

***ARDMORE SCHOOL DISTRICT I-19***  
***Carter County, Oklahoma***  
Financial Statements  
Year-End June 30, 2023

**Ardmore School District I-19**  
**Carter County, Oklahoma**  
**School District Officials**  
June 30, 2023

**Board of Education**

|                |                    |
|----------------|--------------------|
| President      | James Foreman, Jr. |
| Vice-President | Harry Spring       |
| Clerk          | Lori Capshaw       |
| Member         | Carey Baldwin      |
| Member         | Steve Oliver       |

**Superintendent of Schools**

Jill Day

**School District Treasurer**

Kelly Shannon

ARDMORE SCHOOL DISTRICT NO. I-19  
 Carter County, Oklahoma  
 Table of Contents  
 June 30, 2023

|   | <b>Page</b> |
|---|-------------|
| <b>Independent Auditor’s Report</b> .....   | 1           |
| <b>Management’s Discussion and Analysis (Unaudited)</b> .....   | 5           |
| <b>Basic Financial Statements</b>   |             |
| Government-wide Financial Statements:   |             |
| Statement of Net Position – Regulatory Basis.....   | 19          |
| Statement of Activities– Regulatory Basis .....   | 20          |
| Fund Financial Statements:  |             |
| Balance Sheet – Governmental Funds – Regulatory Basis .....   | 21          |
| Statement of Revenues, Expenditures, and Changes in<br>Fund Balances – Governmental Funds – Regulatory Basis.....   | 22          |
| Reconciliation of the Statement of Revenues, Expenditures,<br>and Changes in Fund Balances – Governmental Funds – Regulatory Basis<br>to the Statement of Activities – Regulatory Basis .....   | 23          |
| Notes to the Financial Statements.....  | 24          |
| <b>Other Information</b>  |             |
| Budgetary Comparison Schedule – General Fund (Unaudited) .....  | 41          |
| Budgetary Comparison Schedule – Building Fund (Unaudited).....  | 42          |
| Budgetary Comparison Schedule – Sinking Fund (Unaudited) .....  | 43          |
| Combining and Individual Fund Statements and Schedules:   |             |
| Combining Balance Sheet – Regulatory Basis - Other Governmental Funds .....   | 44          |
| Combining Statement of Revenues, Expenditures and<br>Changes in Fund Balances– Regulatory Basis - Other Governmental Funds .....  | 45          |
| Combining Balance Sheet – Regulatory Basis - Other Capital Project Funds .....  | 46          |
| Combining Statement of Revenues, Expenditures and<br>Changes in Fund Balances– Regulatory Basis - Other Capital Project Funds .....   | 47          |
| Combining Statement of Assets and Fund Balances – Activity Fund.....  | 48          |
| Schedule of Expenditures of Federal Awards .....  | 51          |
| Notes to Schedule of Expenditures of Federal Awards .....   | 54          |
| <b>Government Auditing Standards Section</b>  |             |
| Independent Auditors’ Report on Internal Control over Financial Reporting and on<br>Compliance and Other Matters Based on an Audit of Financial Statements Performed in<br>Accordance with <i>Governmental Auditing Standards</i> ..... | 55          |
| <b>Single Audit Section</b>   |             |
| Independent Auditor’s Report on Compliance for Each Major Program and on<br>Internal Controls over Compliance Required by the Uniform Guidance .....  | 57          |
| Schedule of Findings and Questioned Costs .....   | 60          |
| Summary Schedule of Prior Year Findings .....   | 62          |
| <b>Other Oklahoma Department of Education Requirements</b>  |             |
| Statement of Statutory Fidelity and Honesty Bonds (Unaudited) .....   | 64          |
| Schedule of Accountant’s Professional Liability and Insurance (Unaudited) .....   | 65          |



## INDEPENDENT AUDITOR'S REPORT

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

### **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 Ardmore School District No. I-19, Carter County, Oklahoma, as of and for June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, the governmental activities, each major fund, and the aggregate remaining fund information of Ardmore School District I-19, Carter County, as of June 30, 2023, and the revenues it collected and expenditures it paid and budgetary results for the year then ended, in accordance with the financial reporting provisions of Oklahoma State Department of Education as described in Note 1.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Ardmore School District I-19, Carter County, as of June 30, 2023,, or changes in net position, or cash flows thereof for the year then ended.

#### **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 the School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1, the financial statements are prepared by the Ardmore School District I-19, on the basis of the financial reporting provisions of Oklahoma State Department of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of Oklahoma State Department of Education. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Oklahoma State Department of Education. Management is also responsible 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 Ardmore School District I-19's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Ardmore School District I-19'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 Ardmore School District I-19's ability to continue as a going concern for a reasonable period of time.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise School District's financial statements as a whole. The budgetary comparison schedules, combining nonmajor fund financial statements, statement of changes in activity fund subaccounts and other information listed in the table of contents are presented for additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining 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 report. The other information comprises the management discussion and analysis, statement of statutory fidelity and honesty bonds and schedule of accountant's professional liability insurance 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 our report dated March 25, 2024, on our consideration of Ardmore School District I-19 Carter County, Oklahoma's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Ardmore School District I-

19 Carter County, Oklahoma's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering Ardmore School District I-19 Carter County, Oklahoma's internal control over financial reporting and compliance.

*Mary E Johnson & Associates PLLC*

Norman, Oklahoma

March 25, 2024

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

As management of the Ardmore School District No. I-19, Carter County, Oklahoma (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here. The basic financial statements include government-wide financial statements and fund financial statements. For a further understanding of the difference between these financial statements, a detailed discussion is provided on page 23.

**Financial Highlights**

With respect to the government-wide financial statements:

The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$52,908,365 (*net position*), which is an increase of \$6,543,945 from the prior year. Of the amount at June 30, 2023, \$6,634,422 (*unrestricted net position*) may be used to meet the entity's ongoing obligations to citizens and creditors.

With respect to the fund financial statements:

As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$31,038,054, an increase of \$2,829,945 from the prior year.

Other highlights:

On November 17, 2022, the Board of Education approved the sale of \$3,670,000 General Obligation Combined Purpose Bonds; the proceeds were received by the District on January 5, 2023. The purpose of these bonds were to provide \$2,075,000 proceeds for the 2013 CCPFA lease payment, and \$1,595,000 proceeds for the 2018 CCPFA lease payment.

On April 18, 2023, the Board of Education approved the sale of \$6,225,000 General Obligation Bonds; the proceeds were received by the District on June 8, 2023. The purpose of these bonds were to provide the proceeds needed to fulfill the 2013 CCPFA lease balance.

On September 1, 2013, the Board of Education entered into ground lease and sublease agreements with the Carter County Public Facilities Authority (CCPFA), a public trust, for the purpose of facilitating the issuance of the bonds, to provide security for payment of the bonds, and to enable the District to utilize the bond proceeds for the construction and placement of improvements on real property. In conjunction with these lease agreements, the District will issue general obligation bonds to repay the lease. On January 5, 2023, the District received \$2,075,000 proceeds from the \$3,670,000 General Obligation Combined Purpose Bonds for the 2013 CCPFA lease payment due September 1 2023. On June 8, 2023, the District received \$6,225,000 proceeds of General Obligation Bonds for the purpose of fulfilling the lease obligation early. In August 2023, the District paid off the 2013 CCPFA lease obligation early, thereby saving the District approximately \$500,000 in interest expense.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

On August 1, 2018, the Board of Education entered into ground lease and sublease agreements with the Carter County Public Facilities Authority (CCPFA), a public trust, for the purpose of facilitating the issuance of the bonds, to provide security for payment of the bonds, and to enable the District to utilize the bond proceeds for the construction and placement of improvements on real property. The lease agreements will remain in effect to June 30, 2034. In conjunction with these lease agreements, the District will issue general obligation bonds to repay the lease. On January 5, 2023, the District received \$1,595,000 proceeds from the \$3,670,000 General Obligation Combined Purpose Bonds for the 2018 CCPFA lease payment.

In June 2018, a local charitable foundation granted the District \$4,000,000 to help construct the Performing Arts Center. The grant will be distributed in annual payments of \$500,000 from 2018 through 2025. As of June 30, 2023, the District had received \$2,800,000 of this grant commitment.

Capital improvement projects completed during the fiscal year ended June 30, 2023, include the battery back-up system for the performing arts center, and the projector system for the middle school gymnasium.

On June 28, 2022, the taxpayers of Carter County approved to extend the \$.25 county sales tax collection through March 31, 2028. These sales tax collections are used to provide revenues for technology equipment and instructional and classroom materials for all common school districts located within Carter County.

**Overview of the Financial Statements**

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

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

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

The *statement of activities – regulatory basis* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported using the regulatory basis of accounting whereby revenues represent cash receipts collected by June 30<sup>th</sup> and expenditures represent cash disbursements modified by encumbrances, investments, inventories, capital assets, depreciation, and long-term debt.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**Overview of the Financial Statements (Continued)**

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

The government-wide financial statements can be found on pages 19-20 of this report.

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

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

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

The District maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Building Fund, Sinking Fund, CCPFA 2018 Bond Fund and Bond Fund #37 which are considered to be major funds. Data from the other eleven governmental funds are combined into an aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 21-22 of this report.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 24-39 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *other information* concerning the District's budget to actual schedules on major governmental funds, combining and individual fund statements and schedules. Other information can be found on pages 41-50 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$52,908,365 at the close of the most recent fiscal year, as shown on the following page.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**The District's Net Position**

|   | Governmental Activities |                      |
|---|-------------------------|----------------------|
|   | June 30, 2023           | June 30, 2022        |
| <b>ASSETS</b>                             |                         |                      |
| Cash and Cash Equivalents                 | \$ 33,222,541           | \$ 25,027,474        |
| Restricted Cash                           | 61,821                  | 4,971,678            |
| Investments                               | 37,666                  | 37,666               |
| Capital Assets:                           |                         |                      |
| Land and Construction in Progress         | 29,354,323              | 21,358,247           |
| Other Capital Assets, Net of Depreciation | <u>43,430,988</u>       | <u>44,383,064</u>    |
| <b>Total Assets</b>                       | <u>\$ 106,107,339</u>   | <u>\$ 95,778,129</u> |
| <b>LIABILITIES AND EQUITY</b>             |                         |                      |
| <b>Current Liabilities</b>                |                         |                      |
| Warrants Payable                          | \$ 1,231,091            | \$ 1,743,274         |
| Reserve for Encumbrances                  | 1,052,883               | 85,435               |
| <b>Long-Term Liabilities</b>              |                         |                      |
| Due within one year                       | 6,685,000               | 6,565,000            |
| Due in more than one year                 | <u>44,230,000</u>       | <u>41,020,000</u>    |
| <b>Total Liabilities</b>                  | <u>\$ 53,198,974</u>    | <u>\$ 49,413,709</u> |
| <b>Net Position</b>                       |                         |                      |
| Invested in Capital Assets                | 33,331,178              | 28,819,090           |
| Restricted                                | 12,942,765              | 12,744,796           |
| Unrestricted                              | <u>6,634,422</u>        | <u>4,800,534</u>     |
| <b>Total Net Position</b>                 | <u>\$ 52,908,365</u>    | <u>\$ 46,364,420</u> |

Restricted Cash of \$61,821 consists of unused cash from the advanced lease revenue bonds from the Carter County Public Facilities Authority (CCPFA) 2013 lease (\$25,477) and the CCPFA 2018 lease (\$36,344).

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**Government-wide Financial Analysis (Continued)**

Construction in Progress of \$28,911,673 includes the following site improvement projects:

|   |               |
|---|---------------|
| New Performing Arts Center                                | \$ 28,646,591 |
| Performing Arts Center Security Camera & Door FOB Systems | 135,594       |
| Take II Camera System                                     | 60,727        |
| Security Camera System - Noble Stadium                    | 19,233        |
| TPO Roof for Charles Evans Main Building                  | 18,167        |
| Water Mitigation Project - Charles Evans                  | 4,500         |
| New Business Office Remodel - Administration Building     | 26,861        |
|   | \$ 28,911,673 |

Long-Term Liabilities include \$16,680,000 of general obligation bonds and \$34,235,000 of advanced lease revenue bonds from the Carter County Public Facilities Authority (CCPFA) 2013 and 2018 leases. These liabilities were incurred for the purpose of constructing, equipping, repairing and remodeling school buildings, acquiring school furniture, fixtures and equipment, acquiring and improving school sites, and purchasing school buses. These financing arrangements are described in Notes V and X of the footnotes.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**Government-wide Financial Analysis (Continued)**

**Governmental activities.** Governmental activities increased the District's net position by \$6,543,945. Key elements of this increase are shown below.

**The District's Changes in Net Position**

|  | Governmental Activities |                   |
|--|-------------------------|-------------------|
|  | Year Ended              |                   |
|  | June 30, 2023           | June 30, 2022     |
| Primary Government                               |                         |                   |
| Program Revenues:                                |                         |                   |
| Charges for Services                             | \$ 1,526,207            | \$ 1,193,827      |
| Operating Grants and Contributions               | 9,455,351               | 11,264,710        |
| Capital Grants and Contributions                 | 1,006,394               | 75,212            |
| Total Program Revenues                           | \$ 11,987,952           | \$ 12,533,749     |
| General Revenues:                                |                         |                   |
| Taxes:   |                         |                   |
| Property Taxes, levied for general purposes      | \$ 8,384,090            | \$ 6,793,782      |
| Property Taxes, levied for building purposes     | 1,198,061               | 970,811           |
| Property Taxes, levied for sinking fund purposes | 4,741,516               | 4,773,692         |
| General Taxes                                    | 3,889,541               | 5,560,679         |
| Investment Earnings                              | 890,332                 | 63,689            |
| State Aid - Noncategorical                       | 7,938,084               | 10,003,211        |
| Gain or (Loss) on Disposal of Assets             | 18,946                  | -                 |
| Miscellaneous                                    | 390,545                 | 397,210           |
| Total General Revenues                           | \$ 27,451,115           | \$ 28,563,074     |
| <br>Total Revenues                               | <br>\$ 39,439,067       | <br>\$ 41,096,823 |
| <br>Governmental Activities                      |                         |                   |
| Expenses:  |                         |                   |
| Instruction                                      | 13,484,401              | 14,005,448        |
| Support Services                                 | 15,112,052              | 14,523,648        |
| Operation of Noninstructional Services           | 2,501,390               | 2,190,769         |
| Facilities Acquisition & Construction Services   | 2,321                   | -                 |
| Scholarships, Awards, & Other                    | 11,050                  | 7,250             |
| Interest on Long-Term Debt                       | 1,689,175               | 1,819,956         |
| Other Expenses and Refunds                       | 94,733                  | 317,185           |
| Total Expenses                                   | 32,895,122              | 32,864,256        |
| <br>Increase (Decrease) In Net Position          | <br>6,543,945           | <br>8,232,567     |
| Net Position - Beginning                         | 46,364,420              | 38,131,853        |
| <br>Net Position, Ending                         | <br>\$ 52,908,365       | <br>\$ 46,364,420 |

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**Government-wide Financial Analysis (Continued)**

The District's Charges for Services had a net increase of \$332,380 during the year ended June 30, 2023, due to increased revenues and grants from the Okla. Department of Human Services for the HUGS after-school childcare program (\$173,926) and alternative education tuition fees (\$127,530) resulting from increased enrollment in the District's alternative education program.

