

**Notice of Sale and
Preliminary Official Statement**

New Issue- Book Entry Only

**\$11,000,000
GENERAL OBLIGATION
COMBINED PURPOSE BONDS
OF 2026**

**INDEPENDENT SCHOOL DISTRICT NO. 3
TULSA COUNTY, OKLAHOMA
(Broken Arrow Board of Education)**

Date of Sale

March 3, 2026
11:45 o'clock a.m.

Financial Advisor

**Stephen L. Smith Corp.
531 East A Street, Suite 301
Jenks, Oklahoma 74037**

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 these 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 the Official Statement, including the cover page 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. The delivery of this Official Statement does not at any time imply that information contained herein is correct as of any date subsequent to its date.

Any statements contained in this Official Statement involving matters of opinion, estimation or projection, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement shall not be construed as a contract or agreement between the School District and the purchasers or holders of any of the Bonds.

THE DATE OF THIS OFFICIAL STATEMENT IS JANUARY 15, 2025.

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**INDEPENDENT SCHOOL DISTRICT NO. 3
TULSA COUNTY, OKLAHOMA
(Broken Arrow Board of Education)**

Officers and Members of the Board of Education

STEVE J. ALLEN, President and Member
JOHN COCKRELL, Vice President and Member
BRANDY ROULET, Clerk and Member
DEBBIE TAYLOR, Deputy Clerk and Member
KATE WILLIAMS, Member

School District Officials

CHUCK PERRY, Superintendent
CRYSTAL MURPHREE, Treasurer

Financial Advisor

STEPHEN L. SMITH CORP.
531 East A Street, Suite 301
Jenks, Oklahoma 74037
Telephone: (918) 296-9980

NOTICE OF SALE OF BONDS

In accordance with 62 O.S. 2021, § 354, notice is hereby given that the Board of Education of Independent School District Number 3 of Tulsa County, Oklahoma will receive bids by; sealed bid, facsimile bid, electronic (Parity®) bid or similar secure electronic bid on the 3rd day of March, 2026, until 11:45 o'clock a.m., and the Board of Education will award said Bonds at 12:00 o'clock p.m. on the 3rd day of March, 2026, at the Education Service Center, Broken Arrow Public Schools, 701 South Main Street, Broken Arrow, Oklahoma, for the sale of \$11,000,000 of General Obligation Combined Purpose Bonds of said School District, which Bonds will mature \$11,000,000 annually in two (2) years from their date until paid.

Said Bonds shall be sold to the bidder bidding the lowest rate of interest the Bonds shall bear, and agreeing to pay par and accrued interest for the Bonds. Each bidder shall submit with his bid a sum in cash, cashier's or certified check, electronic (wire) transfer or surety bond payable to the treasurer of the District, equal to two (2%) percent of the amount of his bid. The Board reserves the right to reject all bids.

WITNESS my official hand and seal this 12th day of January, 2026.

/s/ BRANDY ROULET
Clerk, Board of Education

(SEAL)

CONDITIONS OF THE SALE

INDEPENDENT SCHOOL DISTRICT NO. 3 TULSA COUNTY, OKLAHOMA (Broken Arrow Board of Education)

\$11,000,000 General Obligation Combined Purpose Bonds of 2026

PLACE AND TIME OF THE SALE

The Board of Education of Independent School District No. 3 of Tulsa County, Oklahoma, will receive sealed bids at the Education Service Center, Broken Arrow Public Schools, 701 South Main Street, Broken Arrow, Oklahoma, until 11:45 o'clock a.m., and award bid at 12:00 o'clock p.m. local time, Tuesday, March 3, 2026, for the sale of the \$11,000,000 General Obligation Combined Purpose Bonds of 2026 ("the Bonds"), more completely described in the "Official Statement" which is a part hereof.

ADDRESS OF BIDS

Sealed bids plainly marked "Bid for Bonds" may be mailed either to "Ms. Crystal Murphree, Treasurer, Broken Arrow Public Schools, 701 South Main Street, Broken Arrow, OK 74012", or to the Financial Advisor at the address set out on the cover page hereof. Sealed bids must be submitted in duplicate on the Official Bid Form furnished herein.

TYPES OF BIDS AND INTEREST RATES

The Bonds will be sold in one block, all or none, and no bid of less than par and accrued interest will be considered. Bidders must specify the rate or rates of interest the Bonds will bear. However, no interest rate in excess of ten percent (10%) will be considered. Bidders shall specify the rate or rates of interest in multiples of one-eighth (1/8) or one-twentieth (1/20) of one percent per annum. Bidders are not restricted as to the number of rates that may be named, provided that the same rate shall be specified for all bonds of the same maturity.

BASIS FOR AWARD

For the purpose of awarding the Bonds, the interest cost of each bid will be computed by determining, at the rate or rates specified therein, the total of all interest on the Bonds from the date thereof to their respective maturities, and deducting therefrom the premium bid, if any. The Bonds, if sold, will be awarded to the bidder whose bid, on the basis of the above computation, produces the lowest interest cost to the School District. THE SCHOOL DISTRICT RESERVES THE RIGHT TO REJECT ALL BIDS AND TO WAIVE ANY MINOR IRREGULARITIES.

ENERGY DISCRIMINATION ELIMINATION ACT OF 2022

All bidders will be required to attest they are in compliance with the requirements of 74 O.S. 2021 § 12001 et seq, The Energy Discrimination Elimination Act of 2022. The Act states a governmental entity shall not enter into a contract for goods and services with another entity that boycotts energy companies, unless certain requirements are met. For more information, please visit:

<https://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=492600>.

DISCRIMINATION AGAINST FIREARM ENTITIES

All bidders will be required to attest they are in compliance with the requirements of 21 O.S. § 1289.31. The Act states a governmental entity shall not enter into a contract for goods and services with another entity that discriminates against firearm entities. For more information, please visit:

<https://www.oscn.net/applications/oscn/DeliverDocument.asp?CiteID=549263>

GOOD FAITH DEPOSIT

Each bid must be accompanied by a good faith deposit in the form of a Certified or Cashier's Check, or bank wire transfer made payable to the Treasurer of the School District in the amount of two percent (2%) of the par value of the Bonds. The good faith deposit of the successful bidder will be retained by the School District to assure performance of the contract on the part of said bidder. In the event said bidder should fail or refuse to take up and pay for the Bonds in accordance with his bid, then said check/wire will be cashed/returned as full liquidated damages. Otherwise, said check/wire will be returned to the purchaser upon payment for the Bonds. No interest will be allowed on said check/wire. Checks of unsuccessful bidders will be promptly returned.

BOOK-ENTRY ONLY BONDS

The Bonds are being issued book-entry only and a complete transcript of the legal proceedings had in connection with the issuance of the Bonds will be furnished to the purchaser at no expense.

LEGAL OPINION

Bids may be submitted subject to the opinion of the Attorney General of the State of Oklahoma and Phillips Murrah P.C., which will be provided by the School District without cost to the purchaser.

EXEMPTION FROM OKLAHOMA STATE INCOME TAXATION

Pursuant to Title 68, Oklahoma Statutes 2021, Section 2358.4, the Bonds issued by the School District shall be exempt from Oklahoma Income Taxation.

NON-LITIGATION CERTIFICATE

At the time of delivery of the Bonds, the School District will execute and furnish the purchaser with a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain or enjoin the issuance or delivery of the Bonds, or affecting the provisions made for their payment or security, or in any manner questioning the validity of the Bonds.

THE OFFICIAL STATEMENT AND COMPLIANCE WITH SEC RULE 15c2-12

The School District has prepared the accompanying Official Statement, and for the limited purpose of complying with SEC Rule 15c2-12, deems such Official Statement to be final as of its date within the meaning of such Rule for the purpose of review prior to bidding. The School District will furnish to the Purchaser or Purchasers acting through a designated senior representative, in accordance with instructions received from the Purchaser(s), within seven (7) business days from the sale date a maximum of forty (40) copies of the Official Statement including a like number of copies of a supplement reflecting interest rates and other terms relating to the initial reoffering of the Bonds. The cost of any Official Statement and Supplement in excess of the number specified shall be prepared and distributed at the cost of the Purchaser(s). The Purchaser(s) shall be responsible for providing the initial reoffering prices and other terms, if any, to the Financial Advisor by the close of the next business day after the sale. Except as noted above, the School District assumes no responsibility or

obligation for the distribution or delivery of any copies of the Official Statement in connection with the offering or reoffering of the Bonds.

RULE 10B-5 STATEMENT

Nothing that has come to our attention has caused us to believe that the Official Statement, as of its date, contained any untrue statement of a material fact or omitted to state a material fact (required to be stated therein or) necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

CONTINUING DISCLOSURE

The School District has covenanted for the benefit of the Bondholders to provide certain financial information and operating data relating to the School District by not later than ten months following the end of its fiscal year (the “Annual Financial Information”), and to provide notices of the occurrence of certain enumerated events. The Annual Financial Information will be filed by the School District with the Municipal Securities Rulemaking Board (the “MSRB”) through its Electronic Municipal Market Access (“EMMA”) system. These covenants have been made in order to assist the Underwriters in complying with SEC Rule 15c2-12(b)(5). Procedures have been put in place to ensure that the annual audits are submitted within the 10 month time frame following the end of the School District’s fiscal year.

CUSIP NUMBERS

CUSIP identification numbers will be printed on the Bonds if assigned by the CUSIP Service Bureau, but neither the failure to print the numbers nor any error with respect thereto shall constitute cause for refusal by the purchaser to accept delivery of the Bonds. All expenses in relation to the printing of the CUSIP Service Bureau numbers shall be paid by the School District except that the CUSIP Service Bureau charge for the assignment of numbers shall be the responsibility of and paid by the purchaser.

ADDITIONAL INFORMATION MAY BE OBTAINED FROM THE FINANCIAL ADVISOR, STEPHEN L. SMITH CORP., 531 EAST A STREET, SUITE 301, JENKS, OKLAHOMA 74037, PHONE: 918-296-9980 FAX: 918-296-9902.

In the opinion of Phillips Murrah PC, Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for Federal income tax purposes pursuant to Section 103 of the Code as amended to date and existing regulations, published rulings and court decisions, except as explained under "Tax Exemption" herein.

NEW ISSUE- BOOK-ENTRY ONLY

Standard & Poor's Rating: AA/Stable

Rating: Oklahoma Number: 1

Maximum Rate: 10%

\$11,000,000 General Obligation Combined Purpose Bonds of 2026
INDEPENDENT SCHOOL DISTRICT NO. 3
TULSA COUNTY, OKLAHOMA
(BROKEN ARROW BOARD OF EDUCATION)

Dated: May 1, 2026

Due: May 1, as shown below

The Bonds are being issued by Independent School District No. 3 of Tulsa County, Oklahoma (the "School District"). The Bonds are dated as of May 1, 2026. Interest on the Bonds is payable semiannually on May 1 and November 1 of each year (each an "Interest Payment Date"), commencing May 1, 2027. The Bonds will be initially issued, in fully registered form, in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Purchases of the Bonds will be made in book-entry form only, through brokers and dealers who are, or who act through DTC participants. Purchases of the Bonds may be made in the denomination of \$5,000 or any integral multiple thereof. **Beneficial owners of the Bonds will not receive physical delivery of Bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds.** So long as DTC or its nominee is the registered owner of the Bonds, payment of the principal and interest on the Bonds will be payable by UMB Bank, N.A., Oklahoma City, Oklahoma, as initial Paying Agent and Registrar (the "Paying Agent and Registrar"), to DTC or its nominee and disbursement of such payments to DTC Participants will be the responsibility of DTC and disbursement of such payments to beneficial owners of the Bonds will be the responsibility of DTC Participants and Indirect Participants. No physical delivery of the Bonds will be made to the owners thereof. (see "The Bonds- Book-Entry-Only System" herein).

The Bonds are not callable prior to their stated maturities.

The proceeds from the Bonds will be used for acquire and install technology equipment throughout the district; and district-wide maintenance and building improvements; as well as additional school furniture, fixtures and equipment; and acquire student transportation equipment.

The Bonds are direct and general obligations of the School District and are payable as to principal and interest from ad valorem taxes which are required to be levied on all taxable property within the School District, without limitation as to rate or amount.

MATURITY SCHEDULE

| <u>Maturity</u> | <u>Amount</u> | <u>Rate</u> | <u>Price or Yield</u> |
|-----------------|---------------|-------------|-----------------------|
| 11/1/2028 | \$11,000,000 | % | % |

This cover page contains only a brief description of the Bonds and the security therefore. It is not a summary of this issue. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued by the School District, and subject to the approving opinion of Bond Counsel as to validity and tax exemption. It is expected that the Bonds will be available for delivery on or about May 5, 2026.

FINANCIAL ADVISOR
STEPHEN L. SMITH CORP.
Jenks, Oklahoma

PURPOSE OF THE BOND ISSUE

The proceeds of the Building Bonds will be used for the following purposes and in the respective amounts shown:

| | |
|---|------------------------|
| acquire and install technology equipment throughout the district; and district-wide maintenance and building improvements; as well as additional school furniture, fixtures and equipment | \$10,500,000.00 |
| Acquire student transportation equipment | \$ 500,000.00 |
| TOTAL: | \$11,000,000.00 |

AUTHORITY FOR THE ISSUANCE OF BONDS

Political subdivisions in the State of Oklahoma must have authorization from the voters of such political subdivisions in order to become indebted for either a period of time beyond one year or for an amount in excess of the income and revenue provided for such year.

The Bonds were authorized to be issued a special election held in the School District for such purpose on November 14, 2023. The Bonds are being issued pursuant to the provisions of Article X, Section 26 of the Oklahoma Constitution, as amended, and Title 70, Article 15, Oklahoma Statutes 2021, and laws of the State of Oklahoma supplementary thereto. All existing indebtedness of the School District has been issued pursuant to Article X, Section 26 of the Oklahoma Constitution.

Under Article X, Section 26, political subdivisions issuing bonds under such section may issue obligations in a total amount such that the total aggregate net indebtedness (including judicial judgments) shall not exceed 10% of the net assessed valuation of the taxable property therein; provided that three-fifths of the voters voting in an election held for such purpose shall approve the issuance of such obligations.

PAYMENT OF AND SECURITY FOR THE BONDS

The Bonds, will be direct and general obligations of the School District and will be payable from ad valorem taxes which may be levied WITHOUT LIMITATION AS TO RATE OR AMOUNT on all taxable property within the School District to pay the principal of and interest on the Bonds when due.

Ad valorem taxes for the Bonds shall be levied annually beginning in Fiscal Year 2026-2027, shall become delinquent one-half on January 1 and one-half on April 1 of each year, and are required to be collected by the County Treasurer, apportioned and paid over to the School District Treasurer, and then deposited directly and only into the Sinking Fund of the School District. IN NO EVENT MAY SUCH AD VALOREM TAXES BE DEPOSITED INTO THE GENERAL FUND OR ANY FUND OF THE SCHOOL DISTRICT OTHER THAN THE SINKING FUND.

As previously stated, the Bonds are payable from ad valorem taxes on the taxable property within the School District including real, personal and public service property, and any other monies available for such purpose. Real and personal property in the School District is currently assessed at a rate of approximately 11% of estimated full market value. The Oklahoma State Tax Commission determines public service property assessments, and currently the assessment ratio is approximately 22.85% of estimated full market value. Pursuant to Oklahoma statutes, County Assessors are required to reassess property within the County at least once each five years. The School District is required to pay its proportionate share of the cost of such reassessment.

Ad valorem tax rates for Sinking Fund purposes are determined by ascertaining the actual dollars of revenues required for payment of principal and interest on indebtedness, fees to fiscal and paying agents and judicial judgments. Such total amount may be reduced by any surplus from the prior fiscal year and any contributions 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.

One hundred percent (100%) of the School District's Sinking (Debt Service) Fund revenues come from locally collected ad valorem taxes. None of these ad valorem taxes are collected or disbursed by the State of Oklahoma. Furthermore, as stated above, Sinking Fund taxes are collected by the County Treasurers of the counties in which the School District is located, apportioned by the County Treasurers, and paid over to the School District Treasurer and cannot, by Oklahoma Law, be placed in any fund of the School District other than the Sinking Fund. They may be used only for the payment of principal of and interest on indebtedness of the School District.

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 fiscal year.

After review and approval by the Board of Education, copies of the Sinking Fund Estimates are submitted to the County Excise Board to determine the ad valorem tax levy and appropriations. This submission is required to be made by July 20 of each year. The estimates are for the purposes of determining the ad valorem tax required to fund general operations and 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 submitted. The County Excise Board further certifies that the appropriations contained in the Estimate of Needs and the millage rates are within the limitations provided by law. While the County Excise Board may make recommendations with respect to the levy request, it only has the authority to change the reserve for delinquent taxes.

The County Assessor is required to file a tax roll report on or before October 1 of 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 has fifteen (15) days after receipt of the tax roll report to start collecting taxes. The first half of taxes is due and payable on November 1 of each year. The second half is due and payable on or before April 1 of each year. However, if the first half is not paid by January 1, both first and second half are declared delinquent as of January 1. If the first half taxes are paid in a timely manner and the second half taxes are not paid on or before April 1, the taxes are considered delinquent. Interest accrues on delinquent taxes at the rate of 1.5% monthly (18% annually), to a maximum of 100% of the taxes due and owing, until such time as the delinquent taxes are paid. In the event taxes and accrued interest are not paid, the property is sold at tax sale on October 1 and the purchaser is issued a certificate of ownership; however, the original owner of the property has two (2) years in which to redeem the property by paying the taxes, interest and penalties owed. If, at the end of two years the original owner has not done so, the purchaser is issued a deed to the property.

COMPLIANCE WITH CONSTITUTIONAL DEBT LIMITATION
(As of June 30, 2025)

| | |
|--|-------------------------|
| Estimated Full Market Value: | \$13,788,513,646.29 |
| ASSESSED VALUE, Including Homestead Exemptions: | \$ 1,542,064,577.00 |
| ASSESSED VALUE, Excluding Homestead Exemptions: | \$ 1,486,736,967.00 |
| Outstanding General Obligation Bonded Indebtedness (including the Bonds) | \$ 164,810,000.00 |
| <u>Less:</u> Current Sinking Fund Balance | <u>\$ 27,494,384.34</u> |
| Net General Obligation Bonded Indebtedness: | \$ 137,315,615.66 |
| Ratio of Net General Obligation Bonded Indebtedness to Net Assessed Valuation: | 9.24% |
| Approximate Area of the School District: | 116 square miles |
| Approximate Population of the School District: | 125,000 people |
| Per Capita Net Indebtedness: | \$1,098.52 per person |

PAYMENT RECORD

The School District has no default of record.

