PRELIMINARY OFFICIAL STATEMENT DATED MAY 6, 2024

NEW ISSUE – Book-Entry-Only

Ratings: Moody's ___
Oklahoma #1

It is anticipated that prior to the delivery of the Bonds, Bond Counsel will render an opinion that under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2024 Combined Purpose Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the 2024 Combined Purpose Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code. ***Interest on the 2024 Building Bonds is included in gross income for Federal income tax purposes.*** *In the opinion of Bond Counsel, interest on the 2024 Building Bonds and the 2024 Combined Purpose Bonds is exempt from State of Oklahoma income tax under existing law. See "TAX MATTERS RESPECTING THE 2024 COMBINED PURPOSE BONDS" and "TAX MATTERS RESPECTING THE 2024 BUILDING BONDS" herein.*

THE BONDS WILL NOT BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

INDEPENDENT SCHOOL DISTRICT NUMBER 52
OKLAHOMA COUNTY, OKLAHOMA
(Midwest City - Del City School District)

$13,090,000
General Obligation
Combined Purpose Bonds, Series 2024

$1,350,000
General Obligation
Building Bonds, Federally Taxable Series 2024

Dated: July 1, 2024

Due: July 1, As Shown Below

Interest on the $13,090,000 Independent School District Number 52, Oklahoma County, Oklahoma, General Obligation Combined Purpose Bonds, Series 2024 (the "2024 Combined Purpose Bonds") will accrue from July 1, 2024, (the "Dated Date") and will be payable January 1 and July 1 of each year commencing July 1, 2026. Interest on the $1,350,000 General Obligation Building Bonds, Federally Taxable Series 2024 (the "2024 Building Bonds") (collectively, the "Bonds" or "2024 Bonds") will accrue from the Dated Date and will be payable on July 1, 2026. Interest on the 2024 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "The Bonds – Book Entry System" herein. The initial Paying Agent/Registrar is BancFirst (the "Paying Agent/Registrar").

The 2024 Bonds constitute direct and general obligations of Independent School District No. 52 of Oklahoma County, Oklahoma, payable from ad valorem taxes levied against all taxable property located therein, excepting homestead exemptions, without limitation as to rate or amount. The 2024 Bonds are being issued in accordance with the provisions contained in the Oklahoma Constitution, and laws of the State of Oklahoma supplementary and amendatory thereto.

$13,090,000
General Obligation
Combined Purpose Bonds, Series 2024

Maturity	Principal Amount	Interest Rate	Yield	CUSIP 678807
7-1-2026	$2,260,000			
7-1-2027	3,610,000			
7-1-2028	3,610,000			
7-1-2029	3,610,000			

$1,350,000
General Obligation
Building Bonds, Federally Taxable Series 2024

Maturity	Principal Amount	Interest Rate	Yield	CUSIP 678807
7-1-2026	$1,350,000			

The 2024 Bonds are offered subject to the approval of legality by the Attorney General of the State of Oklahoma and __________________, __________, Oklahoma, Bond Counsel. It is anticipated that the 2024 Bonds in definitive form will be available for delivery on or about July 9, 2024.

Financial Advisor

BOK Financial Securities, Inc.

Official Statement Dated May __, 2024

REGARDING USE OF THE OFFICIAL STATEMENT

This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy within any jurisdiction to any person to whom it is unlawful to make such offer or solicitation within such jurisdiction. In connection with the offering of the 2024 Bonds, no dealer, salesman or any other person has been authorized to give any information or to make any representation other than contained herein. If given or made, such information or representation must not be relied upon.

The information contained in this Official Statement, including the cover page and exhibits hereto, has been obtained from public officials, official records and from other sources which are deemed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information and nothing contained in this Official Statement is or shall be relied upon as a promise or representation by the Financial Advisor. The delivery of this Official Statement does not at any time imply that information contained herein is correct as of any time subsequent to its date.

Any statements, contained in this Official Statement involving matters of opinion, estimations or projections, whether or not expressly so stated, are intended as such and not as representations of facts. This Official Statement shall not be construed as a contract or agreement between the Board of Education of Independent School District No. 52 of Oklahoma County, Oklahoma, (the "School District") and the purchasers, holders or beneficial owners of any of the 2024 Bonds.

THIS PRELIMINARY OFFICIAL STATEMENT IS DEEMED TO BE FINAL (EXCEPT FOR PERMITTED OMISSIONS) BY THE SCHOOL DISTRICT FOR PURPOSES OF COMPLYING WITH RULE 15c2-12 OF THE SECURITIES AND EXCHANGE COMMISSION.

TABLE OF CONTENTS

OFFICIAL STATEMENT

INDEPENDENT SCHOOL DISTRICT NO. 52
OKLAHOMA COUNTY, OKLAHOMA
(Midwest City – Del City School District)

relating to

$13,090,000 General Obligation Combined Purpose Bonds, Series 2024
and
$1,350,000 General Obligation Building Bonds, Federally Taxable Series 2024

INTRODUCTION

Independent School District No. 52 of Oklahoma County, Oklahoma, also known as the Midwest City – Del City School District (the "School District") is issuing its $13,090,000 General Obligation Combined Purpose Bonds, Series 2024 (the "2024 Combined Purpose Bonds") and its $1,350,000 General Obligation Building Bonds, Federally Taxable Series 2024 (the "2024 Building Bonds") (collectively, the "Bonds" or "2024 Bonds") to provide funds for the purpose of acquiring capital improvements and equipment within and for the benefit of the School District. The 2024 Bonds are being issued in accordance with the provisions of the Oklahoma Constitution and laws of the State of Oklahoma supplementary and amendatory thereto. The 2024 Bonds constitute direct and general obligations of the School District payable from ad valorem taxes levied against all taxable property, excepting homestead exemptions, located therein without limitation as to rate or amount.

The School District is located primarily in Oklahoma County just east of Oklahoma City, the state's largest city. The School District has included herein, as Exhibit A, a copy of its Financial Statements as of June 30, 2023 together with Auditor's Report. **Exhibit A should be read in its entirety.**

THE BONDS

Description

The 2024 Bonds shall bear interest at the rates and mature on the dates as shown on the cover of this Official Statement. Interest on the 2024 Combined Purpose Bonds will accrue from July 1, 2024, and will be payable January 1 and July 1 of each year commencing July 1, 2026, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. Interest on the 2024 Building Bonds will accrue from July 1, 2024, and will be payable on July 1, 2026, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by BancFirst, as paying agent and registrar (the "Paying Agent/Registrar") to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "The Bonds – Book Entry System" herein.

Record Date

The record date ("Record Date") for the interest payable on the Bonds on any interest payment date means the close of business on the 15th day preceding any interest payment date.

No Redemption Prior to Maturity

The 2024 Bonds are not subject to redemption prior to maturity.

Registration

The 2024 Bonds will be initially registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the 2024 Bonds. Individual purchases may be made in book entry form only, in the principal amount of $5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the 2024 Bonds purchased. See "Book-Entry System" below.

The 2024 Bonds are transferable by their registered owner(s) in person or by their attorney(ies) duly authorized in writing at the principal office of the Paying Agent/Registrar but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of the Series 2024 Bond(s). Upon such transfer a new Bond or Bonds of the same maturity or maturities, interest rate or rates and of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange therefor. The School District and the Paying Agent/Registrar may deem and treat the registered owner(s) as the absolute owner(s) (whether or not the Series 2024 Bond(s) shall be overdue) for the purpose of receiving payment thereof and for all other purposes and neither School District nor Registrar shall be affected by any notice to the contrary.

Book-Entry System

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC, and none of the School District, the Financial Advisor, the Paying Agent/Registrar or the Underwriters take any responsibility for the accuracy thereof.

DTC will act as securities depository for the 2024 Bonds. The 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2024 Bond certificate will be issued for each maturity of the 2024 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC at the office of the Paying Agent/Registrar on behalf of DTC utilizing the DTC FAST system of registration.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 85 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation, and Emerging Markets Clearing Corporation, (NSCC, GSCC, MBSCC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating of "AA+" from S&P Global Ratings, a Standard and Poor's Financial Services LLC business. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2024 Bonds, except in the event that use of the book-entry system for the 2024 Bonds is discontinued.

To facilitate subsequent transfers, all 2024 Bonds deposited by Direct Participants with DTC (or the Paying Agent/Registrar on behalf of DTC utilizing the DTC FAST system of registration) are registered in the name of DTC's partnership nominee, Cede & Co or such other name as may be requested by an authorized representative of DTC. The deposit of 2024 Bonds with DTC (or the Paying Agent/Registrar on behalf of DTC utilizing the DTC FAST system of registration) and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all the 2024 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the 2024 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School District or the Paying Agent/Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments on the 2024 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2024 Bonds at any time by giving reasonable notice to the School District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024 Bond certificates are required to be printed and delivered.

The School District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2024 Bond certificates will be printed and delivered to DTC.

The School District, Financial Advisor, Bond Counsel, the Paying Agent/Registrar and the Underwriters cannot and do not give any assurances that the DTC Participants will distribute to the Beneficial Owners of the 2024 Bonds: (i) payments of principal of or interest on the 2024 Bonds; (ii) certificates representing an ownership interest or other confirmation of Beneficial Ownership interests in the 2024 Bonds; or (iii) redemption or other notices sent to DTC or its nominee, as the Registered Owners of the 2024 Bonds; or that they will do so on a timely basis or that DTC or its participants will serve and act in the manner described in this official statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

None of the School District, Financial Advisor, Bond Counsel, the Paying Agent/Registrar or the Underwriters will have any responsibility or obligation to such DTC Participants (Direct or Indirect) or the persons for whom they act as nominees with respect to: (i) the 2024 Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by any DTC Participant of any amount due to any Beneficial Owner in respect of the principal amount of or interest on the 2024 Bonds; (iv) the delivery by any DTC Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Bond Indenture to be given to Registered Owners; (v) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the 2024 Bonds; or (vi) any consent given or other action taken by DTC as Registered Owner.

CUSIP numbers have been assigned to the Bonds by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, a part of S&P Global Inc., and are included solely for the convenience of the purchasers of the Bonds. None of the School District, Financial Advisor, Bond Counsel, the Paying Agent/Registrar or the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers. Neither the failure to print such numbers on any Bonds, nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and payment for any Bonds.

In reading this Official Statement, it should be understood that while the 2024 Bonds are in the Book Entry system, references in other sections of this Official Statement to Registered Owner should be read to include the Beneficial Owners of the 2024 Bonds, but: (i) all rights of ownership must be exercised through DTC and the Book Entry system; and (ii) notices that are to be given to Registered Owners by the School District or the Paying Agent/Registrar will be given only to DTC.

(Remainder of this page intentionally left blank)

Security for the Bonds

The 2024 Bonds are payable from ad valorem taxes levied annually on all taxable property, **without limitation as to rate or amount,** within the School District including real, personal and public service property, and any other monies available for such purpose. Pursuant to Oklahoma statutes, the Assessor is required to reassess the property within the County at least once each five years. The School District is required to pay a portion of the cost of such reassessment. The current assessment ratios for Oklahoma and Cleveland Counties are shown below:

	Oklahoma County	**Cleveland County**
Real Estate	11.00%	12.00%
Personal	14.50	12.00
Public Service	22.85	22.85

* Exceptions: the assessment ratio for Airlines and Railroads is 11.84%, and the assessment ratio for Video Services Providers is 12.00%.

The ad valorem tax rates are set by determining the actual dollars of revenues required for payment of principal and interest payments on indebtedness and judicial judgments. Such total amount may be reduced by any surplus from the prior fiscal year and any contribution made into the Sinking Fund. To the resulting net requirements, a reserve for delinquent taxes, in an amount of not less than 5% nor more than 20% of the net required tax collection, shall be added to the required collections. Such final total requirements shall then be divided by the total net assessed valuation of all real, personal and public service property in order to determine the appropriate tax rate for each property owner.

Authority for Issuance and Purpose of Bonds

The Bonds are issued pursuant to the provisions of and in full compliance with the Constitution and Laws of the State of Oklahoma, particularly Article X, Section 26 of the Constitution of the State of Oklahoma and Title 70, Article XV of the Oklahoma Statutes 2011, and laws supplementary and amendatory thereto, and resolutions of the Board of Education to be adopted on May 13, 2024.

Under state law, school districts cannot become indebted beyond one year for an amount in excess of the income and revenue provided in such year without the approval of three-fifths (60 percent) of the voters within the district at an election held for such purpose.

2017 Authorization

The School District had a successful bond election on October 10, 2017. The special election authorized the issuance of a total of $130,600,000 in bonds. The School District has previously issued $83,700,000 of bonds authorized at this election. The 2024 Combined Purpose Bonds include $12,090,000 of bonds authorized at this election. The 2024 Building Bonds include $1,350,000 of bonds authorized at this election. The remaining bonds under this authorization are expected to be issued in varying amounts and in separate series annually from 2025 through 2026.

2023 Authorization

The School District had a successful bond election on October 10, 2023. The special election authorized the issuance of a total of $492,700,000 in bonds. The School District has previously issued $7,560,000 of bonds authorized at this election. The 2024 Combined Purpose Bonds include $1,000,000 of bonds authorized at this election. The remaining bonds under this authorization are expected to be issued in varying amounts and in separate series annually from 2025 through 2045.

Tax Levy and Collection Procedures

Oklahoma statutes require that the School District each year make an ad valorem tax levy for a Sinking Fund which shall, with cash and investments in the fund, be sufficient to pay all the bonded indebtedness, interest and one-third of all outstanding judgments coming due in the following year.

After review and approval by the Board of Education of the School District, copies of the Sinking Fund Estimates are submitted to the County Excise Board to determine the ad valorem tax levy appropriations. This submission is required to be made by September 1st of each year. The estimates are for the purposes of determining ad valorem taxes required to fund the Sinking Fund. The amounts contained in the estimate of needs are verified by the County Excise Board and, upon verification, the levies contained therein are ordered to be certified to the County Assessor in order that the County Assessor may extend said levies upon the tax rolls for the year for which the estimate of needs is being submitted. The County Excise Board further certifies that the appropriations contained in the estimate of needs and the mill rate levies are within the limitations provided by law.

The County Assessor is required to file a tax roll report on or before October 1st each year with the County Treasurer indicating the net assessed valuation for each municipality within the County. This report includes the assessed valuation for all real, personal and public service property (public service property assessed valuations are determined by the Oklahoma Tax Commission). The County Treasurer must begin collecting taxes with the first half due and payable on or before January 1. The second half becomes due and payable on or before April 1. If the first half is not paid by January 1, it all becomes due and payable on January 2.

Ad valorem taxes not paid on or before April 1 are considered delinquent. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The purchaser is issued a tax lien; however, the original owner of the property has two (2) years in which to redeem the property by paying the taxes and penalties owed. If at the end of two years he has not done so, the purchaser may then apply for a deed to the property. If there is no purchaser, then the County acquires the same lien and the property is auctioned after approximately two and one-half (2 1/2) years.

(Remainder of this page intentionally left blank)

THE MIDWEST CITY - DEL CITY SCHOOL DISTRICT

The Midwest City-Del City School District, located directly east of Oklahoma City, provides a comprehensive educational program for approximately 12,240 students (estimated average daily membership as of October 2023). The district has developed a wide variety of academic, enrichment, and extracurricular programs to meet the needs of its students. Schools emphasize active student learning, higher order thinking, reading and writing across the curriculum, cooperative learning, parental involvement and high expectations for personal achievement.

- Schools routinely take top honors at academic and fine arts competitions.
- Mid-Del students have been named Academic All-State, National Merit Finalist, Oklahoma Academic Scholar and Advanced Placement Scholar.
- Mid-Del has two National Blue Ribbon Schools
- School District encompasses 77 square miles
    - Serves Tinker Air Force Base
    - Serves Del City, Forest Park, Midwest City, Choctaw and part of Oklahoma City
- Number of Employees – 932 Certified Teachers/Administrators & 676 Support Personnel
- Average Teacher Years of Experience: 13
- Nationally Board Certified Teachers: 19
- Number of Schools: 3 High Schools (Grades 9-12), 3 Middle Schools (Grades 6-8) and 13 Elementary Schools (Grades Pre K-5) (as of April 2023), Career Academy, Mid-Del Technology Center (3 campuses), and Cedar Ridge

Residents of the School District are employed at businesses located throughout the City of Midwest City, the City of Del City and the City of Oklahoma City as well as the surrounding communities. No separate employment figures are available for the School District; however, as of February 2024 the unemployment rate for the counties included in the school district are as follows:

	Unemployment Rate
Oklahoma County	3.7%
Cleveland County	3.5%
State of Oklahoma	3.6%
United States	3.9%

Note: County data not seasonally adjusted. State and federal data seasonally adjusted.