The District's Operating Grants and Contributions had a net decrease of \$1,809,359 during the year ended June 30, 2023. During the fiscal year ended June 30, 2023, the District collected pandemic-related federal grant reimbursements as follows: ESSER III funding of the ARP (American Rescue Plan) Act, \$1,282,156; School Counselor Corps funding of the ARP Act, \$65,821; Supply Chain Assistance funding of the U.S. Department of Agriculture, \$77,737; Oklahoma Paid Student Teacher Stipends and Science of Reading Stipends of the ARP Act, \$7,185; Child Care and Development Block Grant of the ARP Act, \$148,563; ARP Homeless II grant, \$8,815; ARP IDEA grants, \$2,153; and COVID-19 Emergency Connectivity Funding from the Federal Communications Commission, \$146,928. Pandemic-related federal funding received during year ended June 30, 2023 was \$2,314,102 less than the prior year. Federal reimbursement of qualified student meals served decreased \$271,090 during the year ended June 30, 2023 due to a lower reimbursement rate as calculated in the base year 2022 percentage under the Community Eligibility Provision requirements, which resulted in 8.59% lower reimbursement rate. Insurance loss recoveries decreased \$151,117 during the year ended June 30, 2023 primarily due to losses that occurred in the prior years related to the February 2021 winter storm event. In June 2023, the District received \$1,167,500 school safety grant from a local charitable foundation. During the year ended June 30, 2023, the District received a \$527,800 COVID-19 Public School grant from the Chickasaw Nation. Other decreases occurred due to the timing of federal claim reimbursements, one-time grants, and reduced state allocation for textbooks.

Capital Grants & Contributions increased by \$931,182 primarily due to a new school bus purchased out of ARP IDEA funds and grant proceeds designated for construction of the new performing arts center.

Property taxes levied for general purposes and building purposes increased \$1,590,308 and \$227,250, respectively, during the year ended June 30, 2023, primarily due to a 25% increase in net assessed valuation for 2022. The net assessed valuation increased approximately \$30 million in 2022 due to the dissolution of TIF District # 2 when the TIF's debt was paid in full; therefore, the TIF valuation was added back to the District's valuation. Additionally, there were increased home sales with higher values and removal of valuation caps resulting in approximately \$19 million increased net assessed valuation.

Property taxes levied for sinking fund purposes decreased \$32,176 during the year ended June 30, 2023, due to timing of payments on outstanding bond debt.

General taxes decreased \$1,671,138 primarily due to the collection of \$2,421,569 during year ended June 30, 2022 of excess tax revenue distribution received from the terminated Tax Increment Financing District # 2. This decrease was partially offset by increases in county 4-mill taxes

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

(\$198,321) and gross production taxes (\$723,242). Decreases occurred in Motor Vehicle tax and county mortgage tax collections as well.

Investment earnings increased \$826,643 due to significant interest rate increases (approximately 5%) by the Federal Reserve Bank during year ended June 30, 2023.

State Aid – Noncategorical revenues decreased \$2,065,127 primarily due to the effects of the following categories in the state aid formula: increase in state aid factors (\$975,610), decrease in weighted ADM (\$712,986), increase in ad valorem chargeable (\$1,544,189), and an increase in other chargeables (\$716,936). There was also a decrease in flexible benefit allowance of \$66,626 for the year ended June 30, 2023.

Instruction expenses decreased \$521,047 primarily due staffing decreases offset by step raises and retentive incentive stipends given during year ended June 30, 2023.

Support Services increased \$588,404 primarily due to purchases of furniture and equipment for the new performing arts center, increase in utilities, property insurance premiums, fuel, security cameras, training costs, technology purchases and depreciation expense. These increases were partially offset by staffing changes, less student travel.

Operation of Noninstructional Services increased \$310,621 primarily due to increased food costs and cafeteria supplies, increased cafeteria personnel, and increased cost of items purchased for fundraisers.

Interest on Long-Term Debt of \$1,689,175 includes \$1,629,850 interest on the 2013 and 2018 CCPFA lease revenue bonds and \$59,325 on general obligation bonds.

Other Expenses and Refunds decreased \$222,452 primarily due to the \$225,000 expended during year ended June 30, 2022, towards the street improvements adjacent to the Jefferson addition project as part of a cost sharing agreement with the City of Ardmore.

**Financial Analysis of the Government's Funds**

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

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$31,038,054, an increase of \$2,829,945 in comparison with the prior year. This amount includes \$5,649,909, *assigned fund balance*, which is available for next year's general operations of the District.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

The general fund is the chief operating fund of the District. At the end of the current fiscal year, total fund balance of the general fund was \$6,634,422, of which \$984,513 was restricted by state statute, donors and external grantors.

**General Fund Budgetary Comparisons**

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

During fiscal year ended June 30, 2023, General Fund property tax revenue was \$648,783 greater than the budgeted amount, reflecting an 8% increase in revenues. This increase is due to an increase in collections of prior years' taxes (\$365,084) and current year taxes collected above the 10% allowance for delinquent accounts (\$283,699).

Interest revenues increased \$257,661 due to rising interest rates implemented by the Federal Reserve Bank for approximately 5% during the year ended June 30, 2023.

County revenues increased \$261,734 due primarily to increased net assessed valuation in 2022 which consequently increased County 4-mill assessments.

State revenues decreased \$429,924 over budgeted primarily due to a decrease in State Foundation and Salary Incentive Aid of \$1,321,764 resulting from higher chargeables including ad valorem and other chargeables. This decrease was offset partially by an increase in Gross Production Tax of \$828,355; decrease in Motor Vehicle Tax collections of \$45,806, increase in School Land Earnings of \$33,024, decrease in Flexible Benefit Allowance of \$143,135, and increased DHS revenues of \$173,926.

Federal revenues decreased \$5,082,033 primarily due to spending out of CARES Act and ESSER II funding during the year ended June 30, 2022; the carryover of pandemic-related federal grant allocations; and timing of federal claim reimbursements.

Other revenues increased \$117,930 primarily due to increased bus rentals and sales of old buses and vehicles.

General fund actual instruction expenditures were \$10,809,302 less than budgeted instruction expenditures due to the District's conservative approach to carryover fund balance to the next fiscal year.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**Capital Asset and Debt Administration**

**Capital assets.** The District's investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$72,785,311 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, buses, vehicles, machinery and equipment, and construction in progress. The net increase in the District's capital assets for the current fiscal year was \$7,044,000.

**The District's Capital Assets**  
**(Net of Depreciation)**

|                              | Governmental Activities |                   |
|------------------------------|-------------------------|-------------------|
|                              | June 30, 2023           | June 30, 2022     |
| Land                         | \$ 442,650              | \$ 442,650        |
| Land Improvements            | 4,608,835               | 4,462,457         |
| Buildings                    | 78,089,348              | 77,933,456        |
| Buses and Vehicles           | 3,711,363               | 3,886,851         |
| Machinery and Equipment      | 5,480,002               | 5,211,551         |
| Construction in Progress     | 28,911,673              | 20,915,597        |
| <br>Total Capital Assets     | <br>121,243,871         | <br>112,852,562   |
| <br>Accumulated Depreciation | <br>(48,458,560)        | <br>(47,111,251)  |
| <br>Net Capital Assets       | <br>\$ 72,785,311       | <br>\$ 65,741,311 |

Additional information on the District's capital assets can be found in Note IV on page 32 of this report.

At year-end, the District had \$50,915,000 in long-term liabilities versus \$47,585,000 last year, as shown below:

|   | Governmental Activities |                   |
|---|-------------------------|-------------------|
|   | June 30, 2023           | June 30, 2022     |
| Capital Leases  | \$ 34,235,000           | \$ 36,140,000     |
| General Obligation Debt                               | 16,680,000              | 11,445,000        |
| <br>Total Governmental Activity Long-Term Liabilities | <br>\$ 50,915,000       | <br>\$ 47,585,000 |

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

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

**Other Currently Known Facts, Decisions, or Conditions**

On November 16, 2023, the Board of Education approved the sale of \$3,930,000 General Obligation Bonds; the proceeds were received by the District on January 4, 2024. The purpose of these bonds were to provide \$3,930,000 proceeds for the 2018 CCPFA lease payments due on September 1, 2024 and September 1, 2025.

On April 18, 2023, the Board of Education approved the sale of \$6,225,000 General Obligation Bonds; the proceeds were received by the District on June 8, 2023. The purpose of these bonds were to provide the proceeds needed to fulfill the 2013 CCPFA lease balance. In August 2023, the District paid off the 2013 CCPFA lease obligation early, thereby saving the District approximately \$500,000 in interest expense.

In December 2023, the District received \$1,200,000 representing the balance of the \$4,000,000 grant commitment by a local charitable foundation to help construct the Performing Arts Center. Additionally, the same local charitable foundation donated \$350,000 in December 2023 to assist in the operational costs of the performing arts center for the year ending June 30, 2023. In March 2024, this local charitable foundation also donated \$300,000 to assist in funding the costs of bringing large plays to the performing arts center.

In November 2022, the District ordered the last five buses to be paid out of the Transportation Series Bonds. These five buses were received on January 23, 2024. Additionally, in November 2022, the District ordered two activity buses to be paid out of local funds; as of this date, these activity buses have not yet been delivered to the District. In December 2023, the District ordered 3 buses to be paid out of ESSER III funding.

Under the American Rescue Plan Act of 2021, the District received an allocation of ESSER III funds in the amount of \$8,667,966 (amended) beginning July 1, 2021. These funds provide additional relief to school districts to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the nation's students. As of June 30, 2023, the District had \$5,159,779 remaining in ESSER III grant, which may be spent in the subsequent fiscal year. These funds have an availability period through September 30, 2024.

The American Rescue Plan Act of 2021 also provided COVID-19 related funds targeted to address the challenges faced in ensuring services for children with disabilities. The District received an allocation of \$161,847 in these supplemental grants for children with disabilities beginning July 1, 2021. As of June 30, 2023, the District had \$41,642 remaining in these funds. These funds were fully expended by September 30, 2023.

Under the American Rescue Plan Act of 2021, the District also received an allocation of ARP Homeless Children and Youth funds in the amount of \$39,136 in late-spring 2022. The purpose of this grant is to help support the specific and urgent needs of homeless children and youth in recognition of the extraordinary impact of the pandemic on students experiencing homelessness. As of June 30, 2023, the District had \$29,801 remaining in these funds. These funds have an availability period through September 30, 2024.

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Management's Discussion and Analysis**  
**June 30, 2023**  
**(UNAUDITED)**

The American Rescue Plan Act of 2021 provided the State of Oklahoma with K-12 relief funding for activities and interventions that respond to students' academic, social, and emotional needs as impacted by the coronavirus pandemic. The District was awarded a 3-year grant under the School Counselor Corps grant for fiscal years 2022, 2023, and 2024. The second year grant of \$60,001 was fully expended during fiscal year ended June 30, 2023. These funds have an availability period through September 30, 2024.

The American Rescue Plan Act of 2021 also provided the State of Oklahoma with funding to the District to pay stipends to teachers who attended training in the LETRS Science of Reading program in the amount of \$1,938. The State of Oklahoma also provided funding in the amount of \$5,247 to the District to pay stipends to teachers who had who obtained full-time employment after graduation. These funds were fully expended by June 30, 2023.

Through the Chickasaw Nation, the District received \$148,563 COVID-19 American Rescue Plan Child Care and Development Block grant in October 2022. The primary purpose of this grant is to provide funds for operational costs, health and safety facility improvements, and hazard pay. As of June 30, 2023, the District had \$124,914 remaining in these funds. These funds were fully expended by August 31, 2023.

Under the American Rescue Plan Act of 2021, the District also received an allocation of the COVID-19 Emergency Connectivity Fund from the Federal Communications Commission passed through the Universal Service Administration Company in the amount of \$149,345. The purpose of these funds is to help schools and libraries provide remote learning. Funding may be used for the reasonable cost of equipment and services that can be provided to students and teachers who lack connected devices such as tablet computers and/or lack broadband access during the pandemic. The District purchased Chromebooks and provided internet access to eligible students and teachers during the year ended June 30, 2023. These funds were fully expended by June 30, 2023.

In July 2023, the District reorganized the elementary schools into grade centers. Charles Evans Elementary serves grades first and second. Lincoln Elementary serves grades third and fourth. Jefferson Elementary serves grades fifth and sixth. Ardmore Middle School now serves only seventh and eighth grades. The purpose of these changes were to at a minimum, consolidated resources by grade level, provide equitable class sizes, improve student behavior, and improve collaboration among teachers.

On March 14, 2024, the Board of Education approved an agreement with the CWA Group, PLLC for the professional architectural design services for Ardmore High School facility assessment and possible bond proposal in 2025.