AUTHORIZED BUT UNISSUED BONDS

In the same proposition voted on November 13, 2023, which authorized these Bonds, an additional \$13,000,000 in Building Bonds and \$2,500,000 in Transportation Bonds were voted and are remaining to be issued. It is anticipated that the remaining bonds will be issued in series over the next two (2) years.

SCHEDULE OF OUTSTANDING INDEBTEDNESS
(Including the Bonds)

| Date of Issue | Original Principal Amount | Remaining Maturities | Maturity Date | Total Outstanding |
|---------------------------------------|---------------------------|----------------------|---------------|----------------------|
| 5/1/2026 | \$11,000,000 | \$11,000,000 | 5/1/2028 | \$11,000,000 |
| 4/1/2026 | \$32,000,000 | \$8,000,000 | 4/1/2028-2032 | \$32,000,000 |
| 6/1/2025 | \$9,600,000 | \$9,600,000 | 6/1/2027 | \$ 9,600,000 |
| 4/1/2025 | \$29,000,000 | \$7,250,000 | 4/1/2027-2030 | \$29,000,000 |
| 11/1/2024 | \$7,100,000 | \$7,100,000 | 11/1/2026 | \$ 7,100,000 |
| 4/1/2024 | \$13,000,000 | \$3,250,000 | 4/1/2026-2029 | \$13,000,000 |
| 3/1/2024 | \$8,800,000 | \$8,800,000 | 3/1/2026 | \$8,800,000 |
| 4/1/2023 | \$25,000,000 | \$6,250,000 | 4/1/2026-2028 | \$18,750,000 |
| 4/1/2022 | \$46,885,000 | \$14,030,000 | 4/1/2026-2027 | \$28,060,000 |
| 4/1/2021 | \$30,000,000 | \$7,500,000 | 4/1/2026 | \$7,500,000 |
| Total Outstanding Indebtedness | | | | \$164,810,000 |

ESTIMATED SCHEDULED PRINCIPAL AND INTEREST PAYMENTS
(Including the Bonds)

| Fiscal Year Ending 6-30 | Maturing Principal-All Bonds | Interest Due All Bonds* | Total Principal and Interest - All Bonds |
|-------------------------|------------------------------|-------------------------|--|
| 2026 | \$ 39,830,000.00 | \$ 3,421,510.00 | \$ 43,251,510.00 |
| 2027 | \$ 47,480,000.00 | \$ 5,122,205.00 | \$ 52,602,205.00 |
| 2028 | \$ 35,750,000.00 | \$ 3,520,750.00 | \$ 39,270,750.00 |
| 2029 | \$ 18,500,000.00 | \$ 1,909,375.00 | \$ 20,409,375.00 |
| 2030 | \$ 15,250,000.00 | \$ 1,064,375.00 | \$ 16,314,375.00 |
| 2031 | \$ 8,000,000.00 | \$ 360,000.00 | \$ 8,360,000.00 |
| Totals | \$164,810,000.00 | \$15,398,215.00 | \$180,208,215.00 |

*Assumes 4.50% interest on the Bonds.
Source: District Administration & Budgets

ESTIMATED SCHEDULED SINKING FUND LEVIES TO RETIRE BONDS
(Including the Bonds)

| Fiscal Year Ending 6/30 | Principal Levy- All Bonds | Interest Levy All Bonds* ^o | Total Levy - All Bonds |
|----------------------------|------------------------------|--|---------------------------|
| 2026 | \$ 37,563,750.00 | \$ 4,657,555.00 | \$ 42,221,305.00 |
| 2027 | \$ 40,163,750.00 | \$ 5,145,039.58 | \$ 43,931,289.58 |
| 2028 | \$ 30,000,000.00 | \$ 3,159,156.25 | \$ 22,546,656.25 |
| 2029 | \$ 14,800,000.00 | \$ 1,698,125.00 | \$ 16,498,125.00 |
| 2030 | \$ 12,200,000.00 | \$ 888,281.25 | \$ 13,088,281.25 |
| 2031 | \$ 6,400,000.00 | \$ 270,000.00 | \$ 6,670,000.00 |
| Total | \$ 141,127,500.00 | \$15,818,157.08 | \$156,945,657.08 |
| ADD: SINKING FUND BALANCE | | | \$ 27,494,384.34 |
| TOTAL | | | \$184,440,041.42 |

* Does not include levies for judgments or reserve for uncollected taxes.

^o Assumes 4.50% interest on the Bonds.

OVERLAPPING AND UNDERLYING INDEBTEDNESS

Direct, underlying and overlapping indebtedness within the School District includes debt of the District, City of Broken Arrow, City of Tulsa, City of Coweta, Tulsa Community College, Tulsa Vo-Tech #18, Tulsa County and Wagoner County as shown.

| Municipality | Net Debt | Percent Applicable to School District | Overlapping Debt to School District | Per Capita Debt |
|--------------------------|----------------------|--|--|--------------------|
| Broken Arrow Schools | \$137,315,615 | 100% | \$137,315,615 | \$1,098.52 |
| Tulsa County* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Wagoner County* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Tulsa Community College* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Tulsa Vo-Tech #18* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| City of Broken Arrow* | \$208,117,912 | 100% | \$208,117,912 | \$1,665.94 |
| City of Tulsa* | \$465,190,136 | 0.68% | \$ 3,163,292 | \$ 25.31 |
| City of Coweta* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Total | \$810,623,663 | | \$348,596,819 | \$2,789.77 |

*As of June 30, 2025.

Source: County Budgets

COMPOSITION AND GROWTH OF THE NET ASSESSED VALUATION

The composition of the Net Assessed Valuation of the School District for the Fiscal Year 2025-2026 is as follows:

| Property | Tulsa County | Wagoner County | Total | Percentage to Assessed Valuation |
|----------------------|---------------------------------|---------------------------------|-----------------------------------|----------------------------------|
| Gross Real Homestead | \$ 898,786,947 \$ 32,682,382 | \$ 478,123,713 \$ 22,645,228 | \$ 1,376,910,660 \$ 55,327,610 | |
| Net Real Estate | \$ 866,104,565 | \$ 455,478,485 | \$ 1,321,583,050 | 88.89% |
| Personal | \$ 49,312,344 | \$ 67,002,203 | \$ 116,314,547 | 7.82% |
| Public Service | \$ 25,960,361 | \$ 22,879,009 | \$ 48,839,370 | 3.29% |
| Gross Valuation | \$ 974,059,652 | \$ 568,004,925 | \$ 1,542,064,967 | |
| Net Valuation | \$ 941,377,270 | \$ 545,359,697 | \$ 1,486,736,967 | |

Source: Tulsa & Wagoner County Assessors

The growth of the Net Assessed Valuation for the past ten years has been as follows:

| Fiscal Year | Valuation | Fiscal Year | Valuation |
|-------------|------------------|-------------|------------------|
| 2025-2026 | \$ 1,486,736,967 | 2020-2021 | \$ 1,052,251,084 |
| 2024-2025 | \$ 1,391,556,000 | 2019-2020 | \$ 985,532,323 |
| 2023-2024 | \$ 1,292,263,783 | 2018-2019 | \$ 945,857,259 |
| 2022-2023 | \$ 1,197,060,198 | 2017-2018 | \$ 889,371,848 |
| 2021-2022 | \$ 1,117,173,981 | 2016-2017 | \$ 839,936,514 |

Source: Tulsa & Wagoner County Assessors

SINKING FUND TAX COLLECTIONS

| Total Fiscal Year | Tax Levy | Current Collection | Percentage Collected | Total Collections | Total Percentage Collected |
|-------------------|---------------|--------------------|----------------------|-------------------|----------------------------|
| 2025-2026 | \$ 39,419,320 | in progress | n/a | in progress | n/a |
| 2024-2025 | \$ 39,258,987 | \$ 39,676,992 | 101.06% | \$ 40,193,442 | 102.38% |
| 2023-2024 | \$ 35,239,864 | \$ 35,744,212 | 101.43% | \$ 36,314,845 | 103.05% |
| 2022-2023 | \$ 33,166,889 | \$ 32,148,919 | 96.93% | \$ 34,059,313 | 102.69% |
| 2021-2022 | \$ 31,540,369 | \$ 30,285,618 | 96.02% | \$ 30,879,057 | 97.90% |
| 2020-2021 | \$ 31,935,158 | \$ 30,778,883 | 96.38% | \$ 32,080,546 | 100.46% |
| 2019-2020 | \$ 31,115,287 | \$ 29,725,899 | 95.53% | \$ 30,260,212 | 97.25% |
| 2018-2019 | \$ 28,123,411 | \$ 27,815,724 | 98.91% | \$ 28,266,596 | 100.51% |
| 2017-2018 | \$ 26,363,247 | \$ 25,836,494 | 98.00% | \$ 26,261,601 | 99.61% |
| 2016-2017 | \$ 24,691,240 | \$ 24,722,801 | 100.13% | \$ 25,185,449 | 102.00% |
| 2015-2016 | \$ 22,502,579 | \$ 22,204,340 | 98.67% | \$ 22,617,111 | 100.51% |

Source: District Administration & Budgets

PERCENTAGE OF TAXES COLLECTED

The ratio of Net and Gross Sinking Fund Tax Collections to the Gross Sinking Fund Levy (the levy after addition of the reserve for uncollected taxes) is as follows:

| Fiscal Year | Ratio of Net Tax Collection to Gross Levy | Ratio of Gross Tax Receipts to Gross Levy |
|-------------|---|---|
| 2024-2025 | 101.06% | 102.38% |
| 2023-2024 | 101.43% | 103.05% |
| 2022-2023 | 96.93% | 102.69% |
| 2021-2022 | 96.02% | 97.90% |
| 2020-2021 | 96.38% | 100.46% |
| 2019-2020 | 95.53% | 97.25% |
| 2018-2019 | 98.91% | 100.51% |
| 2017-2018 | 98.00% | 99.61% |
| 2016-2017 | 100.13% | 102.00% |
| 2015-2016 | 98.67% | 100.51% |

Source: District Administration & Budgets

TREND OF TAX RATES OF MAJOR TAXING UNITS

| Fiscal Year | Tulsa County | Broken Arrow Schools | Tulsa Comm. College | Tulsa Vo-Tech | City of Broken Arrow | Total Levy |
|-------------|--------------|----------------------|---------------------|---------------|----------------------|------------|
| 2025-26 | \$ 21.92 | \$ 69.44 | \$ 7.21 | \$13.33 | \$ 16.48 | \$ 128.38 |
| 2024-25 | \$ 22.20 | \$ 69.81 | \$ 7.21 | \$13.33 | \$ 16.26 | \$ 128.81 |
| 2023-24 | \$ 22.60 | \$ 68.87 | \$ 7.21 | \$13.33 | \$ 16.49 | \$ 128.50 |
| 2022-23 | \$ 23.16 | \$ 69.31 | \$ 7.21 | \$13.33 | \$ 16.61 | \$ 129.62 |
| 2021-22 | \$ 23.26 | \$ 69.83 | \$ 7.21 | \$13.33 | \$ 16.05 | \$ 129.68 |
| 2020-21 | \$ 23.25 | \$ 71.95 | \$ 7.21 | \$13.33 | \$ 16.19 | \$ 131.93 |
| 2019-20 | \$ 22.66 | \$ 73.18 | \$ 7.21 | \$13.33 | \$ 15.66 | \$ 132.04 |
| 2018-19 | \$ 22.74 | \$ 71.33 | \$ 7.21 | \$13.33 | \$ 15.61 | \$ 130.22 |
| 2017-18 | \$ 22.24 | \$ 71.24 | \$ 7.21 | \$13.33 | \$ 16.84 | \$ 130.86 |
| 2016-17 | \$ 22.24 | \$ 71.00 | \$ 7.21 | \$13.33 | \$ 16.92 | \$ 130.70 |

*Expressed in dollars per \$1,000 of net assessed valuation

Source: Tulsa & Wagoner County Assessors and Budgets

ACCOUNTING AND REPORTING PRACTICES

The accounting and reporting policies of the School District are prepared in accordance with generally accepted accounting principles (GAAP). Generally accepted accounting principles include all relevant Government Accounting Standards Board (GASB) pronouncements. The Annual Financial Statements and Independent Auditors Reports of the District for the year end June 30, 2025, are included in Appendix B and should be read in its entirety.

INDEPENDENT SCHOOL DISTRICT NO. 3 OF TULSA COUNTY, OKLAHOMA

Broken Arrow Public Schools is located in southeast Tulsa County and a portion of western Wagoner County, Oklahoma. The District encompasses 116 square miles primarily overlaying the City of Broken Arrow, Oklahoma, which is located fifteen miles southeast of downtown Tulsa, Oklahoma. Oklahoma State Highway 51 (Broken Arrow Expressway) bisects the District and is a major transportation thoroughfare from Tulsa to eastern Oklahoma and points south. Population growth in the area has been dramatic over the last thirty years. As a result, the District's enrollment has increased in conjunction with population growth.

The District was first formed in 1904 when the Broken Arrow City Council voted a two percent tax on property holders to fund a school building. The first graduating class consisted of three persons in May 1908, with a total student enrollment of 300. Since that time, the District has steadily grown to around 20,000 students. The District employs over 2,600 persons of whom approximate 1,100 are certified teachers, 124 are administrators and 1,100 are support staff. All teachers employed by the District have degrees as well as special training in their major field of instruction and are certified by the Oklahoma State Department of Education. All sites in the District are fully accredited by the Oklahoma State Department of Education and the North Central Accreditation Association.

The existing physical facilities of the School District included three early childhood centers, sixteen elementary schools and eleven secondary schools. Elementary schools educate grades kindergarten through fifth; middle schools accommodate sixth, seventh and eighth graders. Students in grades nine attend the Freshman Academy and the senior high includes tenth, eleventh and twelfth graders. The district operates 170 buses, transporting approximate 50 percent of all students.

Some of the major employers and industries in the District include: Broken Arrow Public Schools; Wal-Mart stores; the City of Broken Arrow; and Flight Safety International.

STUDENT ENROLLMENT TREND

| School Year | Total Enrollment | Percentage Change |
|-------------|------------------|-------------------|
| 2025-26 | 19,769 | -0.57% |
| 2024-25 | 19,882 | -0.80% |
| 2023-24 | 20,057 | -0.50% |
| 2022-23 | 20,116 | 3.00% |
| 2021-22 | 19,530 | 4.89% |
| 2020-21 | 18,619 | -1.04% |
| 2019-20 | 19,436 | 1.86% |
| 2018-19 | 19,081 | 0.03% |
| 2017-18 | 19,074 | 1.24% |
| 2016-17 | 18,841 | 2.64% |
| 2015-16 | 18,357 | 2.28% |
| 2014-15 | 17,947 | |

Source: District Administration

ECONOMIC INDICES

Unemployment Rate (Twelve Month Moving Average)

| | June 2025 | June 2024 | June 2023 |
|-------------------|-----------|-----------|-----------|
| United States | 4.1% | 4.1% | 3.6% |
| State of Oklahoma | 3.1% | 3.4% | 2.7% |
| Tulsa County | 3.3% | 3.6% | 3.0% |

Source: US Bureau of Labor Statistics

Largest Ad Valorem Taxpayers (Based on Net Assessed Valuation 2025-2026)

| <u>Name</u> | <u>Type of Business</u> | <u>NAV</u> |
|-----------------------------|-------------------------|--------------|
| Public Service Co of OK | Electrical Utility | \$13,787,957 |
| Greens at Broken Arrow | Apartment Complex | \$8,105,533 |
| Wal-Mart Stores | Retail Discount Store | \$6,321,082 |
| Alpine/JMCR | Real Estate | \$6,087,246 |
| St. John Hospital | Hospital | \$5,790,742 |
| OK Natural Gas | Gas Utility | \$4,791,604 |
| Park at Mission Hills | Apartments | \$4,513,511 |
| Arrow Winch | Manufacturing | \$4,113,815 |
| Heights Battle Creek LLC | Apartment Complex | \$4,043,299 |
| Flight Safety International | Aviation Industry | \$4,009,106 |

Source: Tulsa County Assessor

Broken Arrow Area Major Employers

| <u>Name of Employer</u> | <u>Type of Business</u> | <u>No. of Employees</u> |
|-----------------------------|--------------------------|-------------------------|
| AG Equipment | Manufacturing | 500+ |
| Broken Arrow Public Schools | School District | 500+ |
| City of Broken Arrow | City | 500+ |
| Flight Safety | Aviation Industry | 500+ |
| Oil Capital Electric | Electrical/Mechanical | 500+ |
| Roman Catholic Diocese | Religious Organization | 500+ |
| Walmart | Retail | 500+ |
| Zeeco | Oil & Gas | 500+ |
| Alfa Laval | Manufacturing | 100-500 |
| Blue Bell Creameries | Ice Cream/Dairy Products | 100-500 |
| Baker Hughes | Oil & Gas | 100-500 |
| Ascension St. Johns | Medical | 100-500 |
| Northeastern State Univ. | University | 100-500 |
| Paragon Films | Manufacturing | 100-500 |
| Target | Retail | 100-500 |
| Reasor's | Grocery | 100-500 |

Source: City of Broken Arrow's most current availability

Sales Tax Collections

The City levies a three percent (3.55%) local sales tax, which together with the State sales tax of four and one-half percent (4.5%), and the County at 0.367% places the total sales tax rate at 8.417%. Wagoner County levies a 1.30% sales tax, which makes the total sales tax for Broken Arrow overlying Wagoner County 9.35%. Historical sales tax collections for the City are shown below:

| <u>Fiscal Year</u> | <u>Total Collections</u> | <u>% Change</u> |
|--------------------|--------------------------|-----------------|
| 2024 | 85,448,775 | 3.89% |
| 2023 | 82,246,349 | 6.24% |
| 2022 | 77,413,552 | 11.94% |
| 2021 | 69,159,187 | 13.01% |
| 2020 | 61,195,087 | 15.26% |
| 2019 | 53,091,035 | 3.06% |
| 2018 | 51,513,993 | 7.50% |
| 2017 | 47,917,829 | 12.50% |
| 2016 | 42,516,340 | 2.06% |
| 2015 | 41,658,270 | 13.32% |
| 2014 | 36,760,366 | 7.31% |

Source: City of Broken Arrow

RECORD DATE

The record date shall be defined as the fifteenth (15th) day preceding any interest payment date.