Source: Oklahoma Employment Security Commission

Board of Education and School Administration

The School District is governed by an elected five-member Board of Education. Members of the Board of Education are as follows.

Board of Education

Dr. Ed Daniel	President & Member
Le Roy Porter	Vice President & Member
Gina Standridge	Clerk & Member
Dr. Silvya Kirk	Member
Shelly Schultz	Member

School Administration

Dr. Rick Cobb	Superintendent of Schools
Jacqueline Woodard	Chief Financial Officer

Payment Record

The School District has never defaulted.

FINANCIAL INFORMATION

Computation of Legal Debt Margin

2023-24	Estimated Market Value			$6,038,594,051
		Oklahoma Co.	Cleveland Co.	Total
2023-24	Net Assessed Valuation (NAV)	$645,001,727	$23,939,440	$668,941,167
Millage Adjustment Factor (MAF)		103.2543%	102.980%	
Legal Debt Limitation (NAV * MAF * 10%)		$66,599,201	$2,465,283	$69,064,484
General Obligation Indebtedness Outstanding [(1)]				$82,845,000
Less: Estimated Sinking Fund Balance (as of April 11, 2024)				$18,000,963
Net General Obligation Indebtedness Outstanding				$64,844,037
Remaining Legal Debt Margin				$4,220,447
Ratio of Net G.O. Indebtedness to Net Assessed Valuation				9.69%

[(1)] As of April 11, 2024, and includes the 2024 Bonds.

Source: The District

Direct Indebtedness

Upon the issuance of the 2024 Bonds, the School District will have gross outstanding general obligation bonded indebtedness of $82,845,000. Such indebtedness matures as follows:

Series	Dated Date	Final Scheduled Maturity	Original Principal Amount	Principal Amount Outstanding
2019B BLDG	7/1/2019	7/1/2024	$1,800,000	$450,000
2019A CP	7/1/2019	7/1/2024	10,460,000	2,615,000
2020 BLDG	7/1/2020	7/1/2025	1,720,000	860,000
2020 CP	7/1/2020	7/1/2025	10,860,000	5,430,000
2020B BLDG	9/1/2020	9/1/2025	1,400,000	700,000
2021 CP	7/1/2021	7/1/2026	14,620,000	10,965,000
2021 BLDG	7/1/2021	7/1/2026	1,500,000	1,125,000
2022 CP	7/1/2022	7/1/2027	19,875,000	19,875,000
2022 BLDG	7/1/2022	7/1/2024	1,905,000	1,905,000
2023 CP	7/1/2023	7/1/2028	14,960,000	14,960,000
2023 BLDG	7/1/2023	7/1/2025	1,600,000	1,600,000
2023B BLDG	12/1/2023	12/1/2026	7,560,000	7,560,000
2024 CP	7/1/2024	7/1/2029	13,090,000	13,090,000
2024 BLDG	7/1/2024	7/1/2026	1,350,000	1,350,000
				$82,485,000

Direct, Overlapping and Underlying Indebtedness

	Total Net Assessed Valuation (by Municipal Entity)	Total Net Assessed Valuation in District	Percent of Municipality Net Assessed Valuation in Mid-Del District	Percent of Total District Net Assessed Valuation	Total Municipality Net Indebtedness	Total Muncipality Net Indebtedness Underlying or Overlapping Mid-Del Schools
Direct Indebtedness						
Mid-Del School District	668,941,167	668,941,167	100.00%	100.00%	64,844,037	64,844,037
Overlapping Indebtedness						
Counties						
Oklahoma County	9,379,347,621	645,001,727	6.88%	96.42%	46,330,336	3,186,058
Cleveland County	2,974,586,514	23,939,440	0.80%	3.58%	0	0
		668,941,167		100.00%		
Career Tech Districts						
Rose State College	835,795,919	668,941,167	80.04%	100.00%	8,248,932	6,602,150
Underlying Indebtedness						
Cities & Towns						
City of Midwest City	421,333,455	267,759,102	63.55%	40.03%	50,193,962	31,898,464
TIF District (Total)	6,634,026	6,634,026	100.00%	0.99%	0	0
City of Del City	130,541,640	117,261,241	89.83%	17.53%	1,389,118	1,247,799
City of Oklahoma City	8,165,324,248	257,551,926	3.15%	38.50%	939,187,868	29,624,010
City of Norman	1,284,883,893	209,025	0.02%	0.03%	100,144,683	16,292
Town of Forest Park	13,236,922	11,274,577	85.18%	1.69%	0	0
Town of Smith Village	288,595	288,595	100.00%	0.04%	0	0
Other/Unincorporated (Est.)		7,962,675	N.A.	1.19%	0	0
		668,941,167		100.00%	1,210,338,936	137,418,810

Note: Indebtedness figures for the Mid-Del School District are as of April 11, 2024, and include the 2024 Bonds. Indebtedness figures for all other entities are as of June 30, 2023. Figure for Other/Unincorporated is an estimate based on previous years.

2023-24 Net Assessed Valuation

(A) The Composition

Classification	Oklahoma County	Cleveland County	Total Amount	Percent
Real (Net)	$529,492,312	$22,177,320	$551,669,632	82.47%
Personal	91,350,959	506,175	91,857,134	13.73%
Public Service	24,158,456	1,255,945	25,414,401	3.80%
	$645,001,727	$23,939,440	$668,941,167	100.00%

SOURCE: Oklahoma & Cleveland County Assessors

(B) The Growth

Fiscal Year	Net Assessed Valuation	% Change
2023-24	$668,941,167	5.97%
2022-23	631,264,644	5.81%
2021-22	596,609,761	3.66%
2020-21	575,539,839	1.11%
2019-20	569,202,294	3.95%
2018-19	547,551,769	3.81%
2017-18	527,478,685	5.33%
2016-17	500,808,731	1.46%
2015-16	493,609,267	1.05%
2014-15	488,458,200	
	Average Annual Growth	3.57%

SOURCE: Oklahoma & Cleveland County Assessors

Major Property Taxpayers (Oklahoma County only)

Rank	Taxpayer	2023 Assessed Valuation	% of Net Assessed Valuation
1	Oklahoma Gas & Electric	$15,372,902	2.30%
2	The Boeing Co	12,959,643	1.94%
3	OKC Aerospace I Industrial LLC	8,601,990	1.29%
4	Oklahoma Heart Hospital LLC	8,162,097	1.22%
5	Sooner Town Center LLC	7,451,428	1.11%
6	Sooner Road 80 LLC	5,672,019	0.85%
7	OKC South Sunnylane LLC	4,620,021	0.69%
8	Liberty Apartments LLC	3,738,588	0.56%
9	Oklahoma Natural Gas Co/Div ONEOK	3,545,437	0.53%
10	OKC Aerospace 2 Industrial LLC ETAL	3,285,157	0.49%
		$73,409,282	10.97%

SOURCE: Oklahoma County Assessor

Sinking Fund Tax Collections

Fiscal Year	Net Levy	Current Collections	Total Collections	Collections Percentage*
2023-24	$16,612,507			
2022-23	14,590,258	$14,750,917	$15,357,830	105.26%
2021-22	15,686,298	15,710,169	16,189,967	103.21%
2020-21	16,403,585	16,668,198	17,172,390	104.69%
2019-20	14,136,672	14,251,784	14,970,096	105.90%
2018-19	13,255,133	13,483,383	14,164,851	106.86%
2017-18	13,681,828	13,842,306	14,365,905	105.00%
2016-17	13,988,333	14,334,802	14,798,144	105.79%
2015-16	13,975,227	13,953,457	14,338,655	102.60%
2014-15	13,499,695	13,630,184	13,958,691	103.40%
2013-14	10,975,299	11,112,008	11,510,915	104.88%
			Average:	104.76%

*An additional amount is added to compensate for delinquencies.

SOURCE: School District Administration and District Budgets.

Trend of Tax Rates on Major Taxing Units*

Fiscal Year Beginning	Mid-Del School District	City of Midwest City	City of Del City	City of Okla. City	Oklahoma County	Rose State College
7/1/2023	67.38	9.55	4.30	14.78	22.99	17.79
7/1/2022	65.57	9.99	4.11	15.46	23.05	18.03
7/1/2021	68.91	9.44	4.69	14.73	22.92	18.18
7/1/2020	71.23	9.76	4.75	15.23	23.38	18.39
7/1/2019	67.38	8.08	4.76	15.41	23.49	18.54
7/1/2018	66.72	0.94	6.51	15.51	23.64	18.92
7/1/2017	68.54	0.92	5.58	15.26	23.28	19.21
7/1/2016	70.64	0.96	5.77	14.81	23.81	19.65
7/1/2015	71.03	5.18	5.91	15.62	23.72	19.88
7/1/2014	70.32	5.44	6.02	15.45	23.58	20.33
Average	68.77	6.03	5.24	15.23	23.39	18.89

* Dollars per $1,000 of Net Assessed Valuation

SOURCE: School District Administration, Oklahoma County Assessor and District Budgets.

ECONOMIC AND DEMOGRAPHIC INDICES

Retail Sales

Year	City of Midwest City	City of Oklahoma City	City of Del City
2022-23	$1,055,246,127	$14,307,023,720	$296,775,977
2021-22	991,617,246	13,431,262,811	290,636,440
2020-21	948,471,002	11,534,545,062	282,081,468
2019-20	861,231,787	11,263,383,032	267,016,645
2018-19	850,699,144	11,391,038,630	261,824,249
2017-18	828,134,467	11,031,345,551	259,561,235
2016-17	807,256,088	10,404,309,755	257,490,799
2015-16	829,753,792	10,737,150,194	256,222,928
2014-15	824,374,680	10,941,681,646	258,189,286
2013-14	848,987,636	10,634,733,491	254,287,742

SOURCE: Oklahoma Tax Commission

Major Employers

Employer	Primary Business	Approximate Number of Employees
Tinker Air Force Base	Military	26,000
The Boeing Company (Note 1)	Aerospace	3,600
Midwest City-Del City Schools	Education	1,608
Rose State College	Education	628
SSM Health St. Anthony - Midwest	Hospital	620
Crest Discount Foods	Discount Food Stores	615
Walmart/Sam's Club	Retail	552
City of Midwest City	City Government	485
Hudiburg Auto Group	Automobile Dealer	401
Century Martial Arts	Athletic Supply	300

SOURCE: Oklahoma County, Oklahoma; City of Midwest City, Oklahoma; School District

Note 1: The Boeing Company is technically located within the City of Oklahoma City but this location is still within the boundaries of the Mid-Del School District

School Enrollment (Membership)

School Year Ending June	Membership	Change %
2023	12,467	1.18%
2022	12,322	10.77%
2021	11,124	-20.93%
2020	14,069	0.80%
2019	13,957	-1.13%
2018	14,116	-0.05%
2017	14,123	-1.81%
2016	14,384	-1.25%
2015	14,566	0.51%
2014	14,492	

Note: As of October 2023, the estimated enrollment of the District was 12,240.

SOURCE: School Administration

Population

	Year	City of Midwest City	City of Oklahoma City
Actual	1980	49,559	403,213
	1990	52,267	435,950
	2000	54,088	506,132
	2010	54,371	579,999
	2020	58,409	681,054
Estimate	2022	57,950	694,800

Source: U.S. Census Data.

ABSENCE OF MATERIAL LITIGATION

No litigation is pending (a) seeking to restrain or enjoin the issuance or delivery of the 2024 Bonds, (b) contesting or affecting any authority for or the validity of the 2024 Bonds, (c) contesting the power of the School District to issue the 2024 Bonds or the power of the School District to offer and sell them, (d) affecting the power of the School District to levy and collect taxes to pay the 2024 Bonds, or (e) contesting the corporate existence or boundaries of the School District.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the 2024 Bonds are subject to the approving opinion of _______________, _________, Oklahoma, Bond Counsel, and the Attorney General of the State of Oklahoma.

CONTINUING DISCLOSURE

The School District has covenanted for the benefit of Bondholders to provide certain financial and operating information for the School District not later than eight months following the end of the fiscal year in which the bonds are issued (as of the date of this document, June 30 is the end of the fiscal year), or later as such information becomes publicly available, and each fiscal year thereafter, and to provide notice of the occurrence of certain events. The specific nature of the financial information and operating data to be provided and the events for which notice must be provided is described in the Continuing Disclosure Agreement (the “Disclosure Agreement”), the form of which is attached hereto as Exhibit B. These covenants have been made in order to assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission (“Rule 15c2-12”).

The financial information and event notices will be filed by the School District or its dissemination agent with the Municipal Securities Rulemaking Board (the “MSRB”) through the MSRB’s Electronic Municipal Market Access system (“EMMA”). EMMA is an internet-based, online portal for free investor access to municipal bond information, including offering documents, Listed Event notices, real-time municipal securities trade prices and MSRB education resources, available at www.emma.msrb.org. Nothing contained on EMMA relating to the School District or the Bonds is incorporated by reference in this Official Statement.

A failure by the School District to comply with the Continuing Disclosure Agreement will not constitute an event of default with respect to the Bonds, although any holder will have any available remedy at law or in equity, including seeking specific performance by court order, to cause the School District to comply with its obligations under the Continuing Disclosure Agreement. Any such failure must be reported in accordance with Rule 15c2-12 and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Rule 15c2-12 requires that an issuer or other obligated person disclose in an official statement any instances in the previous five years in which such issuer or other obligated person failed to comply, in all material respects, with any previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12. In connection with certain bonds previously issued by or for the benefit of the School District, the School District agreed to provide certain annual financial information and notice of certain events pursuant to continuing disclosure undertakings similar to the Disclosure Agreement (the "Prior Undertakings"). The School District does not believe it has failed to comply, in all material respects, with any of these Prior Undertakings within the previous five years.

TAX MATTERS RESPECTING THE 2024 COMBINED PURPOSE BONDS

Opinion of Bond Counsel

In the opinion of Bond Counsel, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2024 Combined Purpose Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the 2024 Combined Purpose Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code; however, it should be noted that with respect to certain corporations (as defined for federal income tax purposes), for taxable years beginning before January 1, 2018, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. No federal alternative minimum tax applies to corporations for taxable years beginning after December 31, 2017. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the School District in connection with the 2024 Combined Purpose Bonds, and Bond Counsel has assumed compliance by the School District with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2024 Combined Purpose Bonds from gross income under Section 103 of the Code.

The Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, (other than certain "qualified" obligations). **The 2024 Combined Purpose Bonds are <u>not</u> "qualified" obligations for this purpose**.

In addition, under existing statutes interest on the 2024 Combined Purpose Bonds shall be exempt from Oklahoma income taxation pursuant to Section 2358.5 of Title 68, Oklahoma Statutes, 2011.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the 2024 Combined Purpose Bonds in order that interest on the 2024 Combined Purpose Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the 2024 Combined Purpose Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the 2024 Combined Purpose Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The School District has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the 2024 Combined Purpose Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the 2024 Combined Purpose Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a 2024 Combined Purpose Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the 2024 Combined Purpose Bonds.

Prospective owners of the 2024 Combined Purpose Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the 2024 Combined Purpose Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

"Original issue discount" ("OID") is the excess of the sum of all amounts payable at the stated maturity of a 2024 Combined Purpose Bond (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the "issue price" of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the 2024 Combined Purpose Bonds. In general, the issue price for each maturity of 2024 Combined Purpose Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any 2024 Combined Purpose Bonds having OID (a "Discount Bond"), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the 2024 Combined Purpose Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner's adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such 2024 Combined Purpose Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

Bond Premium

In general, if an owner acquires a 2024 Combined Purpose Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the 2024 Combined Purpose Bond after the acquisition date (excluding certain "qualified stated interest" that is unconditionally payable at least annually at prescribed rates), that premium constitutes "bond premium" on that 2024 Combined Purpose Bond (a "Premium Bond"). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner's yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner's regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the 2024 Combined Purpose Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a 2024 Combined Purpose Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the 2024 Combined Purpose Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the 2024 Combined Purpose Bonds under federal or state law or otherwise prevent beneficial owners of the 2024 Combined Purpose Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the 2024 Combined Purpose Bonds.

