297	(45,001)
Johnson O'Malley 2022-23	15.130	799		(41,961)	41,961		
Johnson O'Malley 3 month	15.130	564	108,950		108,950	108,950	
Johnson O'Malley IEC 2022-23	15.130	799		(3,250)	3,250		
OJT-Rehabilitation Services	84.126	456	119,864		105,699	119,864	(14,165)
Child Care and Development Block Grant	93.575	772	386,000	244,000	142,000	386,000	
Medicaid Federal Match	93.777	697	196,800		196,800	196,800	
Medicaid	93.778	698	481,840		481,840	481,840	
FEMA Grant	97.039	594	19,931		19,931	19,931	
DEQ Clean Diesel Grant	66.040	774	51,533			51,533	(51,533)
JROTC	12.401	773	72,614		72,614	72,614	
Flood Control	12.112	779	88		88	88	
Subtotal - Other Federal Assistance			1,592,600	198,789	1,206,429	1,515,917	(110,699)
Total Federal Assistance			\$ 12,560,479	(67,959)	18,241,534	21,014,408	(2,840,833)

**BROKEN ARROW SCHOOL DISTRICT NO. I-3, TULSA COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

1. General

The schedule of expenditures of federal awards presents the activity of all federal award programs of Broken Arrow School District (the District). The District reporting entity is defined in the notes to the District's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through from other government agencies are included on the schedule. There were no amounts passed to subrecipients.

2. Basis of Accounting

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). Expenditures are reported on the regulatory basis of accounting, as prescribed by the Oklahoma State Department of Education, which is considered an other comprehensive basis of accounting. Therefore, some material presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has also elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

3. Non-cash Federal Awards

The District receives food commodities from the U.S. Department of Agriculture for use in its foodservice program. The commodities, in the amount of \$728,738 are recognized as revenue when received and are reported at fair market value.

4. Prior Year Reimbursements

These amounts represent reimbursements for prior year expenditures which were not received until the current fiscal year.

**BROKEN ARROW SCHOOL DISTRICT NO. I-3, TULSA COUNTY
SCHEDULE OF SURETY BONDS
FOR THE YEAR ENDED JUNE 30, 2024**

<u>BONDING COMPANY</u>	<u>POSITION COVERED</u>	<u>BOND NUMBER</u>	<u>COVERAGE AMOUNT</u>	<u>EFFECTIVE DATES</u>
Liberty Mutual Surety	Superintendent	999163319	\$100,000	12/15/23-12/15/24
	Chief Financial Officer	601091769	\$100,000	5/27/24-5/27/25
	Treasurer	LSF041327	\$500,000	7/17/23-7/17/24
	Dep. Treasurer	999130283	\$100,000	9/2/23-9/2/24
	Activity Fund Custodian	LSF041327	\$500,000	7/17/23-7/17/24
	Payroll Director	LSF041383	\$100,000	7/1/23-7/1/24
	Encumbrance Clerk	999329665	\$1,000	5/6/24-7/1/25
	Dep. Encumbrance Clerk	999078081	\$1,000	11/9/23-11/9/24
	Minutes Clerk	999117043	\$1,000	7/1/23-7/1/24
	Dep. Minutes Clerk	601124998	\$1,000	9/1/23-9/1/24



JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

**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**

The Honorable Board of Education
Broken Arrow School District
Broken Arrow, OK 74012

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Broken Arrow School District No. I-003, Broken Arrow, Oklahoma, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 14, 2024. This report was unqualified with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

November 14, 2024



JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

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

The Honorable Board of Education
Broken Arrow School District No. I-003
Broken Arrow, Oklahoma 74012

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Broken Arrow School District No. I-003, Broken Arrow, 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 its major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Broken Arrow School District No. I-003, Broken Arrow, 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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* (The Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Broken Arrow School District No. I-003, Broken Arrow, Oklahoma and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment

made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

November 14, 2024

BROKEN ARROW SCHOOL DISTRICT NO. 1-3, TULSA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JULY 1, 2023 TO JUNE 30, 2024

Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the combined financial statements in conformity with generally accepted accounting principles.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Schedule of Findings and Questioned Costs.
3. No instances of noncompliance material to the financial statements of the District were reported during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with the Uniform Guidance".
5. An unqualified opinion report was issued on the compliance of major federal award programs.
6. The audit disclosed no audit findings and questioned costs, which are required to be reported under the Uniform Guidance.
7. Identification of Major Programs: Education Stabilization Fund (84.425D,84.425U) and Special Education (84.027,84.027X,84.173) programs, which were each clustered in the determination.
8. The dollar threshold used to determine between Type A and Type B programs was \$750,000.
9. The District did qualify to be a low-risk auditee.

Findings – Financial Statement Audit

None

Findings and Questioned Costs – Major Federal Award Programs Audit

None

**BROKEN ARROW SCHOOL DISTRICT NO. 1-3, TULSA COUNTY
DISPOSITION OF PRIOR YEAR'S SCHEDULE OF FINDINGS
JULY 1, 2023 TO JUNE 30, 2024**

There were no material prior year audit findings.

**BROKEN ARROW SCHOOL DISTRICT NO. 1-3, TULSA COUNTY
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL
LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2023 TO JUNE 30, 2024**

State of Oklahoma)
County of Tulsa)

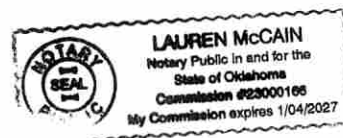
The undersigned auditing firm representative of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Broken Arrow School District for the audit year 2023-24.

Jenkins & Kemper, CPAs, P.C.
AUDITING FIRM

BY 
AUTHORIZED AGENT

Subscribed and sworn to before me on this
3rd day of, December, 2024


NOTARY PUBLIC





OKLAHOMA Education

Audit Acknowledgement

Audit Year: 2023-2024

District Name Broken Arrow Public School

District Number 1-3

County Name Tulsa

County Code 72

The annual independent audit was presented to the Board of Education in a meeting conducted in

accordance with the Open Meeting Act 25 O.S. Section 301-314 on 12/09/2024.

Date of Meeting

The audit was presented by Jenkins & Kemper, CPAs P.C.

(Independent Auditor)

(Independent Auditor's Signature)

The School Board acknowledges that as the governing body of the district, responsible for the district's financial and compliance operations, the audit findings and exceptions have been presented to them.

A copy of the audit, including this acknowledgement form, will be sent to the State Board of Education and the State Auditor and Inspector within 30 days from its presentation, as stated in 70 O.S. § 22-108:

"The district board of education shall forward a copy of the auditor's opinions and related financial statements to the State Board of Education and the State Auditor and Inspector within thirty (30) days after receipt of the audit."

Signature of the Board of Education:

Superintendent

Board of Education President

Steve Allen

Board of Education Vice President Jerry Denton

Board of Education Member Brandy Roulet

Board of Education Member John Coakrell

Board of Education Member Debbie Taylor

Board of Education Member

Subscribed and sworn before me on 12.9.2024

Janet L Brown

(Notary Public)



Commission expires 12.1.2028

Updated 7/2024