RATINGS

The 2026 General Obligation Combined Purpose Bonds have been rated “AA/Stable” by S&P Global Ratings, a division of Standard & Poor’s Financial Services, LLC (“S&P”). An explanation of the significance of such ratings may be obtained from the companies furnishing the ratings. The ratings reflect only the respective views of such organizations and the District makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating companies, if in the judgment of the companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2026 Bonds.

UNDERWRITING

The Bonds have been sold at public sale by the School District to the Underwriters, and the Underwriters have jointly and severally agreed, subject to certain conditions, to purchase the Bonds. The successful proposal for the Bonds was submitted by _____ as representative of the Underwriters.

LITIGATION

Except as discussed below, the School District is not a party to any litigation or other proceeding pending or to its knowledge, threatened, in any court, agency or other administrative body (either state or federal), which, if decided adversely to the School District, would have a material adverse effect on the financial statements of the School District.

On August 8, 2017, The United States Court of Appeals for the Tenth Circuit issued an opinion in the case of Patrick Dwayne Murphy v. Terry Royal, Warden, 866 F.3d 1164 (10th Cir. 2017), and on November 9, 2017 issued an amended opinion, 875 F.3d 896 (10th Cir. 2017). In its opinion, the Tenth Circuit concluded that the United States Congress has not disestablished the Creek Reservation that it established by treaty in 1866. As addressed in its opinion, the external boundaries of the 1866 Reservation include much of the eastern portion of the current State of Oklahoma, including a portion of the boundaries of the School District. The Court of Appeals further concluded that, accordingly, the land within the external boundaries of the 1866 Reservation constitutes "Indian country" within the meaning of the federal Major Crimes Act (18 U.S.C.A. § 1151, et seq.). On February 6, 2018, the Attorney General of the State of Oklahoma filed with the Supreme Court of the United States (the "Supreme Court") a petition for a writ of certiorari. The Supreme Court heard oral arguments on November 27, 2018 and accepted supplemental briefs on December 28, 2018. After reviewing additional briefs and amicus curiae in January 2019, in June 2019 the case was restored to the calendar for re-argument. In addition, the Supreme Court decided to first hear the similar case of McGirt v. Oklahoma (No. 18-9526) being directly appealed from the Oklahoma Court of Appeals. Arguments for McGirt were heard before the Supreme Court on May 11, 2020. On July 9, 2020, the Supreme Court held for the purposes of the Major Crimes Act, land throughout much of eastern Oklahoma reserved for the Creek Nation since the 19th century remains a Native American territory. Also, on July 9, 2020 the Supreme Court affirmed in a per curiam opinion, the judgment of the U.S. Court of Appeals of the 10th Circuit is affirmed for the reasons stated in McGirt v. Oklahoma. On June 29, 2022, the Supreme Court Ruled in Oklahoma v. Castro-Huerta that the Federal Government and the State have concurrent jurisdiction to prosecute non-Indians who commit crimes against Indians in Indian County.

Although this case arises in a criminal law context, it may affect the application of civil law and have regulatory consequences within the same geographic territory, with numerous potential direct and indirect effects upon the State and its political subdivision within such geographic territory, including the School District. Application of this determination to other areas of State jurisdiction, such as civil action, tax, zoning, land use, hunting and fishing, etc. could affect the way the State and its political subdivisions interact with Indians in Indian Country. More specifically in regard to sales and use tax revenues, the Supreme Court's decision would expand the area in which businesses and tribes make tax-exempt sales to Creek Nation tribal members. Although businesses are required to collect and remit the appropriate sales taxes from non-tribal members, there remains an issue with enforcement against tribal businesses that may successfully claim sovereign immunity. The Supreme Court's decision could effectively reduce state or other governmental units' collections for sales and use taxes, due to the increased volume of tax exempt sales to tribal members from non-tribal businesses. In addition, if it is determined that the School District is unable to levy and collect ad valorem taxes on property owned by Indians in the original boundaries of the Creek Nation reservation, then the School District would need to increase the millage that would be assessed on the remaining property in the School District in order to collect the amount necessary to pay the principal and interest on the Bonds. At this time, the School District is not involved in any litigation relating to this matter.

APPROVAL OF LEGALITY

All matters incident to the authorization and issuance of the bonds are subject to the approval of the Attorney General of the State of Oklahoma and to the approval of Phillips Murrah P.C., as Bond Counsel. Bond Counsel has not participated in the preparation of the Official Statement. Accordingly, Bond Counsel has no responsibility for the accuracy, sufficiency or completeness of any information furnished in connection with any offer or sale of the Bonds.

CYBERSECURITY

Computer networks and data transmissions and collection are vital to the operations of the District. Despite security measures, information and infrastructure of the District may be subject to attacks by outside or internal hackers, or breached by employee error, negligence or malfeasance. Any such breach or attack could compromise systems and information stored therein. Any such disruption or other loss of information could result in a disruption in the operations of the District and could adversely affect the ability of the District to timely receive ad valorem taxes.

In July 2019 the district experienced a ransomware attack on the district's network system. The Board of Education approved the contracts with Arete Advisors and Lewis Brisbois Bisgaard & Smith LLP to help determine the liability of the district for security of information breached. It was determined in the final report issued by Arete that no personal information had been compromised. Since that incident has occurred, the district has taken proactive steps to mitigate future attacks. All finance, payroll, and human resource software applications are now cloud based. Additional instructional and technology applications were also migrated to the cloud. The applications that could not be moved to the cloud have dedicated technology personnel monitoring their back up process. The district purchased multiple software products to both monitor network traffic as well as activity on district devices to prevent future ransomware attacks. During our renewal process with our insurance agent of record and Travelers, there was a new attestation the district was required to comply with in order to receive coverage. One of the items on the checklist was implementing two factor authentication for our employee computers/devices. The technology team implemented this and the district insurance coverage continues with Travelers.

Board Policy 6110 has been updated to detail the district's response to cybersecurity monitoring. The district feels like should another attack happen we would be in a very strong position to quickly respond so that any disruption of service would be minimal. The finance applications that are now cloud based would enable payroll and accounts payable to continue operations.

In addition, the District received a grant from the Department of Homeland Security in the amount of \$607,000 allowing implementation of further security tools including Darktrace Email for Office365, Cisco Duo Two Factor Authentication, and SentinelOne Endpoint Detection and Response.

TAX MATTERS

TAX EXEMPTION

In the opinion of Bond Counsel, under existing statutes, regulations, published rulings and court decisions, interest on the Bonds is excludable from the gross income of the owners of the Bonds for Federal income tax purposes. In expressing their opinion that interest on the Bonds is excludable from the gross income of the owners of the Bonds, Bond Counsel will rely on the School District's No-Arbitrage Certificate and will assume compliance by the School District with certain covenants of the School District with respect to the use and investment of the proceeds of the Bonds. Failure by the School District to comply with these covenants may cause the interest on the Bonds to become includable in gross income retroactively to the date of issuance of the Bonds. Except as stated above with respect to the exclusion of the interest on the Bonds from gross income, Bond Counsel expresses no opinion as to any other Federal income tax consequences of acquiring, carrying, owning or disposing of the Bonds.

The law upon which Bond Counsel have based their opinion is subject to change by the Congress and Department of the Treasury and to subsequent judicial and administrative interpretation. There can be no assurance that such law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of ownership of the Bonds.

For taxable years beginning after 1986, a portion of the interest on the Bonds will be includable as an adjustment for book income or adjusted earnings and profits to calculate alternative minimum tax imposed on corporations by Section 55 of the Internal Revenue Code of 1986 (the "Code"), and for purposes of the environmental tax imposed on corporations by Section 59A of the Code. In addition, certain foreign corporations doing business in the United States may be subject to the new "branch profits tax" on their effectively-connected earnings and profits including tax-exempt interest such as interest on the Bonds. Furthermore, in the case of a Subchapter S Corporation, interest on the Bonds is treated as passive investment income which is subject to the tax imposed by Section 1375 of the Code.

The Code includes as an individual and corporate alternative minimum tax preference item, the interest on certain "private activity bonds" issued after August 7, 1986. In the opinion of Bond Counsel, the Bonds are not "private activity bonds" and the interest on the Bonds is not an individual or corporate alternative minimum tax preference item under Section 57(a)(5) of the Code. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral Federal income tax consequences to financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers falling within any of these categories should consult their own tax advisers as to the applicability of these consequences.

Pursuant to Title 68, Oklahoma Statutes 2021, Section 2358.5, the Bonds issued by the School District shall be exempt from Oklahoma Income Taxation.

REGISTRATION AND TRANSFER

Bonds presented to the Registrar for transfer after the close of business on a Record Date, defined as the fifteenth (15th) day preceding any interest payment date, and before the close of business on the next subsequent Interest Payment Date will be registered in the name of the transferee but the interest payment will be made to the registered owners shown on the books of the Registrar as of the close of business on the Record Date.

The Bonds will be initially registered in the name of Cede & Co., as nominee of The Depositor Trust Company (“DTC”) New York, New York, which will act as securities depository for the Bonds. Principal and interest on the Bonds will be paid by the Paying Agent and Registrar to DTC. Disbursements of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and the Indirect Participants, as more fully described in the section titled “Book-Entry System.”

BOOK-ENTRY-ONLY SYSTEM

The information in this section, “Book-Entry System”, has been furnished by The Depository Trust Company. No representation is made by the School District as to the completeness or accuracy of such information. The School District shall have no responsibility or obligation to DTC Participants, Indirect Participants or the persons for which they act as nominees with respect to the Bonds, or for any principal, premium, if any, or interest payment thereof.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee). One fully-registered certificate will be issued for each maturity of the Bonds in the aggregate amount of each such maturity, and will be deposited with DTC at the office of the Paying Agent and Registrar on behalf of DTC utilizing the DTC FAST system of registration.

DTC 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 securities that its participants (“Participants”) deposit with DTC. DTC also facilitates the settlement among Participants of securities transactions, such as transfer and pledges, in deposited securities through electronic computerized book-entry changes in Participants’ accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

Purchases of the Bonds under the DTC system must be made by or though Direct Participants, who will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each 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, but Beneficial Owners are 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 Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. **Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the even that use of the book-entry system for the Bonds is discontinued.**

To facilitate subsequent transfers, all Bonds deposited by Participants with DTC (or the Paying Agent and Registrar on behalf of DTC utilizing the DTC FAST system of registration) are registered in the name of DTC’s partnership nominee, Cede & Co. The deposit of Bonds with DTC (or the Paying Agent and Registrar on behalf of DTC utilizing the DTC FAST system of registration) and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the

Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, who may or may not be the Beneficial Owners. The 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 Participant to Beneficial Owners will be governed by arrangements among them, subject to an statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the 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. will consent or vote with respect to the Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made by the Paying Agent and Registrar to DTC. DTC's practice is to credit Direct Participants' accounts on payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on payable date. 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 Agent, or the issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the issuer or the Agent, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the issuer or the Agent. Under such circumstances, the event that a successor securities depository is not obtained, Bond certificates will be printed and delivered.

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

Use of Certain Terms in other Sections of the Official Statement. In reading this Official Statement it should be understood that while the Bond certificates are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Certificates, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Indenture will be given only to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the School District believes to be reliable, but the School District takes no responsibility for the accuracy thereof.

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty and no representation is made that any of these statements have been or will be realized. Information in this Official Statement has been derived by the School District from official and other sources and is believed by the School District to be accurate and reliable. Information other than that obtained from official records of the School District has not been independently confirmed or verified by the School District and its accuracy is not guaranteed.

Neither this Official Statement nor any statement that may have been made orally or in writing in connection herewith is to be construed as or as a part of a contract with the original purchasers or subsequent owners of the Bonds.

INDEPENDENT SCHOOL DISTRICT NUMBER 3
TULSA COUNTY, OKLAHOMA

/s/ STEVE J. ALLEN
President, Board of Education

ATTEST:

/s/ BRANDY ROULET
Clerk, Board of Education

ADDENDUM "A"

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Independent School District No. 3 of Tulsa County, Oklahoma, (the "Issuer") in connection with the issuance of \$11,000,000 General Obligation Combined Purpose Bonds of 2026 (the "Bonds"). The Bonds are being issued pursuant to a Resolution dated the 3rd day of March, 2026. The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders, including beneficial owners, and in order to assist the Participating Underwriters in complying with SEC Rule 15c2-12(b)(5).

SECTION 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate 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 Certificate.

"Audited Financial Statements" shall mean the School District's annual financial statements, prepared on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget 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. Revenues are recorded as received in cash, except for revenues susceptible to accrual and material revenues that are not received at the normal time of receipt. Expenditures are recorded in the accounting period in which the fund liability is incurred and encumbered.

"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"- shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; provided, however, 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.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"National Repository" shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. Currently, the Municipal Securities Rulemaking Board's Electronic Municipal Market Access (EMMA) system is the National Repository. Annual Reports and notices of material events are to be electronically filed at the EMMA website: www.emma.msrb.org.

The names and addresses of all current NRMSIRs should be verified each time information is delivered pursuant to this Certificate.

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

"Repository" shall mean each National Repository and each State Repository.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"State" shall mean the State of Oklahoma.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Repository.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than ten months following the end of the fiscal year (as of the date of this Disclosure Certificate, June 30 is the end of the fiscal year), provide annually to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) Business Days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the School District may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the Repositories an Annual Report by the date required in subsection (a), the Issuer shall send a notice to each Repository in substantially the form attached as Appendix A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and each State Repository, if any; and (if the Dissemination Agent is other than the Issuer)

(ii) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the financial information or operating data with respect to the Issuer of the type included in Appendix A of the final official statement. If Audited Financial Statements are not available by the time the Annual Report must be provided, unaudited financial statements will be provided as part of the Annual Report and Audited Financial Statements will be provided, when and if available, to each Repository.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events:

1. Principal and interest payment delinquencies;
2. Non-payment 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 or events affecting the tax-exempt status of the security;
7. Modification to rights of security holders; if material
8. Bond calls; if material
9. Defeasances, release, substitution, or sale of property securing repayment of the securities; if material
10. Rating changes;

11. Tender offers;
12. Bankruptcy, insolvency, receivership or similar event of the obligated person;
13. Merger, consolidation, or acquisition of the obligated person, if material;
14. Appointment of a successor or additional trustee, or the change of name of a trustee, if material
15. Incurrence of a financial obligation of the issuer or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the issuer or obligated person, any of which affect security holders, if material;
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the issuer or obligated person, any of which reflect financial difficulties;

(b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall take the actions specified in subsection (c) hereof.

(c) The Issuer shall within ten (10) business days file a notice of the occurrence of a Listed Event with the Municipal Securities Rulemaking Board and each State Repository, if material. Provided, that any event under subsections (a)(8), (9) or (11) will always be material. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds pursuant to the Resolution.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligation under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. 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 Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Issuer.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of the Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any bondholder, including beneficial owners, may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and Bondholders, including beneficial owners, from time to time of the Bonds, and shall create no rights in any other person or entity.

APPENDIX A
FINANCIAL INFORMATION AND OPERATING DATA

SCHEDULE OF OUTSTANDING INDEBTEDNESS
(Including the Bonds)

| Date of Issue | Original Principal Amount | Remaining Maturities | Maturity Date | Total Outstanding |
|--------------------------------|---------------------------|----------------------|---------------|-------------------|
| 5/1/2026 | \$11,000,000 | \$11,000,000 | 5/1/2028 | \$11,000,000 |
| 4/1/2026 | \$32,000,000 | \$8,000,000 | 4/1/2028-2032 | \$32,000,000 |
| 6/1/2025 | \$9,600,000 | \$9,600,000 | 6/1/2027 | \$ 9,600,000 |
| 4/1/2025 | \$29,000,000 | \$7,250,000 | 4/1/2027-2030 | \$29,000,000 |
| 11/1/2024 | \$7,100,000 | \$7,100,000 | 11/1/2026 | \$ 7,100,000 |
| 4/1/2024 | \$13,000,000 | \$3,250,000 | 4/1/2026-2029 | \$13,000,000 |
| 3/1/2024 | \$8,800,000 | \$8,800,000 | 3/1/2026 | \$8,800,000 |
| 4/1/2023 | \$25,000,000 | \$6,250,000 | 4/1/2026-2028 | \$18,750,000 |
| 4/1/2022 | \$46,885,000 | \$14,030,000 | 4/1/2026-2027 | \$28,060,000 |
| 4/1/2021 | \$30,000,000 | \$7,500,000 | 4/1/2026 | \$7,500,000 |
| Total Outstanding Indebtedness | | | | \$164,810,000 |

ESTIMATED SCHEDULED PRINCIPAL AND INTEREST PAYMENTS
(Including the Bonds)

| Fiscal Year Ending 6-30 | Maturing Principal-All Bonds | Interest Due All Bonds* | Total Principal and Interest - All Bonds |
|-------------------------|------------------------------|-------------------------|--|
| 2026 | \$ 39,830,000.00 | \$ 3,421,510.00 | \$ 43,251,510.00 |
| 2027 | \$ 47,480,000.00 | \$ 5,122,205.00 | \$ 52,602,205.00 |
| 2028 | \$ 35,750,000.00 | \$ 3,520,750.00 | \$ 39,270,750.00 |
| 2029 | \$ 18,500,000.00 | \$ 1,909,375.00 | \$ 20,409,375.00 |
| 2030 | \$ 15,250,000.00 | \$ 1,064,375.00 | \$ 16,314,375.00 |
| 2031 | \$ 8,000,000.00 | \$ 360,000.00 | \$ 8,360,000.00 |
| Totals | \$164,810,000.00 | \$15,398,215.00 | \$180,208,215.00 |

*Assumes 4.50% interest on the Bonds.

Source: District Administration & Budgets

ESTIMATED SCHEDULED SINKING FUND LEVIES TO RETIRE BONDS
(Including the Bonds)

| Fiscal Year Ending 6/30 | Principal Levy- All Bonds | Interest Levy All Bonds* ^o | Total Levy - All Bonds |
|----------------------------|------------------------------|--|---------------------------|
| 2026 | \$ 37,563,750.00 | \$ 4,657,555.00 | \$ 42,221,305.00 |
| 2027 | \$ 40,163,750.00 | \$ 5,145,039.58 | \$ 43,931,289.58 |
| 2028 | \$ 30,000,000.00 | \$ 3,159,156.25 | \$ 22,546,656.25 |
| 2029 | \$ 14,800,000.00 | \$ 1,698,125.00 | \$ 16,498,125.00 |
| 2030 | \$ 12,200,000.00 | \$ 888,281.25 | \$ 13,088,281.25 |
| 2031 | \$ 6,400,000.00 | \$ 270,000.00 | \$ 6,670,000.00 |
| Total | \$ 141,127,500.00 | \$15,818,157.08 | \$156,945,657.08 |
| ADD: SINKING FUND BALANCE | | | \$ 27,494,384.34 |
| TOTAL | | | \$184,440,041.42 |

* Does not include levies for judgments or reserve for uncollected taxes.