No Other Opinion

Bond Counsel expresses no opinion regarding any other federal or state tax consequences with respect to the 2024 Combined Purpose Bonds. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action hereafter taken or not taken, or any facts or circumstances that may hereafter come to its attention, or changes in law or in interpretations thereof that may hereafter occur, or for any other reason. Bond Counsel expresses no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the 2024 Combined Purpose Bonds, or under state and local tax law.

Prospective purchasers of the 2024 Combined Purpose Bonds should consult their own tax advisors as to the consequences of their acquisition, holding, or disposition of the 2024 Combined Purpose Bonds.

TAX MATTERS RESPECTING THE 2024 BUILDING BONDS

Opinion of Bond Counsel

In the opinion of bond counsel, interest on the 2024 Building Bonds is included in gross income for federal income tax purposes.

In the opinion of bond counsel, under existing statutes interest on the 2024 Building Bonds shall be exempt from Oklahoma income taxation pursuant to Section 2358.5 of Title 68, Oklahoma Statutes, 2011.

Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the 2024 Building Bonds under the laws of the State or any other state or jurisdiction.

General Matters

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the 2024 Building Bonds under the Code and the Regulations, and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. The summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. Potential purchasers of the 2024 Building Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the 2024 Building Bonds.

In general, interest paid on the 2024 Building Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the 2024 Building Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

Bond Premium

An investor which acquires a 2024 Building Bond for a cost greater than its remaining stated redemption price at maturity and holds such 2024 Building Bond as a capital asset will be considered to have purchased such 2024 Building Bond at a premium and, subject to prior election permitted by Section 171(c) of the Code, may generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable 2024 Building Bond premium that reduces interest payments under Section 171 of the Code. 2024 Building Bond premium is generally amortized over the 2024 Building Bond's term using constant yield principles, based on the purchaser's yield to maturity. Investors of any 2024 Building Bond purchased with a 2024 Building Bond premium should consult their own tax advisors as to the effect of such 2024 Building Bond premium with respect to their own tax situation and as to the treatment of 2024 Building Bond premium for state tax purposes.

Market Discount

An investor that acquires a 2024 Building Bond for a price less than the adjusted issue price of such 2024 Building Bond (or an investor who purchases a 2024 Building Bond in the initial offering at a price less than the issue price) may be subject to the market discount rules of Sections 1276 through 1278 of the Code. Under these sections and the principles applied by the Regulations, "market discount" means (a) in the case of a 2024 Building Bond originally issued at a discount, the amount by which the issue price of such 2024 Building Bond, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest, and (b) in the case of a 2024 Building Bond not originally issued at a discount, the amount by which the stated redemption price of such 2024 Building Bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a 2024 Building Bond will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and, upon sale or other disposition of the 2024 Building Bond, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such a 2024 Building Bond or (ii) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a 2024 Building Bond with original issue discount, in proportion to the accrual of original issue discount.

An owner of a 2024 Building Bond that acquired such 2024 Building Bond at a market discount also may be required to defer, until the maturity date of such 2024 Building Bond or its earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry such 2024 Building Bond in excess of the aggregate amount of interest (including original issue discount) includable in such owner's gross income for the taxable year with respect to such 2024 Building Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the 2024 Building Bond for the days during the taxable year on which the owner held such 2024 Building Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the 2024 Building Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the owner elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such owner in that taxable year or thereafter.

Attention is called to the fact that Treasury regulations implementing the market discount rules have not yet been issued. Therefore, investors should consult their own tax advisors regarding the application of these rules as well as the advisability of making any of the elections with respect thereto.

Sales or Other Dispositions

If an owner of a 2024 Building Bond sells the 2024 Building Bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner's basis in such 2024 Building Bond. Ordinarily, such gain or loss will be treated as a capital gain or loss. At the present time, the maximum capital gains rate for certain assets held for more than 12 months is 15%. However, if a 2024 Building Bond was, at its initial issuance, sold at a discount, a portion of such gain will be recharacterized as interest and therefore ordinary income. Neither the School District nor Bond Counsel can predict whether the President or Congress will propose legislation effecting the long-term capital gains rate.

If the terms of a 2024 Building Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications that may be treated as material are those that relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of a 2024 Building Bond should consult its own tax advisor concerning the circumstances in which such 2024 Building Bond would be deemed reissued and the likely effects, if any, of such reissuance.

Defeasance

The legal defeasance of the 2024 Building Bonds may result in a deemed sale or exchange of such 2024 Building Bond under certain circumstances. Owners of such 2024 Building Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding

An owner of a 2024 Building Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the 2024 Building Bonds, if such owner, upon issuance of the 2024 Building Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Foreign Investors

An owner of a 2024 Building Bond that is not a "United States person" (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a 2024 Building Bond will generally not be subject to United States income or withholding tax in respect of a payment on a 2024 Building Bond, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term "United States person" means a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States of America is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a 30% United States withholding tax will apply to interest paid and original issue discount accruing on 2024 Building Bonds owned by foreign investors. In those instances in which payments of interest on the 2024 Building Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of 2024 Building Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a 2024 Building Bond.

Tax-Exempt Investors

In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of a 2024 Building Bond incurs acquisition indebtedness with respect to such 2024 Building Bond, interest paid or accrued with respect to such owner may be excluded by such tax-exempt owner from the calculation of unrelated business taxable income. Each potential tax-exempt holder of a 2024 Building Bond is urged to consult its own tax advisor regarding the application of these provisions.

ERISA Considerations

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the 2024 Building Bonds must be determined by the responsible fiduciary of the ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment. Government and non-electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code and persons who, with respect to that plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of the 2024 Building Bonds could be viewed as violating those prohibitions. In addition, Section 4975 of the Code prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons. Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the School District or any dealer of the 2024 Building Bonds might be considered or might become a "party in interest" within the meaning of ERISA or a "disqualified person" within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Sections 4975 or 503 of the Code. Prohibited transactions within the meaning of ERISA and the Code may arise if the 2024 Building Bonds are acquired by such plans or arrangements with respect to which the School District or any dealer is a party in interest or disqualified person.

In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above sections of the Code, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the 2024 Building Bonds. The sale of the 2024 Building Bonds to a plan is in no respect a representation by the School District that such an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. Any plan proposing to invest in the 2024 Building Bonds should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.

Health Care and Education Reconciliation Act of 2010

Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over $200,000 for unmarried individuals ($250,000 for married couples filing a joint return and a surviving spouse). Holders of the 2024 Building Bonds should consult with their tax advisor concerning this additional tax as it may apply to interest earned on the 2024 Building Bonds as well as gain on the sale of a 2024 Building Bond.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the 2024 Building Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to indebtedness issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2024 Building Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2024 Building Bonds or the market value thereof would be impacted thereby. Purchasers of the 2024 Building Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the 2024 Building Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

GLOBAL RISKS

Certain external events, such as pandemics, natural disasters, severe weather, riots, acts of war or terrorism, technological emergencies, or other circumstances, could potentially disrupt the operations and effectiveness of municipal governments, such as the School District.

CREDIT RATINGS

The 2024 Bonds have been rated "____" by Moody's Investors Service, Incorporated ("Moody's"), 99 Church Street, New York, New York, and the School District is currently rated Oklahoma #1 by the Municipal Rating Committee of Oklahoma. The ratings assigned by Moody's and the Municipal Rating Committee of Oklahoma express only the view of each respective rating agency. The explanation of the significance of each rating may be obtained from Moody's and the Municipal Rating Committee of Oklahoma, respectively. There is no assurance that any rating will continue for any period of time or that it will not be revised or withdrawn. Except as set forth in EXHIBIT B – FORM OF CONTINUING DISCLOSURE AGREEMENT, none of the School District, the Financial Advisor, the Paying Agent/Registrar or the Underwriters has undertaken any responsibility either to bring to the attention of the owners of the 2024 Bonds any proposed revision or withdrawal of the rating of the 2024 Bonds or to oppose any such proposed revision or withdrawal. Any revision or withdrawal of ratings may have an effect on the market price of the 2024 Bonds.

UNDERWRITING

The 2024 Combined Purpose Bonds are being purchased at competitive sale by ________________. The underwriter of the 2024 Combined Purpose Bonds has agreed to purchase the 2024 Combined Purpose Bonds at a price equal to $______________ plus accrued interest from July 1, 2024.

The 2024 Building Bonds are being purchased at competitive sale by ________________. The underwriter of the 2024 Building Bonds has agreed to purchase the 2024 Building Bonds at a price equal to $______________ plus accrued interest from July 1, 2024.

FINANCIAL ADVISOR

BOK Financial Securities, Inc. is employed as Financial Advisor to the District in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the bonds. In the normal course of business, the Financial Advisor may also from time to time sell investment securities to the District for the investment of debt proceeds or other funds of the District, upon the request of the District.

BOK Financial Securities, Inc., in its capacity of Financial Advisor, has not verified and does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the District has provided the following sentence for inclusion in the Official Statement. The Financial Advisor has reviewed the information in the Official Statement in accordance with, and as part of, its responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy of such information.

(Remainder of this page intentionally left blank)

MISCELLANEOUS

All quotations from and summaries and explanations of law herein do not purport to be complete and reference is made to said laws for full and complete statements of their provisions.

The Official Statement is not to be construed as a contract or agreement between the School District and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion are intended merely as opinion and not as representation of fact. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the School District, or its agencies and authorities, since the date hereof.

INDEPENDENT SCHOOL DISTRICT NO. 52
OF OKLAHOMA COUNTY, OKLAHOMA

BY: ______________________________
President, Board of Education

EXHIBIT A

FINANCIAL STATEMENTS WITH ACCOUNTANT'S REPORT
FOR THE YEAR ENDED JUNE 30, 2023

AUDITED FINANCIAL STATEMENTS
AND REPORTS OF INDEPENDENT AUDITOR

MIDWEST CITY-DEL CITY SCHOOL DISTRICT NO. I-52,
OKLAHOMA COUNTY, OKLAHOMA

JUNE 30, 2023

JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

This page intentionally left blank

TABLE OF CONTENTS

TABLE OF CONTENTS – contd.

REQUIRED SUPPLEMENTARY INFORMATION:

OTHER SUPPLEMENTARY INFORMATION:

COMPLIANCE SECTION:

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHOOL DISTRICT OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2023

BOARD OF EDUCATION

President	Dr. Silvya Kirk
Vice-President	Dr. Ed Daniel
Clerk	Mr. Le Roy Porter
Member	Mr. Julian Biggers
Member	Ms. Gina Standridge

SUPERINTENDENT OF SCHOOLS

Dr. Rick Cobb

SCHOOL DISTRICT TREASURER
and CHIEF FINANCIAL OFFICER

Mrs. Jacqueline Woodard

JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Midwest City-Del City School District No. I-52
Midwest City, Oklahoma 73110

Opinions
We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Midwest City-Del City School District No. I-52, Midwest City, Oklahoma (the "School District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Midwest City-Del City School District No. I-52, Oklahoma County, Oklahoma as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Midwest City-Del City School District No. I-52, Midwest City, Oklahoma and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards*

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

will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7-11, Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual on pages 59-60, Schedule of Proportionate Share of the Net Pension Liability on page 57, and Schedule of Contributions on page 58, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the method of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 3, 2024, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

January 3, 2024

Management's Discussion & Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

MIDWEST CITY - DEL CITY INDEPENDENT SCHOOL DISTRICT NO. I-52

June 30, 2023

This section of Midwest City-Del City Independent School District #52's annual financial report presents the District's discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2023. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - Management's Discussion and Analysis (this section), the basic financial statements, and supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operation in more detail than the district-wide statements.
- The governmental funds statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.

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 supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year.

TABLE A-1
Major Features of District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements - Governmental Funds
Scope	Entire district (*except fiduciary funds*)	The activities of the district that are not proprietary or fiduciary such as special education and building maintenance
Required Financial Statements	1) Statement of Net Position 2) Statement of Activities	1) Balance Sheet 2) Statement of Revenue, Expenditures, and Changes in Fund Balances
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus.
Type of Asset/ Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included
Type of Inflow/ Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and the related liability is due and payable

Table A-1 summarizes the major features of the District's financial statements. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-Wide Statements: The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the district's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position. Net position - the difference between the District's assets and liabilities is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the district wide financial statements, the District's activities are categorized as governmental activities.

- *Governmental Activities* - Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state aid formula finance most of these activities.

Fund Financial Statements: The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debts) or to show that it is properly using certain revenues.

Most of the District's basic services are included in governmental funds, which generally focus on 1) how cash and other financial assets that can readily be converted to cash flow in and out; and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the district-wide statements, the District provides additional information with the governmental funds statements that explain the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

TABLE A2
Net Position

		2023		2022
		(in Millions)		
ASSETS				
Current and other assets	$	81.0	$	79.1
Capital assets		224.8		233.3
TOTAL ASSETS	$	305.8	$	312.4
Deferred Outflows of Resources	$	25.4	$	25.4
LIABILITIES				
Long-term liabilities	$	215.0	$	187.1
Other liabilities		11.4		9.8
TOTAL LIABILITIES	$	226.4	$	196.9
Deferred Inflows of Resources	$	1.5	$	44.9
NET POSITION				
Net investment in capital assets	$	134.7	$	132.5
Restricted		25.0		25.8
Unrestricted		(51.1)		(62.4)
TOTAL NET POSITION	$	108.6	$	95.9

TABLE A3
Changes in Net Position

		2023		2022		Difference
				(in Millions)		
REVENUES						
Program revenues:						
Charges for services	$	8.7	$	7.3	$	1.4
Federal and State grants		29.4		36.0	$	(6.6)
General revenues:						
Property taxes		41.0		41.0	$	-
Other taxes		11.9		12.0	$	(0.1)
State entitlement		59.8		64.8	$	(5.0)
Other general revenues		3.8		3.9	$	(0.1)
TOTAL REVENUES		154.6		165.1	$	(10.5)
EXPENSES						
Instruction		74.4		70.0	$	4.4
Support services		59.3		53.5	$	5.8
Non-instruction		6.2		5.8	$	0.4
Interest on long-term debt		1.8		2.4	$	(0.6)
Other outlays/uses		0.2		0.1	$	0.1
TOTAL EXPENSES		141.9		131.8	$	10.1
CHANGE IN NET POSITION	$	12.7	$	33.3	$	(20.6)

<u>Changes in Net Position</u>: The ending net position decreased by approximately $20.6 million from the prior fiscal year. Federal revenue continues to decrease as one-time COVID funding begins to expire. Federal funding for all students to eat free also ended in FY22 resulting in a decrease in federal funding. The district was required to use a much lower enrollment number for State Aid and experienced a decline in revenue of just over $6.7M despite the state aid factor increasing. The state reduced funding for textbooks and decreased staff resulted in a decrease in flexible benefit allowance. The only revenue source that saw an increase of $1.4M was charges for services. With the end of federal funding for all students eating free, the result was an increase in collections for student breakfasts and lunches. Instructional and Support Service expenditures increased due to raises given, inflation and energy costs. Inflation for goods coupled with increased energy prices have forced the district to increase expenditures for necessary services such as food, electricity, insurance, and paper products.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported combined fund balances of $65.1 million, compared to $64.0 million in FY22. General fund's fund balance went from 12.64% in FY22, to 17.17% in FY 23. This was an increase by 4.53% primarily due to one-time federal expenditures being reduced and FY22 federal claims being collected in FY23. The Sinking fund's fund balance went down significantly as bond payments are now catching up with current year collections.

The only limitations that affect the availability of fund resources for future use would be that the Bond funds are only restricted in the sense that they must meet the 85% rule of what was voted on by the patrons of the District and then used for like purposes. The Building Fund, Child Nutrition Fund and Debt Service Fund are restricted only in regards to what is required by law to be used in those respected funds.

<u>General Fund Budgetary Highlights</u>: The General fund budget was approved at a board meeting held on June 13, 2022, for the FY23. The General fund budget decreased by $22.9 million and actual expenditures decreased by $2 million compared to FY22.

CAPITAL ASSET AND DEBT ADMINISTRATION

<u>Capital Assets</u>: By the end of 2023 the District expended $1.8 million on playground equipment, new buses, flooring, paving, updates to classrooms, musical instruments and upgrade appliances. The district also retired Highland Park's building and land.