**Requests for Information**

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

## **BASIC FINANCIAL STATEMENTS**

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Statement of Net Position – Regulatory Basis  
June 30, 2023

|   | <u>Governmental<br/>Activities</u> |
|---|------------------------------------|
| <b>ASSETS</b>                             |                                    |
| Cash and Cash Investments                 | \$ 33,222,541                      |
| Restricted Cash                           | 61,821                             |
| Investments                               | 37,666                             |
| Capital Assets:                           |                                    |
| Land and Construction in Progress         | 29,354,323                         |
| Other Capital Assets, net of depreciation | 43,430,988                         |
|   | <u>106,107,339</u>                 |
| <b>Total Assets</b>                       | <b>\$ 106,107,339</b>              |
| <br><b>LIABILITIES AND NET POSITION</b>   |                                    |
| <b>Current Liabilities</b>                |                                    |
| Warrants Payable                          | \$ 1,231,091                       |
| Reserve for Encumbrances                  | 1,052,883                          |
| <b>Long -term liabilities</b>             |                                    |
| Due within one year                       | 6,685,000                          |
| Due in more than one year                 | 44,230,000                         |
|   | <u>53,198,974</u>                  |
| <b>Total Liabilities</b>                  | <b>\$ 53,198,974</b>               |
| <br><b>Net Position</b>                   |                                    |
| Net Investment in Capital Assets          | \$ 33,331,178                      |
| <b>Restricted for</b>                     |                                    |
| Building Services                         | 4,437,233                          |
| Child Nutrition                           | 603,241                            |
| Debt Service                              | 5,071,971                          |
| Instructional Materials and Technology    | 1,636,846                          |
| Alternative Education                     | 496,190                            |
| School Organizations                      | 628,873                            |
| Scholarships                              |                                    |
| Expendable                                | 17,245                             |
| Nonexpendable                             | 51,166                             |
| Unrestricted                              | 6,634,422                          |
|   | <u>52,908,365</u>                  |
| <b>Total Net Position</b>                 | <b>\$ 52,908,365</b>               |

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Statement of Activities– Regulatory Basis  
For the Year Ended June 30, 2023

|  |                         | Program Revenues                         |  |              | Net (Expense) Revenue and<br>Changes in Net Position |
|--|-------------------------|--|--|--------------|--|
| Expenses   | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |              | Primary Government<br>Governmental<br>Activities     |
| <i>Functions/Programs</i>                        |                         |  |  |              |  |
| Primary Government                               |                         |  |  |              |  |
| Governmental Activities                          |                         |  |  |              |  |
| Instruction                                      | \$ 13,484,401           | \$ 466,893                               | \$ 4,686,981                           | \$ 14,981    | \$ (8,315,546)                                       |
| Support Services                                 | 15,112,052              | 280,638                                  | 2,739,986                              | 191,413      | (11,900,015)   |
| Operation of Noninstructional Services           | 2,501,390               | 746,788                                  | 1,753,614                              | -            | (988)  |
| Facilities Acquisition and Construction Services | 2,321                   | -  | 232,857                                | 800,000      | 1,030,536  |
| Scholarships, Awards and Other                   | 11,050                  | -  | 3,000                                  | -            | (8,050)  |
| Interest on Long-Term Debt                       | 1,689,175               | -  | -                                      | -            | (1,689,175)  |
| Other Expenses and Refunds                       | 94,733                  | 31,888                                   | 38,913                                 | -            | (23,932)   |
| Total Governmental Activities                    | \$ 32,895,122           | \$ 1,526,207                             | \$ 9,455,351                           | \$ 1,006,394 | \$ (20,907,170)                                      |
| General Revenues                                 |                         |  |  |              |  |
| Taxes  |                         |  |  |              |  |
| Property taxes, levied for general purposes      |                         |  |  |              | \$ 8,384,090   |
| Property taxes, levied for building purposes     |                         |  |  |              | 1,198,061  |
| Property taxes, levied for sinking fund purposes |                         |  |  |              | 4,741,516  |
| General Taxes                                    |                         |  |  |              | 3,889,541  |
| Investment Earnings                              |                         |  |  |              | 890,332  |
| State Aid - Noncategorical                       |                         |  |  |              | 7,938,084  |
| Gain or (Loss) on Disposal of Assets             |                         |  |  |              | 18,946   |
| Miscellaneous                                    |                         |  |  |              | 390,545  |
| Total General Revenues                           |                         |  |  |              | \$ 27,451,115  |
| Change in Net Position                           |                         |  |  |              | \$ 6,543,945   |
| Net Position - Beginning                         |                         |  |  |              | 46,364,420   |
| Net Position - Ending                            |                         |  |  |              | \$ 52,908,365  |

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Balance Sheet – Governmental Funds– Regulatory Basis  
June 30, 2023

|  | General<br>Fund     | Building<br>Fund    | Sinking<br>Fund     | CCPFA 2018<br>Bond Fund 32 | Bond<br>Fund 37     | Other<br>Governmental<br>Funds | Total                |
|--|---------------------|---------------------|---------------------|----------------------------|---------------------|--------------------------------|----------------------|
| <b>Assets</b>                              |                     |                     |                     |                            |                     |                                |                      |
| Cash and Cash Investments                  | \$ 7,679,286        | \$ 5,462,078        | \$ 5,071,971        | \$ -                       | \$ 8,374,362        | \$ 6,634,844                   | \$ 33,222,541        |
| Restricted Cash                            | -                   | -                   | -                   | 36,344                     | -                   | 25,477                         | 61,821               |
| Investments                                | -                   | -                   | -                   | -                          | -                   | 37,666                         | 37,666               |
| <b>Total Assets</b>                        | <b>\$ 7,679,286</b> | <b>\$ 5,462,078</b> | <b>\$ 5,071,971</b> | <b>\$ 36,344</b>           | <b>\$ 8,374,362</b> | <b>\$ 6,697,987</b>            | <b>\$ 33,322,028</b> |
| <b>Liabilities</b>                         |                     |                     |                     |                            |                     |                                |                      |
| Warrants Outstanding                       | \$ 974,776          | \$ 51,700           | \$ -                | \$ -                       | \$ 57,550           | \$ 147,815                     | \$ 1,231,841         |
| Reserve for Encumbrances                   | 70,088              | 973,145             | -                   | -                          | -                   | 8,900                          | 1,052,133            |
| <b>Total Liabilities</b>                   | <b>\$ 1,044,864</b> | <b>\$ 1,024,845</b> | <b>\$ -</b>         | <b>\$ -</b>                | <b>\$ 57,550</b>    | <b>\$ 156,715</b>              | <b>\$ 2,283,974</b>  |
| <b>Fund Balances</b>                       |                     |                     |                     |                            |                     |                                |                      |
| Nonspendable                               | \$ -                | \$ -                | \$ -                | \$ -                       | \$ -                | \$ 51,166                      | \$ 51,166            |
| Restricted                                 | 984,513             | 4,258,730           | 5,071,971           | 2,363                      | 8,257,145           | 5,696,056                      | 24,270,778           |
| Committed                                  | -                   | -                   | -                   | -                          | -                   | 628,873                        | 628,873              |
| Assigned                                   | 5,649,909           | 178,503             | -                   | 33,981                     | 59,667              | 165,177                        | 6,087,237            |
| Unassigned                                 | -                   | -                   | -                   | -                          | -                   | -                              | -                    |
| <b>Total Fund Balances</b>                 | <b>\$ 6,634,422</b> | <b>\$ 4,437,233</b> | <b>\$ 5,071,971</b> | <b>\$ 36,344</b>           | <b>\$ 8,316,812</b> | <b>\$ 6,541,272</b>            | <b>\$ 31,038,054</b> |
| <b>Total Liabilities and Fund Balances</b> | <b>\$ 7,679,286</b> | <b>\$ 5,462,078</b> | <b>\$ 5,071,971</b> | <b>\$ 36,344</b>           | <b>\$ 8,374,362</b> | <b>\$ 6,697,987</b>            |                      |

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund. The costs of assets is \$121,243,871 and the accumulated depreciation is \$48,458,560.

72,785,311

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

|  |                        |                   |                     |
|--|------------------------|-------------------|---------------------|
|  | Bond Payable:          | 16,680,000        |                     |
|  | Capital Lease Payable: | <u>34,235,000</u> | <u>(50,915,000)</u> |

Net position of governmental activities.

\$ 52,908,365

See Notes to Financial Statements

**ARDMORE SCHOOL DISTRICT NO. I-19**  
**Carter County, Oklahoma**  
**Statement of Revenues, Expenditures and Changes in Fund**  
**Balances – Governmental Funds– Regulatory Basis**  
**For the Year Ended June 30, 2023**

|  | General<br>Fund      | Building<br>Fund    | Sinking<br>Fund     | CCPFA 2018<br>Bond Fund 32 | Bond<br>Fund 37     | Other<br>Governmental<br>Funds | Total                |
|--|----------------------|---------------------|---------------------|----------------------------|---------------------|--------------------------------|----------------------|
| <b>REVENUE</b>   |                      |                     |                     |                            |                     |                                |                      |
| Property Taxes   | \$ 8,415,004         | \$ 1,198,061        | \$ 4,741,516        | \$ -                       | \$ -                | \$ -                           | 14,354,581           |
| Interest   | 265,459              | 178,503             | 143,506             | 33,981                     | 59,667              | 190,137                        | 871,253              |
| County Revenue   | 977,782              | -                   | -                   | -                          | -                   | 964,181                        | 1,941,963            |
| State Revenue  | 11,591,226           | -                   | -                   | -                          | -                   | 335,296                        | 11,926,522           |
| Federal Revenue  | 4,333,722            | 1,500               | -                   | -                          | -                   | 1,558,708                      | 5,893,930            |
| Other  | 1,250,740            | 1,971,249           | 51                  | 1,526,550                  | -                   | 3,166,522                      | 7,915,112            |
| Total Revenue  | <u>\$ 26,833,933</u> | <u>\$ 3,349,313</u> | <u>\$ 4,885,073</u> | <u>\$ 1,560,531</u>        | <u>\$ 59,667</u>    | <u>\$ 6,214,844</u>            | <u>\$ 42,903,361</u> |
| <b>EXPENDITURES</b>  |                      |                     |                     |                            |                     |                                |                      |
| Current  |                      |                     |                     |                            |                     |                                |                      |
| Instruction  | \$ 12,875,243        | \$ -                | \$ -                | \$ -                       | \$ -                | \$ 593,606                     | \$ 13,468,849        |
| Support Services   | 11,038,972           | 1,212,947           | -                   | 31,930                     | 86,217              | 711,772                        | 13,081,838           |
| Non-instruction Services                                     | 218,620              | -                   | -                   | -                          | -                   | 2,093,057                      | 2,311,677            |
| Capital Outlay   | 293,201              | 2,947,472           | -                   | 6,432,215                  | 2,049,000           | 4,597,535                      | 16,319,423           |
| Other Outlays  | 91,057               | 2,321               | 3,676               | -                          | -                   | -                              | 97,054               |
| Debt Service   |                      |                     |                     |                            |                     |                                |                      |
| Principal Payment  | -                    | -                   | 4,660,000           | -                          | -                   | -                              | 4,660,000            |
| Interest Paid  | -                    | -                   | 59,325              | -                          | -                   | -                              | 59,325               |
| Total Expenditures   | <u>\$ 24,517,093</u> | <u>\$ 4,162,740</u> | <u>\$ 4,723,001</u> | <u>\$ 6,464,145</u>        | <u>\$ 2,135,217</u> | <u>\$ 7,995,970</u>            | <u>\$ 49,998,166</u> |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | \$ 2,316,840         | \$ (813,427)        | \$ 162,072          | \$ (4,903,614)             | \$ (2,075,550)      | \$ (1,781,126)                 | \$ (7,094,805)       |
| Adjustments to Prior Year Encumbrances                       | <u>20,679</u>        | <u>8,862</u>        | <u>-</u>            | <u>-</u>                   | <u>-</u>            | <u>-</u>                       | <u>29,541</u>        |
| Other Financing Sources                                      |                      |                     |                     |                            |                     |                                |                      |
| Transfers In (Out)   | \$ (503,633)         | \$ (6,000)          | \$ -                | \$ 3,000                   | -                   | \$ 506,633                     | \$ -                 |
| Estopped Warrants  | 2                    | -                   | -                   | -                          | -                   | 207                            | 209                  |
| Proceeds of Bonds  | -                    | -                   | -                   | -                          | 8,300,000           | 1,595,000                      | 9,895,000            |
| Total Other Financing Sources                                | <u>\$ (503,631)</u>  | <u>(6,000)</u>      | <u>-</u>            | <u>3,000</u>               | <u>8,300,000</u>    | <u>2,101,840</u>               | <u>9,895,209</u>     |
| Net Change in Fund Balances                                  | \$ 1,833,888         | \$ (810,565)        | \$ 162,072          | \$ (4,900,614)             | \$ 6,224,450        | \$ 320,714                     | \$ 2,829,945         |
| Fund Balances - Beginning                                    | <u>4,800,534</u>     | <u>5,247,798</u>    | <u>4,909,899</u>    | <u>4,936,958</u>           | <u>2,092,362</u>    | <u>6,220,558</u>               | <u>28,208,109</u>    |
| Fund Balances - Ending                                       | <u>\$ 6,634,422</u>  | <u>\$ 4,437,233</u> | <u>\$ 5,071,971</u> | <u>\$ 36,344</u>           | <u>\$ 8,316,812</u> | <u>\$ 6,541,272</u>            | <u>\$ 31,038,054</u> |

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund  
Balances – Governmental Funds – Regulatory Basis to the Statement of Activities – Regulatory Basis  
For the Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds \$ 2,829,945

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

|                      |                    |           |
|----------------------|--------------------|-----------|
| Capital Outlay       | \$ 9,209,022       |           |
| Depreciation Expense | <u>(2,103,696)</u> | 7,105,326 |

The net effect of various miscellaneous transactions involving capital assets (I.e., sales, trade-ins, disposals and donations) is to decrease net position. (61,326)

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

|  |                 |                              |
|--|-----------------|------------------------------|
| Debt repayments this year exceeds debt issued: |                 |                              |
|  | Debt Issued     | (9,895,000)                  |
|  | Debt Repayments | <u>4,660,000</u> (5,235,000) |

The repayment of the principal on capital leases consumes current financial resources of government funds. However this transaction does not have an effect on net position. 1,905,000

Change in net position of governmental activities \$ 6,543,945

See Notes to Financial Statements

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**The Reporting Entity**

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

**Financial Statement Presentation**

The District prepares its financial statements in a presentation format that is, in substance, the format established by the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statement-Management’s Discussion and Analysis-for State and Local Governments*. GASB Statement No. 34 established a financial reporting model for state and local governments that included the addition of management’s discussion and analysis, government-wide financial statements, required supplementary information and the elimination of the effects of internal service activities and the use of account groups to the already required fund financial statements and notes.