^o Assumes 4.50% interest on the Bonds.

OVERLAPPING AND UNDERLYING INDEBTEDNESS

Direct, underlying and overlapping indebtedness within the School District includes debt of the District, City of Broken Arrow, City of Tulsa, City of Coweta, Tulsa Community College, Tulsa Vo-Tech #18, Tulsa County and Wagoner County as shown.

| Municipality | Net Debt | Percent Applicable to School District | Overlapping Debt to School District | Per Capita Debt |
|--------------------------|----------------------|--|--|--------------------|
| Broken Arrow Schools | \$137,315,615 | 100% | \$137,315,615 | \$1,098.52 |
| Tulsa County* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Wagoner County* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Tulsa Community College* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Tulsa Vo-Tech #18* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| City of Broken Arrow* | \$208,117,912 | 100% | \$208,117,912 | \$1,665.94 |
| City of Tulsa* | \$465,190,136 | 0.68% | \$ 3,163,292 | \$ 25.31 |
| City of Coweta* | \$ 0 | n/a | \$ 0 | \$ 0.00 |
| Total | \$810,623,663 | | \$348,596,819 | \$2,789.77 |

*As of June 30, 2025.

Source: County Budgets

COMPOSITION AND GROWTH OF THE NET ASSESSED VALUATION

The composition of the Net Assessed Valuation of the School District for the Fiscal Year 2025-2026 is as follows:

| Property | Tulsa County | Wagoner County | Total | Percentage to Assessed Valuation |
|----------------------|---------------------------------|---------------------------------|-----------------------------------|----------------------------------|
| Gross Real Homestead | \$ 898,786,947 \$ 32,682,382 | \$ 478,123,713 \$ 22,645,228 | \$ 1,376,910,660 \$ 55,327,610 | |
| Net Real Estate | \$ 866,104,565 | \$ 455,478,485 | \$ 1,321,583,050 | 88.89% |
| Personal | \$ 49,312,344 | \$ 67,002,203 | \$ 116,314,547 | 7.82% |
| Public Service | \$ 25,960,361 | \$ 22,879,009 | \$ 48,839,370 | 3.29% |
| Gross Valuation | \$ 974,059,652 | \$ 568,004,925 | \$ 1,542,064,967 | |
| Net Valuation | \$ 941,377,270 | \$ 545,359,697 | \$ 1,486,736,967 | |

Source: Tulsa & Wagoner County Assessors

The growth of the Net Assessed Valuation for the past ten years has been as follows:

| Fiscal Year | Valuation | Fiscal Year | Valuation |
|-------------|------------------|-------------|------------------|
| 2025-2026 | \$ 1,486,736,967 | 2020-2021 | \$ 1,052,251,084 |
| 2024-2025 | \$ 1,391,556,000 | 2019-2020 | \$ 985,532,323 |
| 2023-2024 | \$ 1,292,263,783 | 2018-2019 | \$ 945,857,259 |
| 2022-2023 | \$ 1,197,060,198 | 2017-2018 | \$ 889,371,848 |
| 2021-2022 | \$ 1,117,173,981 | 2016-2017 | \$ 839,936,514 |

Source: Tulsa & Wagoner County Assessors

SINKING FUND TAX COLLECTIONS

| Total Fiscal Year | Tax Levy | Current Collection | Percentage Collected | Total Collections | Total Percentage Collected |
|-------------------|---------------|--------------------|----------------------|-------------------|----------------------------|
| 2025-2026 | \$ 39,419,320 | in progress | n/a | in progress | n/a |
| 2024-2025 | \$ 39,258,987 | \$ 39,676,992 | 101.06% | \$ 40,193,442 | 102.38% |
| 2023-2024 | \$ 35,239,864 | \$ 35,744,212 | 101.43% | \$ 36,314,845 | 103.05% |
| 2022-2023 | \$ 33,166,889 | \$ 32,148,919 | 96.93% | \$ 34,059,313 | 102.69% |
| 2021-2022 | \$ 31,540,369 | \$ 30,285,618 | 96.02% | \$ 30,879,057 | 97.90% |
| 2020-2021 | \$ 31,935,158 | \$ 30,778,883 | 96.38% | \$ 32,080,546 | 100.46% |
| 2019-2020 | \$ 31,115,287 | \$ 29,725,899 | 95.53% | \$ 30,260,212 | 97.25% |
| 2018-2019 | \$ 28,123,411 | \$ 27,815,724 | 98.91% | \$ 28,266,596 | 100.51% |
| 2017-2018 | \$ 26,363,247 | \$ 25,836,494 | 98.00% | \$ 26,261,601 | 99.61% |
| 2016-2017 | \$ 24,691,240 | \$ 24,722,801 | 100.13% | \$ 25,185,449 | 102.00% |
| 2015-2016 | \$ 22,502,579 | \$ 22,204,340 | 98.67% | \$ 22,617,111 | 100.51% |

Source: District Administration & Budgets

PERCENTAGE OF TAXES COLLECTED

The ratio of Net and Gross Sinking Fund Tax Collections to the Gross Sinking Fund Levy (the levy after addition of the reserve for uncollected taxes) is as follows:

| Fiscal Year | Ratio of Net Tax Collection to Gross Levy | Ratio of Gross Tax Receipts to Gross Levy |
|-------------|---|---|
| 2024-2025 | 101.06% | 102.38% |
| 2023-2024 | 101.43% | 103.05% |
| 2022-2023 | 96.93% | 102.69% |
| 2021-2022 | 96.02% | 97.90% |
| 2020-2021 | 96.38% | 100.46% |
| 2019-2020 | 95.53% | 97.25% |
| 2018-2019 | 98.91% | 100.51% |
| 2017-2018 | 98.00% | 99.61% |
| 2016-2017 | 100.13% | 102.00% |
| 2015-2016 | 98.67% | 100.51% |

Source: District Administration & Budgets

TREND OF TAX RATES OF MAJOR TAXING UNITS

| Fiscal Year | Tulsa County | Broken Arrow Schools | Tulsa Comm. College | Tulsa Vo-Tech | City of Broken Arrow | Total Levy |
|-------------|--------------|----------------------|---------------------|---------------|----------------------|------------|
| 2025-26 | \$ 21.92 | \$ 69.44 | \$ 7.21 | \$13.33 | \$ 16.48 | \$ 128.38 |
| 2024-25 | \$ 22.20 | \$ 69.81 | \$ 7.21 | \$13.33 | \$ 16.26 | \$ 128.81 |
| 2023-24 | \$ 22.60 | \$ 68.87 | \$ 7.21 | \$13.33 | \$ 16.49 | \$ 128.50 |
| 2022-23 | \$ 23.16 | \$ 69.31 | \$ 7.21 | \$13.33 | \$ 16.61 | \$ 129.62 |
| 2021-22 | \$ 23.26 | \$ 69.83 | \$ 7.21 | \$13.33 | \$ 16.05 | \$ 129.68 |
| 2020-21 | \$ 23.25 | \$ 71.95 | \$ 7.21 | \$13.33 | \$ 16.19 | \$ 131.93 |
| 2019-20 | \$ 22.66 | \$ 73.18 | \$ 7.21 | \$13.33 | \$ 15.66 | \$ 132.04 |
| 2018-19 | \$ 22.74 | \$ 71.33 | \$ 7.21 | \$13.33 | \$ 15.61 | \$ 130.22 |
| 2017-18 | \$ 22.24 | \$ 71.24 | \$ 7.21 | \$13.33 | \$ 16.84 | \$ 130.86 |
| 2016-17 | \$ 22.24 | \$ 71.00 | \$ 7.21 | \$13.33 | \$ 16.92 | \$ 130.70 |

*Expressed in dollars per \$1,000 of net assessed valuation

Source: Tulsa & Wagoner County Assessors and Budgets

STUDENT ENROLLMENT TREND

| School Year | Total Enrollment | Percentage Change |
|-------------|------------------|-------------------|
| 2025-26 | 19,769 | -0.57% |
| 2024-25 | 19,882 | -0.80% |
| 2023-24 | 20,057 | -0.50% |
| 2022-23 | 20,116 | 3.00% |
| 2021-22 | 19,530 | 4.89% |
| 2020-21 | 18,619 | -1.04% |
| 2019-20 | 19,436 | 1.86% |
| 2018-19 | 19,081 | 0.03% |
| 2017-18 | 19,074 | 1.24% |
| 2016-17 | 18,841 | 2.64% |
| 2015-16 | 18,357 | 2.28% |
| 2014-15 | 17,947 | |

Source: District Administration

ECONOMIC INDICES

Unemployment Rate (Twelve Month Moving Average)

| | June 2025 | June 2024 | June 2023 |
|-------------------|-----------|-----------|-----------|
| United States | 4.1% | 4.1% | 3.6% |
| State of Oklahoma | 3.1% | 3.4% | 2.7% |
| Tulsa County | 3.3% | 3.6% | 3.0% |

Source: US Bureau of Labor Statistics

Largest Ad Valorem Taxpayers (Based on Net Assessed Valuation 2025-2026)

| <u>Name</u> | <u>Type of Business</u> | <u>NAV</u> |
|-----------------------------|-------------------------|--------------|
| Public Service Co of OK | Electrical Utility | \$13,787,957 |
| Greens at Broken Arrow | Apartment Complex | \$8,105,533 |
| Wal-Mart Stores | Retail Discount Store | \$6,321,082 |
| Alpine/JMCR | Real Estate | \$6,087,246 |
| St. John Hospital | Hospital | \$5,790,742 |
| OK Natural Gas | Gas Utility | \$4,791,604 |
| Park at Mission Hills | Apartments | \$4,513,511 |
| Arrow Winch | Manufacturing | \$4,113,815 |
| Heights Battle Creek LLC | Apartment Complex | \$4,043,299 |
| Flight Safety International | Aviation Industry | \$4,009,106 |

Source: Tulsa County Assessor

Broken Arrow Area Major Employers

| <u>Name of Employer</u> | <u>Type of Business</u> | <u>No. of Employees</u> |
|-----------------------------|--------------------------|-------------------------|
| AG Equipment | Manufacturing | 500+ |
| Broken Arrow Public Schools | School District | 500+ |
| City of Broken Arrow | City | 500+ |
| Flight Safety | Aviation Industry | 500+ |
| Oil Capital Electric | Electrical/Mechanical | 500+ |
| Roman Catholic Diocese | Religious Organization | 500+ |
| Walmart | Retail | 500+ |
| Zeeco | Oil & Gas | 500+ |
| Alfa Laval | Manufacturing | 100-500 |
| Blue Bell Creameries | Ice Cream/Dairy Products | 100-500 |
| Baker Hughes | Oil & Gas | 100-500 |
| Ascension St. Johns | Medical | 100-500 |
| Northeastern State Univ. | University | 100-500 |
| Paragon Films | Manufacturing | 100-500 |
| Target | Retail | 100-500 |
| Reasor's | Grocery | 100-500 |

Source: City of Broken Arrow's most current availability

Sales Tax Collections

The City levies a three percent (3.55%) local sales tax, which together with the State sales tax of four and one-half percent (4.5%), and the County at 0.367% places the total sales tax rate at 8.417%. Wagoner County levies a 1.30% sales tax, which makes the total sales tax for Broken Arrow overlying Wagoner County 9.35%. Historical sales tax collections for the City are shown below:

| <u>Fiscal Year</u> | <u>Total Collections</u> | <u>% Change</u> |
|--------------------|--------------------------|-----------------|
| 2024 | 85,448,775 | 3.89% |
| 2023 | 82,246,349 | 6.24% |
| 2022 | 77,413,552 | 11.94% |
| 2021 | 69,159,187 | 13.01% |
| 2020 | 61,195,087 | 15.26% |
| 2019 | 53,091,035 | 3.06% |
| 2018 | 51,513,993 | 7.50% |
| 2017 | 47,917,829 | 12.50% |
| 2016 | 42,516,340 | 2.06% |
| 2015 | 41,658,270 | 13.32% |
| 2014 | 36,760,366 | 7.31% |

Source: City of Broken Arrow



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2025



BROKEN ARROW PUBLIC SCHOOLS
DISTRICT NO. I-003
701 SOUTH MAIN STREET
BROKEN ARROW, OK 74012



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING JUNE 30, 2025

Prepared By:
Department of Finance

Natalie Eneff
Chief Financial Officer

Megan Frederick
Executive Director of Finance

Broken Arrow Public Schools
District No. I-003
701 South Main Street
Broken Arrow, Oklahoma 74012



ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDING JUNE 30, 2025

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INTRODUCTORY SECTION

DECEMBER 8, 2025

CITIZENS & GOVERNING BOARD OF EDUCATION

**BROKEN ARROW PUBLIC SCHOOLS, DISTRICT I-003
701 SOUTH MAIN STREET
BROKEN ARROW, OK 74012**

Management hereby presents the Annual Comprehensive Financial Report ("ACFR") of Broken Arrow Public Schools, Broken Arrow, Oklahoma for the year ended June 30, 2025. This report was prepared by the District's Office of Finance. State law mandates that school districts undergo an annual single audit and publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP), and audited in accordance with auditing standards (GAAS) by a firm of licensed certified public accountants.

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

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

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

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



DISTRICT PROFILE

LOCAL ECONOMY & HISTORY

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

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

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

Named one of the most affordable suburbs in the south by Business Week, Broken Arrow is also considered one of the safest cities in the nation. The city's large land area lends itself to all the best aspects of suburbia, while the low commute times and excellent traffic grid management make getting where you need to go easy. Broken Arrow makes it possible to get that suburban feel without being far from the action. The Rose District with the Broken

Arrow Performing Arts Center and variety of restaurants and specialty stores remains the heart of Broken Arrow's entertainment scene. Broken Arrow is home to a wide range of businesses and industries. In fact, the city is ranked third in its concentration of manufacturers in the state. In addition to the booming manufacturing industry, aerospace and aviation, healthcare and social assistance, business and professional service, and retail all contribute to making Broken Arrow an attractive city to live and work.

Broken Arrow continues to attract new businesses due to the low cost of doing business. It has one of the lowest tax rates in the Tulsa Metro area at 8.42 percent, as well as the lowest utility costs in the region.

Broken Arrow has been repeatedly recognized on a national level. USA Today named the Rose District as one of its most charming main streets. U.S. News & World Report, the global authority in rankings and consumer advice, has named Broken Arrow one of the 2025-2026 Best Places to Live in the nation. Broken Arrow ranked No. 12 in the nation, out of the top 250 unveiled and No. 1 in the State of Oklahoma. The report cites Broken Arrow's median household income at \$86,442, the average commute time at about 19.81 minutes, and the City's low unemployment rate at 2.95 percent.

And finally, Broken Arrow was recognized as one of the top five most affordable cities in the United States, according to Marketwatch.com. The ranking was determined using seven key factors, including median household income, unemployment rate, home prices, median rent, and the cost of living indexes for groceries, transportation, and miscellaneous goods and services. The article highlighted Broken Arrow's robust manufacturing sector and the highest median income among the top 10 cities, at \$102,700.

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



RELATIONSHIP TO OTHER GOVERNMENTS

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

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



BUDGETARY CONTROLS

Broken Arrow Public Schools utilizes budgetary controls to ensure compliance with legal appropriation limitations and to provide an operating plan for the district's resources. At the beginning of each fiscal year, BAPS completes an Estimate of Needs report. The County Excise Board then approves the appropriated funds for the legal budget.

The Board of Education is required to approve the budget within 45 days after the County Excise Board approves the Estimate of Needs. Once the Board of Education approves the operating budget, any changes to appropriations must be approved by the Board of Education.

THE ANNUAL BUDGET SERVES THREE PURPOSES:

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

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

The focus during the budgeting process was to ensure resources are managed effectively and responsibly to achieve the highest classroom and student success. The budget reflects the District's strategic focus where every student learns, every student is prepared, every student belongs, and every employee is valued.



ADMINISTRATION

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

SUPERINTENDENT SERVICES DIVISION

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

INSTRUCTIONAL SERVICES DIVISION

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

STUDENT SERVICES DIVISION

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

OPERATIONS DIVISION

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

BUSINESS SERVICES DIVISION

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

HUMAN RESOURCES DIVISION

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

TECHNOLOGY SERVICES DIVISION

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

SUPPORT SERVICES DIVISION

The Support Services Division oversees Chamber/City Liaison, Staff Daycare transportation, child nutrition, and the district's before and after care program.

COMMUNICATIONS SERVICES DIVISION

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

SECURITY AND STUDENT SERVICES DIVISION

The Security and Student Services Division is responsible for student health and safety, including campus security, school nurses, district emergency response, embedded therapy services and social services. The division also oversees student discipline and appeals, Title IX compliance for students and parents, bullying prevention, Indian Education and AFJROTC programs.

BOARD OF EDUCATION

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

The Board is responsible for establishing policies under which the school system operates, adhering to Oklahoma and federal laws, and balancing the unique needs of the community. As citizen leaders, individual school board members face complex and demanding challenges, contributing hundreds of hours each year to effectively lead the district.