<u>Long-Term Debt</u>: At year end the District had $46.9 million in total long-term GO debt outstanding. This is an increase from last year's amount of $44.1 million. (More detailed information about the District's long-term liabilities is presented in Note 5 to the financial statements.)

- The District continued to pay down its debt, retiring $33.6 million of outstanding GO bonds, leases payable, premium on bonds and compensated absences in FY22.

- $22.5 million in new GO debt and premium was issued during the year.

FACTORS BEARING ON THE DISTRICT'S FUTURE

At the time these financial statements were prepared and audited, the District was not aware of any existing circumstances that would adversely impact the finances of the district that have not already been presented in the audit.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designated to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Superintendent, Mid-Del Schools, 7217 S.E. 15th, Midwest City, OK 73110.

BASIC FINANCIAL STATEMENTS

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities
Assets	
Cash and cash equivalents	$ 70,292,519
Property taxes receivable	1,541,013
Due from other governments	4,082,070
Other receivables	4,351,929
Inventory	705,095
Capital assets:	
Land	16,372,412
Other capital assets, net of accumulated depreciation	208,404,084
Total assets	305,749,122
Deferred outflows of resources, pension related deferred outflows	30,828,587
Liabilities	
Accounts payable	2,723,930
Wages payable	7,635,717
Liabilities for incurred claims	145,933
Bond proceeds good faith deposit	331,200
Accrued interest	539,213
Long-term liabilities:	
Due within one year	13,013,661
Due in more than one year	202,028,158
Total liabilities	226,417,812
Deferred inflows of resources	
Pension related deferred inflows	1,478,573
Total deferred inflows of resources	1,478,573
Net Position	
Net investment in capital assets	134,725,336
Restricted for:	
Debt service	4,491,430
Child Nutrition	3,724,120
Building	16,850,893
Unrestricted (deficit)	(51,110,455)
Total net position	$ 108,681,324

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Programs/Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:				
Instruction	$ 74,352,468	7,856,639	24,832,235	(41,663,594)
Support services	59,289,443			(59,289,443)
Non-instruction services	6,236,306	868,814	4,606,571	(760,921)
Other outlays	178,384			(178,384)
Interest on long-term debt	1,816,125			(1,816,125)
Total primary government	$ 141,872,726	8,725,453	29,438,806	(103,708,467)
General Revenues				
Taxes:				
Property taxes, levied for general purposes				$ 22,609,093
Property taxes, levied for building purposes				3,227,960
Property taxes, levied for debt service				15,166,623
General taxes				7,195,441
State aid not restricted for specific purposes				59,797,880
Support from other local governments				4,685,592
Interest, dividends, and investment earnings				2,324,819
Other general revenues				3,563,275
Loss on sale of assets				(2,129,711)
Total general revenues				116,440,972
Changes in net position				12,732,505
Net position, beginning of year				95,948,819
Net position, end of year				$ 108,681,324

See Notes to Basic Financial Statements

GOVERNMENTAL FUND FINANCIAL STATEMENTS

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Tech Center Fund	Bond Fund
Assets			
Cash and cash equivalents	$ 26,887,745	9,041,889	5,407,839
Property taxes receivable	848,594		
Receivables net of allowance for uncollectibles	3,135,703	720,218	
Inventory	277,214		
Total assets	31,149,256	9,762,107	5,407,839
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	287,252	183,840	1,413,250
Accrued wages	7,427,382		
Total liabilities	7,714,634	183,840	1,413,250
Deferred Inflows of Resources			
Unavailable revenue - property taxes	718,393		
Total deferred inflows of resources	718,393	-	-
Fund Balances			
Nonspendable inventory	277,214		-
Restricted fund balances:			
School construction			3,994,589
Retirement of long-term debt			
Buildings			
Custodial funds			
Child nutrition			
Assigned		9,578,267	
Unassigned	22,439,015		
Total fund balances	22,716,229	9,578,267	3,994,589
Total liabilities, deferred inflows of resources, and fund balances	$ 31,149,256	9,762,107	5,407,839

See Notes to Basic Financial Statements

Sinking Fund	Other Governmental Funds	Total Governmental Funds
4,459,624	24,257,232	70,054,329
571,019	121,400	1,541,013
	226,149	4,082,070
	427,881	705,095
5,030,643	25,032,662	76,382,507
	415,896	2,300,238
	208,335	7,635,717
-	624,231	9,935,955
482,430	102,568	1,303,391
482,430	102,568	1,303,391
	427,881	705,095
		3,994,589
4,548,213		4,548,213
	16,525,423	16,525,423
	2,474,399	2,474,399
	3,519,141	3,519,141
	1,359,019	10,937,286
		22,439,015
4,548,213	24,305,863	65,143,161
5,030,643	25,032,662	76,382,507

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total governmental fund balances		$ 65,143,161
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.		224,776,496
Revenues receivable are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.		
Property taxes		1,303,391
An internal service fund is used by the District to charge the costs of workers' compensation insurance to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities.		92,256
Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources	30,828,587	
Deferred inflows of resources	(1,478,573)	29,350,014
Long-term liabilities, including bonds payable, are not due and payable in the current period and; therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds	(46,875,000)	
Premium on bonds	(4,483,089)	
Leases payable	(43,045,000)	
Accrued interest	(539,213)	
Compensated absences	(2,437,592)	
Bond proceeds good faith deposit	(331,200)	
Net pension liability	(118,201,138)	(215,912,232)
Funds available for drawdown under the capital lease are reported as a receivable and related construction-in-progress as an accounts payable in the governmental activities, but not reported in governmental funds.		3,928,238
Net position of governmental activities		$ 108,681,324

See Notes to Basic Financial Statements

This page intentionally left blank

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Tech Fund	Bond Fund
Revenues:			
Property tax	$ 22,729,087		
Interest	1,230,781	401,610	360,944
County	4,685,592		
State	61,134,816	1,911,954	
Federal	19,825,241	305,626	
Local	556,780	5,603,872	
Other	32,523	30	595
Total revenues	110,194,820	8,223,092	361,539
Expenditures:			
Instruction	62,638,223	3,103,461	2,304,490
Support services	46,210,726	4,557,631	5,974,793
Non-instruction services	239,813		285,042
Capital outlays			13,449,223
Other outlays	188,248	30	595
Debt service:			
Principal paid			
Interest paid			
Total expenditures	109,277,010	7,661,122	22,014,143
Excess (deficiency) of revenues over expenditures	917,810	561,970	(21,652,604)
Other financing sources (uses)			
Premium on bonds sold			
Proceeds of bonds			21,675,600
Total other financing sources (uses)	-	-	21,675,600
Net change in fund balances	917,810	561,970	22,996
Fund balance, beginning of year	21,798,419	9,016,297	3,971,593
Fund balance, end of year	$ 22,716,229	9,578,267	3,994,589

See Notes to Basic Financial Statements

Sinking Fund	Other Governmental Funds	Total Governmental Funds
15,324,727	3,245,092	41,298,906
14,322	180,831	2,188,488
		4,685,592
3,720	1,114,105	64,164,595
	5,347,171	25,478,038
	7,357,354	13,518,006
	1,076,291	1,109,439
15,342,769	18,320,844	152,443,064
	882,280	68,928,454
	5,547,323	62,290,473
	6,199,035	6,723,890
	749,727	14,198,950
	1,323,450	1,512,323
18,975,000		18,975,000
944,150		944,150
19,919,150	14,701,815	173,573,240
(4,576,381)	3,619,029	(21,130,176)
682,166		682,166
		21,675,600
682,166	-	22,357,766
(3,894,215)	3,619,029	1,227,590
8,442,428	20,686,834	63,915,571
4,548,213	24,305,863	65,143,161

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2023

Net change in fund balance - total governmental funds		$ 1,227,590
Amounts reported for governmental activities and the statement of activities are different because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which the capital outlays exceeded depreciation and retirements in the period.		
Capital outlays	$ 2,340,552	
Depreciation expense	(8,472,902)	(6,132,350)
Drawdowns of capital lease funds of $936,282 used for the purchase of capital assets, net of dividends earned of $135,384.		(800,898)
Because some revenues will not be collected for several months after the District's year end, they are not considered "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.		
Property taxes		(295,231)
Construction-in-progress included some ongoing projects that were recognized as part of accounts payable because the materials and supplies were ordered out of the lease fund prior to year end and that is not recognized in the governmental funds.		554,351
Some of the capital assets acquired this year were financed with general obligation bonds. The amount financed by the bonds and related premium is reported in the governmental funds as a source of financing, but increases long-term liabilities in the statement of net position and does not affect the statement of activities.		13,115,000
Repayment of bond principal and repayment on capital lease purchases are an expense in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.		(1,756,450)
Amortization of bond premium is recorded in the statement of activities, but not in the governmental funds.		816,495
In the statement of activities, certain expenses do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences		(123,981)
Pension expense adjustments net of state contributions		9,983,607
An internal service fund is used by the District to charge the costs of workers compensation insurance to the individual funds. The changes in net position of the internal service fund is reported with governmental activities.		(179,081)
Proceeds from the sale of assets are recorded as revenue in the governmental funds However, for governmental activities, those proceeds are netted from the book value of the assets sold to record a gain or loss on the transaction.		(2,896,761)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus, requires the use of current financial resources. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due.		(779,786)
Change in net position - statement of activities		$ 12,732,505

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF NET POSITION - PROPRIETARY FUND
JUNE 30, 2023

	Internal Service Fund - Workers' Compensation
Assets	
Cash and cash equivalents	$ 238,189
Total assets	238,189
Liabilities	
Liability for incurred claims	145,933
Net Position	
Unrestricted	$ 92,256

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN NET POSITION - PROPRIETARY FUND
JUNE 30, 2023

	Internal Service Fund - Workers' Compensation
Operating revenues:	
Local	$ 33,483
Total operating revenues	33,483
Operating expenses:	
Management fees	213,510
Total operating expenses	213,510
Operating income	(180,027)
Nonoperating revenues, interest income	946
Changes in net position	(179,081)
Net position, beginning of year	271,337
Net position, end of year	$ 92,256

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Internal Service Fund - Workers' Compensation
Cash flows from operating activities:	
Refunds received	$ 33,483
Payments for workers' compensation claims and management fees	(310,187)
Net cash (used in) operating activities	(276,704)
Cash flows from investing activities, interest earnings	946
Net decrease in cash and cash equivalents	(275,758)
Cash and cash equivalents, beginning of year	513,947
Cash and cash equivalents, end of year	$ 238,189
Reconciliation of operating income to net cash (used in) operating activities:	
Operating income	$ (180,027)
Adjustments to reconcile operating income to net cash (used in) operating activities:	
Change in liability for incurred claims	(96,677)
Net cash (used in) operating activities	$ (276,704)

See Notes to Basic Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. Summary of Significant Accounting Policies

The financial statements of the Midwest City-Del City Public Schools Independent District No. 52 (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units as promulgated by the Governmental Accounting Standards Board ("GASB"), the standard-setting body for governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting Entity

The District is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and, accordingly, is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the State of Oklahoma for support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes. The governing body of the District is the Board of Education composed of five elected members. The appointed superintendent is the executive officer of the District.

As required by accounting principles generally accepted in the United States of America, the basic financial statements present the reporting entity which consists of the primary government; organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the District's basic financial statements to be misleading.

The District has presented the entities which comprise the reporting entity in the basic financial statements for 2023.

The Midwest City-Del City Lewis Eubanks Technical Center (formerly the Mid-Del Area Vo-Tech) became a designated Area Vocational-Technical School in 1977 by action of the Oklahoma State Board of Vocational and Technical Education with no ad valorem millage devoted specifically for its support. It is the only designated technology center in the State of Oklahoma that shares a school board with a public school district. The Mid-Del School District No. I-52 board of education serves as the Tech Center's board of education. The Technical Center is reported as a blended component unit as a special revenue fund of the primary government.

1. **Summary of Significant Accounting Policies**- contd.
A. Reporting Entity – contd.

The government-wide financial statements (the statement of net position and the statement of activity) report information on all of the non-fiduciary activities of the school district. For the most part, the effect of inter-fund activity has been removed from these statements.

B. Fund Accounting

Governmental activities are normally supported by taxes and intergovernmental revenues and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All of the District's activities are reported as governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Program revenues include 1) tuition or fees paid by students or citizens of the District and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items, including state aid, that are not properly included among program revenues are reported as general revenues.

The school district segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

Separate financial statements are provided for governmental funds, proprietary, and fiduciary funds, even though the latter are excluded from the government-side financial statements.

Governmental Fund Types

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general capital assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

General Fund - The general fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under the Foundation and Incentive Aid Program.

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. **Summary of Significant Accounting Policies**- contd.
   B. Fund Accounting - contd.

Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt.

Special Revenue Fund - The special revenue funds are the District's building, co-op and child nutrition funds.

Building Fund - The building fund consists of monies derived property taxes levied for the purpose of erecting, remodeling, repairing, or maintaining school buildings and for purchasing furniture and equipment.

Co-op Fund - The co-op fund is established when the boards of education of two or more school districts enter into cooperative agreements and maintain joint programs. The revenues necessary to operate a cooperative program can come from federal, state, or local sources, including the individual contributions of participating school districts. The expenditures for this fund would consist of those necessary to operate and maintain the joint programs. The District did not maintain this fund during the 2022-2023 fiscal year.

Child Nutrition Fund – The child nutrition fund is a special revenue fund used to account for the operations of the child nutrition programs. Revenue sources include meal ticket sales and Federal and State grants for free and reduced meals.

Technology Center Fund – The technology center fund is used to account for financial resources to be used for the operation of vocational and technical education programs.

Custodial Funds – The student activity fund, tech center activity fund, and child nutrition clearing funds are used to account for monies collected principally through fundraising efforts of the students and district sponsored groups.

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

Capital Projects Bond Funds – The bond funds are capital project funds used to account for the proceeds of bond sales to be used exclusively for acquiring school sites,

1. **Summary of Significant Accounting Policies**- contd.

B. Fund Accounting - contd.

constructing and equipping new school facilities, renovating existing facilities, and acquiring transportation equipment.

Tech Center Building Fund – The tech center building fund is used to account for financial resources restricted to the Technology Center's remodeling or repairing buildings and purchasing furniture and equipment.

Casualty/Insurance Funds – The insurance fund was established to account for revenues and expenditures for all types of insurance coverage and major reimbursements and reserves for property.

Proprietary Fund Types

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the District (internal service funds). Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The District reports the following non-major propriety fund:

Internal Service Fund – Worker's Compensation – The workers' compensation insurance fund is an internal service fund used to account for the accumulation, recording and disbursing of District contributions to the District's self-insured Workers' Compensation Account.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. When these assets are held under the terms of a formula trust agreement, either a private purpose trust fund or a permanent fund is used. The terms "permanent" and "private purpose" refer to whether or

1. **Summary of Significant Accounting Policies**- contd.
B. Fund Accounting - contd.

not the District is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operations.

The District reports the following non-major fiduciary funds:

Private Purpose Trust Funds – Gifts Fund – The gifts fund is a private-purpose trust fund to account for donations received for the benefit of specified individuals associated with the District. This fund was not active during the current fiscal year.

The District's fiduciary funds have been excluded from the government-wide financial statements.

Account Group

Account groups are not funds and consist of a self-balancing set of accounts used only to establish accounting control over long-term debt and fixed assets.

General Long-Term Debt Account Group - This account group was established to account for all long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal. It is also used to account for other liabilities (judgments and lease purchases), which are to be paid from funds provided in future years.

C. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. The economic resources measurement focus is not applicable to the agency fund and therefore they have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

1. **Summary of Significant Accounting Policies** - contd.

C. Basis of Accounting and Measurement Focus – contd.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and pension liabilities are recorded only when the payment is due.

Property taxes and interest and certain state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

D. Budget and Budgetary Accounting

A budget is legally adopted by the Board of Education for the general fund, building fund, debt service (sinking) fund, child nutrition fund, tech center, and tech center building fund that included revenues and expenditures. These budgets are prepared on a modified cash basis of accounting. Budgetary control is maintained by fund, function, and activity and budgeted expenditures may not exceed appropriations at the fund level. Amendments may be made to the budget without approval by the governing body at the function and activity levels. Fund level budgetary amendments require approval of the governing body.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable fund balance is utilized in all governmental funds of the District. Appropriations which are not spent lapse at the end of the fiscal year and encumbrances are reversed. On the first day of the following fiscal year, the encumbrances are reinstated and the expenditures are applied against the year's budget. At the beginning of the next year, prior year encumbrances are reviewed and some are reestablished. There were no material encumbrances which lapsed at June 30, 2022 and were reinstated during fiscal year 2023.