**Government-Wide and Fund Financial Statements**

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

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

The District reports the following major governmental funds:

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

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

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

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

**Bond Fund 37** – is used to account for proceeds from long-term financing and revenues and expenditures related to authorized construction and other capital asset acquisitions.

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

**Basis of Accounting**

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

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

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Deposits and Investments**

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

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

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

**Inventories**

The value of consumable inventories at June 30, 2023 is not material to the financial statements. On the government-wide financial statements, United States Department of Agriculture (USDA) food commodities are recorded as revenue at fair value as of the date of receipt and as an expense when used. USDA food commodities are not reported in the governmental funds.

**Capital Assets**

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

ARDMORE SCHOOL DISTRICT NO. I-19  
 Carter County, Oklahoma  
 Notes to Financial Statements  
 June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

**Net Position**

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

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

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

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

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

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

ARDMORE SCHOOL DISTRICT NO. I-19

Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

**Fund Equity**

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

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

As of June 30, 2023, fund balances are comprised of the following:

|  | General Fund       | Building Fund       | Sinking Fund        | CCPFA 2018 Bond Fund 32 | Bond Fund 37        | Other Governmental Funds | Total Governmental Funds |
|--|--------------------|---------------------|---------------------|-------------------------|---------------------|--------------------------|--------------------------|
| Nonexpendable                          |                    |                     |                     |                         |                     |                          |                          |
| Endowment                              | \$ -               | \$ -                | \$ -                | \$ -                    | \$ -                | \$ 51,166                | \$ 51,166                |
| Restricted                             |                    |                     |                     |                         |                     |                          |                          |
| Debt Service                           | -                  | -                   | 5,071,971           | -                       | -                   | -                        | 5,071,971                |
| Building Operation and Maintenance     | -                  | 4,258,730           | -                   | -                       | -                   | -                        | 4,258,730                |
| Alternative Education                  | -                  | -                   | -                   | -                       | -                   | 492,503                  | 492,503                  |
| State and Private Grants               | 984,513            | -                   | -                   | -                       | -                   | -                        | 984,513                  |
| Child Nutrition                        | -                  | -                   | -                   | -                       | -                   | 581,798                  | 581,798                  |
| Instructional Materials and Technology | -                  | -                   | -                   | -                       | -                   | 1,590,095                | 1,590,095                |
| School Facilities                      | -                  | -                   | -                   | 2,363                   | 8,257,145           | 2,437,693                | 10,697,201               |
| Scholarships                           | -                  | -                   | -                   | -                       | -                   | 17,112                   | 17,112                   |
| Student Transportation                 | -                  | -                   | -                   | -                       | -                   | 576,855                  | 576,855                  |
| Committed                              |                    |                     |                     |                         |                     |                          |                          |
| School Organizations                   | -                  | -                   | -                   | -                       | -                   | 628,873                  | 628,873                  |
| Assigned                               |                    |                     |                     |                         |                     |                          |                          |
| Building Operation and Maintenance     | -                  | 178,503             | -                   | -                       | -                   | -                        | 178,503                  |
| Alternative Education                  | -                  | -                   | -                   | -                       | -                   | 3,687                    | 3,687                    |
| Child Nutrition                        | -                  | -                   | -                   | -                       | -                   | 21,443                   | 21,443                   |
| Instructional Materials and Technology | -                  | -                   | -                   | -                       | -                   | 46,751                   | 46,751                   |
| School Facilities                      | -                  | -                   | -                   | 33,981                  | 59,667              | 72,302                   | 165,950                  |
| Scholarships                           | -                  | -                   | -                   | -                       | -                   | 133                      | 133                      |
| Student Transportation                 | -                  | -                   | -                   | -                       | -                   | 20,861                   | 20,861                   |
| General operations                     | 5,649,909          | -                   | -                   | -                       | -                   | -                        | 5,649,909                |
| Unassigned                             | -                  | -                   | -                   | -                       | -                   | -                        | -                        |
|  | <u>\$6,634,422</u> | <u>\$ 4,437,233</u> | <u>\$ 5,071,971</u> | <u>\$ 36,344</u>        | <u>\$ 8,316,812</u> | <u>\$ 6,541,272</u>      | <u>\$ 31,038,054</u>     |

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

**Property Tax Revenues**

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Property Tax Revenues (Continued)**

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

**State Revenues**

Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the districts. Approximately 30% of the District's revenue comes from state sources.

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

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

**III. BUDGETARY INFORMATION**

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

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

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**III. DEPOSITS AND INVESTMENTS**

Custodial Credit Risk - Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. The District's policy requires collateral for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. As of June 30, 2023, cash deposits and investments were fully insured or collateralized by a pledging bank's agent in the District's name.

Investment - The District's investment of \$37,666 at June 30, 2023, represents equity securities valued at historical value that were donated to the District. These securities are uninsured and exposed to the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of the investment.

**IV. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2023 was as follows:

|  | Beginning<br>Balance        | Increases                  | Decreases                | Ending<br>Balance           |
|--|-----------------------------|----------------------------|--------------------------|-----------------------------|
| <i>Government Activities:</i>                |                             |                            |                          |                             |
| <i>Capital assets, not being depreciated</i> |                             |                            |                          |                             |
| Land   | \$ 442,650                  | \$ -                       | \$ -                     | \$ 442,650                  |
| Construction in progress                     | 20,915,597                  | 8,053,188                  | 57,112                   | 28,911,673                  |
| Total capital assets, not being depreciated  | <u>\$ 21,358,247</u>        | <u>\$ 8,053,188</u>        | <u>\$ 57,112</u>         | <u>\$ 29,354,323</u>        |
| <i>Capital assets, being depreciated</i>     |                             |                            |                          |                             |
| Land Improvements                            | \$ 4,462,457                | \$ 146,378                 | \$ -                     | \$ 4,608,835                |
| Buildings                                    | 77,933,456                  | 218,976                    | 63,084                   | 78,089,348                  |
| Buses and Vehicles                           | 3,886,851                   | 552,030                    | 727,518                  | 3,711,363                   |
| Machinery and Equipment                      | 5,211,551                   | 295,562                    | 27,111                   | 5,480,002                   |
| Total capital assets, being depreciated      | <u>\$ 91,494,315</u>        | <u>\$ 1,212,946</u>        | <u>\$ 817,713</u>        | <u>\$ 91,889,548</u>        |
| Less Accumulated Depreciation                | <u>47,111,251</u>           | <u>2,103,696</u>           | <u>756,387</u>           | <u>48,458,560</u>           |
| Total capital assets, being depreciated, net | <u>\$ 44,383,064</u>        | <u>\$ (890,750)</u>        | <u>\$ 61,326</u>         | <u>\$ 43,430,988</u>        |
| Governmental activities capital assets, net  | <u>65,741,311</u>           | <u>7,162,438</u>           | <u>118,438</u>           | <u>72,785,311</u>           |
| <b>Total Primary Government</b>              | <b><u>\$ 65,741,311</u></b> | <b><u>\$ 7,162,438</u></b> | <b><u>\$ 118,438</u></b> | <b><u>\$ 72,785,311</u></b> |

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

|  |                           |
|--|---------------------------|
| Government activities:                               |                           |
| Instruction  | \$ 17,866                 |
| Support  | 2,068,699                 |
| Non-Instruction                                      | <u>17,131</u>             |
| Total depreciation expense - governmental activities | <u><u>\$2,103,696</u></u> |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**V. LONG-TERM DEBT**

Long-term liability activity for the year ended June 30, 2023, was as follows:

|   | <u>Beginning<br/>Balance</u> | <u>Additions</u>    | <u>Reductions</u>   | <u>Ending Balance</u> | <u>Due within<br/>One Year</u> |
|---|------------------------------|---------------------|---------------------|-----------------------|--------------------------------|
| Financed Leased<br>Purchases (Direct<br>Borrowing)      | \$ 36,140,000                | \$ -                | \$ 1,905,000        | \$ 34,235,000         | \$ 2,040,000                   |
| General Obligation Debt<br>(Direct Placement)           | <u>11,445,000</u>            | <u>9,895,000</u>    | <u>4,660,000</u>    | <u>16,680,000</u>     | <u>4,645,000</u>               |
| Total Governmental<br>Activity Long-Term<br>Liabilities | <u>\$ 47,585,000</u>         | <u>\$ 9,895,000</u> | <u>\$ 6,565,000</u> | <u>\$ 50,915,000</u>  | <u>\$ 6,685,000</u>            |

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

The schedule of future minimum lease payments under the financed lease purchase and the present value of the net minimum lease payments for years ending June 30<sup>th</sup> are as follows:

| <u>Year Ended June 30,</u> | <u>Amount Due</u>    |
|----------------------------|----------------------|
| 2024                       | \$ 3,589,038         |
| 2025                       | 3,932,866            |
| 2026                       | 3,989,843            |
| 2027                       | 4,041,434            |
| 2028                       | 4,033,200            |
| Thereafter                 | 24,303,038           |
| Less: Interest             | <u>(9,654,419)</u>   |
| Total                      | <u>\$ 34,235,000</u> |

Leased construction in progress, buildings and equipment under capital leases in capital assets at June 30, 2023, included the following:

|  |                      |
|--|----------------------|
| <i>Capital assets, not being depreciated</i> |                      |
| Construction in Progress                     | \$ 25,522,456        |
| <i>Capital assets, being depreciated</i>     |                      |
| Buildings                                    | 21,054,215           |
| Land Improvements                            | 613,807              |
| Machinery & Equipment                        | 20,691               |
| less Accumulated Depreciation                | <u>(3,234,210)</u>   |
|  | <u>\$ 43,976,959</u> |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**V. LONG-TERM DEBT (Continued)**

Bonds Payable at June 30, 2023 is composed of the following individual general obligation bond issues:

|  | <b>Amount<br/>Outstanding</b> |
|--|-------------------------------|
| Independent School District, I-19 General Obligation Combined Purpose Bonds of 2021, original issue \$3,875,000, interest rates of 0.750%, due in annual installment of \$1,310,000 on 1/1/23 and final payment of \$2,565,000 on 1/1/24.            | \$ 2,565,000                  |
| Independent School District, I-19 General Obligation Combined Purpose Bonds of 2022, original issue \$4,220,000, interest rates of 1.375%, due in annual installment of \$2,080,000 on 3/1/24 and final payment of \$2,140,000 on 3/1/25.            | 4,220,000                     |
| Independent School District, I-19 General Obligation Combined Purpose Bonds of 2023, original issue \$3,670,000, interest rates of 5.200% & 5.150%, due in annual installment of \$915,000 on 1/1/2025 and final payment of \$2,755,000 on 1/1/2026. | 3,670,000                     |
| Independent School District, I-19 General Obligation Building Bonds of 2023, original issue \$6,225,000, interest rates of 5.450% & 5.000%, due in annual installment of \$3,110,000 on 6/1/2025 and final payment of \$3,115,000 on 6/1/2026.       | 6,225,000                     |
|  | \$ 16,680,000                 |

As of June 30, 2023, the annual requirements to amortize all bond debt outstanding, including interest payments, are as follows:

| <b>Year Ended June 30,</b> | <b>Principal</b> | <b>Interest</b> | <b>Total</b>  |
|----------------------------|------------------|-----------------|---------------|
| 2024                       | \$ 4,645,000     | \$ 460,534      | \$ 5,105,534  |
| 2025                       | 6,165,000        | 733,595         | 6,898,595     |
| 2026                       | 5,870,000        | 297,632         | 6,167,632     |
| Total                      | \$ 16,680,000    | \$ 1,491,761    | \$ 18,171,761 |

State statute prohibits the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years from the date of issue. General obligation bonded debt of the District is limited by state law to 10% of the assessed valuation of the District. The legal debt limit at June 30, 2023 is approximately \$23,840,000.

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**V. LONG-TERM DEBT (Continued)**

Pledged Revenues

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

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

Property tax revenues collected by the District are pledged to repay the District's General Obligation Bonds. As of June 30, 2023, \$16,680,000 general obligations were outstanding and \$34,735,000 of general obligations bonds were authorized but not issued. Current year had collected \$4,741,516 of pledged revenues and paid \$4,719,325 of principal and interest expense toward obligations.

**VI. EMPLOYEE RETIREMENT SYSTEM**

Teachers' Retirement System of Oklahoma

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**EMPLOYEE RETIREMENT SYSTEM (Continued)**

*Benefits Provided* – The System provides defined retirement benefits based on members’ final compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon the death of eligible members. Title 70 O.S. Sec. 17-105 defines all retirement benefits. The authority to establish and amend benefit provisions rests with the State Legislature.

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

Contributions – In accordance with *Oklahoma Statutes*, System members are required to contribute 7.00% of applicable compensation. For the year ended June 30, 2023, qualifying employee contributions were reduced by a retirement credit of \$115,675 provided by Enrolled House Bill 1873 and paid by the State of Oklahoma as on-behalf payments. For the year ended June 30, 2023, the District had a statutory contribution rate of 9.5% plus 8.00% as a match for salaries funded by federal programs. The federal match for summer school salaries was 4.00%. The contribution requirements of System members and the District are established and may be amended by the state legislature.

The District’s contributions to TRS (net of retirement credit paid by the State of Oklahoma) for the year ended June 30, 2023 was \$1,709,448.

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

**VII. OTHER POST EMPLOYMENT BENEFITS (OPEB)**

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

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

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

Contributions – Employer and employee contributions are made based upon the TRS Plan provisions contained in State Statute Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. Based on the contribution requirements of Title 70, employers and employees contribute a single amount based on a single contribution rate as described in Note VI; from this amount OTRS allocates a portion of the contributions to the supplemental health insurance program.

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

## VIII. COMMITMENTS AND CONTINGENCIES

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

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

The District entered into several construction-related contracts during the fiscal year, which include additions, new construction, and remodeling of school buildings. As of June 30, 2023, the District had outstanding construction-related commitments totaling \$1,553,836 that will be funded from the following sources: CCPFA 2018 Bond Fund 32 of \$1,897; Building Fund of \$932,525 and other governmental funds of \$619,414.

Subsequent to June 30, 2023, the District entered into \$72,588 of construction-related projects to be financed from Building Fund.

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**IX. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omission, injuries to employees, life and health of employees, and natural disasters for which the District purchases commercial insurance. There have been no significant reductions in coverage from prior year and settlements have not exceeded coverage in the past three years.

