



Financial Statements and
Report Required by Uniform Guidance
June 30, 2024

Moore Norman Technology Center School District No. 17

Independent Auditor's Report	1
Management's Discussion and Analysis (Unaudited)	5
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	12
Statement of Activities.....	13
Fund Financial Statements – Governmental Funds	
Balance Sheet – Governmental Funds	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	15
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	16
Notes to Financial Statements	17
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund (Unaudited)	38
Budgetary Comparison Schedule – Building Fund (Unaudited).....	39
Schedule of the District's Proportionate Share of the Net Pension Liability (Unaudited).....	40
Schedule of District's Pension Contributions (Unaudited)	41
Schedule of the District's Proportionate Share of the Net OPEB Asset (Unaudited)	42
Schedule of District's OPEB Contributions (Unaudited)	43
Notes to Required Supplementary Information	44
Other Supplementary Information	
Schedule of Expenditures of Federal Awards	45
Notes to Schedule of Expenditures of Federal Awards	46
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 <i>Government Auditing Standards</i>	47
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	49
Schedule of Findings and Questioned Costs	52
Schedule of Accountant's Professional Liability Insurance Affidavit	55



Independent Auditor's Report

To the Board of Education
Moore Norman Technology Center School District No. 17
Norman, Oklahoma

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Moore Norman Technology Center School District No. 17 statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Moore Norman Technology Center School District No. 17, as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule – general fund, the budgetary comparison schedule – building fund, the schedule of the District's proportional share of the net pension liability pension, the schedule of the District's pension contributions, the schedule of the District's proportionate share of the net OPEB asset, and the schedule of the District's OPEB contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is 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 GAAS. In our opinion, the schedule of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Oklahoma City, Oklahoma
March 21, 2025

Our discussion and analysis of the Moore Norman Technology Center, School District No. 17's (the District), performance provides an overview of the School District's financial activities for the year ended June 30, 2024. Please read it in conjunction with the District's financial statements, which immediately follows this section.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the School District as a whole and present a longer-term view of the School District's finances. Fund financial statements report the School District's operations in more detail than the government-wide statements by providing information about the School District's most significant funds. For governmental activities, the fund statements tell how these services were financed in the short term as well as what remains for future spending.

FINANCIAL HIGHLIGHTS

The District's financial status improved from the last year. Total net position increased 13.19 percent.

- Overall revenues were \$65 million and overall expenses were \$48.4 million.
- The District decreased its outstanding long-term debt in bonds by \$6.7 million.
- The District's share of the cost sharing retirement plan net pension obligation was \$28.3 million as of June 30, 2024 compared to \$31.8 million as of June 30, 2023.

Reporting the School District as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the School District's finances is, "Is the School District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the School District as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School District's net position and changes in them. You can think of the School District's net position – the difference between assets and liabilities – as one way to measure the School District's financial health, or financial position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, we report the following:

Governmental activities – The School District's basic services are reported here, including the educational activities for daytime high school and adults, short term training for adults, services and training for business and industry, and general administration. Also, the School District charges a fee to customers to help defray expenses involved in providing the services, and Bookstore activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Some funds are required to be established by State law and by bond covenants. All of the School District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required and other supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

THE SCHOOL DISTRICT AS A WHOLE

	Government Activities	
	2024	2023 *
Assets		
Current and other assets	\$ 72,712,167	\$ 70,752,501
Capital assets	127,484,011	121,840,313
Net OPEB Asset	180,465	157,464
Total Assets	<u>200,376,643</u>	<u>192,750,278</u>
Deferred outflows of resources	<u>6,566,091</u>	<u>9,403,710</u>
Liabilities		
Long-term liabilities	52,489,909	64,182,778
Current and other liabilities	10,287,933	11,521,398
Total Liabilities	<u>62,777,842</u>	<u>75,704,176</u>
Deferred inflows of resources	<u>2,107,582</u>	<u>950,418</u>
Net position		
Net investment in capital assets	95,692,672	81,871,937
Restricted	32,124,059	28,791,279
Unrestricted	14,240,579	14,836,179
Total Net Position	<u>\$ 142,057,310</u>	<u>\$ 125,499,395</u>

* as reissued by report dated March 21, 2025

Net Position. The District's combined net position was more on June 30, 2024, than they were the year before – increasing by 13.19% from \$125.5 million to \$142.1 million. Most of this change is due to revenues exceeding expenses by \$16.6 million.

For the years ended June 30, 2024 and 2023, net position changed as follows:

	2024	2023 *	Percent Change
Revenues			
Program revenues			
Charges for services and sales	\$ 1,544,094	\$ 2,137,804	
Operating grants and contributions	3,249,913	2,677,046	
General revenue			
Property taxes	50,012,028	46,361,772	
Federal and State Grants	5,274,030	4,260,638	
Investment Earnings (Loss)	3,097,757	2,041,539	
Other	1,775,130	5,712,162	
Total revenues	<u>64,952,952</u>	<u>63,190,961</u>	<u>2.79%</u>
Program expenses			
Instruction	13,481,954	14,282,738	
Support Services	26,417,240	24,423,362	
Non-Instruction	1,110,293	1,750,594	
Student Financial Aid	719,094	579,495	
Debt service	933,804	1,096,632	
Depreciation (unallocated)	5,732,652	4,491,419	
Total expenses	<u>48,395,037</u>	<u>46,624,240</u>	<u>3.80%</u>
Increase in net position	16,557,915	16,566,721	<u>-0.05%</u>
Net position, beginning of year	<u>125,499,395</u>	<u>108,932,674</u>	
Net position, end of year	<u><u>\$ 142,057,310</u></u>	<u><u>\$ 125,499,395</u></u>	<u><u>13.19%</u></u>

* As reissued by report dated March 21, 2024

Changes in Net Position.

The District's total revenues decreased 2.79 percent to \$65 million. Property taxes increased by \$3.7 million but offset by a reduction in operating grants and employee retention credit revenue recognized in the year ended June 30, 2023. Property taxes accounted for 77 percent of the District's collections.

Total revenues surpassed expenses, increasing net position \$16.6 million over the past year.

The District's total expenditures increased by 3.8 percent to \$48.4 million. The District's expenses are primarily related to education, training and support of students and business clients (82%).

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is provided. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the School District's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

District Sources of Revenue:

Ad Valorem property tax	Taxes for current year and prior years, revenue in lieu of taxes.
Interest	Interest earning of investments and taxes.
Tuition and Fees	Tuition and fees for Full-time adult classes, Short-term adult classes, Safety Training, Industry Specific, Assessment, Quality Management, and Health Certification.
Miscellaneous	Rental of school facilities and property, sale of surplus equipment, bookstore revenue, reimbursement for insurance loss recoveries, damages to school property, rebates, and fiscal agent expenses. In FY2023, the District also received Employee Retention Credit funding.
State Revenue	Formula operation, Existing Industry Initiative, training for industry programs, Safety Training, Welfare to Work, and Professional Development.
Federal Revenue - Grants	TANF Grant and Carl Perkins Grants CARES Act Aid and Stimulus funds Student Financial Aid and PELL Grants.

THE SCHOOL DISTRICT'S FUNDS

The following schedule presents a summary of general, special revenue (building and bond fund), other governmental fund (activity fund and sinking fund), and expenditures for the fiscal year ended June 30, 2024 and 2023.

	2024		2023 *	
	Amount	Percent of Total	Amount	Percent of Total
Property Taxes	\$ 49,942,868	78.54%	\$ 45,363,940	75.06%
Investment Return	3,263,670	5.13%	1,875,625	3.10%
Tuition and Fees	1,200,335	1.89%	1,554,680	2.57%
State Revenue	3,292,750	5.18%	2,630,196	4.35%
Federal Revenue	2,084,904	3.28%	2,311,901	3.83%
Other	3,805,311	5.98%	6,701,141	11.09%
Total Revenues	<u>\$ 63,589,838</u>	<u>100.00%</u>	<u>\$ 60,437,483</u>	<u>100.00%</u>

* as reissued by report dated March 21, 2025

Economic growth within the School District and increase in property valuation led to increases in property taxes revenue.