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

1. **Summary of Significant Accounting Policies**- contd.

E. Assets, Liabilities, Deferred Inflows/Outflows and Fund Balance/Net Position

Cash and Cash Equivalents and Investments – The District considers all cash on hand, demand deposits interest bearing checking accounts, and highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents. As of June 30, 2023, all of the District's investments were in money market accounts which meet the definition of cash equivalents. Investments, not meeting the definition of cash equivalents, are recorded at fair value.

Inventories – Inventories in the governmental funds are recorded as expenditures when purchased rather than when consumed. Inventories include fuel, maintenance supplies, instructional supplies, and food service supplies. Cost of donated federal surplus commodities is based on values established by the federal government at the time of donation.

Capital Assets – Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements.

The capitalization threshold is $5,000. All purchased capital assets are valued at cost when historical records exist and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their fair market value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Capital assets are depreciated using the straight-line method over the following useful lives:

Type of Asset	Years
Buildings and renovations	45
Furniture and accessories	5-20
Equipment and appliances	7-15
Computer software/hardware	5
Vehicles/buses	6

1. **Summary of Significant Accounting Policies**- contd.

E. Assets, Liabilities, Deferred Inflows/Outflows and Fund Balance/Net Position – contd.

Deferred Outflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s). It will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources for the year ended June 30, 2023 consist of unrecognized items not yet charged to pension expense and contributions from the District after the measurement date but before the end of the District's reporting period.

Deferred Inflows of Resources – In addition to liabilities, financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s). It will not be recognized as an inflow of resources (revenue) until then. The governmental fund balance sheet includes deferred inflows of resources related to unavailable revenue from property taxes, federal revenue, and local revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Deferred inflows of resources in the statement of net position for the year ended June 30, 2023 consist of succeeding year property tax receivables that will not be recognized until the year for which it is levied and budgeted for and the unamortized portion of the net difference between projected and actual earnings on pension plan investments and pension plan experience.

Compensated Absences – The District's policy allows employees to accumulate unused sick leave from year to year as long as employees remain continuously in the Midwest City-Del City School system. Maximum number of days that can be accumulated for purposes of sick leave cannot exceed one hundred twenty (120) days at the beginning of the school year. For the purposes of sick leave reimbursement upon retirement or resignation, the district pays for all sick leave accrued during employment not previously paid for by the Midwest City-Del City School District.

A twelve-month salaried employee is eligible for twelve (12) days paid vacation each year accrued at the rate of one (1) day per month. Twelve-month employees may carry over vacation days up to a maximum of twenty-four (24) days. Upon retirement or resignation, the District will reimburse an employee for accrued vacation at the employee's regular daily rate of pay.

1. **Summary of Significant Accounting Policies**- contd.

Assets, Liabilities, Deferred Inflows/Outflows and Fund Balance/Net Position – contd.

The liability for compensated absences attributable to the District's governmental funds is recorded in the government-wide financial statements. A liability for those amounts is recorded in governmental funds only if the liability has matured as a result of employee resignations or retirements.

Long-term Liabilities – In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-ling method which approximates the effective interest method. Bond issuance costs are expensed when incurred.

In the governmental fund financial statements, the face amount of debt is reported as other financing sources. Repayments of long-term debt are reported as expenditures. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

Net Position – The government-wide, proprietary fund, and fiduciary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets – This component of net position reports capital assets less both accumulated depreciation and the outstanding balance of debt (excluding unexpended proceeds) that is directly attributable to the acquisition, construction, or improvement of those assets. Any deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in the component of net position.

1. **Summary of Significant Accounting Policies**- contd.
   E. Assets, Liabilities, Deferred Inflows/Outflows and Fund Balance/Net Position – contd.

Restricted Net Position – This component of net position reports the difference between assets, deferred inflows/outflows of resources and liabilities of certain programs or funds that consist of assets with constraints placed on their use by either external parties and/or enabling legislation. Net position restricted by enabling legislation consists of $4,491,430 for debt service, $3,724,120 for child nutrition and $16,850,893 for buildings.

Unrestricted Net Position – Net position that does not meet the definition of net investment in capital assets or restricted are classified as unrestricted.

It is the District's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance – Governmental fund equity is classified as fund balance. Fund balance consists of five categories, defines as follows:

Nonspendable Fund Balance – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This would include items not expected to be converted to cash including inventories, long-term receivables, and prepaid amounts. It may also include long-term loans and receivables, as well as property acquired for resale and the corpus (principal) of a permanent fund.

Restricted Fund Balance – The restricted fund balance classification should be reported when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – The committed fund balance classification reflects specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the District's Board of Education). Such constraints can only be removed or changed by the same form of formal action. Funds set aside by the Board of Education as committed fund balance requires the approval of a resolution by a majority vote of the members of the Board of Education. Such approval must take place prior to the District's fiscal year-end in order for it to be applicable to that fiscal year. It is permitted for the specific amount of the commitment to be determined after the fiscal year-end if any additional information is

1. **Summary of Significant Accounting Policies**- contd.

E. *Assets, Liabilities, Deferred Inflows/Outflows and Fund Balance/Net Position – contd.*

Committed Fund Balance – contd.
required in order to determine the exact amount. The Board of Education has the authority to remove or change the commitment of funds with a resolution.

Assigned Fund Balance – The assigned fund balance classification reflects amounts that are constrained by the government's intent to be used for specific purposes but meet neither the restricted nor committed forms of constraint. Assigned funds cannot cause a deficit in unassigned fund balance. For the purposes of assigned fund balance, the District has given authority to the Superintendent and Deputy Superintendent of Fiscal Services to assign funds for specific purposes.

Unassigned Fund Balance – The unassigned fund balance classification is the residual classification for the General Fund only. It is also where negative residual amounts for all other governmental funds must be reported. Unassigned fund balance essentially consists of excess funds that have not been classified in the other four fund balance categories mentioned above.

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

F. Revenue and Expenditures

Local Revenues – Revenue from Local sources is the monies generated from within the boundaries of the District and available to the District for its use. The District is authorized by State law to levy property taxes, which consist of ad valorem taxes on real and personal property within the District. These property taxes are distributed to the District's General, Building and Debt Service Funds based on the levies approved for each fund. The County Assessor, upon receipt of the certification of tax levies from the County Excise Board, extends the tax levies on the tax 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 are due prior to January 1. The second half is due prior to April 1.

1. **Summary of Significant Accounting Policies**- contd.
   F. *Revenue and Expenditures – contd.*

Local Revenues – contd.
If the first payment is not made timely, the entire tax becomes due and payable on January 2. 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.

Uncollected taxes assessed on valuations made each year are recorded in the District's financial statements. The delinquent taxes which are not collected within 60 days of year-end are recorded in the financial statements as deferred inflows of resources. Uncollectible personal and real property taxes are deemed to be immaterial because the property can be sold for the amount of taxes due.

Other Local sources of revenues include tuition, fees, rentals, disposals, commissions and reimbursements. The District also enters into agreements each year between the Board of Education for the Midwest City-Del City Lewis Eubanks Technical Center and the Board of Trustees for the Rose State College Technical Area Education District. Under these agreements, the Mid-Del School District receives 50 percent of total collections for the fiscal year.

State Revenues - Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the Districts.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally such adjustments are treated as reductions or additions of revenue of the year when the adjustment is made. The District receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Education requires that categorical education program revenues be accounted for in the general fund. The aforementioned state revenues are apportioned to the District's General Fund.

1. **Summary of Significant Accounting Policies**- contd.

F. *Revenue and Expenditures*- contd.

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

Interest Earnings – Represent compensation for the use of financial sources over time.

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

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

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

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

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

1. **Summary of Significant Accounting Policies**- contd.

F. *Revenue and Expenditures*- contd.

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

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

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

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

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

Use of Estimates – The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. **Deposits**

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of failure of a counterparty, the District will not be able to recover its deposits. Deposits are exposed to credit risk if they are uninsured or uncollateralized. The District's policy requires that all deposits in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the deposits. As of June 30, 2023, all the District's deposits were federally insured by FDIC or collateralized.

2. **Deposits** – contd.

The District had cash deposits at financial institutions with a book balance of approximately \$61,861,829 at June 30, 2023. The bank balance of these deposits was approximately \$74,100,655. The difference between the bank balance and book balance are the outstanding checks and deposits.

<u>Custodial Credit Risk – Investments</u>
For an investment, custodial credit risk is the risk that the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the District, and are held by counterparty or the counterparty's trust department but not in the name of this District. The District's policy requires that all investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the investments. As of June 30, 2023, all of the District's investments were collateralized.

<u>Concentration of Credit Risk:</u>
The District's investment policies are governed by state statute. Permissible investments include:

a. Direct obligations of the United State Government to the payment of which the full faith and credit of the government is pledged.

b. Obligations to the payment of which the full faith and credit of the state is pledged.

c. Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as in the deposit of other public monies.

d. Savings accounts or savings certificates of saving and loan associations to the extent that such accounts or certificates are fully insured by the Federal Saving and Loan Insurance Corporation.

e. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 and 2 of this section including obligations of the United States, its agencies and instrumentalities, and where collateral has been deposited with a trustee of custodian bank in an irrevocable trust or escrow account established for such purposes.

2. **Deposits** – contd.

f. County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value.

g. Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities, and investments in those items listed above.

h. Warrants, bonds, or judgments of the school district.

i. Qualified pooled investment programs, the investments of which consist of those items specified above, as well as obligations of the United States agencies and instrumentalities, regardless of the size of the district's budget. To be qualified, a pooled investment program for the school funds must be governed through an Interlocal cooperative agreement formed pursuant to Title 70 Section 5-117b, and the program must competitively select its investment advisors and other professional. Any pooled investment program must be approved by the Board of Education.

The investments held at June 30, 2023 are as follows:

Type	Weighted Average Maturity (Months)	Market Value	Cost
Investments			
Money Market		$ 0	$ 0
Municipal tax-supported money judgments		0	0
Certificate of Deposit		800,000	800,000
Total investments		$ 800,000	$ 800,000

2. **Deposits** – contd.

The District places no limit on the amount it may invest in any one issuer. The District has the following of credit risk: 0% in Money Market funds, 0% in Municipal tax-supported money judgments and 100% in CDs ($800,000).

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. However, the District has no formal written policy addressing interest rate risk.

3. **Receivables**

Receivables at June 30, 2023, for the individual governmental and proprietary funds are as follows:

				Other Governmental Funds			
	General	Debt Service	Building	Child Nutrition	Tech Center	Tech Building	Internal Service
Receivables							
Ad valorem	$ 850,296	571,020	121,400				
Federal grants	2,871,824			44,977	114,962		
Local & intermediate	77,024				478,967	181,171	-
State dedicated revenue	185,153				126,289		
Total receivables	$ 3,984,297	571,020	121,400	44,977	720,218	181,171	-

The government-wide financial statements also include other receivables of approximately $4.4 million for amounts available to draw down on the capital lease (see Note 5).

4. Capital Assets

A summary of changes in capital assets for the year ended June 30, 2023 follows:

	Balance June 30, 2022	Additions	Transfers	Disposals	Balance June 30, 2023
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 16,552,576			(180,164)	16,372,412
Construction in progress	-	554,351			554,351
Total capital assets not being depreciated	16,552,576	554,351	-	(180,164)	16,926,763
Capital assets being depreciated:					
Buildings and renovations	325,055,402	99,340		(6,117,791)	319,036,951
Furniture and assessories	529,410				529,410
Equipment and appliances	17,492,502	1,503,520		(198,012)	18,798,010
Computer software/hardware	8,544,936	198,308			8,743,244
Vehicles/buses	12,969,966	539,384			13,509,350
Total capital assets being depreciated	364,592,216	2,340,552	-	(6,315,803)	360,616,965
Less: accumulated depreciation	147,893,536	8,410,999		(3,537,303)	152,767,232
Total capital assets being depreciated, net	216,698,680	(6,070,447)	-	(2,778,500)	207,849,733
Total Capital assets, net	$ 233,251,256	(5,516,096)	-	(2,958,664)	224,776,496

Depreciation expense on the government-wide statement of activities includes $7,417,856 in expense under instruction and $993,143 in expense under support services.

5. General Long-Term Debt

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years from the date of issue. General long-term debt of the District consists of bond payable, and obligations for compensated absences. Debt service requirements for bonds are payable solely from fund balance and future revenues of the debt service fund.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023	Due within one year
Bonds payable	$ 44,070,000	21,780,000	18,975,000	46,875,000	2,950,000
Premium on bonds	5,299,584	682,166	1,498,661	4,483,089	1,498,661
Leases payable	56,160,000		13,115,000	43,045,000	8,565,000
Compensated absences	2,313,611	123,981		2,437,592	
Net pension liability	79,290,697	38,910,441		118,201,138	
Total	$ 187,133,892	61,496,588	33,588,661	215,041,819	13,013,661

A brief description of the outstanding general obligation bond issues at June 30, 2023, is set forth below:

	Amount outstanding
Building Bonds, Series 2019A, original issue $10,400,000, interest rate of 3.0%, due in annual installments of $2,600,000 beginning on 1-1-21;	$ 2,600,000
Combined Purpose Bonds, Series 2019A, original issue $10,460,000, interest rate of 2.0%, due in annual installments of $2,615,000 beginning on 7-1-21;	2,615,000
General Obligation Bonds, Series 2019B, original issue $1,800,000, interest rate of 2.25%, due in annual installments of $450,000 beginning on 7-1-21;	$ 450,000

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

	Amount outstanding
Combined Purpose Bonds, Series 2020, original issue $10,860,000, interest rate of 1.00-1.75%, due in annual installments of $2,715,000 beginning on 7-1-22;	$ 5,430,000
General Obligation Bonds, Series 2020A, original issue $1,720,000, interest rate of 1.2%, due in annual installments of $430,000 beginning on 7-1-22;	860,000
General Obligation Bonds, Series 2020B, original issue $1,400,000, interest rate of 0.75%, due in annual installments of $350,000 beginning on 9-1-21;	1,050,000
General Obligation Bonds, Series 2021, original issue $1,500,000, interest rate of 0.7-2.0%, due in annual installments of $375,000 beginning on 7-1-23;	1,125,000
Combined Purpose Bonds, Series 2021, original issue $14,620,000, interest rate of 1.0-2.0%, due in annual installments of $3,655,000 beginning on 7-1-23;	10,965,000
General Obligation Bonds, Series 2022, original issue $1,905,000, interest rate of 3.375%, due in one installment of $375,000 on 7-1-24;	1,905,000
Combined Purpose Bonds, Series 2022, original issue $19,875,000, interest rate of 4.0%, due in an initial installment of $3,540,000 on 7-1-24, annual installments thereafter of $5,445,000 beginning on 7-1-25;	19,875,000
Totals	$ 46,875,000

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

The annual debt service requirements for the retirement of bond principal, and payment of interest are as follows:

Year ending June 30	Principal	Interest	Total
2024	$ 2,950,000	207,327	3,157,327
2025	16,035,000	2,304,486	18,339,486
2026	12,970,000	679,140	13,649,140
2027	9,475,000	365,219	9,840,219
2028	5,445,000	108,900	5,553,900
Total	$ 46,875,000	3,665,072	50,540,072

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

Compensated Absences:

Compensating absences represent the estimated liability for employees accrued vacation and sick leave for which employees are entitled to be paid upon termination or resignation. The liability at June 30, 2023 totaled $2,437,592 and is recorded as long-term debt of the District in the government-wide financial statements. The retirement of this liability is liquidated by the general fund or special revenue funds based on the assignment of the employee at termination or resignation. Below is the liquidation by fund:

General Fund	$ 2,034,916
Tech Center	282,822
Child Nutrition	119,854
Total	$ 2,437,592

Capital Leases:

In February 2019, the school district entered into a Ground Lease Agreement with the Oklahoma County Finance Authority (the "Authority") under which the district is leasing certain land upon which the Authority will construct improvements from the proceeds of $77,060,000 in revenue bonds sold for that purpose. Improvements are to be constructed for so long as there are obligations outstanding, which are secured by the Ground Lease Agreement. The improvements to be constructed by the Authority consist of stadium renovations to Carl Albert Harris, Del City Kalsu, and Midwest City Darnell Stadiums, improvements to Kerr Middle School, Carl Albert Middle School, Monroney Middle School and Schwartz Elementary, Del City and Midwest City High School Performing Arts Centers renovations and various reoccurring District-wide projects. These facilities will be leased by the Authority to the school district pursuant to a sublease agreement enter into as of February 1, 2018. The sublease agreement between the Authority and the Mid-Del School District enables the district to lease back the property leased in the ground lease, and utilized the proceeds of the revenue bonds (issued by the Authority) for the construction and improvements on the property. The sublease agreement also provides a mechanism for the district to obtain title to the improvements free and clear of security interest. The District intends to finance the sublease agreements lease payments through a periodic issuance of Building Bonds which were authorized and approved by school district voters at an election held on October 10, 2017. These bonds are scheduled to be issued on dates, and in amounts, which coincide with sublease rental payments.