**X. LEASE REVENUE BOND AGREEMENTS**

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

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

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Financial Statements  
June 30, 2023

**XI. TAX ABATEMENT**

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

For the year ended June 30, 2023, abated property taxes were \$279,135.

**XIII. SUBSEQUENT EVENTS**

On November 16, 2023, the Board of Education approved the sale of \$3,930,000 General Obligation Bonds; the proceeds were received by the District on January 4, 2024. The purpose of these bonds were to provide \$3,930,000 proceeds for the 2018 CCPFA lease payments due on September 1 2024 and September 1, 2025.

On April 18, 2023, the Board of Education approved the sale of \$6,225,000 General Obligation Bonds; the proceeds were received by the District on June 8, 2023. The purpose of these bonds were to provide the proceeds needed to fulfill the 2013 CCPFA lease balance. In August 2023, the District paid off the 2013 CCPFA lease obligation early, thereby saving the District approximately \$500,000 in interest expense.

In December 2023, the District received \$1,200,000 representing the balance of the \$4,000,000 grant commitment by a local charitable foundation to help construct the Performing Arts Center. Additionally, the same local charitable foundation donated \$350,000 in December 2023 to assist in the operational costs of the performing arts center for the year ending June 30, 2023. In March 2024, this local charitable foundation also donated \$300,000 to assist in funding the costs of bringing large plays to the performing arts center.

On March 14, 2024, the Board of Education approved an agreement with the CWA Group, PLLC for the professional architectural design services for Ardmore High School facility assessment and possible bond proposal in 2025.

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

## **OTHER INFORMATION**

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Budgetary Comparison Schedule –General Fund (Unaudited)  
For the Year Ended June 30, 2023

|  | Budgeted Amounts     |                      | Actual Amounts<br>Budgetary Basis | Variance<br>With Final<br>Budget |
|--|----------------------|----------------------|-----------------------------------|----------------------------------|
|  | Original             | Final                |                                   |                                  |
| <b>REVENUE</b>   |                      |                      |                                   |                                  |
| Property Taxes   | \$ 7,766,221         | \$ 7,766,221         | \$ 8,415,004                      | \$ 648,783                       |
| Interest   | 7,798                | 7,798                | 265,459                           | 257,661                          |
| County Revenue   | 716,048              | 716,048              | 977,782                           | 261,734                          |
| State Revenue  | 12,021,150           | 12,021,150           | 11,591,226                        | (429,924)                        |
| Federal Revenue  | 9,415,755            | 9,415,755            | 4,333,722                         | (5,082,033)                      |
| Other  | <u>1,132,810</u>     | <u>1,132,810</u>     | <u>1,250,740</u>                  | <u>117,930</u>                   |
| Total Revenue  | <u>\$ 31,059,782</u> | <u>\$ 31,059,782</u> | <u>\$ 26,833,933</u>              | <u>\$ (4,225,849)</u>            |
| <b>EXPENDITURES</b>  |                      |                      |                                   |                                  |
| Current  |                      |                      |                                   |                                  |
| Instruction  | \$ 23,699,525        | \$ 23,699,525        | 12,890,224                        | \$10,809,301                     |
| Support Services   | 11,317,194           | 11,317,194           | 11,317,192                        | 2                                |
| Non-instruction Services                                     | 218,620              | 218,620              | 218,620                           | -                                |
| Other Outlays  | <u>138,627</u>       | <u>138,627</u>       | <u>91,057</u>                     | <u>47,570</u>                    |
| Total Expenditures   | <u>\$ 35,373,966</u> | <u>\$ 35,373,966</u> | <u>\$ 24,517,093</u>              | <u>\$10,856,873</u>              |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | \$ (4,314,184)       | \$ (4,314,184)       | \$ 2,316,840                      | \$ 6,631,024                     |
| Adjustments to Prior Year Encumbrances                       | <u>-</u>             | <u>-</u>             | <u>20,679</u>                     | <u>20,679</u>                    |
| Other Financing Sources                                      |                      |                      |                                   |                                  |
| Transfers In (Out)   | \$ (486,350)         | \$ (486,350)         | \$ (503,633)                      | \$ (17,283)                      |
| Estopped warrants  | <u>-</u>             | <u>-</u>             | <u>2</u>                          | <u>2</u>                         |
| Total Other Financing Sources                                | <u>(486,350)</u>     | <u>(486,350)</u>     | <u>(503,631)</u>                  | <u>(17,281)</u>                  |
| Net Change in Fund Balance                                   | (4,800,534)          | (4,800,534)          | 1,833,888                         | 6,634,422                        |
| Fund Balance - Beginning                                     | <u>4,800,534</u>     | <u>4,800,534</u>     | <u>4,800,534</u>                  | <u>-</u>                         |
| Fund Balance - Ending  | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ 6,634,422</u>               | <u>\$ 6,634,422</u>              |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Budgetary Comparison Schedule –Building Fund (Unaudited)  
For the Year Ended June 30, 2023

|  | Budgeted Amounts    |                     | Actual Amounts<br>Budgetary Basis | Variance<br>With Final<br>Budget |
|--|---------------------|---------------------|-----------------------------------|----------------------------------|
|  | Original            | Final               |                                   |                                  |
| <b>REVENUE</b>   |                     |                     |                                   |                                  |
| Property Taxes   | \$ 1,109,770        | \$ 1,109,770        | \$ 1,198,061                      | \$ 88,291                        |
| Interest   | 5,162               | 5,162               | 178,503                           | 173,341                          |
| Federal Revenue  | -                   | -                   | 1,500                             | 1,500                            |
| Other  | 501,592             | 501,592             | 1,971,249                         | 1,469,657                        |
| Total Revenue  | <u>\$ 1,616,524</u> | <u>\$ 1,616,524</u> | <u>\$ 3,349,313</u>               | <u>\$ 1,732,789</u>              |
| <b>EXPENDITURES</b>  |                     |                     |                                   |                                  |
| Current  |                     |                     |                                   |                                  |
| Instruction  | \$ -                | \$ -                | \$ -                              | \$ -                             |
| Support Services   | 1,330,434           | 1,330,434           | 1,212,947                         | 117,487                          |
| Capital Outlay   | 5,529,892           | 5,529,892           | 2,947,472                         | 2,582,420                        |
| Other Outlays  | 3,996               | 3,996               | 2,321                             | 1,675                            |
| Total Expenditures   | <u>\$ 6,864,322</u> | <u>\$ 6,864,322</u> | <u>\$ 4,162,740</u>               | <u>\$ 2,701,582</u>              |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (5,247,798)         | (5,247,798)         | (813,427)                         | 4,434,371                        |
| Adjustments to Prior Year Encumbrances                       | <u>-</u>            | <u>-</u>            | <u>8,862</u>                      | <u>8,862</u>                     |
| Other Financing Sources                                      |                     |                     |                                   |                                  |
| Transfers Out  | <u>-</u>            | <u>-</u>            | <u>(6,000)</u>                    | <u>(6,000)</u>                   |
| Total Other Financing Sources                                | <u>-</u>            | <u>-</u>            | <u>(6,000)</u>                    | <u>(6,000)</u>                   |
| Net Change in Fund Balance                                   | (5,247,798)         | (5,247,798)         | (810,565)                         | 4,437,233                        |
| Fund Balance - Beginning                                     | 5,247,798           | 5,247,798           | 5,247,798                         | -                                |
| Fund Balance - Ending  | <u>\$ -</u>         | <u>\$ -</u>         | <u>\$ 4,437,233</u>               | <u>\$ 4,437,233</u>              |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Budgetary Comparison Schedule – Sinking Fund (Unaudited)  
For the Year Ended June 30, 2023

|                            | Original and<br>Final Budget | Actual<br>Budgetary<br>Amounts | Variance with<br>Final Budget |
|----------------------------|------------------------------|--------------------------------|-------------------------------|
| <b>REVENUE</b>             |                              |                                |                               |
| Property Taxes             | \$ 4,561,750                 | \$ 4,741,516                   | \$ (179,766)                  |
| Interest                   | -                            | 143,506                        | (143,506)                     |
| Other                      | -                            | 51                             | (51)                          |
| Total Revenue              | <u>\$ 4,561,750</u>          | <u>\$ 4,885,073</u>            | <u>\$ (323,323)</u>           |
| <b>EXPENDITURES</b>        |                              |                                |                               |
| Debt Service               |                              |                                |                               |
| Interest Paid              | \$ 101,135                   | \$ 59,325                      | \$ 41,810                     |
| Judgment Payments          | 10,530                       | 3,676                          | 6,854                         |
| Principal Retirement       | 4,660,000                    | 4,660,000                      | -                             |
| Total Expenditures         | <u>\$ 4,771,665</u>          | <u>\$ 4,723,001</u>            | <u>\$ 48,664</u>              |
| Net Change in Fund Balance | (209,915)                    | 162,072                        | 371,987                       |
| Fund Balance - Beginning   | 209,915                      | 4,909,899                      | 4,699,984                     |
| Fund Balance - Ending      | <u>\$ -</u>                  | <u>\$ 5,071,971</u>            | <u>\$ 5,071,971</u>           |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Combining Balance Sheet – Regulatory Basis – Other Governmental Funds  
June 30, 2023

|  | Special Revenue Funds |                         |                     |                 |                  |                   | Total Other              | Permanent Fund    | Total Other<br>Governmental Funds |
|--|-----------------------|-------------------------|---------------------|-----------------|------------------|-------------------|--------------------------|-------------------|-----------------------------------|
|  | Coop<br>Fund          | Child Nutrition<br>Fund | Sales<br>Tax Fund   | Gifts<br>Fund   | Take II<br>Fund  | Activity<br>Fund  | Capital Project<br>Funds | Endowment<br>Fund |                                   |
| <b>Assets</b>                              |                       |                         |                     |                 |                  |                   |                          |                   |                                   |
| Cash and Cash Investments                  | \$ 432,149            | \$ 676,606              | \$ 1,679,866        | \$ 5,501        | \$ 86,314        | \$ 646,180        | \$ 3,082,234             | \$ 25,994         | \$ 6,634,844                      |
| Restricted Cash                            | -                     | -                       | -                   | -               | -                | -                 | 25,477                   | -                 | 25,477                            |
| Investments                                | -                     | -                       | -                   | -               | -                | -                 | -                        | 37,666            | 37,666                            |
| <b>Total Assets</b>                        | <u>\$ 432,149</u>     | <u>\$ 676,606</u>       | <u>\$ 1,679,866</u> | <u>\$ 5,501</u> | <u>\$ 86,314</u> | <u>\$ 646,180</u> | <u>\$ 3,107,711</u>      | <u>\$ 63,660</u>  | <u>\$ 6,697,987</u>               |
| <b>Liabilities</b>                         |                       |                         |                     |                 |                  |                   |                          |                   |                                   |
| Warrants Payable                           | \$ 18,636             | \$ 73,303               | \$ 34,244           | \$ 750          | \$ 3,575         | \$ 17,307         | \$ -                     | \$ -              | \$ 147,815                        |
| Reserve for Encumbrances                   | 62                    | 62                      | 8,776               | -               | -                | -                 | -                        | -                 | 8,900                             |
| <b>Total Liabilities</b>                   | <u>\$ 18,698</u>      | <u>\$ 73,365</u>        | <u>\$ 43,020</u>    | <u>\$ 750</u>   | <u>\$ 3,575</u>  | <u>\$ 17,307</u>  | <u>\$ -</u>              | <u>\$ -</u>       | <u>\$ 156,715</u>                 |
| <b>Fund Balances</b>                       |                       |                         |                     |                 |                  |                   |                          |                   |                                   |
| Nonspendable                               | \$ -                  | \$ -                    | \$ -                | \$ -            | \$ -             | \$ -              | \$ -                     | \$ 51,166         | \$ 51,166                         |
| Restricted                                 | 409,764               | 581,798                 | 1,590,095           | 4,618           | 82,739           | -                 | 3,014,548                | 12,494            | 5,696,056                         |
| Committed                                  | -                     | -                       | -                   | -               | -                | 628,873           | -                        | -                 | 628,873                           |
| Assigned                                   | 3,687                 | 21,443                  | 46,751              | 133             | -                | -                 | 93,163                   | -                 | 165,177                           |
| Unassigned                                 | -                     | -                       | -                   | -               | -                | -                 | -                        | -                 | -                                 |
| <b>Total Fund Balances</b>                 | <u>413,451</u>        | <u>603,241</u>          | <u>1,636,846</u>    | <u>4,751</u>    | <u>82,739</u>    | <u>628,873</u>    | <u>3,107,711</u>         | <u>63,660</u>     | <u>6,541,272</u>                  |
| <b>Total Liabilities and Fund Balances</b> | <u>\$ 432,149</u>     | <u>\$ 676,606</u>       | <u>\$ 1,679,866</u> | <u>\$ 5,501</u> | <u>\$ 86,314</u> | <u>\$ 646,180</u> | <u>\$ 3,107,711</u>      | <u>\$ 63,660</u>  | <u>\$ 6,697,987</u>               |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Combining Statement of Revenue, Expenditures and Changes in Fund Balance – Regulatory Basis  
– Other Governmental Funds  
For the Year Ended June 30, 2023