Expenditures

Instruction	Expenditures for direct classroom activities.
Support Services	Expenditures for administrative, technical and logistical support to facilitate and enhance education.
Non-Instructional Services	Activities concerned with providing non-instructional services to students, staff, or community.
Facilities	Activities involved with the acquisition of land buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; improvements to sites; and equipment. These expenditures are included below in capital outlay and debt service.

	2024		2023	
	Total Cost of Services	Percent of Total	Total Cost of Services	Percent of Total
Instruction	\$ 13,368,867	22.27%	\$ 14,899,168	23.92%
Support Services	26,169,480	43.59%	23,969,996	38.48%
Non Instruction	880,566	1.47%	858,860	1.38%
Capital Outlay and Debt Service	18,893,299	31.47%	21,979,867	35.29%
Student Financial Aid	723,333	1.20%	583,342	0.93%
Total governmental activities	<u>\$ 60,035,545</u>	<u>100.00%</u>	<u>\$ 62,291,233</u>	<u>100.00%</u>

The decreases in expenditures are due to a decrease in capital outlay and debt services related to the \$60 million bond issue and related projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the General Fund budget had to be revised due to increase in local revenue sources. State revenue decreased to due to declining collections. The District was able to have a \$31.6 million fund balance at the end of the fiscal year.

CAPITAL ASSETS

At the end of June 30, 2024, the School District had \$177.5 million invested in capital assets (see table below). This represents a net increase of \$11.4 million or 6.85 percent, over the previous fiscal year.

	2024	2023	2022	2021
Land	\$ 13,614,246	\$ 13,614,246	\$ 13,614,246	\$ 13,614,246
Construction in progress	-	14,938,516	3,117,427	28,456,495
Buildings and Improvements	149,251,274	124,787,749	124,755,146	96,037,828
Furniture and Equipment	12,216,415	10,589,788	9,506,612	8,942,095
Vehicles	2,412,235	2,187,521	1,876,641	1,734,128
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total capital assets	<u>\$ 177,494,170</u>	<u>\$ 166,117,820</u>	<u>\$ 152,870,072</u>	<u>\$ 148,784,792</u>

See Note 10 for additional information on capital assets.

LONG-TERM LIABILITIES

General Obligation Bonds

On June 1, 2016, Moore Norman Technology Center issued \$60,000,000 in general obligation bonds. The bonds have enabled the Center to meet the needs of students and business & industry partners through the expansion and modernization of various programs and classrooms, the addition of safe rooms and vital security features, and the creation of a student services center.

The bonds are payable over 10 years with amount levied for payment through the debt service fund (sinking fund). Total amount outstanding as of June 30, 2024, was \$13.4 million, including debt premium. See Note 3 for additional information on long-term liabilities.

Financed Lease Purchases

On November 1, 2021, the District entered into a ground lease and sublease agreement with the Cleveland County Public Facilities Authority. The Authority issued \$13.255 million in revenue bonds to finance improvements to Aerospace/Wellness Center/IT Services Expansion and public safety law enforcement driver training course and an outdoor firing range. The sublease is payable over 14 years. The total amount outstanding as of June 30, 2024, was \$11.3 million.

On May 1, 2022, the District entered into a ground lease and sublease agreement with the Cleveland County Public Facilities Authority. The Authority issued \$5.935 million in revenue bonds to finance acquisition, construction, improvement, equipping and furnishing the construction of a new indoor gun range. The sublease is payable over 9 years. The total amount outstanding as of June 30, 2024, was \$4.9 million.

The Authority will sublease the land and completed improvements to the District in exchange for finance payments. Once the bonds are paid, the sublease agreement and the ground lease agreement will expire along with any Authority ownership interest therein, and the Improvements will belong to the District. See Note 4 for additional information on long-term liabilities.

Net Pension Liability

The District's share of the Teachers' Retirement System of Oklahoma (TRS) net pension liability as of June 30, 2024 was \$28.3 million. This was a decrease of \$3.6 million from the prior year (2023). See Note 5 for additional information on the net pension liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

State revenues for formula operations increased by 26% (\$836,000) from FY24 to FY25. The District did receive a one-time increase of \$750,000 to be used for increasing capacity. Ad valorem tax levies for FY24 and FY25 increased by 5.4%. The forecasted ad valorem levy increase for FY26 is a more conservative 4.5%, which would generate \$1.4 million of new revenue for the General Fund and \$700,000 for the Building Fund. Earnings on investments have increased significantly with higher interest rates since FY22, with the forecasted FY25 revenue of \$2 million. The FY26 forecast for interest earnings is a more conservative \$1.5 million, building in forecasted rate reductions. Given these and other factors, the revenue forecast for the District is positive for FY26.

The FY25 expenditure budget stayed flat for the General Fund, due to new programs and a higher than normal inflationary period. The forecast for the FY26 expenditure budget is projected at an increase of \$2 million (6%), again attributed to program growth and inflation.

Smaller growth is expected in Cleveland County this year. The unemployment rate continues to be lower than the national average and employers are still investing in their workforce in the areas of professional and skills development. At the national level, the economy continues to show signs of steady interest rates but increased inflation. With the FY26 investments and the new bond, the District should see a more favorable impact on investment earnings for the District than expected.

The District will move forward with cautious optimism in Fiscal Year 2026. Capital improvements will continue to provide facility capacity for increases to long-term programs.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Superintendent's Office at Moore Norman Technology Center, PO Box 4701, Norman, OK 73070.

Moore Norman Technology Center

Statement of Net Position

June 30, 2024

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 7,756,019
Investments	54,062,923
Property taxes receivable, net	9,850,239
Receivables from other governments	569,610
Other receivables	473,376
Land and construction in progress	13,614,246
Capital assets being depreciated, net of accumulated depreciation	113,869,765
Net OPEB asset	180,465
Total Assets	200,376,643
Deferred Outflows	
Deferred outflows - pension and OPEB plans	6,566,091
Liabilities	
Accounts payable	788,130
Other payables	115,332
Salaries and wages payable	844,961
Long-term obligations	
Due within one year	8,539,510
Due beyond one year	52,489,909
Total Liabilities	62,777,842
Deferred Inflows of Resources	
Deferred inflows - pension and OPEB plans	2,107,582
Net Position	
Net investment in capital assets	95,692,672
Restricted for:	
Buildings	29,062,027
Debt service	2,588,405
OPEB	201,839
School organizations	271,788
Unrestricted	14,240,579
Total Net Position	\$ 142,057,310

Moore Norman Technology Center

Statement of Activities

For the Year Ended June 30, 2024

Functions/programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Instruction	\$ 13,481,954	\$ 1,072,271	\$ 1,188,125	\$ (11,221,558)
Support services	26,417,240	225,596	251,000	(25,940,644)
Non-instruction services	1,110,293	246,227	1,133,073	269,007
Student financial aid	719,094	-	677,715	(41,379)
Interest on long-term debt	933,804	-	-	(933,804)
Depreciation - unallocated	5,732,652	-	-	(5,732,652)
Total governmental activities	<u>\$ 48,395,037</u>	<u>\$ 1,544,094</u>	<u>\$ 3,249,913</u>	<u>(43,601,030)</u>
General revenues:				
Taxes				
Property taxes, levied for general purposes				29,061,488
Property taxes, levied for building purposes				14,557,007
Property taxes, levied for debt service purposes				6,393,533
State aid - formula grants				4,647,229
Federal aid - formula grants				626,801
Other revenue				1,775,130
Earnings on investments				3,097,757
Total general revenues				<u>60,158,945</u>
Change in net position				16,557,915
Net position, beginning of year				<u>125,499,395</u>
Net position, end of year				<u>\$ 142,057,310</u>