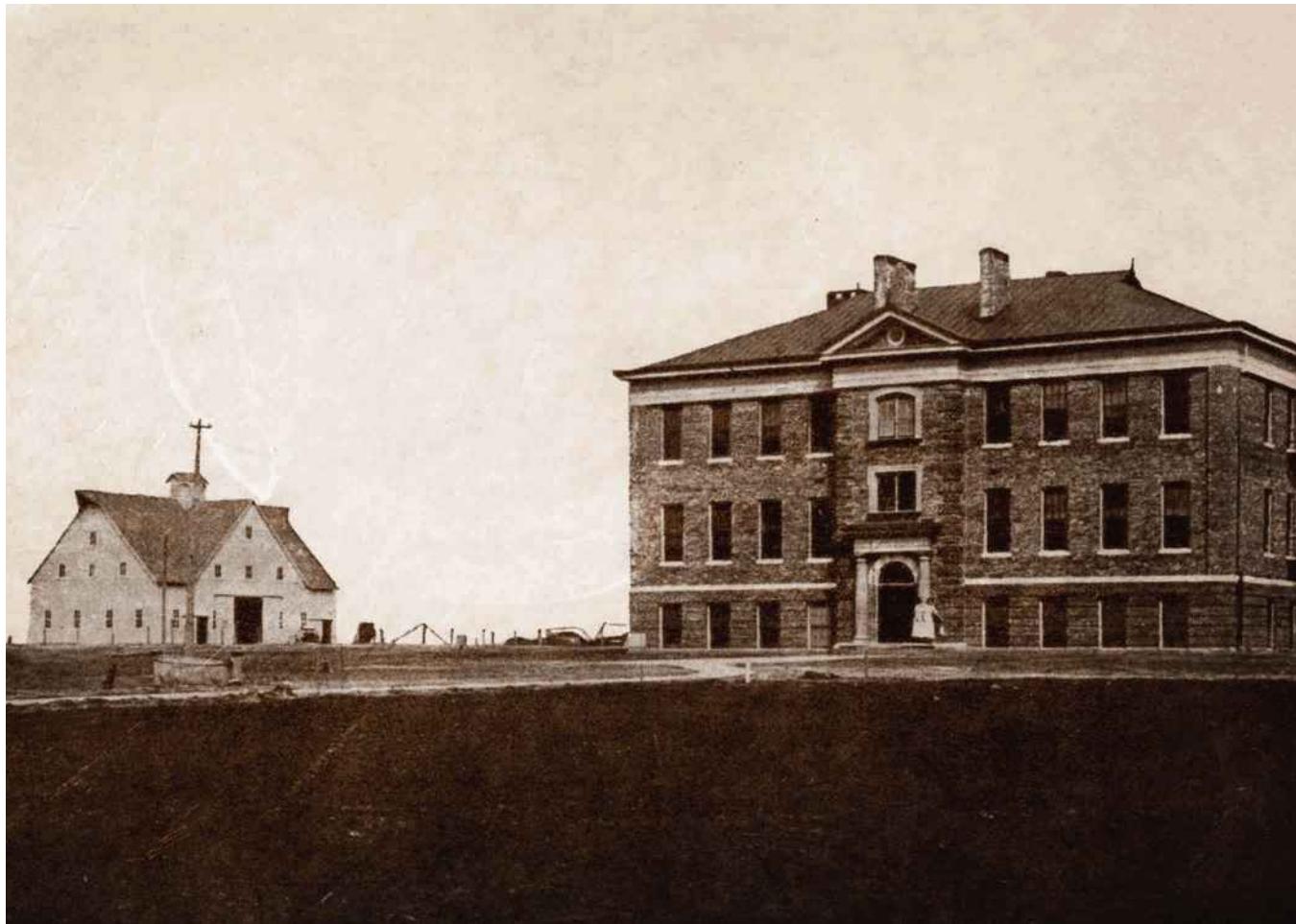
The Board of Education is comprised of five board members, each representing one of the five zones within the district. Each Board member serves a five-year term in office, and annual elections are held each April.

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

PROJECTED ENROLLMENT

Broken Arrow Public Schools is the 6th largest school district in the state. Broken Arrow Public Schools has seen strong enrollment growth over the past decade. The City of Broken Arrow shows 7,000 new homes could be built within the next several years. The 2009 and 2015 bond issues addressed the rapid growth issues by increasing classroom spaces and square footage across the district. In the last demographic study that was completed it showed the district's core 27 buildings could accommodate 22,026 students. With a footprint in both Tulsa and Wagoner Counties, Broken Arrow will continue to grow as new homes are continuing to be built. The demography study predicts that with every new home built there is .524 new students that a district can expect on average.





HISTORY OF DISTRICT BUILDINGS

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

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

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

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

NET ASSESSED VALUE

The district's net assessed valuation (NAV) refers to the local property wealth. For the 2024-25 school year, the NAV was \$1,391,556,000. Since 2000, the district has seen a steady increase in the NAV, which has grown at a rate of 3 to 4 percent each year. The NAV determines the bonding capacity of a district and has been critical for BAPS as it passed school bonds for capital improvements needed to serve its growing student population. This has been a key figure as a sign of the district's positive economic position.

2023 BOND

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

The bond featured four propositions:

PROPOSITION 1

Operations (\$48 million) – Funding for technology upgrades, enhanced security and transportation improvements.

PROPOSITION 2

Transportation (\$4 million) – Funding for new buses to expand the district's fleet.

PROPOSITION 3

Classroom Additions (No new money) – Expanding classrooms at existing sites instead of building a new elementary school.

PROPOSITION 4

Aquatic Center Location (No new money) – Flexibility to build the aquatic center at a different site with no change in 2015 bond funding.

Since the approval of this bond, the district has made significant progress. Classroom pods have been added at Highland Park Elementary and Rosewood Elementary to help address enrollment growth and keep class sizes low. Looking ahead to the 2025-26 school year, students will benefit from several new projects currently underway, including a renovated Fine Arts facility at Broken Arrow High School, a new security fence on the BAHS campus, and the opening of the South Transportation Terminal, which will improve efficiency for bus routes serving the southern part of the district.

While previous bonds funded new schools and large-scale facility projects, the 2023 bond focuses on maintaining existing structures and adapting to growth through strategic additions and renovations.

A 60-member committee of community members, parents, and district employees helped shape the proposal, ensuring the projects reflected the needs of students, staff, and families. Today, those plans are taking shape, and by the 2025-26 school year, students will see the benefits of progress promised.





ACADEMICS

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

TOTAL NUMBER OF STUDENTS: 19,882

DISTRICT ATTENDANCE RATE: 92%

TOTAL NUMBER OF GRADUATES: 1,400

NUMBER OF LANGUAGES & DIALECTS: 60

GRADUATION RATE: 89%

NUMBER OF COUNTRIES REPRESENTED: 81

SCHOLARSHIPS REPORTED: \$10,863,198



2025 DISTRICT TEACHER OF THE YEAR & SUPPORT EMPLOYEE OF THE YEAR

Broken Arrow Public Schools honored its top educators and staff at the annual Star Awards Gala, announcing Amanda Hundley from Aspen Creek Early Childhood Center as the 2025 District Teacher of the Year and Mickie Wyatt, Administrative Assistant for Athletics, as the recipient of the Beyond & Above Award, which recognizes the district's top support employee.

Held at Stoney Creek Hotel, the event featured a sit-down dinner where 31 Site Teachers of the Year were introduced, five were named finalists, and Ms. Hundley was selected as the District Teacher of the Year.

Sponsored by the Broken Arrow Public Schools Foundation, all Teacher of the Year and Support Employee of the Year finalists received monetary gifts totaling \$15,000.

As Teacher of the Year, Ms. Hundley received a paid vacation courtesy of Rebecca Olson with High Tower Accounting & Tax and Under the Sun Travel by Laura Greenleaf, along with the use of a district-owned courtesy car—complete with a detail by Stellar Details and a year of car washes from Tommy's Express Car Wash.

In addition to the Teacher of the Year announcement, five finalists were recognized for Support Employee of the Year, with Mickie Wyatt receiving the Beyond & Above Award for her outstanding dedication to the district's mission. To celebrate their achievements, WRA Architects awarded cash prizes to each of the Beyond & Above Award finalists, and Supermercados Morelos provided Ms. Wyatt with free groceries for a year.



NATIONAL MERIT SEMIFINALISTS & FINALISTS

Five of Broken Arrow High School's National Merit Semifinalists were honored as Finalists for their prestigious academic accomplishments.

Audrey Crisp, Jake Henry, John Kaya, Nathan Martin and Darren Verret are among approximately 16,000 students from across the nation who qualified and are some of the highest scoring students in the state of Oklahoma.

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



PRE-K SIGNING DAY

In 2024-25, Broken Arrow Public Schools hosted its inaugural Pre-K Signing Day and Open House at Early Childhood Centers across the district. Families of incoming Pre-K students were invited to celebrate this important first step in their child's educational journey by officially "signing on" as future Tigers. The events also gave families the chance to tour classrooms, meet teachers and learn more about the resources available to support early learners. These celebrations marked an exciting new tradition designed to build strong school connections from the very beginning.

TIGER CONNECT PROGRAM

Now in its second year, Tiger Connect is a short-term elementary program that provides additional support for kindergarten through fifth grade students who need help developing positive behaviors and coping strategies. Selected by their school sites, students spend time in Tiger Connect focusing on skills that strengthen self-regulation, problem-solving, and relationship-building, with the ultimate goal of successfully reconnecting them with their home schools.

During the 2024-25 school year, Tiger Connect served 21 students from 13 elementary sites. In turn, this positively impacted approximately 480 classmates across 21 classrooms, as well as 31 teachers and aides.

EARLY COLLEGE ACADEMY

Nearly 70 students graduated in 2024-25 with both an associate degree and a high school diploma through Broken Arrow's Early College Academy. This program allows students to earn college credit while completing their high school requirements, giving them a strong head start on their postsecondary education and career goals.

“SKY IS THE LIMIT” AVIATION & AEROSPACE CAREER FAIR

During the 2024-25 school year, nearly 1,500 seventh-graders from all district middle schools attended the inaugural “Sky is the Limit” Aviation & Aerospace Career Fair at the Broken Arrow Event Center. With almost 30 vendors participating, students engaged in hands-on activities and explored careers in aviation, Oklahoma’s second-largest industry.

NEW CONSTRUCTION 1 PROGRAM

Broken Arrow Public Schools launched its first Construction 1 class, made possible through the generous support of Hilti, the Home Builders Association and the Hardesty Foundation. This hands-on program introduces students to essential skills in carpentry, plumbing and electrical work while emphasizing safety and proper techniques. By providing real-world training in high-demand trades, the program helps prepare students for future career opportunities in the construction industry.

TINY TIGERS LEARNING CENTER EXPANSION

In August 2022, Broken Arrow Public Schools launched Tiny Tigers Learning Center, a full-time childcare program for staff, located at Arrow Springs Early Childhood Center. The program opened with 38 children, providing 10.5 hours of care each school day for infants through 3-year-olds at a rate comparable to other local providers.

Just two years later, Tiny Tigers has more than doubled in size, now serving 92 children in the 2024-25 school year. The program not only meets a critical need for employees but also creates a nurturing start for future Broken Arrow students. Children are able to seamlessly transition from Tiny Tigers into one of the district’s three Pre-K centers at age 4, helping to spark a love of learning from the very beginning.

“Our mission is to attract and retain the very best employees who serve our students on a daily basis,” said David Sutton, B&A Connections Director.



ARTS, ATHLETICS & ACTIVITIES

PERFORMING ARTS SCHOOL OF EXCELLENCE

Broken Arrow High School has been named the ninth recipient – and the ONLY district from Oklahoma – to receive the National Federation of State High School Associations’ Performing Arts School of Excellence honor. This prestigious recognition, celebrated each year in October during National High School Activities Month, highlights the value and impact of high school activity programs across the country.



FINE ARTS SIGNING DAY

The district’s fine arts department hosted its second annual Fine Arts Signing Day at the Student Event Center in April 2025. The event honored 40 seniors who excelled in the arts and earned more than \$1.86 million in scholarships representing 15 colleges and universities. From music and theater to visual arts and speech and debate, these students have demonstrated exceptional commitment to their craft, and this event marked the beginning of their exciting new journeys.

STARS ON STAGE

The Stars on Stage program once again brought the magic of theater to life at the Broken Arrow Performing Arts Center with a production of “Shrek The Musical, Jr.” A total of 73 students participated in this program, which pairs children with special needs and their peers in a fully staged performance. The experience celebrates talent, teamwork and creativity while building confidence and lasting friendships. Students spent months preparing for the show, which was met with overwhelming support from families and the community, with more than 1,800 in attendance. The program continues to highlight how the arts create unforgettable opportunities for all students.

NATIONAL SIGNING DAY FOR STUDENT-ATHLETES

The athletics department hosted its annual National Signing Day ceremony for 50 student-athletes as they committed to competing at the collegiate level. Each athlete showcased not only their athletic talent but also their commitment to academics and personal growth.



SUPERINTENDENT'S STUDENT ADVISORY COUNCIL

Throughout the 2024-25 school year, members of the Superintendent's Student Advisory Council met regularly with district administrators to share valuable insights and fresh ideas. They discussed topics ranging from academic calendars to technology use, helping shape the future of Broken Arrow Public Schools. These collaborative meetings ensured that student voices were heard and contributed directly to decision-making that impacts the entire district.

MAKE-A-WISH

Broken Arrow High School student council and leadership students rallied together to raise \$32,241.23, including a generous \$10,000 anonymous donation, to grant a wish for one of our own students at Aspen Creek Elementary, Dax. The effort not only showcased the generosity of our students but also highlighted the power of community coming together to make a lasting impact.

ATHLETIC ADMINISTRATORS ASSOCIATION QUALITY PROGRAM AWARD

Broken Arrow High School was recognized by earning the prestigious National Interscholastic Athletic Administrators Association Quality Program Award. Out of 19,500+ schools nationwide represented by the NIAAA, Broken Arrow is 1 of only 90 recognized – and just the 2nd in Oklahoma. This award highlights the district's commitment to creating an environment where student-athletes can thrive on and off the field. From cutting-edge facilities and innovative training to wellness initiatives and academic support, BAPS is proud to provide a world-class experience for our Broken Arrow Tiger Sports student-athletes.



COMMUNITY ENGAGEMENTS

RETIRED EDUCATORS BRUNCH

Throughout the 2024-25 school year, Broken Arrow Public Schools hosted several brunches to honor retired educators and celebrate their lasting contributions to the district. These gatherings provided opportunities for former staff members to reconnect with one another, hear updates on current initiatives, and stay engaged with the continued growth of BA. At each event, students shared their own stories and experiences, highlighting the lasting impact of those who paved the way before them.

ENGAGEBA

The district's EngageBA program strives to connect business and local organizations to Broken Arrow Public Schools in a variety of ways. Whether through donating resources, time or expertise, this program continues to create a positive impact on students and staff. Through the EngageBA program, the district received more than \$650,000 in donations, both in-kind and in checks during the 2024-25 school year.

PARENT UNIVERSITY

Launched in January 2023, Parent University has quickly become a valuable resource for Broken Arrow families. In just its second year, the program expanded to host more than a dozen sessions on topics that matter most to parents and guardians, including preparing for high school, navigating district technology, boosting online security, bullying prevention, enrollment and curriculum information for Pre-K, supporting grandparents as guardians, and enriching summer learning opportunities. By offering these free, practical workshops, Parent University continues to grow and strengthen family engagement in our schools.

BAPS LICENSE PLATES

Thanks to the dedication of Broken Arrow High School alum Parker Wagnon, Broken Arrow Public Schools officially has its own Oklahoma specialty license plate. To begin production, 100 pre-paid applications were required by May 1, 2025, and our community went above and beyond, submitting 145 applications. This not only secured the plate's production but also generated \$2,900 to directly benefit BA students. Soon, drivers across the state will proudly display their support for Broken Arrow Public Schools everywhere they go.

NEWS MEDIA COVERAGE

Broken Arrow Public Schools' partnership with local media has been invaluable, providing the school district with \$800,000 worth of free media coverage for the 2024-25 school year. This collaboration helped us share important news, highlight student achievements and showcase district initiatives across various platforms. By working together, the district has been able to reach a broader audience, strengthen community engagement and enhance the visibility of the positive impact our schools are making.



SUPPORT SERVICES



CHILD NUTRITION

Broken Arrow Public Schools' Child Nutrition Department is committed to serving quality meals that fuel student success. In the 2024-25 school year alone, more than 2.2 million meals were provided, including summer feeding. Every meal meets U.S. Department of Agriculture guidelines and incorporates a variety of locally sourced ingredients.

Beyond the cafeteria, the department also creates opportunities for students to learn about nutrition. Programs like "Harvest of the Month" connect classroom learning to real-world experiences by introducing students to fresh, seasonal produce and local agriculture. These efforts not only promote healthy habits but also help students understand how the choices they make today can support lifelong wellness.

TECHNOLOGY

The vision of the Broken Arrow Public Schools Technology Department is to make BAPS a choice destination for education by creating an environment that supports and enhances the technological capabilities of students, staff and the community. Through innovative technology, students gain access to modern, state-of-the-art tools that foster creativity, collaboration and critical thinking—skills essential for success in tomorrow's world.

In 2016, the district launched its one-to-one computer initiative, beginning with the Freshman Academy. Thanks to community support of the 2015 bond issue, the program expanded, and by the 2018-19 school year, all students in grades 6-12 had access to personal computing devices. This access has transformed classrooms into more interactive and collaborative learning spaces while also giving parents the ability to track student progress in real time.

During the 2024-25 school year, the technology department continued to provide instructional support, upgrade technology equipment, strengthen network infrastructure, and expand cybersecurity measures to protect both staff and student data. These improvements ensure that teachers have reliable, modern tools for instruction and that students are learning in an environment that mirrors the technology-driven world they are preparing to enter.



TRANSPORTATION

The Broken Arrow Public Schools Transportation Department played a vital role in supporting student success, safely covering 115 square miles of the district twice each day.

During the 2024-25 school year, the department achieved significant ridership growth while making key operational improvements. Buses transported 15,090 students and drove 2,101,696 miles. Full staffing and maximized routing efficiency allowed the department to absorb increased ridership while controlling costs, ensuring safe and reliable transportation for all eligible students. On-site auto and diesel garages kept the full fleet in top condition to maintain safety and efficiency.

Bond-funded updates, including a new South Transportation Terminal, will enhance transportation services and support the department's commitment to student safety and operational excellence.

MAINTENANCE AND CUSTODIAL SERVICES

The Maintenance and Custodial Services Department ensured that every Broken Arrow Public Schools campus was safe, clean, and ready for learning. Staff performed routine, preventative, and corrective maintenance across millions of square feet and hundreds of acres, keeping classrooms, hallways, and common areas in top condition. During the 2024-25 school year, custodial teams maintained more than 3 million square feet and 945 acres daily, providing students and staff with an environment where learning could thrive. Their dedication behind the scenes kept schools running smoothly and created welcoming spaces for the entire community.

FINANCE DEPARTMENT RECEIVES HONORS FOR REPORT

Broken Arrow Public Schools was awarded the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2024. This marks the 12th consecutive year the district received the award. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. The report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

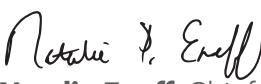
Additionally, Broken Arrow Public Schools was awarded the Certificate of Excellence in Financial Reporting by the Association of School Business Officials International (ASBO) for its Annual Comprehensive Financial Report for the year ended June 30, 2024. The District believes the Annual Comprehensive Financial Report continues to conform to the standards for which this award was granted.