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

Capital Leases:

The trustee bank holds the cash and makes payments after authorization from the District. Amounts held by the trustee and available for draw down at June 30, 2023 are recorded as a receivable in the government wide statements.

Under the agreements, the District transferred ownership for land and facilities covered by the ground lease to the Authority. Ownership will revert to the District upon payment of the lease purchase acquisition payments. Accordingly, the original cost of the assets is expensed if the item does not meet the District's capitalization criteria.

The present value of minimum sublease payments is recorded in the District's long-term debt. Lease payments are primarily payable from the capital projects fund.

The future minimum lease obligations and the net present value of these lease payments as of June 30, 2023, were as follows:

Year ending June 30	Amount
2024	$ 10,503,125
2025	10,255,250
2026	11,801,875
2027	15,318,625
Total minimum lease payments	47,878,875
Less amount representing interest	(4,833,875)
Present value of minimum lease payments	$ 43,045,000

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

Capital Leases – cont'd

Pursuant to the sublease agreement, the District is also required to make the following rental payments:

Year ending June 30	Rental Payments
2024	$ 3,000
2025	3,000
2026	3,000
Total	$ 9,000

6. **Operating Leases**

The District leases various business machines under operating lease agreements. The lease agreements are generally for one-year terms and subject to annual ratification. Management expects that in the normal course of business, leases that expire for the business machines will be renewed or replaced by other leases. The total rent expenditures were approximately $38,971 for the year ended June 30, 2023.

Minimum future lease commitments under leases payable are as follows:

June 30	Amount
2024	$ 93,083
2025	81,168
2026	81,168
2027	81,168
2028	54,112
Total	$ 390,699

7. Employee Retirement System

Oklahoma Teachers Retirement System

Plan Description:

The District participates in the OTRS, a cost-sharing multiple-employer public employee retirement system that is self-administered. OTRS provides retirement, disability, and death benefits to plan members and beneficiaries. Benefit provisions are established and may be amended by the legislature of the State of Oklahoma. Title 70 of the Oklahoma State Statues assigns the authority for management and operation of OTRS to the Board of Trustees of the System. OTRS issues a publicly available annual financial report that can be obtained at www.ok.gov/TRS.

Benefits Provided:

OTRS 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.

Benefit Provisions Include:

- Members who joined the system prior to November 1, 2017 are fully vested after 5 years of contributory Oklahoma membership service. Those who join on or after November 1, 2017 are fully vested after seven years of contributory Oklahoma membership service and may choose to take an early, reduced retirement benefit, or stay to qualify for a regular, unreduced retirement benefit. Member who joined OTRS on June 30, 1992 or prior are eligible to retire at maximum benefits when age and years of creditable service total 80. Members joining ORTS after June 30, 1992 are eligible for maximum benefits when their age and year of creditable service total 90. Members whose age and service do not equal the eligible limit may receive reduced benefits as early as age 55, and at the age 62 receive unreduced benefits based on their years of service. The maximum retirement benefit is equal to 2 percent of final compensation for year of credited service.

7. **Employee Retirement System** – cont'd

- Final compensation for members who joined OTRS prior to July 1, 1992 is defined as the average salary for the three highest years of compensation. Final compensation for members joining OTRS after June 30, 1992 is defined as the average of the five consecutive years of annual compensation in which contributions have been made. The final average compensation is limited for service credit accumulated prior to July 1, 1995 to $40,000 or $25,000, depending on the member's election. Monthly benefits are 1/12 of the amount. Service credits accumulated after June 30, 1995 are calculated based on each member's final average compensation, except for certain employees of the two comprehensive universities. Upon the death of a member who has not yet retired, the designated beneficiary shall receive the member's total contributions plus 100 percent of interest earned through the end of the fiscal year, with interest rates varying based on time of service. A surviving spouse of a qualified member was entitled to at the time of death as provided under the Joint Survivor Benefit Option.
- Upon the death of a retired member, OTRS will pay $5,000 to the designated beneficiary, in addition to the benefits provided for the retirement option selected by the member.
- A member is eligible for disability benefits after ten years of credited Oklahoma service. The disability benefit is equal to 2% of final average compensation for the applicable year of credited service.
- Upon separation from OTRS, members' contributions to a tax-sheltered annuity program up to the exclusion allowance provided under the IRC under Code Section 403(b).

Contributions:
The contribution requirements of OTRS are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 7 percent of their annual compensation. The District paid the employees' required contribution. The amount paid by the District for employees totaled approximately $4.7 million for the year ended June 30, 2023. The District's contribution rate is 9.5 percent for the year ended June 30, 2023. In addition, the District is required to match the State's contribution rate on salaries that are paid with federal funds. The District's contributions to OTRS in 2023 were $7.3 million, equal to the annual required contributions each year. The District's matching contributions to OTRS in 2023 were $0.5 million.

7. **Employee Retirement System** – cont'd

The State makes a contribution on behalf of each teacher meeting minimum salary requirements (known as the OTRS years of services credit). The credit amount is determined based on years of services and ranges from $60.15 per year for 0 years of service to $1,410.53 per year for 25 years or more of service. For the fiscal year ended June 30, 2023, the State paid approximately $606,000 on behalf of teachers employed at the District. In accordance with generally accepted accounting practices, the District recognized the on-behalf-of payments as revenue and expense/expenditure in the government wide and fund financial statements. These on behalf payments do not meet the definition of a special funding situation.

The State of Oklahoma is also required to contribute to the System on behalf of the participating employers. For 2023, the State of Oklahoma contributed 5 percent of state revenues from sales and use taxes and individual income taxes, to the System on behalf of participating employers. The District has estimated the amounts contributed to the System by the State of Oklahoma on its behalf based on a contribution rate provided to the District. For the year ended June 30, 2023, the total amount contributed to the System by the State of Oklahoma on behalf of the District was approximately $6.79 million. In accordance with generally accepted accounting practices, District recognized the on-behalf-of payments as revenue and expense/expenditure in the government fund financial statements. These on-behalf payments do not meet the definition of a special funding situation.

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

At June 30, 2023, the District reported a liability of $118,201,138 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on the District's contributions to OTRS relative to total contributions of OTRS for all participating employees for the year ended June 30, 2022. Based upon this information, the District's proportion was 1.43983050 percent.

For the year ended June 30, 2023, the District recognized pension expense of $3.2 million. June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

7. **Employee Retirement System** – cont'd

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,786,620	(1,478,573)
Changes in Assumptions	7,975,232	
Net difference between projected and actual earnings on pension plan investments	11,252,770	
Changes in proportionate and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	7,813,965	-
Total	$30,828,587	(1,478,573)

Deferred pension outflows totaling $7.8 million resulting from the District's contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The net deferred pension inflows totaling approximately $1.5 million will be recognized in pension expense using the average expected remaining life of the Plan. The average expected remaining life of the Plan is determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the Plan are estimated at 5.27 years at June 30, 2022 and are determined using the mortality, termination, retirement and disability assumptions associated with the Plan.

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

Year ended June 30	Amount
2023	$ 7,164,201
2024	5,313,859
2025	(1,185,891)
2026	10,203,742
2027	40,139
Total	$ 21,536,050

7. **Employee Retirement System** – cont'd

Actuarial Assumptions:

The total pension liability was determined based on an actuarial valuation prepared as of June 30, 2022 using the following actuarial assumptions:

- Actuarial Cost Method—Entry Age Normal
- Amortization Method—Level Percentage of Payroll
- Amortization Period—Amortization over an open 20-year period
- Asset Valuation Method—5-year smooth market
- Inflation—2.25 percent
- Salary Increases—Composed of 2.25 percent inflation, plus .75 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service
- Investment Rate of Return—7.00 percent, net of expenses and compounded annually
- Retirement Age—Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five-year experience study for the period ending June 30, 2019.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study, dated July 15, 2020, for the period July 1, 2014-June 30, 2019 and in conjunction with the five-year-experience study for the period ending June 30, 2019.

Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are develop for each major asset class. The 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.

7. **Employee Retirement System** – cont'd

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2022, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	38.3%	4.9%
International Equity	16.7%	5.5%
Fixed Income	22.0%	1.3%
Real Estate *	10.0%	3.5%
Private Equity	8.0%	7.6%
Private Debt	5.0%	4.6%
Total	100.0%	

* - The Real Estate total expected return is a combination of US Direct Real Estate (unlevered) and US Value added Real Estate (unlevered)

Discount Rate:

The discount rate used to measure the total pension liability was 7.0 percent. The single discount rate was based solely on the expected investment rate of return on 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.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate:

The following table presents the net pension liability of the District calculated using the discount rate of 7.0 percent, as well as what the District's net pension liability would be if OTRS calculated the total pension liability using a discount rate that is 1-percentage point lower (6.0 percent) or 1-percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's net pension liability	$ 166,427,910	$ 118,201,138	$ 78,553,070

8. Sanctioned Organizations

The following entities are separately constituted and, accordingly, their financial position and results of operations have not been presented in the accompanying financial statements. The board of education does not appoint officers. The board of education is not responsible for approving budgets, contracts, key personnel, fiscal matters or day-to-day operations of the entity.

Barnes Elementary PTA	Jarman MS Band Parents Assoc.	Del City HS Homerun Club
Cleveland Bailey PTSA	Jarman MS Cheerleaders	DC Tip-In-Club
Country Estates Elem. PTA	Jarman MS PTSA	Del City HS Quarterback Club
Del City Elementary PTA	Kerr MS Band Parent Association	Del City HS Midfielders Booster Club
East Side Elementary PTA	Kerr MS Cheer Booster Club	MCHS Boys Basketball Tip In Club
Epperly Heights Elem. PTA	Kerr MS PTSA	Del City HS Fastpitch
Highland Park Elementary PTA	Monroney MS Band Boosters	DCHS Swim Team Parents Assc.
Parkview Elementary PTA	Monroney MS Orchestra	DCHS Aires Patrons Organization
Pleasant Hill Elementary PTA	Monroney MS Cheer Booster Club	DCHS Orchestra Boosters
Ridgecrest Elementary PTA	Monroney MS PTA	Del City HS Volleyball Booster Club
Schwartz Elementary PTA	Carl Albert HS Band Boosters	Del City HS Take Down Club
Soldier Creek Elementary PTA	Carl Albert HS Homerun Club	MCHS Band Parents Association
Soldier Creek Natural Notes	Carl Albert HS Basketball Tip In Club	Midwest City HS Homerun Club
Parents Association	CAHS Cheerleader Parent Account	MCHS Girls BB Booster Club
Tinker Elementary PTA	Carl Albert HS Cross Country	Midwest City HS Boys Basketball
Townsend Elementary PTA	Carl Albert HS Quarterback Club	MCHS Cheer Parent Booster
Carl Albert MS Band Parents Club	Carl Albert HS Pom Pon Booster Club	Midwest City HS Quarterback Club
CAMS Cheer Parent Assoc.	Carl Albert HS PTSA	MCHS Bomber Golf Boosters
Carl Albert MS Pom	CAHS Titans Soccer Boosters	Midwest City HS Pom Pon Squad
Carl Albert MS PTSA	Carl Albert HS Softball Booster Club	MCHS Soccer Booster Club
Carl Albert MS Swim	Carl Albert HS Swim Club	Midwest City HS Swim Club
Carl Albert MS Vocal Music	CAHS Vocal Music Booster Club	MCHS Lady Bomber Softball Booster
Carl Albert MS Mat Club	Carl Albert HS Sideout Booster Club	Midwest City HS Volleyball
Del Crest MS Bank Boosters	Carl Albert Orchestra Booster	MCHS Chorus Booster Club
Del Crest MS Orchestra	Carl Albert HS Track	Midwest City HS Bomber Mat Club
Del Crest MS Choral Booster	Carl Albert HS Takedown Club	Mid-Del Orchestra
Del Crest MS PTA	Del City HS Band Boosters	Mid-Del PTA Council

9. **Risk Management**

The District administered a self-insurance workers' compensation fund for District employees until June 30, 2018. Currently, the District is now insured through Oklahoma Schools Assurance Group (OSAG). The self-insurance program was administered by an independent third-party and covers workers' compensation expenses for employees. In order to mitigate the risk associated with this program, the District has purchased individual "stop loss" insurance of $1,000,000. The District made payments to the internal service fund based on estimates of the amounts needed to pay prior and current year claims. As of the end of the fiscal year, it was determined that the liability for incurred claims approximately $145,933. Changes in the claims liability were as follows:

Fiscal Year	Beginning Balance	Claims Incurred	Claims Paid	Ending Balance
2022-2023	242,610	0	(96,677)	145,933

The District purchases commercial insurance for all other types of risk including, but not limited to, property, casualty, vehicles, and employee life. Settlements have not exceeded insurance coverage for each of the past three fiscal years.

The full amount of the claims liability at June 30, 2023 is expected to be paid during fiscal year 2024.

10. **Surety Bonds**

The District has a Position Schedule Bond with Travelers Casualty and Surety Company of America Bond #106118502, for the period of July 1, 2022 to June 30, 2023, covering the following positions/amounts:

Superintendent	$ 100,000	Director of Accounting	$ 25,000
Treasurer	350,000	Child Nutrition Director	25,000
Assistant Treasurer	350,000	Accounts Payable Clerk	25,000
Encumbrance Clerk	100,000	Child Nutrition Clerk	25,000
Payroll Clerk	100,000	Activity Clerk	25,000
Treasurer's Clerk	100,000	Deputy Minutes Clerk	25,000
Minutes Clerk	25,000		

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

11. **New/Adopted Pronouncements**

The GASB has issued several new accounting pronouncements, which will be effective to the District in both the reported and subsequent years. A description of the new accounting pronouncements applicable to the District, the fiscal year in which they are effective, and the District's consideration of the impact of these pronouncements are described below:

Adopted: Fiscal Year Ended June 30, 2023

GASB, Statement No. 91, *Conduit Debt Obligations, issued May 2019.* The object of Statement No. 91 is to establish a single method of reporting conduit debt obligations by issuers to eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for periods beginning after December 15, 2020 as originally established, however GASB Statement No. 95 allowed governments to postpone implementation for one year. The District does not have conduit debt obligations for the fiscal year ending June 30, 2023. Should management decision obligate the district to conduit debt in the future, the District will evaluate the impact and report the debt accurately according to the Statement.

GASB, Statement No. 96, *Subscription-Based Information Technology Arrangements, issued May 2020.* The object of Statement No. 96 is to provide guidance for accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. The requirements of this Statement are effective for periods beginning after June 15, 2021. The District does not currently have SBITAs for the fiscal year ending June 30, 2023.

GASB, Statement No. 99, *Omnibus 2022, issued April 2022*. The object of Statement No. 96 is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements of this Statement are effective immediately upon issuance for periods beginning after June 15, 2022 and June 15, 2023, depending on the topical area. The District has considered the requirements of this statement in the 2023 fiscal year.

11. New/Adopted Pronouncements – cont'd

New Accounting Pronouncements Issued Not Yet Adopted:

GASB issued Statement No. 100, Accounting Changes and Error Corrections, issued June 2022. This Statement provides guidance on the accounting and financial reporting requirements for accounting changes and error corrections. The requirements of this Statement are effective for periods beginning after June 15, 2023. The Center is currently evaluating the impact that these new standards may have on its financial statements.