Moore Norman Technology Center
Balance Sheet – Governmental Funds
June 30, 2024

	General Fund	Building Fund	Debt Service Fund	Other Governmental Funds	Governmental Totals
Assets					
Cash	\$ 4,468,653	\$ 1,462,943	\$ 29,417	\$ 1,795,006	\$ 7,756,019
Pooled cash and investments	14,247,647	5,259,032	176,736	410,567	20,093,982
Investments	12,576,927	19,955,610	1,436,404	-	33,968,941
Property taxes receivable, net	5,941,736	2,962,655	945,848	-	9,850,239
Receivables from other governments	569,610	-	-	-	569,610
Other receivables, net	473,081	-	-	295	473,376
Total assets	\$ 38,277,654	\$ 29,640,240	\$ 2,588,405	\$ 2,205,868	\$ 72,712,167
Liabilities, Deferred Inflows of Resources, and Fund Balances	32,748,755	26,919,549	1,743,751	2,205,868	63,617,923
Liabilities					
Accounts payable and accrued liabilities	261,508	526,622	-	-	788,130
Salaries and wages payable	793,370	51,591	-	-	844,961
Compensated absences	48,100	-	-	-	48,100
Total liabilities	1,102,978	578,213	-	-	1,681,191
Deferred inflows of resources					
Unavailable revenue - property taxes	5,474,737	2,720,691	844,654	-	9,040,082
Unavailable revenue - other	54,162	-	-	-	54,162
Total deferred inflows of resources	5,528,899	2,720,691	844,654	-	9,094,244
Fund Balances					
Restricted	-	23,249,054	1,531,585	1,185,730	25,966,369
Committed	27,425,606	-	-	271,788	27,697,394
Assigned	-	3,092,282	212,166	748,350	4,052,798
Unassigned	4,220,171	-	-	-	4,220,171
Fund balances, end of year	31,645,777	26,341,336	1,743,751	2,205,868	61,936,732
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 38,277,654	\$ 29,640,240	\$ 2,588,405	\$ 2,205,868	\$ 72,712,167
Amounts Reported for Governmental Activities in the Statement of Net Position Are Different Because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$177,494,170 and the accumulated depreciation is \$50,010,159.					127,484,011
Property taxes receivable and other receivables will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.					9,094,244
Net pension obligation is not due and payable in the current period and, therefore, is not reported in the funds.					(28,286,761)
Net OPEB asset is not due and receivable in the current period and, therefore, is not reported in the funds.					180,465
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and therefore, are not reported in the funds.					4,458,509
Long-term liabilities, including capital leases, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:					
Financed Lease Purchase (including premium)				\$ 18,436,825	
General Obligation Bonds				13,354,514	
Accrued Interest				115,332	
Compensated absences - Long-term				903,219	(32,809,890)
Total Net Position - Governmental Activities					\$ 142,057,310

Moore Norman Technology Center
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Year Ended June 30, 2024

	General Fund	Building Fund	Debt Service Fund	Other Governmental Funds	Governmental Totals
Revenues					
Property taxes	\$ 28,988,738	\$ 14,526,731	\$ 6,427,399	\$ -	\$ 49,942,868
Investment earnings (loss)	3,042,565	(20,990)	(4,323)	246,418	3,263,670
Tuition and fees	1,200,335	-	-	-	1,200,335
State revenue	3,292,750	-	-	-	3,292,750
Federal revenue	2,084,904	-	-	-	2,084,904
Other	1,056,892	2,559,692	7,475	181,252	3,805,311
Total revenues	39,666,184	17,065,433	6,430,551	427,670	63,589,838
Expenditures					
Current					
Instruction	12,939,392	429,475	-	-	13,368,867
Support services	19,016,430	7,035,026	-	118,024	26,169,480
Non-instruction services	847,287	-	-	33,279	880,566
Financial aid and other uses	719,094	-	-	4,239	723,333
Capital outlay	-	3,576,952	-	6,941,309	10,518,261
Other outlays	-	-	-	-	-
Debt service					
Interest	-	-	403,838	486,200	890,038
Principal	-	-	6,675,000	810,000	7,485,000
Total expenditures	33,522,203	11,041,453	7,078,838	8,393,051	60,035,545
Other Financing Sources (Uses)					
Operating transfers In	-	-	-	2,076,220	2,076,220
Operating transfers Out	-	(2,076,220)	-	-	(2,076,220)
Total Other Financing Sources (Uses)	-	(2,076,220)	-	2,076,220	-
Net Change in Fund Balance	6,143,981	3,947,760	(648,287)	(5,889,161)	3,554,293
Beginning fund balance	25,501,796	22,393,576	2,392,038	8,095,029	58,382,439
Ending fund balance	\$ 31,645,777	\$ 26,341,336	\$ 1,743,751	\$ 2,205,868	\$ 61,936,732

Moore Norman Technology Center
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Year Ended June 30, 2024

Net change in fund balances total governmental funds			\$ 3,554,293
The change in net position reported in the statement of activities is different because:			
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and are allocated over their estimated useful lives as annual depreciation expenses in the statement of activities			
Capital outlay expenditures and adjustments	\$ 11,376,350		
Depreciation expense	<u>(5,732,652)</u>		5,643,698
Some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead counted as deferred revenues. They are however, recorded as revenues in the statement of activities.			
			45,216
Some receipts of grant revenue will not be collected for several months after the District's fiscal year-end they are not considered as "available" revenues in the governmental funds and are, instead counted as deferred inflows of resources. They are, however, recorded as revenues in the statement of activities.			
			(375,876)
In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for those items are measured by the amount of financial resources used (essentially the amounts actually paid). This year, vacation and sick leave used exceeded amounts earned.			
			(95,008)
Governmental funds report district pension and OPEB contributions as expenditures (benefits). However, the statement of activities reports the cost of pension and OPEB benefits earned net of employee contributions as pension and OPEB expense (benefit). This is the difference between the two.			
			(412,542)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources. Some expenses do not require current financial resources so therefore are not reported as expenditures in the governmental funds.			
	Accrued Interest	21,107	
	Payments on Debt	<u>8,177,027</u>	<u>8,198,134</u>
Change in net position of governmental activities			<u><u>\$ 16,557,915</u></u>

Note 1 - Summary of Significant Accounting Policies

The Moore Norman Technology Center School District No. 17 (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 of the Oklahoma Statutes.

The District's financial statements are prepared in accordance with generally accepted accounting principles promulgated by The Governmental Accounting Standards Board (GASB).

The Reporting Entity - The District is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. The governing body of the District is the Board of Education composed of elected members. The appointed superintendent is the executive officer of the District. There are no component units included within the reporting entity.

Basic Financial Statements – Government-Wide 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 the 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 activities.

In the government-wide Statement of Net Position, the District's governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets, deferred outflows of resources and receivables as well as long-term debt and obligations and deferred inflows of resources. The District's net position are reported in three parts – net investment in capital assets; restricted net position and unrestricted net position.

The government-wide Statement of Activities 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 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 must be directly associated with the function. Charges for services include charges and fees to students, or customers who purchase, use or directly benefit from the goods, services, or privileges provided by a given function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs are normally covered by general revenue (property taxes, State and Federal aid, other taxes etc.).

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 the current year's activities. Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

Basic Financial Statements – Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. The fund financial statements provide reports on the financial condition and results of operations of governmental fund category.

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 a special revenue fund used to account for monies derived from the building fund levy and rental of facilities to be used for erecting, remodeling, repairing or maintaining school buildings, paying energy and utility costs; paying fire and casualty insurance premiums for school facilities, security systems and personnel.

Debt Service Fund (or the Sinking Fund) is used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

Additionally, the District reports the following funds:

Activity Fund – The District accounts for resources collected from student or extracurricular activities including admission fees, concession income, fund raising and dues. The Board of Education exercises control over all of these funds.

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

2022 CCEFA Bond Fund is used to account for proceeds from long-term financing and revenues and expenditures related 2022 sublease agreement with Cleveland County Educational Facilities Authority.

2021 CCEFA Bond Fund is used to account for proceeds from long-term financing and revenues and expenditures related 2021 sublease agreement with Cleveland County Educational Facilities Authority

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.