IN CLOSING

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

Sincerely,

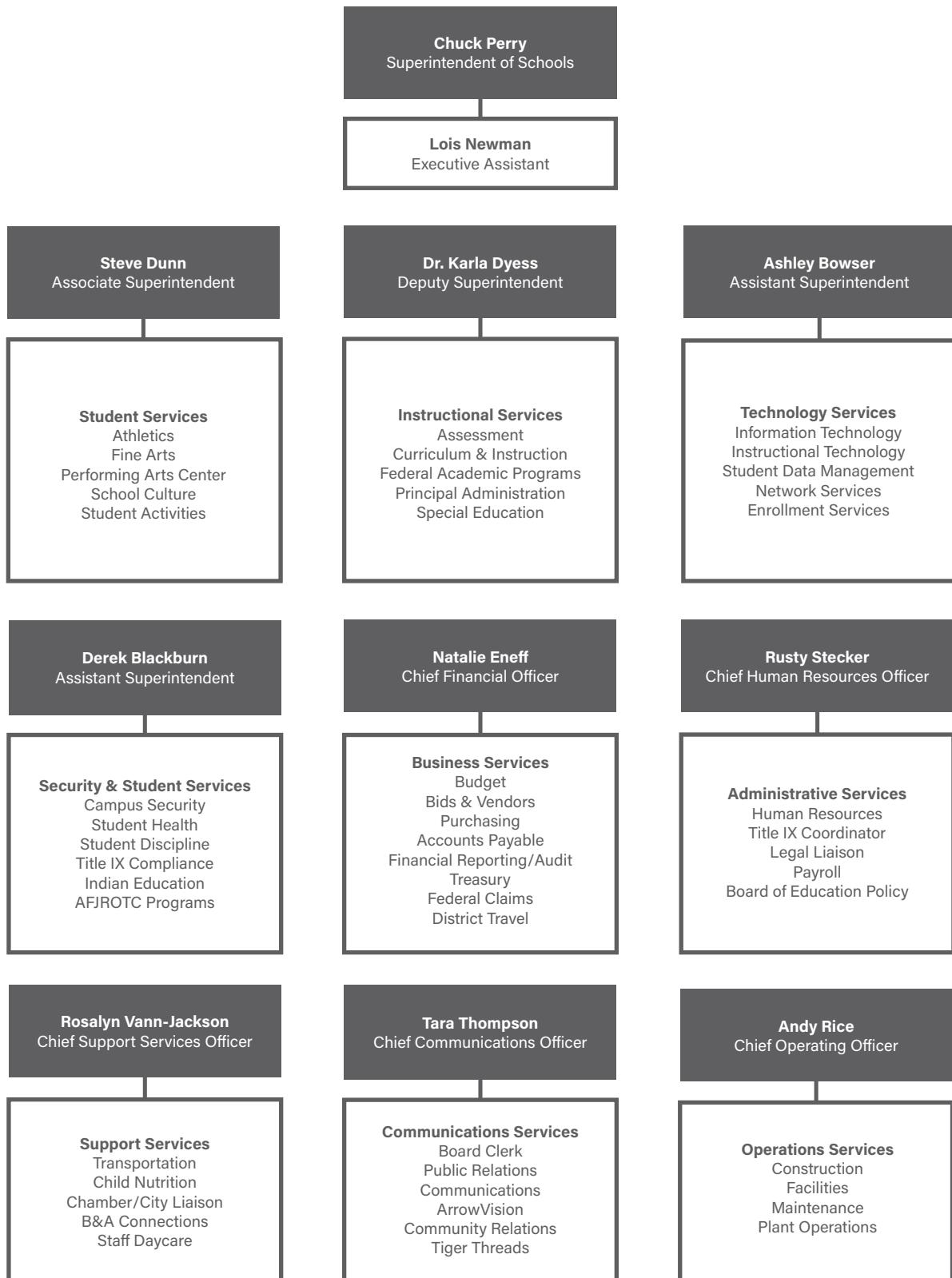

Chuck Perry, Superintendent


Natalie Eneff, Chief Financial Officer


Megan Frederick, Executive Director of Finance

BROKEN ARROW PUBLIC SCHOOLS

DISTRICT LEADERSHIP ORGANIZATIONAL CHART



BROKEN ARROW PUBLIC SCHOOLS

2024-2025 SCHOOL OFFICIALS

BOARD OF EDUCATION



DEBBIE TAYLOR
Deputy Clerk

STEVE ALLEN
President

DR. KATE WILLIAMS
Member

DR. BRANDY ROULET
Clerk

JOHN COCKRELL
Vice President

CABINET MEMBERS



ANDY RICE
Chief Operating Officer

CHUCK PERRY
Superintendent of Schools

STEVE DUNN
Associate Superintendent

NATALIE ENEFF
Chief Financial Officer

TARA THOMPSON
Chief Communications Officer

DEREK BLACKBURN
Assistant Superintendent

RUSTY STECKER
Chief Human Resources Officer

ROSALYN VANN-JACKSON
Chief Support Services Officer

ASHLEY BOWSER
Assistant Superintendent

DR. KARLA DYESS
Deputy Superintendent



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Monell

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Broken Arrow Public Schools

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.**

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



A handwritten signature in black ink that reads 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink that reads 'James M. Rowan'.

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



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Broken Arrow School District No. I-003, Broken Arrow, Oklahoma (the "School District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Broken Arrow School District No. I-003, Tulsa County, Oklahoma as of June 30, 2025, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Broken Arrow School District No. I-003, Broken Arrow, Oklahoma and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 7, 2025, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

November 7, 2025

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

In this section of the Annual Comprehensive Financial Report, Broken Arrow Public School District (the "District") discusses and analyzes its financial performance for the year ended June 30, 2025. Readers should review this section in conjunction with the transmittal letter, the independent auditors' report, and the District's Basic Financial Statements.

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

FINANCIAL HIGHLIGHTS

The District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at June 30, 2025, resulting in a government-wide total net position of \$248.7 million. Government-wide net position increased \$15.4 million from June 30, 2024 as a primary result of increased capital assets, higher state and federal source funding, and expenditure decreases from conservative budget plans to combat economic inflationary factors.

The District's Governmental Fund Financial Statements reported a combined ending fund balance in fiscal year 2025 of \$147.6 million. The unassigned fund balance for the general fund was \$35.7 million, or 19.3% of the total general fund expenditures. The general fund had a total of \$179.1 million in revenues and \$185.4 million in expenditures, resulting in the general fund total unassigned fund balance decreasing by \$6.3 million from the prior fiscal year ending June 30, 2024. This reduction was due to a deliberate increase in spending, providing strategic retention stipends for returning staff aimed at lowering overall carryover balances to comply with state and legislative regulations.

Among the other major funds, the Debt Service Fund ended its year with a fund balance of \$27.9 million which is used for the retirement of debt. The Capital Projects Fund ended the year with a fund balance of \$52.4 million which is restricted for school district construction projects. During fiscal year 2025, the District continued renovation projects at both elementary and secondary sites, and completed construction of a new middle school. The District issued \$45.7 million in bonds during the fiscal year 2024-25, and ended the year with \$121.8 million outstanding in commercial paper.

During the year, the District's expenses were \$15.4 million less than the \$266.6 million generated in taxes and other revenues for governmental-wide activities. Expenses totaled \$225.8 million after charges for services and operating grants and contributions (revenue). The total revenue received from property taxes, state aid, investment income, and miscellaneous revenues equaled \$241.3 million.

OVERVIEW OF FINANCIAL STATEMENTS

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

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

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

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

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

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

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

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

Governmental Funds - These funds include most of the District's activities, which provide a short-term analysis of District operations and services. Because the focus of Governmental Funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for Governmental Funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

The District maintains four governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Debt Service Fund, and Capital Projects Fund which are considered to be major funds. Data from the Special Revenue Fund programs are combined in a single, aggregated presentation and are non-major funds. Individual program data for each of these is provided in the form of combining schedules elsewhere in the financial statements.

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

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

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

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

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

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

The amount of calculated pension liability for the District ending June 30, 2025 was \$108.7 million compared to \$138.3 million at June 30, 2024, a decrease of \$29.6 million. Deferred pension plan outflows were \$20.2 million at June 30, 2025 compared to \$28.3 million at June 30, 2024, a decrease of \$8.0 million. This decrease was due to the Changes of Assumptions for the measurement period and a decrease in the net difference between expected and actual experience. Deferred pension plan inflows were \$10.0 million at June 30, 2025 compared to \$2.7 million at June 30, 2024, an increase of \$7.3 million.

Government-wide net investment in capital assets increased by \$33.6 million or 15.3% over the prior fiscal year, representing both significant progress in the completion of major projects and spending of bond dollars for capital expenses, as well as issuance of additional long-term construction liabilities. The District

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uses these capital assets to provide facility spaces conducive for optimal student learning and achievement in co-curricular activities; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of depreciation, it should be noted that the resources needed to repay this debt must be provided by other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of the change in net position for the fiscal years ended June 30, 2025, and 2024:

| Net Position Summary | | | |
|----------------------------------|--------------------------------|----------------|---------------|
| Table 1 | | | |
| | Governmental Activities | | |
| | 2025 | 2024 | Change |
| Assets | | | |
| Current and Other Assets | \$ 304,689,566 | \$ 247,891,364 | \$ 56,798,202 |
| Capital Assets | 488,741,032 | 472,958,359 | 15,782,673 |
| Total Assets | 793,430,598 | 720,849,724 | 72,580,875 |
| Deferred Outflows of Resources | 20,291,312 | 28,336,146 | (8,044,835) |
| Liabilities | | | |
| Other Liabilities | 69,960,437 | 49,113,073 | 20,847,364 |
| Long Term Liabilities | 388,655,158 | 374,012,705 | 14,642,453 |
| Total Liabilities | 458,615,595 | 423,125,778 | 35,489,817 |
| Deferred Inflows of Resources | 106,311,961 | 92,720,119 | 13,591,842 |
| Net Position | | | |
| Net Investment in Capital Assets | 253,612,325 | 219,925,629 | 33,686,696 |
| Restricted | 56,336,251 | 55,433,014 | 903,237 |
| Unrestricted | (61,154,222) | (42,018,670) | (19,135,552) |
| Total Net Position | \$ 248,794,354 | \$ 233,339,973 | \$ 15,454,381 |

The largest portion of the District's government-wide net position reflects its investment in capital assets (e.g., land, buildings, vehicles, furniture, equipment, and construction in progress), net of accumulated depreciation plus deferred inflows/outflows of resources (if applicable) less any related debt used to acquire those assets still outstanding. The District saw an increase in total liabilities due to an increase in bond indebtedness of \$65 million that was offset by a decrease in net pension obligations of \$29.6 million. The implementation of GASB Statements 68 and 71, which became effective for fiscal years beginning after June 15, 2014, significantly changed pension accounting and financial reporting for governmental employees who participate in a pension plan, such as the state-administered Oklahoma Teachers' Retirement System. The inclusion of this financial data does not affect the financial stability of the District, nor does it influence financial decisions for the District.

The government-wide total net position of \$248.7 million, which represents resources that are unrestricted, \$(61.1) million, may be used to meet the District's ongoing obligations to citizens and creditors.

Changes in Net Position. Over the two-year period, a number of shifts can be observed, such as an increase in property taxes tied to the District's net assessed valuation growth of 7%, an increase in state aid, and an increase in other local revenue that reflects continuing growth in areas where the District

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

The District's government-wide total revenues were \$266.6 million, an increase of \$9.8 million from the prior fiscal year total of \$256.8 million. The increase is due mainly to state aid increasing with legislative measurers impacting the amount of funds the state calculated into the funding formula. A significant portion, 36%, of the District's revenue comes from property taxes; 27% comes from state aid formula grants; 19% from other taxes; 10% is related to other operating grants and contributions; the remaining 8% comes from charges for services and other sources.

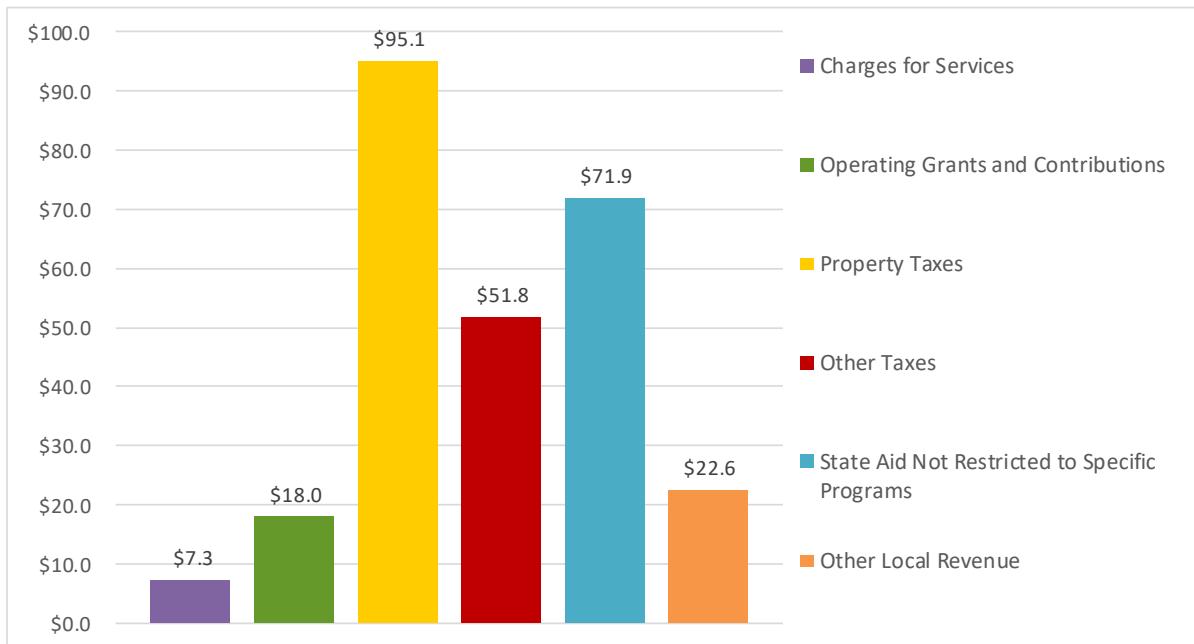
Governmental activities increased in District net position by \$15.4 million. The total cost of all governmental activities programs and services was \$251.1 million. The amount our taxpayers paid for these activities through property taxes was \$95.0 million or 37.9%. The Statement of Activities presents a district-wide summary of revenues and expenses for the fiscal year. The format of the presentation identifies expenses by program areas (functions), and identifies to what extent those expenses are offset by charges for services, operating grants, and contributions.

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

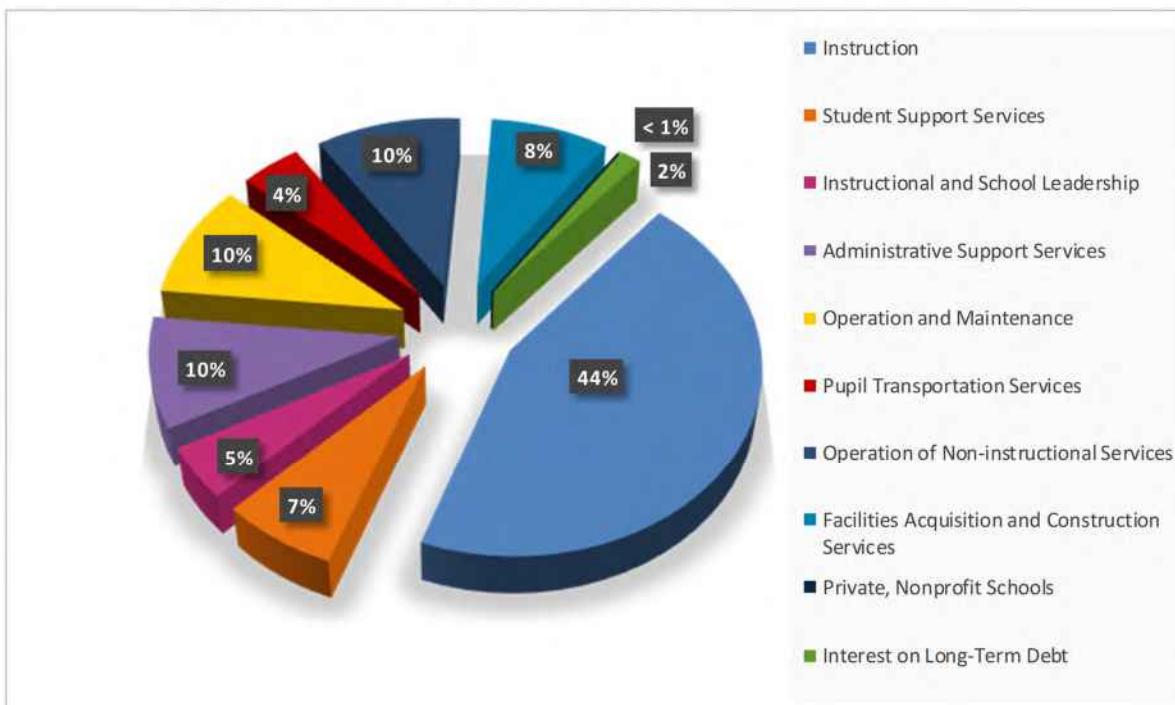
| Changes in Net Position | | | | | |
|--|-------------------------|-----------------------|----------------------|--------------|--|
| Table 2 | | | | | |
| | Governmental Activities | | | | |
| | 2025 | 2024 | Change | Change % | |
| Revenues | | | | | |
| Program Revenues: | | | | | |
| Charges for Services | \$ 7,295,455 | \$ 6,746,408 | \$ 549,047 | 8.14% | |
| Operating Grants and Contributions | 17,999,654 | 18,323,420 | (323,766) | -1.77% | |
| General Revenues: | | | | | |
| Property Taxes | 95,078,380 | 87,543,290 | 7,535,090 | 8.61% | |
| Other Taxes | 51,800,921 | 50,104,855 | 1,696,066 | 3.39% | |
| State Aid Not Restricted to Specific Programs | 71,862,539 | 74,199,884 | (2,337,346) | -3.15% | |
| Other Local Revenue | 22,582,477 | 19,904,699 | 2,677,777 | 13.45% | |
| Total Revenues | <u>\$ 266,619,425</u> | <u>\$ 256,822,557</u> | <u>\$ 9,796,868</u> | <u>3.81%</u> | |
| Expenses | | | | | |
| Instruction | 111,754,877 | 117,950,573 | (6,195,696) | -5.25% | |
| Student Support Services | 17,505,329 | 19,520,940 | (2,015,612) | -10.33% | |
| Instructional and School Leadership | 11,525,663 | 12,533,379 | (1,007,716) | -8.04% | |
| Administrative Support Services | 23,853,684 | 25,036,498 | (1,182,814) | -4.72% | |
| Operation and Maintenance | 24,588,335 | 26,150,050 | (1,561,715) | -5.97% | |
| Pupil Transportation Services | 10,931,144 | 11,085,624 | (154,481) | -1.39% | |
| Operation of Non-instructional Services | 25,902,863 | 22,730,141 | 3,172,722 | 13.96% | |
| Facilities Acquisition and Construction Services | 21,188,076 | 8,729,863 | 12,458,213 | 142.71% | |
| Private, Nonprofit Schools | 39,760 | 40,155 | (395) | -0.98% | |
| Interest on Long-Term Debt | 3,875,313 | 3,325,835 | 549,478 | 16.52% | |
| Total Expenses | <u>\$ 251,165,044</u> | <u>\$ 247,103,059</u> | <u>\$ 4,061,985</u> | <u>1.64%</u> | |
| Change in Net Position | 15,454,381 | 9,719,498 | 5,734,883 | 59.00% | |
| Net Position, Beginning | <u>233,339,973</u> | <u>223,620,475</u> | | | |
| Net Position, Ending | <u>\$ 248,794,354</u> | <u>\$ 233,339,973</u> | <u>\$ 15,454,381</u> | <u>6.62%</u> | |

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
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Revenues by Source - Governmental Activities
In Millions



Program Expenses by Major Function - Governmental Activities



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The District's expenses are predominantly related to instruction of students (44%).