GASB issued Statement No. 101, Compensated Absences, issued June 2022. This Statement updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for periods beginning after December 15, 2023. The Center is currently evaluating the impact that these new standards may have on its financial statements.

12. **Subsequent Events**

Management has evaluated subsequent events through the date of the audit report, which is the date the financial statements were available to be issued and have determined that no additional information needs to be added to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023
LAST 10 YEARS *

					As of June 30,				
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	1.44%	1.55%	1.67%	1.66%	1.66%	1.75%	1.65%	1.66%	1.65%
Proportionate share of the net pension liability	$118,201,138	$ 79,290,697	$158,626,216	$109,967,540	$100,183,700	$115,630,011	$137,373,683	$100,913,059	$ 88,880,852
Covered payroll	$ 76,167,770	$ 75,133,999	$ 74,862,779	$ 79,291,499	$ 76,626,141	$ 64,032,397	$ 66,932,668	$ 66,929,860	$ 65,939,633
Proportionate share of the net pension liability as percentage of covered-employee payroll	155.19%	105.53%	211.89%	138.69%	130.74%	180.58%	205.24%	150.77%	134.79%
Plan's fiduciary net position	$ 88,851,124	$ 98,834,732	$115,008,081	$ 98,095,686	$ 96,697,773	$108,410,195	$100,706,830	$110,226,600	$101,021,665
Plan fiduciary net position as a percentage of the total pension liability	75.17%	124.65%	72.50%	89.20%	96.52%	93.76%	73.31%	109.23%	113.66%

Notes to schedule:

* GASB Statement No. 68 requires ten years of information to be presented in this table. The information for all periods for the 10-year schedules that are required to be presented as required supplementary information is not available. During this transition period, the information will be presented for as many years as are available.

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contributions Deficiency (Excess)	District's Covered-Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2023	$ 7,813,965	7,813,965	-	76,167,770	10.26%
2022	7,814,149	7,814,149	-	75,133,999	10.40%
2021	7,747,150	7,747,150	-	74,862,779	10.35%
2020	8,131,088	8,131,088	-	79,291,499	10.25%
2019	7,892,184	7,892,184	-	76,626,141	10.30%
2018	6,777,253	6,777,253	-	65,819,885	10.30%
2017	6,648,486	6,648,486	-	64,032,397	10.38%
2016	6,993,055	6,993,055	-	66,932,668	10.45%
2015	6,934,426	6,934,426	-	66,929,860	10.36%
2014	6,840,819	6,840,819	-	65,939,633	10.37%

Notes to Required Supplementary Information:

The Districts' statutorily required contribution rate has changed over the prior 10 years as follows:

January 1, 2010 to present	9.50%

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	(budgetary basis)	(final budget)
Revenues:				
Property tax	$ 21,881,833	22,460,450	22,756,460	(296,010)
Interest	70,000	500,000	1,230,781	(730,781)
County	4,500,000	4,500,000	4,713,529	(213,529)
State	58,898,076	60,111,405	61,097,648	(986,243)
Federal	17,009,857	23,207,949	23,222,514	(14,565)
Local	410,444	410,445	550,592	(140,147)
Total revenues	102,770,210	111,190,249	113,571,524	(2,381,275)
Expenditures:				
Instruction	64,291,406	64,757,619	62,369,889	2,387,730
Support services	44,935,866	49,085,091	46,181,222	2,903,869
Non-instructional services	225,000	286,065	239,813	46,252
Other outlays	200,714	1,551,329	188,248	1,363,081
Contingencies	1,586,156			-
Total expenditures	111,239,142	115,680,104	108,979,172	6,700,932
Excess (deficiency) of revenues over (under) expenditures	(8,468,932)	(4,489,855)	4,592,352	(9,082,207)
Other financing sources (uses):				
Non-revenue receipts	188,027	188,027	3,686	184,341
Total other financing sources	188,027	188,027	3,685	184,341
Net change in fund balance	(8,280,905)	(4,301,828)	4,596,037	(8,897,866)
Fund balance, beginning of year	14,479,297	14,864,326	14,864,326	-
Cash fund balance, end of year *budgetary basis*	$ 6,198,392	10,562,498	19,460,363	(8,897,866)
Adjustments to conform with GAAP				
Inventory			277,214	
Receivables at year end less unavailable revenues			3,265,904	
Accounts payable at year end			(287,252)	
Fund balance, end of year - *modified accrual basis*			$ 22,716,229	

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUILDING FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	(budgetary basis)	(final budget)
Revenues:				
Property tax	$ 3,155,535	3,959,074	3,249,000	710,074
State	150,000	150,000	716,124	(566,124)
Federal	350,000	350,000	520,509	(170,509)
Local			767,050	(767,050)
Total revenues	3,655,535	4,459,074	5,252,683	(793,609)
Expenditures:				
Instruction	290,000	40,976		40,976
Support services	4,630,277	5,346,801	3,818,430	1,528,371
Capital outlays	119,723	152,223	126,758	25,465
Total expenditures	5,040,000	5,540,000	3,945,188	1,594,812
Net change in fund balance	(1,384,465)	(1,080,926)	1,307,495	2,388,421
Fund balance, beginning of year	4,531,985	5,094,748	5,094,852	(104)
Cash fund balance, end of year *budgetary basis*	$ 3,147,520	4,013,822	6,402,347	2,388,317
Adjustments to conform with GAAP				
Inventory			222,902	
Receivables at year end less unavailable revenues			18,832	
Accounts payable at year end			(264,615)	
Fund balance, end of year - *modified accrual basis*			$ 6,379,466	

This page intentionally left blank

OTHER SUPPLEMENTARY INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds		
	Child Nutrition Fund	Building Fund	Tech Center Building Fund
Assets			
Cash and cash equivalents	$ 3,698,023	6,402,347	10,291,725
Property taxes receivable		121,400	
Receivables net of allowance for uncollectibles	44,978		181,171
Inventories	204,979	222,902	
Total assets	3,947,980	6,746,649	10,472,896
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	15,525	264,615	104,037
Accrued wages	208,335		
Total liabilities	223,860	264,615	104,037
Deferred Inflows of Resources			
Unavailable revenue - property taxes		102,568	
Total deferred inflows of resources	-	102,568	-
Fund Balances			
Nonspendable:			
Inventory	204,979	222,902	
Restricted fund balances:			
Buildings		6,156,564	10,368,859
Custodial funds			
Child nutrition	3,519,141		
Assigned			
Total fund balances	3,724,120	6,379,466	10,368,859
Total liabilities, deferred inflows of resources, and fund balances	$ 3,947,980	6,746,649	10,472,896

See Notes to Basic Financial Statements

Custodial Funds	Casualty/ Insurance Fund	Total Other Governmental Funds
2,506,118	1,359,019	24,257,232
		121,400
		226,149
		427,881
2,506,118	1,359,019	25,032,662
31,719		415,896
		208,335
31,719	-	624,231
		102,568
-	-	102,568
		427,881
		16,525,423
2,474,399		2,474,399
		3,519,141
	1,359,019	1,359,019
2,474,399	1,359,019	24,305,863
2,506,118	1,359,019	25,032,662

INDEPENENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
JUNE 30, 2023

	Special Revenue Funds		
	Child Nutrition Fund	Building Fund	Tech Center Building Fund
Revenues:			
Property taxes		3,245,092	
Interest	$ 152,013		
State	397,981	716,124	
Federal	4,554,844	520,509	
Local	868,814	767,050	2,186,361
Other	2,975		
Total revenues	5,976,627	5,248,775	2,186,361
Expenditures:			
Instruction			
Support services		3,975,545	5,000
Non-instruction services	5,386,226	137,258	
Capital outlays			749,727
Other outlays	2,975		
Total expenditures	5,389,201	4,112,803	754,727
Net change in fund balances	587,426	1,135,972	1,431,634
Fund balance, beginning of year	3,136,694	5,243,494	8,937,225
Fund balance, end of year	$ 3,724,120	6,379,466	10,368,859

See Notes to Basic Financial Statements

Custodial Funds	Casualty/ Insurance Fund	Total Other Governmental Funds
		3,245,092
28,818		180,831
		1,114,105
271,818		5,347,171
3,263,917	271,212	7,357,354
1,073,316		1,076,291
4,637,869	271,212	18,320,844
882,280		882,280
1,457,644	109,134	5,547,323
675,551		6,199,035
		749,727
1,320,475		1,323,450
4,335,950	109,134	14,701,815
301,919	162,078	3,619,029
2,172,480	1,196,941	20,686,834
2,474,399	1,359,019	24,305,863

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	(budgetary basis)	(final budget)
Revenues:				
Property tax	$ 16,605,619	16,605,619	15,357,830	1,247,789
Interest			14,322	(14,322)
State			3,720	(3,720)
Total revenues	16,605,619	16,605,619	15,375,872	1,229,747
Expenditures:				
Other outlays	10,000	10,000		10,000
Debt service	19,990,000	19,990,000	19,919,150	70,850
Total expenditures	20,000,000	20,000,000	19,919,150	80,850
Excess (deficiency) of revenues over (under) expenditures	(3,394,381)	(3,394,381)	(4,543,278)	1,148,897
Other financing sources, bond premium			682,166	(682,166)
Net change in fund balance	(3,394,381)	(3,394,381)	(3,861,112)	466,731
Fund balance, beginning of year	8,408,238	8,320,736	8,320,736	-
Cash fund balance, end of year *budgetary basis*	$ 5,013,857	4,926,355	4,459,624	466,731
Adjustments to conform with GAAP				
Receivables at year end less unavailable revenues			88,589	
Fund balance, end of year - *modified accrual basis*			$ 4,548,213	

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - CHILD NUTRITION FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	(budgetary basis)	(final budget)
Revenues:				
Interest	$ 5,500	50,000	152,013	(102,013)
State	443,374	453,642	397,981	55,661
Federal	3,654,843	3,889,336	4,558,334	(668,998)
Local	1,000,208	1,002,822	868,814	134,008
Total revenues	5,103,925	5,395,800	5,977,142	(581,342)
Expenditures:				
Non-instructional services	6,574,484	6,584,484	5,495,158	1,089,326
Other outlays	13,875	3,875	2,975	900
Total expenditures	6,588,359	6,588,359	5,498,133	1,090,226
Excess (deficiency) of revenues over (under) expenditures	(1,484,434)	(1,192,559)	479,009	(1,671,568)
Other financing sources (uses):				
Cash or change	3,065	3,065	2,975	90
Total other financing sources	3,065	3,065	2,975	90
Net change in fund balance	(1,481,369)	(1,189,494)	481,984	(1,671,478)
Fund balance, beginning of year	2,751,060	3,007,704	3,007,704	-
Cash fund balance, end of year *budgetary basis*	$ 1,269,691	1,818,210	3,489,688	(1,671,478)
Adjustments to conform with GAAP				
Inventory			204,979	
Receivables at year end			44,978	
Accounts payable at year end			(15,525)	
Fund balance, end of year - *modified accrual basis*			$ 3,724,120	

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - TECH CENTER
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	(budgetary basis)	(final budget)
Revenues:				
Interest	$ 15,000	150,000	401,610	(251,610)
State	1,857,978	1,801,093	1,785,665	15,428
Federal	352,900	660,867	409,186	251,681
Local	5,519,830	5,519,967	5,265,593	254,374
Other			30	(30)
Total revenues	7,745,708	8,131,927	7,862,084	269,843
Expenditures:				
Instruction	5,308,352	5,007,000	2,975,969	2,031,031
Support services	3,908,906	5,080,053	4,543,663	536,390
Other outlays	47,762	14,082	30	14,052
Contingency	656,815	120,698		120,698
Total expenditures	9,921,835	10,221,833	7,519,662	2,702,171
Net change in fund balance	(2,176,127)	(2,089,906)	342,422	(2,432,328)
Fund balance, beginning of year	8,655,928	8,699,467	8,699,467	-
Cash fund balance, end of year *budgetary basis*	$ 6,479,801	6,609,561	9,041,889	(2,432,328)
Adjustments to conform with GAAP				
Receivables at year end			720,218	
Accounts payable at year end			(183,840)	
Fund balance, end of year - *modified accrual basis*			$ 9,578,267	

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - TECH CENTER BUILDING FUND
YEAR ENDED JUNE 30, 2023

	Budgeted Amounts		Actual	Variance
	Original	Final	(budgetary basis)	(final budget)
Revenues:				
Local	$ 1,763,653	1,763,653	2,005,190	(241,537)
Total revenues	1,763,653	1,763,653	2,005,190	(241,537)
Expenditures:				
Instruction		85,000		85,000
Support services	300,000	432,028	5,000	427,028
Capital outlays	1,700,000	1,566,997	645,690	921,307
Total expenditures	2,000,000	2,084,025	650,690	1,433,335
Net change in fund balance	(236,347)	(320,372)	1,354,500	(1,674,872)
Fund balance, beginning of year	8,858,039	8,937,225	8,937,225	-
Cash fund balance, end of year *budgetary basis*	$ 8,621,692	8,616,853	10,291,725	(1,674,872)
Adjustments to conform with GAAP				
Receivables at year end			181,171	
Accounts payable at year end			(104,037)	
Fund balance, end of year - *modified accrual basis*			$ 10,368,859	

COMPLIANCE SECTION

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/Program Title	Federal Award Listing Number	Pass-through Grantor's Project Number	Program or Award Amount	Beginning Balance 7/1/2022	Revenue Collected	Total Expenditures	Ending Balance 6/30/2023
U.S. Department of Education							
Direct Programs:							
Title VII Impact Aid							
Title VII Impact Aid-GF	84.041	592	$ 45,381	40,209	45,381	10,251	75,339
Title VII Impact Aid-BF	84.041	591	520,509		520,509	93,600	426,909
Subtotal - Title VII Impact Aid Program			565,890	40,209	565,890	103,851	502,248
Title VI-Part A, Indian Education	84.060	561	230,855		185,396	230,855	(45,459)
Title VI-Part A, Indian Education 2021-22	84.060	799		(56,714)	56,714		
Pell Grant	84.063	474	271,818		271,764	271,764	
Subtotal - Direct Programs			1,068,563	(16,505)	1,079,764	606,470	456,789
Passed Through State Department of Education:							
Title I Cluster:							
Title I-Part A, Improving Basic Programs	84.010	511	4,721,065		3,717,930	4,611,731	(893,801)
Title I-Part A, Improving Basic Programs 2021-22	84.010	799		(1,009,581)	1,009,581		
Title I-School Improvement	84.010	515	592,605		476,192	540,959	(64,767)
Title I-School Improvement 2021-22	84.010	799		(108,843)	108,843		
Title I-Part A, Neglected	84.010	518	102,525		91,789	101,537	(9,748)
Title I-Part A, Neglected 2021-22	84.010	799		(6,289)	6,289		
Subtotal - Title I Program (Cluster)			5,416,195	(1,124,713)	5,410,624	5,254,227	(968,316)
* Title II Cluster:							
Title II-Part A, Teacher & Principal Training	84.367	541	902,925		653,129	804,678	(151,549)
Title II-Part A 2021-22	84.367	799		(91,377)	91,377		
Title IV-SSAE Grant	84.424A	552	275,267		275,267	275,267	
Subtotal - Title II Program (Cluster)			1,178,192	(91,377)	1,019,773	1,079,945	(151,549)
Title III-Part A, ELA	84.365	572	55,549		53,517	53,517	
Title III-Part A, ELA 2021-22	84.365	799		(4,762)	4,762		
Title IX-Part A, Homeless	84.196	596	55,497		27,198	37,397	(10,199)
Title IX-Part A, Homeless 2021-22	84.196	799		(9,833)	9,833		
CDC Covid Prevention Grant	93.323	723	500,000		491,157	500,000	(8,843)
* Education Stabilization Funds (Covid19)							
Counselor Grant (Covid19)	84.425U	722	70,256		27,847	58,280	(30,433)
Counselor Grant (Covid19) 2021-22	84.425U	799		(8,587)	8,587		
ARP/ESSER III Student Teacher Stipends (Covid19)	84.425U	725	20,988		19,239	19,123	116
ARP/ESSER III Student Teacher Stipends (Covid19) 2021-22	84.425U	799		(1,749)	1,749		
ARP/ESSER Science of Reading (Covid19)	84.425U	726	2,584		2,584	2,572	12
ESSERF (Covid19)	84.425D	788	$ 1,559		1,487	1,487	
ESSERF (Covid19) 2021-22	84.425D	799		(450)	450		