|  | Special Revenue Funds |                         |                     |                 |                  |                   | Total Other              | Permanent Fund    | Total Other<br>Governmental Funds |
|--|-----------------------|-------------------------|---------------------|-----------------|------------------|-------------------|--------------------------|-------------------|-----------------------------------|
|  | Coop<br>Fund          | Child Nutrition<br>Fund | Sales Tax<br>Fund   | Gifts<br>Fund   | Take II<br>Fund  | Activity<br>Fund  | Capital Project<br>Funds | Endowment<br>Fund |                                   |
| <b>REVENUE</b>   |                       |                         |                     |                 |                  |                   |                          |                   |                                   |
| Interest   | \$ 3,687              | \$ 21,443               | \$ 46,751           | \$ 133          | \$ -             | \$ 19,746         | \$ 93,163                | \$ 5,214          | \$ 190,137                        |
| County Revenue   | -                     | -                       | 964,181             | -               | -                | -                 | -                        | -                 | 964,181                           |
| State Revenue  | 132,829               | 202,467                 | -                   | -               | -                | -                 | -                        | -                 | 335,296                           |
| Federal Revenue  | -                     | 1,558,708               | -                   | -               | -                | -                 | -                        | -                 | 1,558,708                         |
| Other  | <u>154,256</u>        | <u>29,206</u>           | <u>-</u>            | <u>3,000</u>    | <u>46,219</u>    | <u>884,841</u>    | <u>2,049,000</u>         | <u>-</u>          | <u>3,166,522</u>                  |
| Total Revenue  | <u>\$ 290,772</u>     | <u>\$ 1,811,824</u>     | <u>\$ 1,010,932</u> | <u>\$ 3,133</u> | <u>\$ 46,219</u> | <u>\$ 904,587</u> | <u>\$ 2,142,163</u>      | <u>\$ 5,214</u>   | <u>\$ 6,214,844</u>               |
| <b>EXPENDITURES</b>  |                       |                         |                     |                 |                  |                   |                          |                   |                                   |
| Current  |                       |                         |                     |                 |                  |                   |                          |                   |                                   |
| Instruction  | \$ 341,861            | \$ -                    | \$ 108,829          | \$ -            | \$ 3,842         | \$ 139,074        | \$ -                     | \$ -              | \$ 593,606                        |
| Support Services   | 201,920               | -                       | 116,944             | 4,550           | 22,797           | 329,422           | 29,639                   | 6,500             | 711,772                           |
| Non-instruction Services                                     | -                     | 1,790,933               | -                   | -               | -                | 302,124           | -                        | -                 | 2,093,057                         |
| Capital Outlay   | -                     | -                       | 330,588             | -               | 20,675           | 10,000            | 4,236,272                | -                 | 4,597,535                         |
| Other Outlays  | <u>-</u>              | <u>-</u>                | <u>-</u>            | <u>-</u>        | <u>-</u>         | <u>-</u>          | <u>-</u>                 | <u>-</u>          | <u>-</u>                          |
| Total Expenditures   | <u>\$ 543,781</u>     | <u>\$ 1,790,933</u>     | <u>\$ 556,361</u>   | <u>\$ 4,550</u> | <u>\$ 47,314</u> | <u>\$ 780,620</u> | <u>\$ 4,265,911</u>      | <u>\$ 6,500</u>   | <u>\$ 7,995,970</u>               |
| Excess (Deficiency) of<br>Revenues Over (Under) Expenditures | <u>(253,009)</u>      | <u>20,891</u>           | <u>454,571</u>      | <u>(1,417)</u>  | <u>(1,095)</u>   | <u>123,967</u>    | <u>(2,123,748)</u>       | <u>(1,286)</u>    | <u>(1,781,126)</u>                |
| Other Financing Sources                                      |                       |                         |                     |                 |                  |                   |                          |                   |                                   |
| Transfers In (Out)   | 557,310               | 21,879                  | -                   | -               | -                | (75,556)          | 3,000                    | -                 | 506,633                           |
| Estopped Warrants  | -                     | -                       | -                   | -               | -                | 207               | -                        | -                 | 207                               |
| Proceeds of Bonds  | <u>-</u>              | <u>-</u>                | <u>-</u>            | <u>-</u>        | <u>-</u>         | <u>-</u>          | <u>1,595,000</u>         | <u>-</u>          | <u>1,595,000</u>                  |
| Total Other Financing Sources                                | <u>557,310</u>        | <u>21,879</u>           | <u>-</u>            | <u>-</u>        | <u>-</u>         | <u>(75,349)</u>   | <u>1,598,000</u>         | <u>-</u>          | <u>2,101,840</u>                  |
| Net Change in Fund Balances                                  | 304,301               | 42,770                  | 454,571             | (1,417)         | (1,095)          | 48,618            | (525,748)                | (1,286)           | 320,714                           |
| Fund Balances, Beginning                                     | <u>109,150</u>        | <u>560,471</u>          | <u>1,182,275</u>    | <u>6,168</u>    | <u>83,834</u>    | <u>580,255</u>    | <u>3,633,459</u>         | <u>64,946</u>     | <u>6,220,558</u>                  |
| Fund Balances, Ending  | <u>\$ 413,451</u>     | <u>\$ 603,241</u>       | <u>\$ 1,636,846</u> | <u>\$ 4,751</u> | <u>\$ 82,739</u> | <u>\$ 628,873</u> | <u>\$ 3,107,711</u>      | <u>\$ 63,660</u>  | <u>\$ 6,541,272</u>               |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Combining Balance Sheet – Regulatory Basis– Other Capital Project Funds  
For the Year Ended June 30, 2023

|  | Capital Projects Funds     |                            |                          |                          | Total<br>Other Capital<br>Project Funds |
|--|----------------------------|----------------------------|--------------------------|--------------------------|---|
|  | CCPFA 2013<br>Bond Fund 30 | Bond<br>Fund 31            | Bond<br>Fund 38          | Bond<br>Fund 39          |   |
| <b>Assets</b>                              |                            |                            |                          |                          |   |
| Cash and Cash Investments                  | \$ -                       | \$ 1,639,323               | \$ 597,716               | \$ 845,195               | \$ 3,082,234                            |
| Restricted Cash                            | <u>25,477</u>              | <u>-</u>                   | <u>-</u>                 | <u>-</u>                 | <u>25,477</u>                           |
| <b>Total Assets</b>                        | <u><u>\$ 25,477</u></u>    | <u><u>\$ 1,639,323</u></u> | <u><u>\$ 597,716</u></u> | <u><u>\$ 845,195</u></u> | <u><u>\$ 3,107,711</u></u>              |
| <b>Liabilities</b>                         |                            |                            |                          |                          |   |
| Warrants Payable                           | \$ -                       | \$ -                       | \$ -                     | \$ -                     | \$ -                                    |
| <b>Total Liabilities</b>                   | <u>\$ -</u>                | <u>\$ -</u>                | <u>\$ -</u>              | <u>\$ -</u>              | <u>\$ -</u>                             |
| <b>Fund Balances</b>                       |                            |                            |                          |                          |   |
| Restricted                                 | \$ 20,916                  | \$ 1,604,425               | \$ 576,855               | \$ 812,352               | \$ 3,014,548                            |
| Assigned                                   | <u>4,561</u>               | <u>34,898</u>              | <u>20,861</u>            | <u>32,843</u>            | <u>93,163</u>                           |
| <b>Total Fund Balances</b>                 | <u>25,477</u>              | <u>1,639,323</u>           | <u>597,716</u>           | <u>845,195</u>           | <u>3,107,711</u>                        |
| <b>Total Liabilities and Fund Balances</b> | <u><u>\$ 25,477</u></u>    | <u><u>\$ 1,639,323</u></u> | <u><u>\$ 597,716</u></u> | <u><u>\$ 845,195</u></u> | <u><u>\$ 3,107,711</u></u>              |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Combining Statement of Revenue, Expenditures and Changes in Fund Balance – Regulatory Basis  
– Other Capital Project Funds  
For the Year Ended June 30, 2023

|  | Capital Project Funds      |                     |                   | Total   |
|--|----------------------------|---------------------|-------------------|---|
|  | CCPFA 2013<br>Bond Fund 30 | Bond<br>Fund 31     | Bond<br>Fund 38   | Bond<br>Fund 39<br>Other Capital<br>Project Funds |
| <b>REVENUE</b>   |                            |                     |                   |   |
| Interest   | \$ 4,561                   | \$ 34,898           | 20,861            | \$ 32,843   |
| Other  | 2,049,000                  | -                   | -                 | 2,049,000   |
| Total Revenue  | <u>\$ 2,053,561</u>        | <u>\$ 34,898</u>    | <u>\$ 20,861</u>  | <u>\$ 32,843</u>                                  |
|  |                            |                     |                   | <u>\$ 2,142,163</u>                               |
| <b>EXPENDITURES</b>  |                            |                     |                   |   |
| Current  |                            |                     |                   |   |
| Support Services   | \$ 13,210                  | \$ 16,429           | \$ -              | \$ -  |
| Non-instruction Services                                     | -                          | -                   | -                 | -   |
| Capital Outlay   | 2,052,594                  | 1,526,550           | 320,460           | 336,668   |
| Total Expenditures   | <u>\$ 2,065,804</u>        | <u>\$ 1,542,979</u> | <u>\$ 320,460</u> | <u>\$ 336,668</u>                                 |
|  |                            |                     |                   | <u>\$ 4,265,911</u>                               |
| Excess (Deficiency) of<br>Revenues Over (Under) Expenditures | <u>(12,243)</u>            | <u>(1,508,081)</u>  | <u>(299,599)</u>  | <u>(303,825)</u>                                  |
| Other Financing Sources                                      |                            |                     |                   |   |
| Transfers In   | \$ 3,000                   | \$ -                | -                 | \$ -  |
| Proceeds of Bonds  | -                          | 1,595,000           | -                 | -   |
| Total Other Financing Sources                                | <u>3,000</u>               | <u>1,595,000</u>    | <u>-</u>          | <u>-</u>  |
|  |                            |                     |                   | <u>1,598,000</u>                                  |
| Net Change in Fund Balances                                  | (9,243)                    | 86,919              | (299,599)         | (303,825)   |
| Fund Balances, Beginning                                     | 34,720                     | 1,552,404           | 897,315           | 1,149,020   |
| Fund Balances, Ending  | <u>\$ 25,477</u>           | <u>\$ 1,639,323</u> | <u>\$ 597,716</u> | <u>\$ 845,195</u>                                 |
|  |                            |                     |                   | <u>\$ 3,107,711</u>                               |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Supplemental Schedule  
Combining Statement of Assets and Fund Balances – Activity Fund  
For the Year Ended June 30, 2023

|  | Balance<br>6/30/2022 | Receipts       | Adjusting<br>Entries | Checks         | Balance<br>6/30/2023 |
|--|----------------------|----------------|----------------------|----------------|----------------------|
| Unit 50 ADMINISTRATION                   |                      |                |                      |                |                      |
| Project 888 SPIRIT OF THE TIGERS         | \$ 17,372            | \$ 11,557      | \$ -                 | \$ 9,253       | \$ 19,676            |
| Project 894 ACS FITNESS ACCOUNT          | 910                  | -              | -                    | 500            | 410                  |
| Project 895 ACS ELEMENTARY MUSIC         | 7,955                | 13,989         | -                    | 11,055         | 10,889               |
| Project 896 HUGS                         | 97,996               | 92,618         | -                    | 78,571         | 112,043              |
| Project 898 TRANSPORTATION               | -                    | 1,199          | -                    | 1,119          | 80                   |
| Project 899 OPERATIONAL                  | 23,023               | 39,584         | -                    | 25,786         | 36,821               |
| Project 901 UNITED WAY DONATION ACCOUN   | 193                  | 1,100          | -                    | 1,173          | 120                  |
| Project 907 SPECIAL OLYMPICS             | 4,324                | 2,929          | -                    | 2,379          | 4,874                |
| Project 912 ACS IEC BOOSTER              | 2,443                | 3,960          | -                    | 2,865          | 3,538                |
| Project 913 ACS NATIVE AMERICAN CLUB     | 3,286                | 2,312          | -                    | 2,823          | 2,775                |
| Project 917 SUNSHINE WELFARE             | 951                  | 25             | -                    | 564            | 412                  |
| Project 939 PUBLIC RELATIONS/CURRICULUM  | 472                  | -              | -                    | -              | 472                  |
| Project 940 FELLOWSHIP OF CHRISTIAN ATHL | 275                  | -              | -                    | -              | 275                  |
| Project 962 CHILD NUTRITION              | -                    | 33,221         | -                    | 33,221         | -                    |
| Total Unit 50                            | <u>159,200</u>       | <u>202,494</u> | <u>-</u>             | <u>169,309</u> | <u>192,385</u>       |
| Unit 110 CHARLES EVANS ELEMENTARY        |                      |                |                      |                |                      |
| Project 801 CHARLES EVANS                | 9,538                | 23,042         | -                    | 27,904         | 4,676                |
| Project 802 CHARLES EVANS LIBRARY        | 398                  | 7,592          | -                    | 7,087          | 903                  |
| Project 803 CHARLES EVANS PTO            | 6,676                | 3,583          | -                    | 5,603          | 4,656                |
| Project 906 CLEARING ACCOUNT             | -                    | 201            | -                    | 201            | -                    |
| Project 911 CHARLES EVANS WELFARE        | 310                  | 904            | -                    | 741            | 473                  |
| Total Unit 110                           | <u>16,922</u>        | <u>35,322</u>  | <u>-</u>             | <u>41,536</u>  | <u>10,708</u>        |
| Unit 120 JEFFERSON ELEMENTARY            |                      |                |                      |                |                      |
| Project 811 JEFFERSON                    | 13,762               | 3,036          | -                    | 4,707          | 12,091               |
| Project 812 JEFFERSON LIBRARY            | 185                  | 4,398          | -                    | 4,578          | 5                    |
| Project 813 JEFFERSON PTO                | 1,215                | -              | -                    | 1,095          | 120                  |
| Project 818 JEFFERSON STAFF ACTIVITY     | 833                  | 114            | -                    | 506            | 441                  |
| Project 819 JEFFERSON CHRISTMAS          | 2,938                | -              | -                    | 2,938          | -                    |
| Project 906 CLEARING ACCOUNT             | -                    | 34             | -                    | 34             | -                    |
| Total Unit 120                           | <u>18,933</u>        | <u>7,582</u>   | <u>-</u>             | <u>13,858</u>  | <u>12,657</u>        |
| Unit 125 LINCOLN ELEMENTARY              |                      |                |                      |                |                      |
| Project 808 LINCOLN SUNSHINE ACCOUNT     | 1,540                | 147            | -                    | 1,202          | 485                  |
| Project 814 LINCOLN                      | 10,448               | 5,472          | -                    | 7,669          | 8,251                |
| Project 815 LINCOLN LIBRARY              | 2,701                | 8,558          | -                    | 6,397          | 4,862                |
| Project 816 LINCOLN PTO                  | 3,284                | 11,733         | -                    | 11,938         | 3,079                |
| Project 906 CLEARING ACCOUNT             | -                    | 316            | -                    | 316            | -                    |
| Total Unit 125                           | <u>17,973</u>        | <u>26,226</u>  | <u>-</u>             | <u>27,522</u>  | <u>16,677</u>        |
| Unit 135 WILL ROGERS ELEMENTARY          |                      |                |                      |                |                      |
| Project 804 WILL ROGERS ACTIVITY         | 27,403               | 32,917         | -                    | 30,358         | 29,962               |
| Project 805 WILL ROGERS LIBRARY          | 2,066                | -              | -                    | -              | 2,066                |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Supplemental Schedule  
Combining Statement of Assets and Fund Balances – Activity Fund  
For the Year Ended June 30, 2023