Accrual: The government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred. Property taxes are recognized as revenue in the year in which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Modified Accrual: The funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e. both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

Capital Assets - Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

School Buildings	50 years
Site improvements	20 years
Business machines and computers	5-10 years
Vehicles	8 years
Other Equipment	10-15 years

Compensated Absences - Twelve-month employees earn sick leave starting the first day of employment, accrued monthly as defined for each individual. Administration receives all sick leave up front each fiscal year in the amount of 12 days. All 10- month employees receive sick leave up front each fiscal year in the amount of 10 days.

Administration and 12-month employees receive annual leave accrued as defined for each individual each fiscal year. 10-month employees are not eligible for annual leave. Only annual leave is payable to the employee at termination.

Budgets and Budgetary Accounting - The District is required by state law to prepare an annual budget. The District by resolution of the Board of Education has adopted the School District Budget Act. This Act requires that within the thirty-day period preceding the beginning of each fiscal year, a budget shall be approved by the governing body. The original budget is to be amended after the June financial activity has been recorded, the annual Foundation and Salary Incentive Aid allocation has been released, and the property tax valuations have been certified for all affected counties within the district.

A budget is legally adopted by the Board of Education for the General Fund and Building Fund that includes revenue and expenditures.

Cash - The District considers all cash on hand, demand deposits, money market checking and certificates of deposit, held at an individual bank which are subject to early withdrawal penalties no matter what the maturity period, to be cash. All short-term cash surpluses are maintained in a cash pool, excluding the Activity Fund, and investments are pooled into one common pooled account in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash account or investment account has an equity therein. Interest earned on the investment of these monies is deposited to the general fund. An individual fund's pooled cash and investments are available upon demand. State statutes require collateral for deposits in excess of insured amounts. The collateral's market value must exceed the insured deposit.

Investments - The District's investment policies are governed by state statute. Permissible investments include:

1. Direct obligations of the United States Government and Agencies;
2. Obligations to the payment of which the full faith and credit of the State of Oklahoma is pledged;
3. Certificates of deposit of savings and loan associations and bank and trust companies secured by acceptable collateral;
4. Savings accounts or savings certificates of savings and loan associations that are fully insured;
5. County, municipal and school district direct debt obligations;
6. Money market mutual funds regulated by the Securities and Exchange Commission;
7. Warrants, bonds or judgments of the school district;
8. Qualified pooled investment programs.

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 first half of taxes is due prior to January 1. The second half is due prior to April 1.

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

Property taxes receivable by the District include uncollected taxes assessed as of October 1, 2021, and earlier. Delinquent property tax receivable is recognized as revenue in the government-wide financial statements. Only the portion of the property taxes receivable that meets the revenue recognition criteria is reported as revenue in the fund financial statements.

Property tax receivables are net of an allowance for uncollectible taxes of \$85,701 in the general fund, \$52,750 in the building fund and \$20,780 in the sinking fund. The allowance represents the estimated amount that is deemed uncollectible based on past collection history.

State Revenues - Revenues from state sources for current operations are primarily governed by the joint resolution of the Oklahoma House of Representatives and Senate. The Oklahoma Department of Career and Technical Education administers the allocation of state aid funds to school districts based on information accumulated from the districts. Approximately 8% of the District's revenue comes from state sources.

After review and verification of reports and supporting documentation, the Oklahoma Department of Career and Technical 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. Oklahoma Department of Career and Technical Education rules require that revenue earmarked for these programs be expended only for the programs for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The Oklahoma Department of Career and Technical Education requires that categorical educational program revenues be accounted for in the general fund.

Interfund Transfers - During the course of normal operations, the District has transactions between funds including expenditures and transfers of resources to provide interest income transfers, services, purchase assets and service debt. Transactions that are normal and recurring between funds are recorded as transfers.

Use of Estimates - The preparation of financial statements in conformity with the basis of accounting referred to above requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Outflows of Resources - The District reports decreases in net position that related to future periods as deferred outflows of resources on the statement of net position. A deferred outflow is reported for (1) contributions made to Teachers' Retirement System of Oklahoma (TRS the Plan) for defined benefit pension and OPEB plans between the measurement date of the net pension and OPEB liabilities (asset) (June 30, 2023) and the end of the current fiscal year (June 30, 2024). (2) A loss from changes in assumptions used by the actuary is amortized to pension expense over the average expected remaining service life of the Plan (3) A loss from difference between expected and actual experience that the pension and OPEB plan actuary uses to develop expectations such as future salary increases and inflation (4) the actual pension or OPEB plan investment earnings less than the expected amounts included in determining pension expense. The first three deferred outflows are amortized to pension expense over the average expected remaining service life of the Plan. The fourth deferred outflow of resources is amortized to pension expense over a total of 5 years, including the current year.

Deferred Inflows of Resources - The District's statements of net position and its governmental fund balance sheet report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position that applies to a future period.

Deferred inflows of resources are reported in the statement of net position for (1) A gain from difference between expected and actual experience that the pension and OPEB plan actuary uses to develop expectations such as future salary increases and inflation (2) A gain from changes in assumptions used by the actuary is amortized to pension expense over the average expected remaining service life of the Plan (3) the actual pension or OPEB plan investment earnings greater than the expected amounts included in determining pension expense. The first 2 deferred inflows of resources are amortized to pension expense over the average expected remaining service life of the Plan. The third deferred inflow is amortized to pension expense over a total of 5 years, including the current year.

In its governmental funds, the only deferred inflow of resources is for revenues not considered available. The District will not recognize the related revenues until available (collected no later than 60 days after the end of the District's fiscal year) under the modified accrual basis of accounting that qualifies to be reported in this category. Accordingly, deferred property taxes and grant revenue are reported in the governmental funds balance sheet.

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

Other Postemployment Benefits (OPEB) – For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense (benefit), information about the fiduciary net position of the Teachers' Retirement System of Oklahoma (TRS) and additions to/deductions from TRS's fiduciary net position have been determined on the same basis as they are reported to TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position and Fund Balance - District-Wide Financial Statements – When the District incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned because they were not used. Net position on the Statement of Net Position include the following:

Net Investment in Capital Assets– The component of net position that consists of the historical cost of capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Restricted for Buildings – The component of net position that reports the excess of property taxes and other revenue collected in excess of expenses for operation of the District's buildings.

Restricted for Debt Service – The component of net position that reports assets restricted for debt service.

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

Restricted for OPEB – The component of net position that report the assets restricted for use for the other postemployment benefit (OPEB) asset, including related deferred inflows and outflows.

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

Governmental Fund Financial Statements - 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 does not have any funds classified as nonspendable as of June 30, 2024.

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 fund revenue from levy as being restricted because the use is restricted by State Statute for capital expenditures.

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 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 program activities as being committed because their use is imposed by the Board of Education regarding use of the funds.

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 or through the Board delegating this responsibility to the superintendent through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has assigned interest earnings to the funds where earned for the purposes defined by the fund.

Unassigned: This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

On-behalf Payments – The State of Oklahoma makes direct payments to Teachers' Retirement System of Oklahoma (TRS) on behalf of participating schools. The pro rata portion of the payment attributable to the District is recognized in these financial statements as an addition to state revenues and recording the related expense.

Note 2 - Cash and Investments

Deposits - At June 30, 2024, the bank balance of deposits and cash pools was \$9,373,033. This represents the actual bank balance, not general ledger balance, of all checking accounts, inclusive of related sweep accounts and money market accounts. Such accounts are either insured by the FDIC or are invested in obligations of the U.S. Government, its agencies and instrumentalities.

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require collateral for all deposits in excess of federally insured amounts. The District policy for custodial credit risk requires compliance with the provisions of state law. At June 30, 2024, the District was not exposed to custodial credit risk.

Investments - The District participates in an external investment pool, Oklahoma Public School Liquid Asset Pool (OLAP). The plan is sponsored by the Oklahoma State School Boards Association, Cooperative Council of Oklahoma School Administration, Organization of Rural Oklahoma Schools and the Oklahoma Association of School Business Officials. OLAP is governed through an interlocal cooperative agreement and the investment advisors and other professionals are competitively selected. OLAP's portfolio consists of cash and short-term investments valued at amortized cost which approximates fair value.