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

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

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

| GOVERNMENTAL FUNDS | | 2025 | | 2024 | |
|--|----------------|-------------|----------------|-------------|-------|
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Inventory | \$ 818,939 | 0.6% | \$ 676,019 | 0.5% | |
| Permanent fund principal | 40,000 | 0.0% | 40,000 | 0.0% | |
| Restricted for: | | | | | |
| Federal and state allocation carryover | 2,569,671 | 1.7% | 4,804,416 | 3.7% | |
| Capital projects | 52,493,772 | 35.5% | 28,879,598 | 22.3% | |
| Debt service | 27,952,011 | 18.9% | 31,069,501 | 24.0% | |
| Building | 16,514,100 | 11.2% | 10,766,355 | 8.3% | |
| Child Nutrition | 7,036,704 | 4.8% | 7,827,034 | 6.0% | |
| Endowment | 8,794 | 0.0% | 6,714 | 0.0% | |
| Arbitrage | 82,899 | 0.1% | 180,261 | 0.1% | |
| Student activities | 4,363,643 | 3.0% | 5,330,770 | 4.1% | |
| Unassigned | 35,781,642 | 24.2% | 39,893,810 | 30.8% | |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | \$ 147,662,176 | 100.0% | \$ 129,474,478 | 100.0% | |

As of the end of the current fiscal year, the District's Governmental Funds reported combined ending total fund balances of \$147.6 million, an increase of \$18.1 million over last year. This increase was primarily due to bond proceeds of \$38.6 million received later in the fiscal year.

The General Fund is the primary operating fund of the District. At June 30, 2025, the General Fund's unassigned fund balance was \$35.7 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total General Fund actual expenditures. General Fund unassigned fund balance represents 19.3% of the total General Fund actual expenditures, which total \$185.4 million while the General Fund total fund balance of \$38.6 million represents 20.8% of that same amount.

The District's overall General Fund balance decreased by \$6.3 million by fiscal year end due to a deliberate increase in spending aimed at lowering overall carryover balances and providing strategic retention stipends for returning staff. This fund balance is carefully calculated to ensure sufficient cash flow is

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JUNE 30, 2025

available for operations as the District transitions from one fiscal year to the next. Of the total governmental funds balance, \$0.8 million is nonspendable for investment in inventories and permanent fund principal.

The Debt Service Fund (Sinking Fund) had a total fund balance of \$27.9 million, all of which is restricted for the payment of debt service requirements. Millage rates for Sinking Fund levies are not controlled by the District but are set annually by the Tulsa County Excise Board after a thorough review of property valuations and the District's debt service needs. The decrease in fund balance is due to the bond payment schedule as set when bonds are sold.

The Capital Projects Fund accounts for the construction of school buildings and improvements. At the end of the 2025 fiscal year, the fund balance was \$52.4 million, which increased by \$23.6 million, or 81.6% from the 2024 fiscal year. This increase was primarily due to the district receiving bond proceeds later in the fiscal year for construction projects in progress, as well continuing to pay the debt schedule for lease revenue bond acquisition. More information regarding capital project funds and millage levies may be found in the Statistical Section.

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

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

BUDGETARY HIGHLIGHTS

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

For FY 2024-25, the District budgeted original General Fund revenues of \$171.7 million and budgeted original expenditures of \$192.0 million. The Board of Education approved a final General Fund revenue budget of \$180.7 million and a final expenditure budget of \$192.0 million. The General Fund final expenditure budget approved by the Board of Education represents no change from the original budget; however, actual expenditures for the General Fund of \$185.4 million were \$6.6 million below the final expenditure budget.

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

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

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

General Fund Revenues:

- ❖ A net favorable variance of \$9.0 million in total revenues was due to the following variances:
 - Local property tax collections, including current year, prior year, and penalty and interest, were \$2.7 million higher than anticipated. The unrestricted intermediate county taxes were slightly higher than anticipated by \$0.4 million.
 - Federal sources of revenue were \$3.1 million higher than anticipated.
 - State sources of revenue were slightly lower than anticipated by \$0.1 million due to lower enrollment.
 - District sources of revenue (e.g., earnings-investments, rentals, and commissions) were \$2.7 million higher than anticipated.

General Fund Expenditures:

- ❖ A net favorable variance of over \$6.5 million in expenditures was due to the following variances:
 - Employee payroll, payroll taxes, and benefits, including the related TRS on behalf payments, were \$1.1 million less than budgeted.
 - Utilities and travel were \$0.1 million lower than anticipated.
 - Instructional programs conservatively spent \$5.2 million less than budgeted.
 - Professional, technical and contracted services were \$0.1 million less than estimated.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The District has invested \$488.7 million, net of depreciation, in a broad range of capital assets including school buildings, land, athletic facilities, buses and other operational vehicles, computers, and other equipment. This represents a net increase (including additions, deductions and depreciation) of \$15.7 million from the previous year.

| Capital Assets (net of depreciation) | | | | | |
|--|--------------------------------|-----------------------|----------------------|-------------------|--|
| | Table 3 | | | | |
| | Governmental Activities | | | | |
| | 2025 | 2024 | Change | Percentage | |
| Land | \$ 24,303,848 | \$ 24,303,848 | \$ (0) | 0.0% | |
| Construction in Progress | 159,876,845 | 139,304,733 | 20,572,112 | 12.9% | |
| Subscription Assets | 1,009,521 | 970,311 | 39,210 | 3.9% | |
| Land Improvements | 5,872,438 | 5,675,193 | 197,245 | 3.4% | |
| Buildings/Improvements | 284,994,089 | 291,232,406 | (6,238,317) | -2.2% | |
| Equipment | 12,684,292 | 11,471,868 | 1,212,424 | 9.6% | |
| Total Capital Assets, Net of Depreciation | <u>\$ 488,741,032</u> | <u>\$ 472,958,359</u> | <u>\$ 15,782,673</u> | <u>3.2%</u> | |

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

| Outstanding General Obligation Bonded Debt | | | |
|---|--------------------------------|-----------------------|---------------------|
| Table 4 | | | |
| | Governmental Activities | | |
| | 2025 | 2024 | Change |
| General Obligation Bonds: | | | |
| Series 2020 | \$ - | \$ 3,800,000 | \$ (3,800,000) |
| Series 2021 | 7,500,000 | 15,000,000 | (7,500,000) |
| Series 2022 | 28,060,000 | 42,090,000 | (14,030,000) |
| Series 2023 | 18,750,000 | 33,000,000 | (14,250,000) |
| Series 2024 | 28,900,000 | 21,800,000 | 7,100,000 |
| Series 2025 | 38,600,000 | - | 38,600,000 |
| Total Outstanding Debt | \$ 121,810,000 | \$ 115,690,000 | \$ 6,120,000 |

| Outstanding Lease Revenue Bond Debt | | | |
|--|--------------------------------|-----------------------|----------------------|
| Table 5 | | | |
| | Governmental Activities | | |
| | 2025 | 2024 | Change |
| Lease Revenue Bonds: | | | |
| Series 2016 | \$ 42,781,000 | \$ 46,759,000 | \$ (3,978,000) |
| Series 2019 | 72,436,000 | 73,431,000 | (995,000) |
| Series 2021 | 73,132,500 | 74,625,000 | (1,492,500) |
| Series 2025 | 68,342,500 | - | 68,342,500 |
| Total Outstanding Debt | \$ 256,692,000 | \$ 194,815,000 | \$ 61,877,000 |

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

General obligation bonded debt outstanding as of June 30, 2025 was \$121.8 million, an increase of \$6.1 million from the prior fiscal year, and \$39.8 million due within one year. Lease revenue bond debt outstanding as of June 30, 2025 was \$256.6 million, an increase of \$61.8 million from the prior fiscal year, and \$22.3 million due within one year. Detailed information on the long-term debt activity can be found in Note 5 and 10 of the Notes to the Basic Financial Statements. The District was given a "AA" rating by Standard & Poor's for the general obligation bonds issued.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Budgetary resource allocations are distributed to campuses and central organizations that support the programs of the District. The District's budget process begins with the development of enrollment

BROKEN ARROW PUBLIC SCHOOLS
FINANCIAL SECTION: MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025

projections by the District's Information Services team. Enrollment projections are then used to determine initial campus allocations through the use of District and then Board level approval.

The District uses line-item and site-based budgetary approaches to provide campuses with a standard allocation based on student enrollment. Enrollment projections also drive general operating staffing levels and non-position allocations. Staffing ratios adhere to the Oklahoma legislature mandated by House Bill 1017. Enrollment projections for the year ended June 30, 2025, show stable enrollment numbers, but forecasted growth due to the growing population in the southern and eastern portions of the District boundaries. The District will continue to monitor enrollment trends with a planned demographic study in the next school year.

Local sources of revenue consist primarily of ad valorem revenue, which is based on an annual levy of 36 mills (one mill is equal to \$1 per \$1,000 of net assessed valuation). For 2024-25, the District's net assessed valuation grew by 7% primarily due to an increase in personal real property within the boundaries of the District. Additional information on the District's net assessed valuation can be found in the Statistical Section of this report. Other local sources of revenue include fees from before and after school care, donations, interest earnings, and facility rentals.

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

Federal sources of revenue include IDEA, all No Child Left Behind programs, Title programs, and other federal programs.

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

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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





BASIC FINANCIAL STATEMENTS



Broken Arrow Public Schools
Statement of Net Position
June 30, 2025

| | Governmental Activities |
|---|------------------------------------|
| ASSETS | |
| Current: | |
| Cash and cash equivalents | \$ 26,383,709 |
| Investments | 120,238,212 |
| Receivables net of allowance for uncollectibles | 157,248,706 |
| Inventories | 818,939 |
| Total current assets | <u>304,689,566</u> |
| Non-current: | |
| Land and construction-in-progress | 184,180,693 |
| Subscription assets, net of amortization | 1,009,521 |
| Capital assets being depreciated, net | 303,550,818 |
| Total noncurrent assets | <u>488,741,032</u> |
| Total assets | <u>793,430,598</u> |
| | <u>20,291,312</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| LIABILITIES | |
| Current: | |
| Accounts payable and other current liabilities | 2,489,997 |
| Accrued interest payable | 1,578,564 |
| Unearned Revenues | 174,091 |
| Current portion of long-term obligations | 65,717,784 |
| Total current liabilities | <u>69,960,437</u> |
| Non-current: | |
| Non-current portion of long-term obligations | 279,905,990 |
| Net pension liability | <u>108,749,168</u> |
| Total noncurrent liabilities | <u>388,655,158</u> |
| Total liabilities | <u>458,615,595</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Succeeding year property tax | 96,248,612 |
| Deferred pension plan inflows | <u>10,063,349</u> |
| Total deferred inflows of resources | <u>106,311,961</u> |
| NET POSITION | |
| Net Investment in Capital Assets | 253,612,325 |
| Restricted for: | |
| Debt Service | 27,952,011 |
| Building | 16,738,805 |
| Child Nutrition | 7,036,704 |
| Non-expendable Endowment | 40,000 |
| Expendable Endowment | 8,794 |
| Other Programs | 4,559,936 |
| Unrestricted | <u>(61,154,222)</u> |
| | <u>TOTAL NET POSITION</u> |
| | <u>\$ 248,794,354</u> |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Activities
For the Year Ended June 30, 2025

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position |
|--|---|----------------------------|--|--|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | | |
| Instruction | \$ 111,754,877 | \$ 990,269 | \$ 7,300,360 | | \$ (103,464,248) |
| Support services - Students and staff | 17,505,329 | - | 2,048,267 | | (15,457,062) |
| Instructional and school leadership | 11,525,663 | - | 988,881 | | (10,536,782) |
| Administrative support services | 23,853,684 | - | 507,904 | | (23,345,780) |
| Operation and maintenance of plant services | 24,588,335 | - | 50,515 | | (24,537,820) |
| Student transportation services | 10,931,144 | - | 322,358 | | (10,608,786) |
| Operation of non-instructional services | 25,902,863 | 6,305,186 | 6,775,618 | | (12,822,059) |
| Facilities acquisition and construction services | 21,188,076 | - | - | | (21,188,076) |
| Private, Nonprofit schools | 39,760 | - | 5,751 | | (34,009) |
| Interest on long-term debt | 3,875,313 | - | - | | (3,875,313) |
| TOTAL GOVERNMENTAL ACTIVITIES | \$ 251,165,044 | \$ 7,295,455 | \$ 17,999,654 | | \$ (225,869,935) |
| GENERAL REVENUES | | | | | |
| Taxes: | | | | | |
| | Property tax, levied for general purposes | | | | 56,608,965 |
| | Property tax, levied for debt services | | | | 38,469,416 |
| | State aid - formula grants | | | | 71,862,539 |
| | Unrestricted dedicated state revenue | | | | 44,354,908 |
| | Unrestricted intermediate county taxes | | | | 7,446,012 |
| | Interest and investment earnings | | | | 7,971,583 |
| | Gain on sale of capital assets | | | | 12,391 |
| | Other local revenue | | | | 14,598,503 |
| | TOTAL GENERAL REVENUES | | | | 241,324,316 |
| CHANGE IN NET POSITION | | | | | |
| NET POSITION - BEGINNING | | | | | |
| | | | | | 233,339,973 |
| NET POSITION - ENDING | | | | | |
| | | | | | \$ 248,794,354 |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Balance Sheet - Governmental Funds
June 30, 2025

| | General Fund | Capital Projects Fund | Debt Service Fund | Nonmajor Funds | Total Governmental Funds |
|---|----------------------|-----------------------|----------------------|----------------------|--------------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 16,559,187 | \$ 68,123 | \$ 25,358 | \$ 9,578,254 | \$ 26,230,922 |
| Investments | 20,547,326 | 52,425,648 | 27,748,636 | 19,516,602 | 120,238,212 |
| Receivables net of allowance for uncollectibles | 52,133,193 | - | 39,906,851 | 7,207,367 | 99,247,411 |
| Inventories | 440,226 | - | - | 378,713 | 818,939 |
| TOTAL ASSETS | \$ 89,679,933 | \$ 52,493,772 | \$ 67,680,845 | \$ 36,680,936 | \$ 246,535,485 |
| LIABILITIES | | | | | |
| Accounts payable | 1,557,428 | - | - | 893,177 | 2,450,605 |
| Other liabilities | - | - | - | 174,091 | 174,091 |
| TOTAL LIABILITIES | 1,557,428 | - | - | 1,067,269 | 2,624,697 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Succeeding year property tax | 49,455,965 | - | 39,728,834 | 7,063,814 | 96,248,612 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 49,455,965 | - | 39,728,834 | 7,063,814 | 96,248,612 |
| FUND BALANCES | | | | | |
| Non-spendable: | | | | | |
| Inventory | 440,226 | - | - | 378,713 | 818,939 |
| Permanent fund principal | - | - | - | 40,000 | 40,000 |
| Restricted for: | | | | | |
| Federal and state allocation carryover | 2,444,671 | - | - | 125,000 | 2,569,671 |
| Capital projects | - | 52,493,772 | - | - | 52,493,772 |
| Debt service | - | - | 27,952,011 | - | 27,952,011 |
| Building | - | - | - | 16,514,100 | 16,514,100 |
| Child Nutrition | - | | | 7,036,704 | 7,036,704 |
| Endowment | - | | | 8,794 | 8,794 |
| Arbitrage | - | | | 82,899 | 82,899 |
| Student activities | - | | | 4,363,643 | 4,363,643 |
| Unassigned | 35,781,642 | - | - | - | 35,781,642 |
| TOTAL FUND BALANCES | 38,666,540 | 52,493,772 | 27,952,011 | 28,549,853 | 147,662,176 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 89,679,933 | \$ 52,493,772 | \$ 67,680,845 | \$ 36,680,936 | \$ 246,535,485 |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2025

Total fund balances - Governmental Funds \$ 147,662,176

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

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

| | |
|--------------------------|----------------------|
| Cost of assets | \$ 661,470,754 |
| Accumulated amortization | \$ (1,155,970) |
| Accumulated depreciation | <u>(171,573,753)</u> |
| | 488,741,032 |

An Internal Service Fund is used by the District's management to charge the costs of the workers' compensation insurance program to the individual funds. The assets and liabilities of the Internal Service Fund are included in the governmental activities. 113,394

Funds available for drawdown under the 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. 58,001,295

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Interest payable on debt and other long-term obligations are also not recorded in the governmental funds but are reported in the Statement of Net Position.