|                                    | 6/30/2022     | Receipts      | Entries      | Checks        | 6/30/2023     |
|------------------------------------|---------------|---------------|--------------|---------------|---------------|
| Project 806 WILL ROGERS WELFARE    | 551           | 472           | -            | 701           | 322           |
| Project 817 WILL ROGERS PTO        | 7,877         | 10,118        | -            | 9,457         | 8,538         |
| Project 906 CLEARING ACCOUNT       | -             | 105           | -            | 105           | -             |
| Total Unit 135                     | <u>37,897</u> | <u>43,612</u> | <u>-</u>     | <u>40,621</u> | <u>40,888</u> |
| Unit 505 ARDMORE MIDDLE SCHOOL     |               |               |              |               |               |
| Project 824 AMS COLLEGE READINESS  | -             | 1,250         | -            | 996           | 254           |
| Project 825 AMS ATHLETIC ACTIVITY  | 615           | 2,075         | (615)        | 845           | 1,230         |
| Project 826 AMS VOCAL MUSIC        | 526           | 1,655         | -            | 1,875         | 306           |
| Project 827 AMS POM SQUAD          | 9,219         | 14,958        | -            | 16,052        | 8,125         |
| Project 828 AMS MISCELLANEOUS      | 9,299         | 2,070         | 706          | 3,093         | 8,982         |
| Project 829 AMS CHEERLEADERS       | 7,921         | 7,513         | -            | 13,598        | 1,836         |
| Project 830 AMS SCIENCE EXPLORERS  | 4,396         | -             | -            | -             | 4,396         |
| Project 831 AMS ART                | 1,331         | -             | -            | 715           | 616           |
| Project 832 AMS STUDENT COUNCIL    | 1,074         | 100           | -            | 481           | 693           |
| Project 833 AMS FCCLA              | 161           | -             | (161)        | -             | -             |
| Project 834 AMS NJHS               | 5,678         | 2,848         | -            | -             | 8,526         |
| Project 835 AMS GIRLS ATHLETICS    | 71            | -             | -            | -             | 71            |
| Project 884 AMS LIBRARY            | 1,204         | -             | 776          | -             | 1,980         |
| Project 893 AMS ENVIRONMENTAL CAMP | 5,477         | 1,189         | 565          | 4,567         | 2,664         |
| Project 906 CLEARING ACCOUNT       | -             | 70            | -            | 70            | -             |
| Project 923 AMS DRAMA CLUB         | 4,355         | 8,416         | -            | 10,567        | 2,204         |
| Project 926 AMS PTT                | 243           | -             | 1,281        | 300           | 1,224         |
| Project 931 AMS YEARBOOK           | 2,764         | -             | (2,764)      | -             | -             |
| Project 933 AMS STAFF ACTIVITY     | 444           | 48            | -            | -             | 492           |
| Project 946 AMS OUTDOOR CLASSROOM  | 564           | -             | (564)        | -             | -             |
| Total Unit 505                     | <u>55,342</u> | <u>42,192</u> | <u>(776)</u> | <u>53,159</u> | <u>43,599</u> |
| Unit 705 ARDMORE HIGH SCHOOL       |               |               |              |               |               |
| Project 837 AHS ART                | 28            | -             | -            | -             | 28            |
| Project 838 AHS ATHLETICS          | 69,356        | 172,104       | -            | 170,306       | 71,154        |
| Project 839 AHS BAND               | 25,896        | 26,925        | -            | 32,055        | 20,766        |
| Project 841 AHS BAND BOOSTER CLUB  | 26,337        | 37,906        | -            | 35,171        | 29,072        |
| Project 842 ARDMORE PIANO          | 365           | 208           | -            | 104           | 469           |
| Project 843 AHS VOCAL MUSIC        | 1,193         | 1,422         | -            | 1,865         | 750           |
| Project 844 AHS TEST FEES          | 6,997         | 378           | -            | 1,161         | 6,214         |
| Project 845 AHS CLASS OF 2026      | -             | 929           | -            | 324           | 605           |
| Project 846 AHS CLASS OF 2025      | 273           | 1,031         | -            | 128           | 1,176         |
| Project 847 AHS CLASS OF 2022      | 456           | -             | (456)        | -             | -             |
| Project 848 AHS CLASS OF 2023      | 4,221         | 4,945         | 456          | 8,481         | 1,141         |
| Project 849 AHS CLASS OF 2024      | 581           | 6,160         | -            | 2,850         | 3,891         |
| Project 851 AHS FORENSIC BOOSTER   | 11            | -             | -            | -             | 11            |
| Project 852 AHS CRITERION          | 9,631         | 5,909         | -            | 4,149         | 11,391        |
| Project 855 AHS POM SQUAD          | 23,303        | 42,827        | -            | 46,517        | 19,613        |
| Project 856 AHS DUGOUT CLUB        | 12,821        | 26,920        | -            | 32,861        | 6,880         |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Supplemental Schedule  
Combining Statement of Assets and Fund Balances – Activity Fund  
For the Year Ended June 30, 2023

|                                      | 6/30/2022         | Receipts          | Entries     | Checks            | 6/30/2023         |
|--------------------------------------|-------------------|-------------------|-------------|-------------------|-------------------|
| Project 857 AHS FORENSICS            | 251               | 100               | -           | -                 | 351               |
| Project 859 AHS FCCLA                | 2,330             | 7,576             | 161         | 7,714             | 2,353             |
| Project 861 AHS TECHNOLOGY CLUB      | 11                | -                 | -           | -                 | 11                |
| Project 863 AHS LIBRARY              | 175               | -                 | -           | -                 | 175               |
| Project 864 AHS MISCELLANEOUS        | 2,377             | 6,148             | -           | 1,552             | 6,973             |
| Project 866 AHS QUARTERBACK CLUB     | 2,250             | -                 | -           | 1,595             | 655               |
| Project 867 AHS SCIENCE CLUB         | 710               | -                 | -           | -                 | 710               |
| Project 869 AHS INTERNATIONAL CLUB   | 663               | -                 | -           | -                 | 663               |
| Project 871 AHS STRINGS/ORCHESTRA    | 8,133             | 10,227            | -           | 11,843            | 6,517             |
| Project 872 AHS STUDENT COUNCIL      | 1,868             | 5,101             | -           | 4,939             | 2,030             |
| Project 873 AHS TAKEDOWN CLUB        | 233               | 800               | -           | 970               | 63                |
| Project 874 AHS TENNIS CLUB          | 2,198             | 9,158             | -           | 9,339             | 2,017             |
| Project 875 AHS POWERLIFTING         | -                 | 8,880             | 615         | 8,451             | 1,044             |
| Project 878 AHS VARSITY CHEERLEADERS | 1,622             | 18,883            | -           | 12,080            | 8,425             |
| Project 879 AHS TIGERS SOCCER CLUB   | 19,947            | 14,694            | -           | 11,851            | 22,790            |
| Project 897 AHS TIGER TRACK MEET     | 255               | 12,441            | -           | 12,587            | 109               |
| Project 906 CLEARING ACCOUNT         | -                 | 147               | -           | 147               | -                 |
| Project 918 AHS GIRLS FASTPITCH CLUB | 6,530             | 17,899            | -           | 16,070            | 8,359             |
| Project 919 AHS SOCCER               | 1,043             | 5,953             | -           | 6,746             | 250               |
| Project 921 AHS STATE TRACK MEET     | 452               | 48,609            | -           | 41,731            | 7,330             |
| Project 922 AHS HOLIDAY FESTIVAL     | 277               | -                 | -           | -                 | 277               |
| Project 938 AHS BENEVOLENCE          | 154               | 1,569             | -           | 1,678             | 45                |
| Project 943 AHS FOOTBALL CAMP        | 15,495            | 16,157            | -           | 12,635            | 19,017            |
| Project 944 TIGER BOYS BASKETBALL    | 1,115             | 4,215             | -           | 3,842             | 1,488             |
| Project 945 AHS ADVERTISING REVENUE  | 503               | 53,000            | -           | 33,677            | 19,826            |
| Project 947 AHS BOYS RUNNING         | 31                | 1,995             | -           | 1,385             | 641               |
| Project 951 LADY TIGER BASKETBALL    | 2,713             | 500               | -           | 1,464             | 1,749             |
| Project 953 AHS TIGER RUN ACCOUNT    | 6,202             | 14,053            | -           | 11,688            | 8,567             |
| Project 964 AHS SPORTS MEDICINE      | 32                | -                 | -           | -                 | 32                |
| Project 972 AHS GOLF                 | 14,949            | 17,615            | -           | 16,233            | 16,331            |
| Total Unit 705                       | <u>273,988</u>    | <u>603,384</u>    | <u>776</u>  | <u>566,189</u>    | <u>311,959</u>    |
| Grand Total                          | <u>\$ 580,255</u> | <u>\$ 960,812</u> | <u>\$ -</u> | <u>\$ 912,194</u> | <u>\$ 628,873</u> |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Supplemental Schedule  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

|  |      | Federal<br>Assistance<br>Number | Pass Through<br>Grantor's Project<br>Number | Balance<br>6/30/2022 | Federal Grant<br>Receipts | Federal Grant<br>Cash Basis<br>Expenditures | Balance<br>6/30/2023 |
|--|------|---------------------------------|---|----------------------|---------------------------|---|----------------------|
| <i>U.S. Department of Interior</i>                               |      |                                 |   |                      |                           |   |                      |
| <i>477 Cluster</i>   |      |                                 |   |                      |                           |   |                      |
| Direct Program   |      |                                 |   |                      |                           |   |                      |
| Johnson O'Malley Indian Education Assistance to Schools          | FY22 | 15.130                          | 563   | \$ (3,949)           | \$ 3,949                  | \$ -  | \$ -                 |
| Johnson O'Malley Indian Education Assistance to Schools          | FY23 | 15.130                          | 563   | -                    | 2,024                     | 38,251                                      | (36,227)             |
| <b>Total U.S. Department of Interior</b>                         |      |                                 |   | <u>\$ (3,949)</u>    | <u>\$ 5,973</u>           | <u>\$ 38,251</u>                            | <u>\$ (36,227)</u>   |
| 477 Cluster  |      |                                 |   | <u>\$ (3,949)</u>    | <u>\$ 5,973</u>           | <u>\$ 38,251</u>                            | <u>\$ (36,227)</u>   |
| <i>U.S. Department of Education</i>                              |      |                                 |   |                      |                           |   |                      |
| Direct Program   |      |                                 |   |                      |                           |   |                      |
| Title VII - Impact Aid   | FY23 | 84.041                          | 591, 592                                    | \$ -                 | \$ 141,915                | \$ 141,915                                  | \$ -                 |
| Title VI - Indian Education Formula Grant                        | FY23 | 84.060A                         | 561   | -                    | 184,321                   | 184,321                                     | -                    |
|  |      |                                 |   | <u>\$ -</u>          | <u>\$ 326,236</u>         | <u>\$ 326,236</u>                           | <u>\$ -</u>          |
| <i>Passed Through State Department of Education:</i>             |      |                                 |   |                      |                           |   |                      |
| Title I, Part A  | FY22 | 84.010                          | 511, 515, 518                               | \$ (242,697)         | \$ 242,697                | \$ -  | \$ -                 |
| Title I, Part A  | FY23 | 84.010                          | 511, 515, 518                               | -                    | 840,033                   | 1,391,572                                   | (551,539)            |
| Title I  |      |                                 |   | <u>\$ (242,697)</u>  | <u>\$ 1,082,730</u>       | <u>\$ 1,391,572</u>                         | <u>\$ (551,539)</u>  |
| IDEA, Part B - Flow Through                                      | FY22 | 84.027                          | 613, 615, 621 , 625                         | \$ (138,054)         | \$ 138,054                | \$ -  | \$ -                 |
| IDEA, Part B - Flow Through                                      | FY23 | 84.027                          | 613, 615, 621 , 625                         | -                    | 476,061                   | 636,737                                     | (160,676)            |
| IDEA, Part B - Preschool, Ages 3-5                               | FY22 | 84.173                          | 641/642                                     | (4,024)              | 4,024                     | -   | -                    |
| IDEA, Part B - Preschool, Ages 3-5                               | FY23 | 84.173                          | 641/642                                     | -                    | 12,895                    | 16,413                                      | (3,518)              |
| COVID-19 ARP-IDEA B Flow Through                                 | FY23 | 84.027X                         | 628,629                                     | -                    | 118,849                   | 119,481                                     | (632)                |
| COVID-19 ARP-IDEA B Preschool                                    | FY23 | 84.027X                         | 643,644                                     | -                    | 724                       | 724   | -                    |
| Special Education Cluster  |      |                                 |   | <u>\$ (142,078)</u>  | <u>\$ 750,607</u>         | <u>\$ 773,355</u>                           | <u>\$ (164,826)</u>  |
| Title II, Part A - Improving Teacher and Principal Quality       | FY22 | 84.367                          | 541, 543                                    | (13,589)             | 13,589                    | -   | -                    |
| Title II, Part A - Improving Teacher and Principal Quality       | FY23 | 84.367                          | 541, 543                                    | -                    | 91,350                    | 162,128                                     | (70,778)             |
| Title III, Part A - Limited English Proficiency                  | FY23 | 84.365                          | 572   | -                    | 19,043                    | 20,760                                      | (1,717)              |
| Title IV, Part A - Student Support & Academic Enrichment Program | FY22 | 84.424A                         | 552   | (9,208)              | 9,208                     | -   | -                    |
| Title IV, Part A - Student Support & Academic Enrichment Program | FY23 | 84.424A                         | 552   | -                    | 135,240                   | 135,240                                     | -                    |
| Title IV, Oklahoma School Climate Transformation                 | FY23 | 84.184F                         | 712   | -                    | 7,676                     | 8,280                                       | (604)                |
| Title V, Part B Rural and Low-Income School Program              | FY22 | 84.358B                         | 587   | (13,608)             | 13,608                    | -   | -                    |
| Title V, Part B Rural and Low-Income School Program              | FY23 | 84.358B                         | 587   | -                    | 38,349                    | 51,438                                      | (13,089)             |
| Title IX, Part A - McKinney-Vento Ed for Homeless Children       | FY22 | 84.196                          | 596   | (2,635)              | 2,635                     | -   | -                    |
| Title IX, Part A - McKinney-Vento Ed for Homeless Children       | FY23 | 84.196                          | 596   | -                    | 48,482                    | 52,319                                      | (3,837)              |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Supplemental Schedule  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