OLAP invests in obligations of the U.S. Government, its agencies and instrumentalities and repurchase agreements, provided that the underlying collateral consists of obligations of the U.S. Government, its agencies and instrumentalities and the OLAP custodian takes delivery of the collateral. To receive a copy of the Oklahoma Public School Liquid Asset Pool annual audit report, call toll free 1-866-472-6527 or visit www.OLAPonline.org. The District's other investments consist of money market mutual fund investments held in sweep account.

Investment valuation – All securities, with the exceptions of non-negotiable certificates of deposit and Certificate of Deposit Registry (CDARS) which are valued at amortized cost, are stated at fair value. Investments are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period.

Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment fair value measurements are as follows at June 30, 2024:

	Total Fair Value	Fair Value Measurements		
		Level 1	Level 2	Level 3
U.S. Treasuries and agencies	\$ 17,557,067	\$ 17,557,067	\$ -	\$ -
Negotiable certificates of deposit	10,225,479	-	10,225,479	-
External Investment Pool	20,093,982	-	20,093,982	-
	<u>\$ 47,876,528</u>	<u>\$ 17,557,067</u>	<u>\$ 30,319,461</u>	<u>\$ -</u>

Credit Risk – Investments – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation. Investments held by the District in investment pools (sweep accounts and external investment pools) are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. The fair market value of the external investment pool held securities whose Standard & Poor's credit ratings were 5.5 percent A+, 8.2 percent AA+, 0.6 percent AAAM, and 22.9 percent NR. Securities with an NR rating are bank deposit accounts. U.S. Government securities or obligations explicitly guaranteed by the U.S. government of 18.2 percent are not considered to have credit risk exposure. Negotiable certificates of deposit are all insured by FDIC.

The District does not have a formal policy limiting its exposure arising from concentrations of investments.

Investment Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

At year ended June 30, 2024, the District had the following investment maturities:

	Total Fair Value	Investment Maturities in Years		
		< 1	1 - 5	6 - 10
U.S. Treasuries and agencies	\$ 17,557,067	\$ 15,567,067	\$ 1,990,000	\$ -
Negotiable certificates of deposit	10,225,479	9,741,029	484,450	-
	<u>\$ 27,782,546</u>	<u>\$ 25,308,096</u>	<u>\$ 2,474,450</u>	<u>\$ -</u>
<u>Amortized Cost</u>				
External Investment Pool (OLAP)	\$ 20,093,982			
Non-Negotiable certificate of deposit	<u>6,186,395</u>			
Total Investments	<u>\$ 54,062,923</u>			

The funds held in the external investment pool have a weighted average maturity of 37 days. The non-negotiable certificates of deposit are considered deposits so are not subject to investment interest rate risk.

Concentration of Credit Risk - The District places no limit on the amount the District can invest in any one issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded.

Note 3 - Long-Term Liabilities

The long-term liability balances and activity for the year were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Compensated absences					
Annual leave	\$ 856,311	\$ 951,319	\$ 856,311	\$ 951,319	\$ 489,510
Direct Placement General Obligation Bonds	20,029,514	-	6,675,000	13,354,514	6,675,000
Financed Lease Purchases Cleveland County					
Educational Facilities Authority Cleveland County	12,155,000	-	810,000	11,345,000	840,000
Educational Facilities Authority 2022	5,455,000	-	515,000	4,940,000	535,000
Premium on Financed Lease Purchases	2,328,862	-	177,037	2,151,825	-
Total long-term liabilities	<u>\$ 40,824,687</u>	<u>\$ 951,319</u>	<u>\$ 9,033,348</u>	<u>\$ 32,742,658</u>	<u>\$ 8,539,510</u>
Net pension liability				<u>28,286,761</u>	
Total governmental activity long-term liabilities				<u>\$ 61,029,419</u>	

Payments on the leases are made through the general fund and building fund with property taxes. General obligation bonds will be made through the sinking fund with property taxes. Compensated absences, pension, and OPEB are generally liquidated by the general fund.

General Obligation Bonds- In June 1, 2016, the District issued \$60 million in general obligation bonds. The bonds mature serially over a 10-year period. The annual requirements to amortize the bond debt outstanding as of June 30, 2024, including interest payments are as follows:

Fiscal year Ended June 30,	Principal	Interest Amt	Total	Interest Rates
2016 General Obligation Bonds				
2025	\$ 6,675,000	\$ 270,338	\$ 6,945,338	0.05%
2026	6,675,000	267,000	6,942,000	4.00%
	<u>\$ 13,350,000</u>	<u>\$ 537,338</u>	<u>\$ 13,887,338</u>	
Bond premium	4,514			
	<u>\$ 13,354,514</u>			

The bond issue was approved by voters and issued by the District for various capital improvements. These bonds are required to be paid serially within 25 years from the date of issue. General obligation bond debt is limited by state law to 10% of assessed valuation of the District. Proceeds of the general obligation bonds are recorded in a bond fund and at least 85% of the proceeds are restricted to the use for which they were approved by voters in the bond election.

Financed Lease Purchases - On November 1, 2021, the District entered into a ground lease and sublease agreement with the Cleveland County Public Facilities Authority. The Authority issued \$13.255 million in revenue bonds to finance improvements to Aerospace/Wellness Center/IT Services Expansion and public safety law enforcement driver training course and an outdoor firing range. The sublease is payable over 14 years.

On May 1, 2022, the District entered into a ground lease and sublease agreement with the Cleveland County Public Facilities Authority. The Authority issued \$5.935 million in revenue bonds to finance acquisition, construction, improvement, equipping and furnishing the construction of a new indoor gun range. The sublease is payable over 9 years.

The Authority will sublease the land and completed improvements to the District in exchange for finance payments. Once the bonds are paid, the sublease agreement and the ground lease agreement will expire along with any Authority ownership interest therein, and the Improvements will belong to the District.

The annual requirements to amortize the financed lease purchases outstanding as of June 30, 2024, including interest payments are as follows:

Fiscal year Ended June 30	Principal Amount	Interest Amount	Total	Interest Rate
Cleveland County Educational Facilities Authority 2021				
2025	\$ 840,000	\$ 453,800	\$ 1,293,800	4.00%
2026	875,000	420,200	1,295,200	4.00%
2027	910,000	385,200	1,295,200	4.00%
2028	945,000	348,800	1,293,800	4.00%
2029	985,000	291,300	1,276,300	4.00%
to maturity	6,790,000	845,800	7,635,800	4.00%
	<u>\$ 11,345,000</u>	<u>\$ 2,745,100</u>	<u>\$ 14,090,100</u>	
Cleveland County Educational Facilities Authority 2022				
2025	\$ 535,000	\$ 218,050	753,050	4.00%
2026	555,000	196,650	751,650	4.00%
2027	580,000	174,450	754,450	4.00%
2028	600,000	151,250	751,250	4.00%
2029	625,000	127,250	752,250	4.00%
to maturity	2,045,000	326,400	2,371,400	4.00%
	<u>\$ 4,940,000</u>	<u>\$ 1,194,050</u>	<u>\$ 6,134,050</u>	
Total financed lease purchases	<u>\$ 16,285,000</u>	<u>\$ 3,939,150</u>	<u>\$ 20,224,150</u>	

The District's interest expense for 2024 was \$890,038.