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/Program Title	Federal Award Listing Number	Pass-through Grantor's Project Number	Program or Award Amount	Beginning Balance 7/1/2022	Revenue Collected	Total Expenditures	Ending Balance 6/30/2023
ESSER II Formula Funding (Covid19)	84.425D	793	$ 956,784		879,909	956,729	(76,820)
ESSER II Formula Funding (Covid19) 2021-22	84.425D	799		(680,307)	680,307		
ARP/ESSER III (Covid19)	84.425U	795	15,915,668		7,296,533	8,497,242	(1,200,709)
ARP/ESSER III (Covid19) 2021-22	84.425U	799		(3,547,527)	3,547,527		
ARP/ESSER III Homeless I (Covid19)	84.425U	796	85,391		21,686	23,544	(1,858)
ARP/ESSER III Homeless I (Covid19) 2021-22	84.425U	799		(280)	280		
ARP/ESSER III Homeless II (Covid19)	84.425U	797	107,261		62,997	68,813	(5,816)
HEERF II (Covid19) CF	84.425F	799		(36,503)	36,503		
ARP HEERF III (Covid19) - CF	84.425T	417	338,131		46,465	46,465	
ARP HEERF III (Covid19) - CF	84.425T	799		(70,456)	70,456		
Subtotal - Education Stabilization Funds (Covid19)			17,498,622	(4,345,859)	12,704,606	9,674,255	(1,315,508)
* Special Education Cluster:							
IDEA-B Discretionary	84.027	613	2,155		1,675	1,675	
IDEA-B Discretionary	84.027	615	16,864		16,809	16,809	
IDEA-B Discretionary 2021-22	84.027	799		(1,734)	1,734		
IDEA-B Discretionary - Certification	84.027	616	625		312	625	(313)
IDEA-B Flowthrough	84.027	621	4,160,242		1,989,512	1,999,484	(9,972)
IDEA-B Flowthrough 2021-22	84.027	799		(468,728)	468,728		
IDEA-B Flowthrough, Private Schools	84.027	625	89,986		53,362	53,362	
IDEA-B Flowthrough, Private Schools	84.027	799		(794)	794		
ARP/IDEA-B Flowthrough	84.027X	628	565,199		94,040	389,164	(295,124)
ARP/IDEA-B Flowthrough	84.027X	799		(114,820)	114,820		
IDEA-B Preschool	84.173	641	83,697		49,667	66,249	(16,582)
IDEA-B Preschool 2021-22	84.173	799		(15,840)	15,840		
Subtotal - Special Education Program (Cluster)			4,918,768	(601,916)	2,807,293	2,527,368	(321,991)
Subtotal - Passed Through State Dept of Education			29,622,823	(6,178,460)	22,528,763	19,126,709	(2,776,406)
Passed Through State Department of Career and Technology Education:							
Carl Perkins Cluster:							
Carl Perkins Grant - GF	84.048	421	154,180		93,213	118,427	(25,214)
Carl Perkins Grant - GF	84.048	799		(110,052)	110,052		
Carl Perkins Grant - Tech	84.048	421	143,567		92,465	143,285	(50,820)
Carl Perkins Grant - Tech	84.048	799		(41,160)	41,160		
Tech Centers That Work	84.048	429	20,000			6,353	(6,353)
Subtotal - Carl Perkins Programs (Cluster)			$ 317,747	(151,212)	336,890	268,065	(82,387)
U.S. Department of Agriculture:							
Passed Through State Department of Education:							
P-EBT Program	10.649	760			5,950	5,950	

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/Program Title	Federal Award Listing Number	Pass-through Grantor's Project Number	Program or Award Amount	Beginning Balance 7/1/2022	Revenue Collected	Total Expenditures	Ending Balance 6/30/2023
Child Nutrition Cluster:							
Cash Assistance:							
Commodity Credit Corp	10.555	759			329,203	329,203	
National School Lunch Program	10.555	763		2,661,397	3,296,000	2,739,278	3,218,119
School Breakfast Program	10.553	764		274,701	926,971	1,168,101	33,571
Summer Food Program	10.559	766		71,605	211	22,478	49,338
Cash Assistance Subtotal				3,007,703	4,552,385	4,259,060	3,301,028
Passed Through State Department of Human Services:							
Non-cash Assistance (Commodities)	10.555	N/A			511,822	511,822	
Subtotal - Child Nutrition Program (Cluster)				3,007,703	5,064,207	4,770,882	3,301,028
U.S. Department of Defense:							
Direct Programs:							
JROTC Program:							
JROTC - Air Force	12.401	774	$ 84,524		89,845	89,845	
JROTC - Air Force	12.401	799		(3,565)	3,565		
JROTC - Air Force	12.401	775	80,030		71,335	93,404	(22,069)
JROTC - Air Force	12.401	799		(22,444)	22,444		
Subtotal - U.S. Dept. of Defense			164,554	(26,009)	187,189	183,249	(22,069)
Other Federal Assistance:							
Johnson O'Malley	15.130	563	64,620	50,100	25,286	18,101	57,285
FEMA	97.xxx	799		(140,000)	140,000		
Temporary Assistance for Needy Families	93.558	452	173,000		49,524	107,312	(57,788)
Temporary Assistance for Needy Families 2021-22	93.558	799		(70,403)	70,403		
OJT-Rehabilitation Services	84.126	456	4,742		3,944	4,742	(798)
Subtotal - Other Federal Assistance			242,362	(160,303)	289,157	130,155	(1,301)
Total Federal Assistance			$ 31,416,049	(3,524,786)	29,491,920	25,091,480	875,654

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

1. General

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

2. Basis of Accounting

The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Expenditures are reported on the regulatory basis of accounting, as prescribed by the Oklahoma State Department of Education, which is considered an other comprehensive basis of accounting. Therefore, some material presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The District has also elected to not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

3. Non-cash Federal Awards

The District receives food commodities from the U.S. Department of Agriculture for use in its foodservice program. The commodities, in the amount of $511,822 are recognized as revenue when received and are reported at fair market value.

4. Prior Year Reimbursements

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

This page intentionally left blank

JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

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

The Honorable Board of Education
Midwest City-Del City School District
Midwest City, OK 73110

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Midwest City-Del City School District No. I-52, Midwest City, Oklahoma, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 3, 2024. This report was unqualified with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States.

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. However, there was one (1) immaterial observation included in a separate letter to management.

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

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

January 3, 2024

JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

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

The Honorable Board of Education
Midwest City-Del City School District No. I-52
Midwest City, Oklahoma 73110

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program
We have audited the Midwest City-Del City School District No. I-52, Midwest City, Oklahoma's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Midwest City-Del City School District No. I-52, Midwest City, Oklahoma complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

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

We are required to be independent of Midwest City-Del City School District No. I-52, Midwest City, Oklahoma and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

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

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

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

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

January 3, 2024

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JULY 1, 2022 TO JUNE 30, 2023

Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements in conformity with generally accepted accounting principles.

2. No significant deficiencies relating to the audit of the financial statements are reported in the Schedule of Findings and Questioned Costs.

3. No instances of noncompliance material to the financial statements of the District were reported during the audit.

4. No significant deficiencies relating to the audit of the major federal award programs are reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Uniform Guidance"

5. An unqualified opinion report was issued on the compliance of major federal award programs.

6. The audit disclosed no audit findings and questioned costs, which are required to be reported under OMB Uniform Guidance.

7. Identification of Major Programs: Education Stabilization Fund (84.425D,84.425T,84.425U), Special Education (84.027,84.173), and Title II (84.367,84.424A) programs, which were each clustered in the determination.

8. The dollar threshold used to determine between Type A and Type B programs was $752,744.

9. The District did qualify to be a low-risk auditee.

Findings – Financial Statement Audit

None

Findings and Questioned Costs – Major Federal Award Programs Audit

None

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
DISPOSITION OF PRIOR YEAR FINDINGS
JULY 1, 2021 TO JUNE 30, 2023

Findings Related to the Financial Statement Audit:

There were no prior year findings.

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL
LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2022 TO JUNE 30, 2023

State of Oklahoma)
County of Tulsa)

The undersigned auditing firm representative of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Midwest City-Del City School District for the audit year 2022-2023.

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

BY ______________________
AUTHORIZED AGENT

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

____
NOTARY PUBLIC

NOTARY SEAL PUBLIC
JENNIFER HUSSIN
Notary Public in and for the
State of Oklahoma
Commission #23000165
My Commission expires 1/04/2027

EXHIBIT B

CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated as of July 1, 2024 (this “Disclosure Agreement”), is executed and delivered by Independent School District No. 52, Oklahoma County, Oklahoma (the “Issuer”) in connection with the Issuer’s issuance of its General Obligation Combined Purpose Bonds, Series 2024 (the “Combined Purpose Bonds”) and its General Obligation Building Bonds, Federally Taxable Series 2024 (the “Building Bonds”) (collectively, the “Bonds” or the “2024 Bonds”). The Bonds are being issued pursuant to resolutions dated as of May 13, 2024 (the “**Resolutions**”). The Issuer is an “obligated person” with respect to the Bonds for the purposes of the Rule, hereinafter defined, hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist each Participating Underwriter in complying with paragraph (b)(5) of the hereinafter-described Rule promulgated by the Securities and Exchange Commission (the “Commission”). The Issuer represents that it is the only “obligated person” (as defined in the Rule) with respect to the Bonds at the time the Bonds are delivered to each Participating Underwriter and that no other person presently is expected to become an obligated person with respect to the Bonds at any time after the issuance of the Bonds.

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“*Audited Financial Statements*” shall mean the Issuer’s annual financial statements, prepared on a prescribed basis of accounting that demonstrates compliance with the laws of the State of Oklahoma, which financial statements shall have been audited by such auditor as shall be then required or permitted by the laws of the State.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Disclosure Representative*” shall mean the Chief Financial Officer of the Issuer or his or her designee, or such other officer or employee as the Issuer shall designate from time to time.

“*Dissemination Agent*” shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“*EMMA*” shall mean the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system.

"*Financial Obligation*" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"*Material Event*" shall mean any of the events listed in Exhibit B to this Disclosure Agreement.

"*Material Event Notice*" means notice of a Material Event in Prescribed Form.

"*Material*" with respect to information, means information as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the offering document related to the Bonds, information disclosed hereunder, or information generally available to the public. Notwithstanding the foregoing, "Material" information includes information that would be deemed "material" for purposes of the purchase or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the information.

"*MSRB*" means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Commission, filings with the MSRB are to be made through the EMMA website of the MSRB, currently located at http://emma.msrb.org.

"*Official Statement*" means the "final official statement," as defined in the paragraph (f)(3) of the Rule, relating to the Bonds.

"*Participating Underwriter*" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"*Prescribed Form*" means, with regard to the filing of Annual Financial Information, Audited Financial Statements and notices of Material Events with the MSRB at *www.emma.msrb.org* (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

"*Rule*" means Rule 15c2-12 promulgated by the Commission under the Securities Exchange Act of 1934 (17 CFR Part 240, §240.15c2-12), as in effect on the date of this Disclosure Agreement, including any official interpretations thereof.

"*State*" shall mean the State of Oklahoma.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 10 business days after such information becomes available, and not later than eight months after the end of the Issuer's fiscal year (presently July 1 through June 30), commencing with the report for the 2024 Fiscal Year, provide to the MSRB in Prescribed Form the Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided* that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date but within 10 business days after they become available. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Material Event under Section 5.

(b) If the Issuer is unable to provide to the MSRB an Annual Report by the date required in the first sentence of subsection (a), the Issuer shall send a notice to the MSRB in a timely manner in substantially the form attached as Exhibit C.

(c) If other than the Issuer, the Dissemination Agent shall file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate.

Section 4. Content of Annual Reports. The Issuer's Annual Report shall contain or include by reference the following:

(a) Annual Audited Financial Statements of the Issuer and an annual update of the financial information and operating data of the Issuer identified in Exhibit A hereto provided, however, that to the extent all or portions of such financial information and operating data are included in the Issuer's Audited Financial Statements, such information need not be separately provided, but the Issuer shall file, or shall cause the Dissemination Agent to file, a notice to such effect to accompany the Audited Financial Statements. When any such financial information and operating data can no longer can be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided in lieu of such information. Any annual financial and operating data containing modified financial information or operating data shall explain, in narrative form, the reasons for the modification and the impact of the modification on the type of financial information or operating data being provided.

(b) The Audited Financial Statements of the Issuer for the prior fiscal year shall be prepared on a regulatory basis as prescribed by the Oklahoma Department of Education provided, however, that the Issuer may from time to time, if required by federal or State legal requirements, modify the basis upon which its Audited Financial Statements are prepared. Notice of any such modification shall be provided to the MSRB, and shall include a reference to the specific federal or State law or regulation describing such accounting basis. If the Issuer's Audited Financial Statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain the Issuer's unaudited financial statements in a format similar to the Audited Financial Statements, and the Audited Financial Statements shall be filed in the same manner as the Annual Report within 10 business days of when they become available.

The Issuer is required to deliver the Annual Report in Prescribed Form and by such time so that such entities receive the information by the dates specified.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Disclosure of Material Events. Whenever the Issuer obtains knowledge of the occurrence of a Material Event, the Issuer shall file a Material Event Notice of the occurrence of such Material Event in Prescribed Form with the MSRB within 10 business days of the occurrence of the applicable event. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds need not be given under this Disclosure Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Bonds pursuant to the Resolutions.

Section 6. Duty To Update EMMA/MSRB. The Issuer shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB's e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

Section 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Material Event Notice under Section 5.

Section 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolutions for amendments to the Resolutions with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Material Event Notice under Section 5, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or Material Event Notice, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or Material Event Notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Material Event Notice.

Section 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Resolutions, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Resolutions are hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Resolutions. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the Issuer agrees, to the extent permitted under Oklahoma law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent.

Section 13. Notices and Requests for Additional Information. Any notices or communications to the Issuer under this Disclosure Agreement may be given as follows: Independent School District No. 52, Oklahoma County, Oklahoma, Attention: Chief Financial Officer, Telephone: 405-737-4461.

Section 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, each Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Recordkeeping. The Issuer shall maintain records of all filings of Annual Reports and Material Event Notices, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 16. Assignment. The Issuer shall not transfer its obligations under this Disclosure Certificate unless the transferee agrees to assume all obligations of the Issuer hereunder or to execute a continuing disclosure undertaking under the Rule.

Section 17. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

INDEPENDENT SCHOOL DISTRICT NO. 52,
OKLAHOMA COUNTY, OKLAHOMA

By:____
President, Board of Education

[Signature Page to Continuing Disclosure Agreement]

EXHIBIT A

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION AND OPERATING DATA

The information under the Heading “Financial Information”

Appendix A – Audited Financial Statements.

EXHIBIT B

EVENTS WITH RESPECT TO THE BONDS FOR WHICH MATERIAL EVENT NOTICES ARE REQUIRED

1. Principal and interest payment delinquencies.
2. Nonpayment-related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
7. Modifications to rights of security holders, if material.
8. Bond calls, if Material, and tender offers
9. Defeasances.
10. Release, substitution or sale of property securing repayment of the securities, if material.
11. Rating changes.
12. Bankruptcy, insolvency, receivership or similar event of the Issuer[†].
13. The consummation of a merger, consolidation or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
14. Appointment of a successor or additional trustee/paying agent or the change of name of a trustee/paying agent, if material.
15. The incurrence of a financial obligation of the obligated person, if material, or an agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
16. A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of an obligated person, any of which reflect financial difficulties.

[†]This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

EXHIBIT C

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Independent School District No. 52 of Oklahoma County, Oklahoma
Name of Bond Issue:	$13,090,000 General Obligation Combined Purpose Bonds, Series 2024 and $1,350,000 General Obligation Building Bonds, Federally Taxable Series 2024
Date of Issuance:	_______________
Base CUSIP:	_______________

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement dated the ___ day of _____________, 2024. The Issuer anticipates that the Annual Report will be filed by ____________.

Dated: _________________________

Independent School District No. 52 of Oklahoma County, Oklahoma

By: ___________________________________