|   |      | Federal Assistance Number | Pass Through Grantor's Project Number | Balance 6/30/2022     | Federal Grant Receipts | Federal Grant Cash Basis Expenditures | Balance 6/30/2023   |
|---|------|---------------------------|---------------------------------------|-----------------------|------------------------|---------------------------------------|---------------------|
| <i>U.S. Department of Education - continued</i>   |      |                           |                                       |                       |                        |                                       |                     |
| <i>Passed Through State Department of Education:</i>  |      |                           |                                       |                       |                        |                                       |                     |
| COVID-19 Education Stabilization Funds- ARP ESSER School Counselor Corp Grant   | FY22 | 84.425U                   | 722                                   | (13,566)              | 13,566                 | -                                     | -                   |
| COVID-19 Education Stabilization Funds- ARP ESSER School Counselor Corp Grant   | FY23 | 84.425U                   | 722                                   | -                     | 52,254                 | 60,001                                | (7,747)             |
| COVID-19 Education Stabilization Funds- ARP ESSER- Oklahoma Paid Student Teacher Stipend  | FY23 | 84.425U                   | 725                                   | -                     | 5,247                  | 5,247                                 | -                   |
| COVID-19 Education Stabilization Funds- ARP ESSER- Science of Reading   | FY23 | 84.425U                   | 726                                   | -                     | 1,938                  | 1,938                                 | -                   |
| COVID-19 Education Stabilization Funds- ARP ESSER- Homelss II   | FY23 | 84.425U                   | 797                                   | -                     | 8,815                  | 9,335                                 | (520)               |
| COVID-19 Education Stabilization Funds- American Rescue Plan-Elementary & Secondary School Emergency Relief Fund- (ARP-ESSER III) | FY22 | 84.425U                   | 795                                   | (729,960)             | 729,960                | -                                     | -                   |
| COVID-19 Education Stabilization Funds- American Rescue Plan-Elementary & Secondary School Emergency Relief Fund- (ARP-ESSER III) | FY23 | 84.425U                   | 795                                   | -                     | 552,196                | 635,269                               | (83,073)            |
| Total COVID-19 ESF-ESSER  |      |                           |                                       | <u>\$ (743,526)</u>   | <u>\$ 1,363,976</u>    | <u>\$ 711,790</u>                     | <u>\$ (91,340)</u>  |
| Adult Education and Literacy  | FY22 | 84.002                    | 731                                   | (46,947)              | 46,947                 | -                                     | -                   |
| <i>Passed Through Oklahoma Department of Rehabilitation Services:</i>   |      |                           |                                       |                       |                        |                                       |                     |
| Job Training  | FY23 | 84.126                    | 456                                   | -                     | 4,854                  | 5,469                                 | (615)               |
| <b>Total U.S. Department of Education</b>   |      |                           |                                       | <u>\$ (1,214,288)</u> | <u>\$ 3,954,530</u>    | <u>\$ 3,638,587</u>                   | <u>\$ (898,345)</u> |
| <i>U.S. Department of Agriculture</i>   |      |                           |                                       |                       |                        |                                       |                     |
| <b>Child Nutrition Cluster:</b>   |      |                           |                                       |                       |                        |                                       |                     |
| <i>Passed Through State Department of Education:</i>  |      |                           |                                       |                       |                        |                                       |                     |
| National School Lunch Program   | FY23 | 10.555                    | 763                                   | \$ 520,932            | \$ 1,092,949           | \$ 1,087,781                          | \$ 526,100          |
| School Breakfast Program  | FY23 | 10.553                    | 764                                   | -                     | 384,887                | 384,887                               | -                   |
| Commodity Credit Corporation (CCC) Supply Chain Assistance  | FY23 | 10.555                    | 759                                   | -                     | 77,737                 | 77,737                                | -                   |
| Cash Assistance Subtotal:   |      |                           |                                       | <u>520,932</u>        | <u>1,555,573</u>       | <u>1,550,405</u>                      | <u>526,100</u>      |
| <i>Passed Through the Oklahoma Department of Human Services</i>   |      |                           |                                       |                       |                        |                                       |                     |
| Lunch Program - Commodities   | FY23 | 10.555                    | 763                                   | -                     | 172,583                | 172,583                               | -                   |
| Non-Cash Assistance Subtotal:   |      |                           |                                       | <u>-</u>              | <u>172,583</u>         | <u>172,583</u>                        | <u>-</u>            |
| Total Child Nutrition Cluster   |      |                           |                                       | <u>\$ 520,932</u>     | <u>\$ 1,728,156</u>    | <u>\$ 1,722,988</u>                   | <u>\$ 526,100</u>   |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Supplemental Schedule  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

|   |  |      |        | Federal<br>Assistance<br>Number | Pass Through<br>Grantor's Project<br>Number | Balance<br>6/30/2022 | Federal Grant<br>Receipts | Federal Grant<br>Cash Basis<br>Expenditures | Balance<br>6/30/2023 |
|---|--|------|--------|---------------------------------|---|----------------------|---------------------------|---|----------------------|
| <i>U.S. Department of Agriculture – continued</i>   |  |      |        |                                 |   |                      |                           |   |                      |
| <i>Passed Through State Department of Education:</i>  |  |      |        |                                 |   |                      |                           |   |                      |
|   | Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants | FY23 | 10.649 | 760                             | \$ -  | \$ 3,135             | \$ 3,135                  | \$ -  |                      |
|   | <b>Total U.S. Department of Agriculture</b>                              |      |        |                                 | <u>\$ 520,932</u>                           | <u>\$ 1,731,291</u>  | <u>\$ 1,726,123</u>       | <u>\$ 526,100</u>                           |                      |
| <i>U.S. Department of Health and Human Services</i>   |  |      |        |                                 |   |                      |                           |   |                      |
| <i>Passed Through Centers for Medicare and Medicaid<br/>and Oklahoma Health Care Authority:</i> |  |      |        |                                 |   |                      |                           |   |                      |
|   | Medical Assistance Program (Medicaid)                                    | FY23 | 93.778 | 698                             | \$ -  | \$ 77,728            | \$ 77,337                 | \$ 391                                      |                      |
| <b>CCDF Cluster</b>   |  |      |        |                                 |   |                      |                           |   |                      |
| <i>Passed through the Chickasaw Nation</i>  |  |      |        |                                 |   |                      |                           |   |                      |
|   | COVID-19- American Rescue Plan- Child Care and Development Block Grant   | FY23 | 93.575 | 772                             | \$ -  | \$ 148,563           | \$ 23,649                 | \$ 124,914                                  |                      |
|   | Total CCDF Cluster   |      |        |                                 | <u>\$ -</u>                                 | <u>\$ 148,563</u>    | <u>\$ 23,649</u>          | <u>\$ 124,914</u>                           |                      |
|   | <b>Total U.S. Department of Health and Human Services</b>                |      |        |                                 | <u>\$ -</u>                                 | <u>\$ 226,291</u>    | <u>\$ 100,986</u>         | <u>\$ 125,305</u>                           |                      |
| <i>U.S. Department of Homeland Security</i>   |  |      |        |                                 |   |                      |                           |   |                      |
| <i>Passed through the Oklahoma Department of Emergency Management</i>                           |  |      |        |                                 |   |                      |                           |   |                      |
|   | FEMA-Disaster Grants--Public Assistance - DR 4587 Severe Winter Storms   | FY23 | 97.036 | 594                             | \$ -  | \$ 1,500             | \$ 1,500                  | \$ -  |                      |
|   | <b>Total U.S. Department of Homeland Security</b>                        |      |        |                                 | <u>\$ -</u>                                 | <u>\$ 1,500</u>      | <u>\$ 1,500</u>           | <u>\$ -</u>                                 |                      |
| <i>Federal Communications Commission</i>  |  |      |        |                                 |   |                      |                           |   |                      |
| <i>Passed through the Universal Service Administration Company:</i>                             |  |      |        |                                 |   |                      |                           |   |                      |
|   | COVID-19 Emergency Connectivity Fund                                     | FY23 | 32.009 | 771                             | \$ -  | \$ 146,928           | \$ 149,345                | \$ (2,417)                                  |                      |
|   | <b>Total Federal Communication Commission</b>                            |      |        |                                 | <u>\$ -</u>                                 | <u>\$ 146,928</u>    | <u>\$ 149,345</u>         | <u>\$ (2,417)</u>                           |                      |
|   | <b>Total Expenditures of Federal Awards</b>                              |      |        |                                 | <u>\$ (697,305)</u>                         | <u>\$ 6,066,513</u>  | <u>\$ 5,654,792</u>       | <u>\$ (285,584)</u>                         |                      |

ARDMORE SCHOOL DISTRICT NO. I-19  
Carter County, Oklahoma  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

**Note A: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Ardmore School District No. I-19 Carter County, Oklahoma under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Ardmore School District No. I-19 Carter County, Oklahoma, it is not intended to and does not present the basic financial statements as listed in the table of contents, of Ardmore School District No. I-19 Carter County, Oklahoma.

**Note B: Summary of Significant Accounting Policies**

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

**Note C: Indirect Cost Rate**

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

**Note D: Subrecipients**

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

**Note E: 97.036 FEMA Disaster Grants-Public Assistance**

On May 12, 2022, the District entered into a State-Local Agreement with the Oklahoma Department of Emergency Management based upon damages resulting from severe winter storms that occurred February 8, 2021 through February 20, 2021. The United States President declared the DR 4587 Severe Winter Storms disaster on February 24, 2021. The District received \$1,500 from the Oklahoma Department of Emergency Management on August 8, 2022, based upon expenditures that occurred during the fiscal year ended June 30, 2021. Therefore \$1,500 of expenditures noted above were related to prior years, but not recorded on SEFA until revenues were received during FY23.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Ardmore School District No. I-19, Carter County, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Ardmore School District No. I-19, Carter County, Oklahoma's basic financial statements and have issued our report thereon dated March 25, 2024. Our report included an adverse opinion on U.S. generally accepted accounting principles because the District prepares its financial statements on a prescribed regulatory basis of accounting.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Ardmore School District No. I-19, Carter County, Oklahoma's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ardmore School District No. I-19, Carter County, Oklahoma's internal control. Accordingly, we do not express an opinion on the effectiveness of Ardmore School District No. I-19, Carter County, Oklahoma's internal control.

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

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

that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mary E Johnson & Associates PLLC*

Norman, Oklahoma  
March 25, 2024



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

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Ardmore School District, No. I-19, Carter County, Oklahoma's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Ardmore School District, No. I-19, Carter County, Oklahoma's major federal programs for the year ended June 30, 2023. Ardmore School District, No. I-19, Carter County, Oklahoma's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Ardmore School District, No. I-19, Carter County, Oklahoma complied, in all material respects, with the type 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, 2023.

***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* (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 Ardmore School District, No. I-19, Carter County, 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 Ardmore School District, No. I-19, Carter County, Oklahoma'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 Ardmore School District, No. I-19, Carter County, Oklahoma'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 Ardmore School District, No. I-19, Carter County, Oklahoma'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 Ardmore School District, No. I-19, Carter County, Oklahoma'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 Ardmore School District, No. I-19, Carter County, Oklahoma'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 Ardmore School District, No. I-19, Carter County, Oklahoma'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 Ardmore School District, No. I-19, Carter County, Oklahoma'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.

*Mary C Johnson & Associates PLLC*

Norman, Oklahoma  
March 25, 2024

ARDMORE SCHOOL DISTRICT I-19  
Carter County, Oklahoma  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023

**Section I Summary of Auditor's Results**

**Financial Statements:**

|   |           |  |  |
|---|-----------|--|--|
| Type of auditor's report issued               |           | Unmodified Regulatory Basis                                      |  |
|   |           | Adverse Opinion on U.S. Generally Accepted Accounting Principles |  |
| Internal control over financial reporting:    |           |  |  |
| Material weakness(es) identified?             | _____ Yes | _____ <u>X</u> No  |  |
| Significant Deficiency(ies) identified?       | _____ Yes | _____ <u>X</u> None Reported                                     |  |
| Noncompliance material to financial statement | _____ Yes | _____ <u>X</u> No  |  |

**Federal Awards:**

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

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

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

Identification of Major Programs:

| <u>Assistance Number</u> | <u>Name of Federal Program or Cluster</u>   |
|--------------------------|---|
| 84.027; 84.173; 84.027X  | Special Education Cluster (IDEA)  |
| 84.010                   | Title I Cluster   |
| 84.425U & 84.425D        | COVID-19 Education Stabilization Funds- COVID-19 Education Stabilization Funds- American Rescue Plan-Elementary & Secondary School Emergency Relief Fund- (ARP-ESSER III) |

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

|  |           |                   |
|--|-----------|-------------------|
| Auditee qualified as a low-risk auditee? | _____ Yes | _____ <u>X</u> No |
|--|-----------|-------------------|

ARDMORE SCHOOL DISTRICT I-19  
Carter County, Oklahoma  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2023

**Section II – Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

ARDMORE SCHOOL DISTRICT I-19  
Carter County, Oklahoma  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2023

**Financial Statement Findings**

None

**Federal Award Findings and Questioned Costs**

None

## **Other Oklahoma Department of Education Requirements**

ARDMORE SCHOOL DISTRICT I-19  
Carter County, Oklahoma  
Statement of Statutory Fidelity and Honesty Bonds (Unaudited)  
For the Year Ended June 30, 2023

The District has a public official position bond with Western Surety Company. The bond number is 72465370. This bond covers the superintendent for \$100,000. The term is July 1, 2022 to June 30, 2023.

The District has a public official position bond with Western Surety Company. The bond number is 69537183. This bond covers the treasurer for \$100,000. The term is July 1, 2022 to June 30, 2023.

The District has a blanket bond with Western Surety Company, bond number 70784644 for various positions including the minutes clerk, encumbrance clerk and activity fund custodian, in the amount of \$100,000. The term is July 1, 2022 to June 30, 2023.