Note 4 - Fund Balances- Governmental Funds

As of June 30, 2024, fund balances, other than unassigned are composed of the following:

	General Fund	Building Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:					
Restricted for:					
Buildings	\$ -	\$ 23,020,318	\$ -	\$ 1,185,730	\$ 24,206,048
Debt service	-	-	1,531,584	-	1,531,584
Total restricted	-	23,020,318	1,531,584	1,185,730	25,737,632
Committed to:					
Student activities	-	-	-	271,788	271,788
Future cash flows	27,425,606	-	-	-	27,425,606
Total committed	27,425,606	-	-	271,788	27,697,394
Assigned to:					
Buildings	-	3,321,019	-	-	3,321,019
Capital projects	-	-	-	741,863	741,863
Student activities	-	-	-	6,487	6,487
Debt service	-	-	212,166	-	212,166
Total committed	-	3,321,019	212,166	748,350	4,281,535
Unassigned	4,220,167	-	-	-	4,220,167
Total fund balances	\$ 31,645,773	\$ 26,341,337	\$ 1,743,750	\$ 2,205,868	\$ 61,936,728

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

Note 5 - Employee Retirement System**Teachers' Retirement Plan of Oklahoma**

Plan Description - The Oklahoma Teachers' Retirement Plan is a cost-sharing multiple-employer defined benefit pension plan administered by Teachers' Retirement System of Oklahoma (TRS) (the System). The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The ability to establish and amend benefit provisions is the responsibility of the state legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the employees of the District. The System issues a publicly available financial report that can be obtained at <http://www.ok.gov/trs/>.

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.

Contributions – In accordance with Oklahoma Statutes, System members are required to contribute 7.00% of applicable compensation. For the year ended June 30, 2024, qualifying employee contributions were reduced by a retirement credit of \$24,139 provided by Enrolled House Bill 1873 and paid by the State of Oklahoma as on-behalf payments. For the year ended June 30, 2024, the District had a statutory contribution rate of 9.5% plus 7.7% as a match for salaries funded by federal programs. The contribution requirements of System members and the District are established and may be amended by the state legislature. For the year ended June 30, 2024, the District's contributions to the System for were \$2,076,582.

The State of Oklahoma, a non-employer contributing entity, provides funds through 5% of the State's sales, use, corporate and individual income taxes collected. The System receives 1% of the cigarette taxes collected by the State and 5% of net lottery proceeds collected by the State. The District's estimated share of these contributions based on their covered payroll for the measurement period was \$1,693,771.

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

At June 30, 2024, the District reported a liability of \$28,286,761 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of the contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023, the District's proportion was 0.36296%, which was a decrease of 0.02111% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized pension expense of \$2.1 million. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 456,352	\$ 544,601
Changes of assumptions	1,136,354	-
Net difference between project and actual earnings on pension plan investments	1,957,424	-
Changes in proportion and differences between District contributions and proportionate share of contributions	855,707	1,500,683
District contributions subsequent to the measurement date	2,076,582	-
	<u>\$ 6,482,419</u>	<u>\$ 2,045,284</u>

The \$2,076,582 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2025	\$ 1,210,734
2026	(773,059)
2027	2,216,509
2028	(237,787)
2029	(55,844)
Thereafter	-
	<u>\$ 2,360,553</u>

Actuarial assumptions – The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial Cost Method - Entry Age Normal;
- Asset Valuation Method – 5-Year Smoothed Market;
- Inflation - 2.5%;
- Future Ad Hoc Cost-of-living Increases – None;
- Salary Increases - Inflation rate of 2.25% plus productivity increase rate of 0.75% productivity increase rate, plus step-rate/promotional adjustments with less than 25 years of service;
- Investment Rate of Return – 7.00%;
- Retirement Age - Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five year experience study for the period ending June 30, 2019;
- Mortality Rates for retired member – 2020 GRS Southwest Region Teacher Mortality Table for males and females. Generational mortality improvement rates from the MP-2014 through MP-2019 tables projected from the year 2020;
- Mortality Rates for active members – Pub-2010 Teachers Active Employee Mortality table. Generational mortality improvements in accordance with the ultimate mortality improvement rates from the MP-2014 through MP-2019 tables projected from the year 2010.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2021 (measurement date), are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term expected Real Rate of Return</u>
Domestic equity	38.30%	4.60%
International equity	16.70%	5.20%
Fixed income	22.00%	1.80%
Real estate**	10.00%	4.40%
Private equity	8.00%	7.30%
Private debt	5.00%	5.30%
	<u>100%</u>	

**The Real Estate total expected return is a combination of a U.S. Direct Real Estate (unleveraged) and U.S. Value added real Estate (unleveraged).

Discount rate – A single discount rate of 7.0% was used to measure the total pension liability as of June 30, 2023. This single discount rate was based solely on the expected rate of return on pension plan investments of 7.00%. Based on the stated assumptions and the projection of cash flows, the pension plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payrolls. The projection also assumed the state’s contribution plus the matching contributions will remain a constant percent of the projected member payroll based on the past five years of actual contributions.

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate– The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase (8.0%)</u>
District's proportionate share of net pension liability	<u>\$ 44,395,620</u>	<u>\$ 28,286,761</u>	<u>\$ 20,954,492</u>

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/>.

Note 6 - Defined Contribution Plan

The District has established the Moore Norman Technology Center 403(B) Plan. The plan is intended to be a governmental plan as defined in Internal Revenue Code Section 403(B). Under the plan, the participants may defer up to 100% of their salary, subject to IRS limits. The District matches the participant’s contribution up to \$135 per month, or a total of \$1,620 per year. The participants are fully vested in both their voluntary contributions and the employer contribution. Participants may direct the investment of their individual account balances. For the year ended June 30, 2024, the District’s contribution to the plan was approximately \$379,000.

Note 7 - Other Post-Employment Benefits (OPEB)

In addition to the retirement plan described in Note 5, 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 provides pays a monthly health insurance premium supplement for each retired member who is enrolled in the health insurance plan provided by the State and Education Employees Group Health and Dental Insurance plan or in an insurance program provided by a participating education employer who provides health insurance coverage to former employees, provided the retired member had at least ten (10) years of Oklahoma service prior to retirement.

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

Contributions – Employer and employee contributions are made based upon the TRS Plan provisions contained in State Statute Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. The cost of the subsidy averages 0.15% of normal cost, as determined by an actuarial valuation.

OPEB (Assets) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB

At June 30, 2024, the District reported an asset of \$(180,465) for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB asset was based on a projection of the District's long-term share of the contributions to the OPEB plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2023 the District's proportion was 0.36296%, a decrease of .0024% from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the District recognized OPEB expense (credit) of \$17,183. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 45,640
Changes of assumptions	32,916	-
Net difference between project and actual earnings on pension plan investments	44,876	-
Changes in proportion and differences between District contributions and appropriate share of contributions.	3,306	16,658
District contributions subsequent to the measurement date	2,574	-
	<u>\$ 83,672</u>	<u>\$ 62,298</u>
Total deferred amounts related to pension	\$ 83,672	\$ 62,298

\$2,574 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the fiscal year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

<u>Year ended June 30,</u>	
2025	\$ (2,514)
2026	(19,562)
2027	53,774
2028	(7,863)
2029	(4,137)
Thereafter	(898)
	<u>\$ 18,800</u>

See Note 5. Employee pension plans for Actuarial assumptions, measurement, discount rate, long-term expected rate of return and target asset allocation.

An assumption change was made to the OPEB Plan during the current valuation lowering the rate of participation in the supplemental insurance benefit from 100% to 50%, based on historical data. The benefits are only available to those retirees that participate and have at least 10 years of service credit at retirement.

Sensitivity of the District's proportionate share of the net OPEB asset to changes in the discount rate – The following presents the District's proportionate share of the net OPEB asset calculated using the discount rate of 7.0%, as well as what the District's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	<u>1% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase (8.0%)</u>
District's proportionate share of the net OPEB asset	<u>\$ (18,471)</u>	<u>\$ (180,465)</u>	<u>\$ (321,790)</u>

Due to the structure of the OPEB plan, healthcare cost trend rate sensitivity analysis is not meaningful.

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/>.

Note 8 - Contingencies and Commitments

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

Note 9 - Risk Management

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

Note 10 - Capital Assets

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

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Governmental activities					
Capital assets, not being depreciated					
Land	\$ 13,614,246	\$ -	\$ -	\$ -	\$ 13,614,246
Construction in progress	14,938,516	9,501,257	24,439,773	-	-
Total capital assets, not being depreciated	28,552,762	9,501,257	24,439,773	-	13,614,246
Capital assets, being depreciated					
Building and improvements	124,787,749	24,463,525	-	-	149,251,274
Equipment and fixtures	10,589,788	1,626,627	-	-	12,216,415
Vehicles	2,187,521	224,714	-	-	2,412,235
Total capital assets, being depreciated	137,565,058	26,314,866	-	-	163,879,924
Less accumulated depreciation					
Building and improvements	35,320,214	4,325,065	-	-	39,645,279
Equipment and fixtures	7,380,743	1,184,903	-	-	8,565,646
Vehicles	1,576,550	222,684	-	-	1,799,234
Total accumulated depreciation	44,277,507	5,732,652	-	-	50,010,159
Governmental activities capital assets, net	\$ 121,840,313	\$ 30,083,471	\$ 24,439,773	\$ -	\$ 127,484,011

Depreciation expense was not allocated to the various functions because the District believes all functions are supported equally.

Note 11 - Tax Abatement

Oklahoma Statutes Title 31 offers a homestead exemption of up to 1 acre property in an urban area or 160 acres in a rural area. In addition, households with gross income under \$20,000 are entitled to an additional \$1,000 exemption. Honorably discharged veterans who are 100 percent disabled and surviving spouse of veteran killed while on active duty are fully exempted. These homestead exemptions reduce the ad valorem taxes remitted to the District.

For the year ended June 30, 2024, abated property taxes were approximately \$2 million.

Note 12 - Schedule of Transfers

The transfers for the year ended June 30, 2024 are as follows:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Nature of Transfer</u>
Building Fund	2021 CCEFA Bond Fund	\$ 1,313,135	Intrafund Transfer
Building Fund	2022 CCEFA Bond Fund	<u>763,085</u>	Intrafund Transfer
	Total Transfers between Funds	<u><u>\$ 2,076,220</u></u>	

Transfers are used for (1) reimbursement of funds collected by one fund that are accounted for in another fund and (2) return of funds in excess of budgetary requirements.



Required Supplementary Information
June 30, 2024

Moore Norman Technology Center School District No. 17

Moore Norman Technology Center
Budgetary Comparison Schedule – General Fund (Unaudited)
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance with Final Budget Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Budgetary fund balance, July 1	\$ 12,977,709	\$ 19,491,993	\$ 25,501,796	\$ 6,514,284	\$ 6,009,803
Resources (inflows)					
Property taxes	26,341,750	28,583,112	28,988,738	2,241,362	405,626
Investment return	356,610	2,357,025	3,042,565	2,000,415	685,540
Tuition and fees	700,000	1,058,988	1,200,335	358,988	141,347
State revenue	2,623,105	3,214,230	3,292,750	591,125	78,520
Federal revenue	7,704,669	2,270,469	2,084,904	(5,434,200)	(185,565)
Other	1,274,300	1,627,761	1,056,892	353,461	(570,869)
Total resources	39,000,434	39,111,585	39,666,184	111,151	554,599
Amounts available for appropriation	51,978,143	58,603,578	65,167,980	6,625,435	6,564,402
Charges to appropriations (outflows)					
Instruction	13,492,024	14,074,872	12,939,392	582,848	(1,135,480)
Support services	23,562,448	20,306,953	19,016,430	(3,255,495)	(1,290,523)
Non-instruction services	804,113	906,593	847,287	102,480	(59,306)
Capital outlay	-	-	719,094	-	719,094
Other outlays	1,330,923	2,017,203	-	686,280	(2,017,203)
Total charges to appropriations	39,189,508	37,305,621	33,522,203	(1,883,887)	(3,783,418)
Budgetary fund balance, June 30	\$ 12,788,635	\$ 21,297,957	\$ 31,645,777	\$ 8,509,322	\$ 10,347,820

Moore Norman Technology Center
Budgetary Comparison Schedule – Building Fund (Unaudited)
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts GAAP Basis	Variance with Final Budget Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
Budgetary fund balance, July 1	\$ 10,873,345	\$ 22,103,826	\$ 22,393,576	\$ 11,230,481	\$ 289,750
Resources (inflows)					
Property taxes	13,256,000	14,347,661	14,526,731	1,091,661	179,070
Investment earnings (loss)	-	-	(20,990)	-	(20,990)
Other	-	1,720,337	2,559,692	1,720,337	839,355
Total resources	13,256,000	16,067,998	17,065,433	2,811,998	997,435
Amount Available for appropriation	24,129,345	38,171,824	39,459,009	14,042,479	1,287,185
Charges to appropriations (outflows)					
Instruction	2,182,483	3,683,466	429,475	1,500,983	3,253,991
Support services	6,723,267	7,369,026	7,035,026	645,759	334,000
Non-instruction services	3,060,000	3,135,357	-	75,357	3,135,357
Capital outlay/debt service	6,266,173	8,711,696	5,653,172	2,445,523	3,058,524
Total charges to appropriations	18,231,923	22,899,545	13,117,673	4,667,622	9,781,872
Budgetary fund balance, June 30	\$ 5,897,422	\$ 15,272,279	\$ 26,341,336	\$ 9,374,857	\$ 11,069,057

Moore Norman Technology Center
Schedule of the District's Proportionate Share of the Net Pension Liability (Unaudited)
June 30, 2024

	2024	2023	2022	2021	2020
District's portion of the net pension liability (asset)	0.38408322%	0.38408322%	0.36536938%	0.36685009%	0.37212358%
District's proportionate share of the net pension liability (asset)	28,286,761	44,395,620	31,846,001	34,816,012	24,628,276
District's covered payroll	20,384,085	16,747,279	17,624,221	18,552,632	18,577,516
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	138.77%	265.09%	180.69%	187.66%	132.57%
Plan fiduciary net position as a percentage of the total pension liability	72.57%	70.05%	80.80%	63.47%	71.54%
	2019	2018	2017	2016	2015
District's portion of the net pension liability (asset)	0.38762269%	0.38663948%	0.37677034%	0.38432389%	0.37348988%
District's proportionate share of the net pension liability (asset)	16,198,741	25,600,623	31,570,121	22,727,331	20,093,257
District's covered payroll	18,393,947	16,932,158	16,758,674	16,849,389	15,718,200
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	88.07%	151.20%	188.38%	134.89%	127.83%
Plan fiduciary net position as a percentage of the total pension liability	72.71%	69.32%	62.24%	70.31%	72.43%

Notes:

In accordance with GASB Statement No. 68, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

Moore Norman Technology Center
Schedule of District's Pension Contributions (Unaudited)
June 30, 2024

	2024	2023	2022	2021	2020
Contractually required contribution	\$ 2,037,478	\$ 1,936,488	\$ 1,674,301	\$ 1,762,500	\$ 1,764,864
Contributions in relation to the contractually required contribution	2,037,478	1,936,488	1,674,301	1,762,500	1,764,864
Contribution deficiency (excess)				-	-
District's covered payroll	21,447,136	20,384,084	17,624,221	18,552,632	18,577,516
Contribution as a percentage of covered payroll	9.50%	9.50%	9.50%	9.50%	9.50%
	2019	2018	2017	2016	2015
Contractually required contribution	\$ 1,747,425	\$ 1,608,555	\$ 1,592,074	\$ 1,600,692	\$ 1,493,229
Contributions in relation to the contractually required contribution	1,747,425	1,608,555	1,592,074	1,600,692	1,493,229
Contribution deficiency (excess)	-	-	--	-	-
District's covered payroll	18,393,947	16,932,158	16,758,674	16,849,389	15,718,200
Contribution as a percentage of covered payroll	9.50%	9.50%	9.50%	9.50%	9.50%

Note:

The amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

Moore Norman Technology Center
Schedule of the District's Proportionate Share of the Net OPEB Asset (Unaudited)
June 30, 2024

	2024	2023	2022	2021	2020
District's portion of the net OPEB liability (asset)	0.36296629%	0.36536938%	0.36536938%	0.36685009%	0.37212358%
District's proportionate share of the net OPEB liability (asset)	(180,465)	(157,464)	(321,790)	(36,343)	(238,404)
District's covered payroll	16,747,279	17,624,221	18,552,632	18,552,632	18,621,053
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-1.08%	-0.89%	-1.73%	-0.20%	-1.28%
Plan fiduciary net position as a percentage of the total OPEB asset	112.01%	110.31%	129.91%	115.07%	115.07%

Note:

In accordance with GASB Statement No. 75, the amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

Information to present a 10-year schedule is not currently available.

Moore Norman Technology Center
Schedule of District's OPEB Contributions (Unaudited)
June 30, 2024

	2024	2023	2022	2021	2020	2019
District's portion of the net OPEB liability (asset)	0.36296629%	0.36536938%	0.36536938%	0.36685009%	0.37212358%	0.38762269%
District's proportionate share of the net OPEB liability (asset)	(180,465)	(157,464)	(321,790)	(36,343)	(238,404)	(250,503)
District's covered payroll	16,747,279	17,624,221	18,552,632	18,552,632	18,621,053	18,393,947
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	-1.08%	-0.89%	-1.73%	-0.20%	-1.28%	-1.36%
Plan fiduciary net position as a percentage of the total OPEB asset	112.01%	110.31%	129.91%	115.07%	115.07%	115.41%

Note:

The amounts presented for each fiscal year were determined as of June 30 of the preceding fiscal year.

Information to present a 10-year schedule is not currently available.

Note 1 - Budgeting and Budgetary Control

The District is required by state law to prepare an annual budget. The District by resolution of the Board of Education has adopted the School District Budget Act. This Act requires that within the thirty-day period preceding the beginning of each fiscal year, a budget shall be approved by the governing body. The original budget is to be amended after the June financial activity has been recorded, the annual Foundation and Salary Incentive Aid allocation has been released, and the property tax valuations have been certified for all affected counties within the district.

A budget is legally adopted by the Board of Education for the General Fund and the Building Fund that includes revenue and expenditures.

Note 2 - Changes of Assumptions

The assumption change in fiscal year 2015 is attributable to the new assumptions adopted by the TRS board in May 2015.

The assumption change in fiscal year 2016 is attributable to the new economic assumptions adopted by the TRS board in September 2016.

The assumption change in fiscal year 2017 is attributable to the change in assumed election rate for the assumed election rate for the Supplemental Medical Insurance benefit adopted by the TRS board in August 2017.

The assumption change in fiscal year 2020 is attributable to the new assumptions adopted by the Board in July 2020.



Other Information
June 30, 2024

Moore Norman Technology Center School District No. 17

Moore Norman Technology Center
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program Title	Federal Financial Assistance Listing	Pass-through Grantor's Project Number	Deferred Revenue (Accounts Receivable) 6/30/2023	Federal Grant Receipts	Total Grant Expenditures	Matching Expenditures	Federal Grant Expenditures	Adjustments	Deferred Revenue (Accounts Receivable) 6/30/2024
<u>U.S. Department of Treasury</u>									
Passed through Cleveland County, Oklahoma									
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	414	\$ (779,290)	\$ 1,000,000	\$ 220,710	\$ -	220,710	\$ -	-
Passed through Healthcare Workforce Training Commission									
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.007	414	(36,406)	48,766	557,730	-	557,730	-	(545,370)
Total COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			(815,696)	1,048,766	778,440	-	778,440	-	(545,370)
Total U.S. Department of Treasury			(815,696)	1,048,766	778,440	-	778,440	-	(545,370)
<u>U.S. Department of Education</u>									
Direct Programs-Student Financial Aid									
Federal Pell Grant Program	84.063	474	(5,745)	652,291	658,871	-	658,871	-	(12,325)
Federal Supplemental Educational Opportunity Grant	84.007	477	-	18,844	25,125	(6,281)	18,844	-	-
Total Student Financial Aid Cluster			(5,745)	671,135	683,996	(6,281)	677,715	-	(12,325)
Carl Perkins Vocational Education Act									
Passed through Oklahoma Department of Career Technology Education									
Carl Perkins Secondary	84.048	421	-	223,359	223,359	-	223,359	-	-
Carl Perkins Supplemental	84.048	424	-	136,290	136,290	-	136,290	-	-
Carl Perkins total				359,649	359,649	-	359,649	-	-
Total U.S. Department of Education			(5,745)	1,030,784	1,043,645	(6,281)	1,037,364	-	(12,325)
<u>U.S. Department of Health and Human Services</u>									
Passed through Oklahoma Department of Human Services and									
Oklahoma Department of Career Technology Education									
TANF/HIRE Cluster	93.558	452	(59,827)	271,520	427,728	(204,119)	223,609	-	(11,916)
Total U.S. Department of Health and Human Services			(59,827)	271,520	427,728	(204,119)	223,609	-	(11,916)
Total Federal Financial Assistance			\$ (881,268)	\$ 2,351,070	\$ 2,249,813	\$ (210,400)	\$ 2,039,413	\$ -	\$ (569,611)

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Moore Norman Technology Center, District No. 17 under programs of the federal government for the year ended June 30, 2024. 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 Moore Norman Technology Center, District No. 17, it is not intended to and does not present the financial position or changes in net position or fund balance of Moore Norman Technology Center, District No. 17.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on using the cash basis of accounting. Some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the basic financial statements. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

Moore Norman Technology Center, District No. 17 has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 - Subrecipients

Moore Norman Technology Center, District No. 17 did not have any awards that have been passed through to subrecipients.



Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Education
Moore Norman Technology Center School District No. 17
Norman, Oklahoma

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Moore Norman Technology Center School District No. 17 (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 21, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Oklahoma City, Oklahoma
March 21, 2025



Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Education
Moore Norman Technology Center School District No. 17
Norman, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Moore Norman Technology Center School District No. 17's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on Moore Norman Technology Center School District No. 17's major federal programs for the year ended June 30, 2024. Moore Norman Technology Center School District No. 17'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, Moore Norman Technology Center School District No. 17 (the District) complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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



Oklahoma City, Oklahoma
March 21, 2025

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516 (a):	No
--	----

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
COVID-19- Coronavirus State and Local Fiscal Recovery Funds	21.027
Temporary Assistance for Needy Families (TANF)	93.558
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2024-001

**Adjustments in Financial Reporting
Material Weakness in Internal Controls over Financial Reporting**

Criteria: Controls over complete year-end financial reporting process should be in place to ensure proper reporting in accordance with Generally Accepted Accounting Principles (GAAP).

Condition: Certain adjustments were required to properly adjust receivables, grant revenues, unearned revenues, and capital assets. Further, additional adjustments were required to be made to the schedule of federal expenditures of awards (SEFA).

Such items should be presented in order to be in accordance with Generally Accepted Accounting Principles (GAAP).

Cause: The District has a process at year-end to record adjustments for financial statement presentation, but the process was not effective in identifying all the necessary adjustments in accordance with GAAP.

Context: The District's financial statements were prepared by a consulting firm with much assistance from District management, but these adjustments were necessary to properly state the financial statements.

Effect: The District is at risk for material misstatements. Adjustments were necessary to correctly present the financial statements and the schedule of expenditures of federal awards.

Recommendation: We recommend a control process be put in place to properly and timely reconcile relevant financial data to the general ledger in order to be presented in accordance with GAAP and Uniform Guidance.

View of Responsible

Officials: The Moore Norman Technology Center management team agrees with this finding.

Section III – Federal Award Findings and Questioned Costs

None.

Moore Norman Technology Center
Schedule of Accountant's Professional Liability Insurance Affidavit
June 30, 2024

STATE OF OKLAHOMA

)
) ss
)

County of Oklahoma

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Moore Norman Technology Center School District No. 17 for the audit year 2023 - 2024.

EIDE BAILLY, LLP

BY

Vanessa M. Dutton

Subscribed and sworn to before me on this 21 day of MARCH, 2025.

[Signature]
Notary Public

My commission expires 01/10/2028