Long-term liabilities at year-end consist of:

| | |
|---------------------|--------------------|
| Bonds and contracts | (345,416,194) |
| Interest payable | <u>(1,578,564)</u> |
| | 346,994,758 |

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

| | |
|------------------------|---------------|
| Subscription liability | (207,580) |
| Net pension liability | (108,749,168) |

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

| | |
|--------------------------------|---------------------|
| Deferred pension plan outflows | 20,291,312 |
| Deferred pension plan inflows | <u>(10,063,349)</u> |
| | |

| | |
|---|-----------------------|
| TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES | \$ 248,794,354 |
|---|-----------------------|

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2025

| | General Fund | Capital Projects Fund | Debt Service Fund | Nonmajor Funds | Total Governmental Funds |
|--|----------------------|--------------------------|----------------------|----------------------|--------------------------------|
| REVENUES | | | | | |
| Local sources | \$ 56,933,120 | \$ 1,192,357 | \$ 40,218,080 | \$ 19,229,615 | \$ 117,573,172 |
| Intermediate sources | 7,446,012 | - | - | - | 7,446,012 |
| State sources | 103,200,981 | - | 1,587 | 4,613,465 | 107,816,034 |
| Federal sources | 10,734,746 | - | - | 6,389,065 | 17,123,811 |
| Other sources | 833,151 | - | - | 5,201,337 | 6,034,489 |
| TOTAL REVENUES | 179,148,012 | 1,192,357 | 40,219,668 | 35,433,482 | 255,993,518 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| Instruction | 105,248,163 | 4,069,133 | - | 165,674 | 109,482,970 |
| Student | 16,621,162 | 339 | - | 1,060,015 | 17,681,516 |
| Instructional staff | 9,082,176 | 3,226,308 | - | 72,695 | 12,381,179 |
| Administration | 23,928,010 | 172,312 | - | 320,877 | 24,421,199 |
| Operations and maintenance | 17,334,628 | 2,802,175 | - | 6,345,090 | 26,481,893 |
| Student transportation | 9,912,449 | 1,043,879 | - | 327,035 | 11,283,364 |
| Child nutrition operations | 11,128 | - | - | 12,617,466 | 12,628,594 |
| Community service operations | 2,730,455 | - | - | 1,136,317 | 3,866,772 |
| Other | 603,065 | - | - | 9,353,931 | 9,956,996 |
| Capital outlay | - | 11,964,038 | - | 20,141 | 11,984,179 |
| Debt service | | | | | |
| Principal | - | - | 39,580,000 | - | 39,580,000 |
| Interest | - | - | 3,817,645 | - | 3,817,645 |
| Judgements | - | - | 1,954 | - | 1,954 |
| TOTAL EXPENDITURES | 185,471,238 | 23,278,183 | 43,399,599 | 31,419,242 | 283,568,262 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (6,323,226) | (22,085,826) | (3,179,932) | 4,014,240 | (27,574,744) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Bond issuance | - | 45,700,000 | - | - | 45,700,000 |
| Premium on new bond issuance | - | - | 62,442 | - | 62,442 |
| TOTAL OTHER FINANCING SOURCES (USES) | - | 45,700,000 | 62,442 | - | 45,762,442 |
| NET CHANGE IN FUND BALANCES | (6,323,226) | 23,614,174 | (3,117,490) | 4,014,240 | 18,187,698 |
| FUND BALANCE AT BEGINNING OF YEAR | 44,989,766 | 28,879,598 | 31,069,501 | 24,535,613 | 129,474,478 |
| FUND BALANCE AT END OF YEAR | \$ 38,666,540 | \$ 52,493,772 | \$ 27,952,011 | \$ 28,549,853 | \$ 147,662,176 |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balance with the
District-Wide Statement of Activities
For the Year Ended June 30, 2025

TOTAL NET CHANGE IN FUND BALANCES-GOVERNMENTAL FUNDS \$ 18,187,698

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

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

| | |
|-----------------------------|------------------|
| Capital outlays | \$ 33,707,108 |
| Depreciation expense | (16,940,186) |
| Retirements and adjustments | <u>(984,250)</u> |

15,782,673

Outlays related to subscription-based IT arrangements that are reported in governmental funds as expenditures. These outlays are capitalized as subscription assets on the Statement of Net Position and amortized over their estimated useful lives as amortization expense in the Statement of Activities. 197,696

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

| | |
|-------------------------|---------------------|
| Repayments of principal | 46,045,500 |
| Loan proceeds | <u>(45,700,000)</u> |

345,500

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

| | |
|--|----------------|
| Current year bond premium | (62,442) |
| Amortization of lease-revenue bond premium | (930,916) |
| Amortization of bond premium | <u>232,694</u> |

(760,663)

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

| | |
|---|---------------------|
| Interest revenues earned on escrow funds | 2,042,415 |
| Expenditures from escrow funds for capital improvement projects | <u>(21,518,932)</u> |

(19,476,518)

Transactions reported in the Statement of Activities related to lease-revenue escrow accounts not included in governmental funds. This is the amount by which long-term debt exceed bond proceeds.

| | |
|-----------------------------------|---------------------|
| Other receivables on escrow funds | 50,845,929 |
| Bond premium | 4,848,521 |
| Long-term debt | <u>(68,342,500)</u> |

(12,648,050)

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the governmental funds when it is due and thus requires the use of current financial resources. In the Statement of Activities, however, interest cost is recognized as the interest accrues, regardless of when it is due. This is the net change in amount of interest payable. (290,363)

The District uses Internal Service Funds to charge the costs of certain activities, such as self insurance, to appropriate function in other funds. The net income (loss) of Internal Service Funds are reported with governmental activities. The net effect of this consolidation is to increase the change in net position. (98,984)

Some expenses (compensated absences, insurance claims, and pension expense) reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 14,215,392

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 15,454,381

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Net Position - Proprietary Funds
June 30, 2025

| | | |
|--------------------------------------|---|--|
| | | <u>Governmental</u> <u>Activities - Internal</u> <u>Service Fund: Workers'</u> <u>Compensation Fund</u> |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and equivalents | \$ 152,786 | |
| | <u>TOTAL ASSETS</u> | <u>152,786</u> |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accounts payable | 39,392 | |
| | <u>TOTAL CURRENT LIABILITIES</u> | <u>39,392</u> |
| NET POSITION | | |
| Restricted for worker's compensation | <u>113,394</u> | |
| | <u>TOTAL NET POSITION</u> | <u>113,394</u> |
| | <u>TOTAL LIABILITIES AND NET POSITION</u> | <u>\$ 152,786</u> |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2025

| | | <u>Governmental Activities - Internal Service Fund: Workers' Compensation Fund</u> |
|--|---------------------------------|--|
| OPERATING REVENUES | | |
| Reimbursements | | <u>\$ 325,000</u> |
| | TOTAL OPERATING REVENUES | <u>325,000</u> |
| OPERATING EXPENSES | | |
| Medical claims | | <u>423,984</u> |
| | TOTAL OPERATING EXPENSES | <u>423,984</u> |
| | OPERATING INCOME (LOSS) | <u>(98,984)</u> |
| CHANGES IN NET POSITION | | <u>(98,984)</u> |
| NET POSITION AT BEGINNING OF YEAR | | <u>212,378</u> |
| NET POSITION AT END OF YEAR | | <u>\$ 113,394</u> |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2025

| | <u>Governmental Activities - Internal Service Fund: Workers' Compensation Fund</u> |
|---|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Interfund services provided | \$ 325,000 |
| Cash payment for insurance claims | (389,095) |
| Cash payments to suppliers for goods and services | (17,643) |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | <u>(81,738)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | <u>(81,738)</u> |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | <u>234,524</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>152,786</u> |
| RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) | |
| OPERATING ACTIVITIES | |
| Operating Income (loss) | (98,984) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities | |
| Change in assets, deferred outflows, liabilities, and deferred inflows: | |
| Increase (decrease) in Accounts payable | <u>17,246</u> |
| NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES | <u>\$ (81,738)</u> |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Fiduciary Net Position
June 30, 2025

| | Private-Purpose Trust Fund |
|---------------------------|---------------------------------------|
| ASSETS | |
| Cash and cash equivalents | <u>\$ 56,609</u> |
| TOTAL ASSETS | <u><u>56,609</u></u> |
| LIABILITIES | |
| TOTAL LIABILITIES | <u><u>-</u></u> |
| NET POSITION | |
| Held for scholarships | <u>56,609</u> |
| TOTAL NET POSITION | <u><u>\$ 56,609</u></u> |

See Notes to the Basic Financial Statements



Broken Arrow Public Schools
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2025

| | Private-Purpose Trust Fund |
|--|-------------------------------|
| ADDITIONS | |
| Contributions | \$ 3,900 |
| Interest income | 1,931 |
| TOTAL ADDITIONS | <u>5,831</u> |
| DEDUCTIONS | |
| Scholarships awarded | 5,000 |
| TOTAL DEDUCTIONS | <u>5,000</u> |
| CHANGE IN NET POSITION | 831 |
| NET POSITION AT BEGINNING OF YEAR | <u>55,777</u> |
| NET POSITION AT END OF YEAR | <u>\$ 56,609</u> |

See Notes to the Basic Financial Statements

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

Note 1. Summary of Significant Accounting Policies

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

Reporting Entity

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

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

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

Government-Wide and Fund Financial Statements

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

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

Fund Accounting

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

Governmental Funds

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

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

The District reports the following Major Governmental Funds:

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

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

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

The District reports the following Nonmajor Governmental Funds:

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

Arbitrage Rebate Fund - The Arbitrage Rebate Fund is used to pay the rebatable arbitrage of certain bond issues to which the Internal Revenue Service arbitrage rules apply. These funds will either be retained or transferred to the Internal Revenue Service, depending on future financial events and computations. The District did had \$172,363 in arbitrage liability for the year ended June 30, 2025.

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

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

The Texaco/F.A. Petrick Endowment Fund accounts for a donor-restricted endowment whose funds, in the amount of \$48,794, are restricted to expenditures for awarding college scholarships to Broken Arrow high school graduates. The available amounts for expenditure are reflected in the net position as restricted expendable. State law allows for expending available net appreciation of donor-restricted endowment to support the reporting government's programs as per the endowment terms.

Proprietary Funds

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

The District reports the following major Proprietary Funds:

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

Fiduciary Funds

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

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

Other Accounting Policies

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

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

Property Tax Revenues and Receivables - The District is authorized by state law to levy property taxes, which consist of ad valorem taxes on real and personal property within the district. These property taxes are distributed to the District's General Fund, Building Fund, and Debt Service Fund based on the levies approved for each fund. The District receives property taxes from two counties.

The County Assessor for each county, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax rolls of submission to the County Treasurer prior to October 1. The County Treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes is due prior to January 1. The second half is due prior to April 1. If the first payment is not made in a timely manner, the entire tax becomes due and payable on January 2. The second half of taxes become delinquent on April 1 of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due.

The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. Property tax receivables are recorded on the lien date, although the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied. Delinquent property taxes, which are not collected within the availability period, 60 days of the year end, are recorded in the Governmental Fund Financial Statements as deferred inflows of resources. An allowance for uncollectible property taxes is calculated based on historical collection data.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

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

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

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

Deferred Outflows of Resources - In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources until that period. Deferred outflows of resources for the year ended June 30, 2025, consist of unrecognized items not yet charged to pension expense and contributions from the employer after the measurement date but before the end of the employer's reporting period. See Note 6 for additional discussion regarding pension deferred outflows of resources.

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

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

Net investment in capital assets - The component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position, if any. The total unexpended Bond-Capital Purposes is \$52.4 million at June 30, 2025.

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

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

| | |
|--|--------------------|
| Arbitrage | \$ 82,899 |
| Student activities | 4,363,643 |
| Workers compensation | 113,394 |
| Total restricted for other programs | \$4,559,936 |

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

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

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

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

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

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

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

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

The following information provides the fund balance classifications as shown in the Governmental Funds Balance Sheet as of June 30, 2025:

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

| | General Fund | Capital Projects Fund | Debt Service Fund | Nonmajor Funds | Total Governmental Funds |
|--|----------------------|--------------------------|----------------------|----------------------|--------------------------------|
| <u>FUND BALANCES</u> | | | | | |
| Nonspendable: | | | | | |
| Inventory | \$ 440,226 | \$ - | \$ - | \$ 378,713 | \$ 818,939 |
| Permanent fund | - | - | - | 40,000 | 40,000 |
| Restricted for: | | | | | |
| Federal and state allocation carryover | 2,444,671 | - | - | 125,000 | 2,569,671 |
| Capital projects | - | 52,493,772 | - | - | 52,493,772 |
| Debt service | - | - | 27,952,011 | - | 27,952,011 |
| Building | - | - | - | 16,514,100 | 16,514,100 |
| Child Nutrition | - | - | - | 7,036,704 | 7,036,704 |
| Endowment | - | - | - | 8,794 | 8,794 |
| Arbitrage | - | - | - | 82,899 | 82,899 |
| Student activities | | | | 4,363,643 | 4,363,643 |
| Unassigned | 35,781,642 | - | - | - | 35,781,642 |
| TOTAL FUND BALANCES | \$ 38,666,540 | \$ 52,493,772 | \$ 27,952,011 | \$ 28,549,853 | \$ 147,662,176 |

District's Use of Estimates

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

Revenues

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

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

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

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

Expenditures

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

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

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

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

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

Note 2. Cash, Cash Equivalents, and Investments

Maturities of investments as of June 30, 2025 are as follows (000's):

| Investment Type | Investment Maturities (In Years, In Millions) | | |
|----------------------------------|---|------------|-------------|
| | % of Portfolio | Fair Value | Less Than 1 |
| US Government Securities/T-Bills | 10.74% | \$ 12,920 | \$ 12,920 |
| Insured Cash Sweep Accounts | | | |
| BOK Financial Term ICS | 81.65% | 98,219 | 98,219 |
| Security Bank Term ICS | 7.61% | 9,148 | 9,148 |
| Total | 92.39% | \$ 120,287 | \$ 120,287 |

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

As of June 30, 2025, all of the District's investments are valued using level 2 inputs. The value determined using quoted prices for similar assets or liabilities in active markets.

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

Custodial Credit Risk - Deposits - Is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require collateral for amounts in excess of federally insured amounts. The District's policy 6130 requires collateral equal to 110% of the deposit amount for all deposits not covered by F.D.I.C. insurance. The bank balance was completely covered by federal depository insurance and by collateral held by the District's third-party agent in the District's name. As of June 30, 2025, all of the District's deposits were either covered by federal deposit insurance or were collateralized at 110% of the investment principal.

Custodial Credit Risk - Investments - Is the risk that in the event of failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's policy requires that all investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the investments. As of June 30, 2025, all of the District's investments were either covered by federal deposit insurance or were fully collateralized. Further, all of the District's investments are held by its agent in the District's name. Accordingly, no investments are subject to custodial credit risk.

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

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

Foreign Currency Risk - As of June 30, 2025, the District does not hold any foreign currency investments in the investment portfolio.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

Cash - The District's bank balance of deposits, cash pools (sweep accounts) and high balance savings at June 30, 2025, was \$46,948,825 of which \$20,558,797 is obligated for outstanding checks.

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

The District Treasurer shall limit investments to:

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

At June 30, 2025, the District's investments consisted of certificates of deposits and United States Treasury Bills with an approximate fair value of \$117.5 million.

Note 3. Receivables

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

Note 3. Receivables – cont'd

At June 30, 2025, \$96,248,612 of receivables were considered to be unavailable and were recorded as deferred inflows of resources in governmental funds. Amounts due from federal governments as of June 30, 2025 are presented in the following table. Other receivables were the result of child nutrition catering charges, and building rental amounts not received as of June 30, 2025. These amounts are expected to be collected within the next fiscal year.

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

Interfund receivables and payables represent amounts involving both reciprocal interfund activity and interfund reimbursements for repayment of expenditures or expenses to the fund that initially paid for them. Any unpaid balance at the end of the fiscal year is reported as an interfund receivable and/or payable.

Any outstanding balances between funds results mainly from the time lag between the dates (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. There were no outstanding interfund receivables or payables as of June 30, 2025.

Receivables at June 30, 2025, all due within one year, for the District's Governmental and Proprietary funds, in detail, are as follows:

| Receivables: | General Fund | Capital | Debt | Total | |
|--|---------------------|---------------|---------------------|--------------------|----------------------|
| | | Projects Fund | Service Fund | Nonmajor Funds | Governmental Funds |
| Due from other governments | | | | | |
| Local - current year property tax | \$ 125,834 | - | \$ 97,128 | \$ 17,971 | \$ 240,934 |
| Local - succeeding year property tax | 49,073,532 | | 39,419,329 | 7,008,380 | 95,501,241 |
| Property taxes-delinquent | 1,654,875 | - | 1,291,352 | 236,300 | 3,182,527 |
| Federal | 2,444,671 | - | - | 125,000 | 2,569,671 |
| Interest | 30,181 | - | 80,889 | 582 | 111,652 |
| Other receivables | 76,542 | - | - | - | 76,542 |
| Gross Receivables: | 53,405,636 | - | 40,888,698 | 7,388,233 | 101,682,567 |
| Less: Allowance for uncollectible property tax | (1,272,443) | - | (981,847) | (180,866) | (2,435,156) |
| Net Receivables: | \$52,133,193 | \$ | \$39,906,851 | \$7,207,367 | \$ 99,247,411 |

The Government-Wide Financial Statements also include other receivables of approximately \$58 million for amounts available to draw down on the lease revenue bond (see Note 10). These funds under the lease revenue bond are reported as a receivable for future construction in progress.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

Note 4. Capital Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

| <u>Governmental Activities:</u> | Beginning Balance | | | | Ending Balance June 30, 2025 |
|--|-----------------------|----------------------|--------------------|--------------------|---------------------------------|
| | June 30, 2024 | Increases | Transfers | Adjustments ** | |
| Capital assets, not being depreciated: | | | | | |
| Land | \$ 24,303,848 | \$ - | \$ - | \$ - | \$ 24,303,848 |
| Construction in progress | 139,304,733 | 27,037,612 | (6,465,500) | - | 159,876,845 |
| Total capital assets not being depreciated: | 163,608,581 | 27,037,612 | (6,465,500) | - | 184,180,693 |
| Capital assets being depreciated/amortized: | | | | | |
| Subscription Assets | 1,905,632 | 572,919 | - | (313,060) | 2,165,491 |
| Land Improvements | 7,865,640 | 603,302 | - | - | 8,468,943 |
| Buildings and Building Improvements | 400,248,255 | 1,247,517 | 6,465,500 | - | 407,961,272 |
| Furniture and Equipment | 55,119,788 | 4,245,758 | - | (671,190) | 58,694,356 |
| Total capital assets being depreciated/amortized: | 465,139,315 | 6,669,497 | 6,465,500 | (984,250) | 477,290,062 |
| Total Assets | 628,747,896 | 33,707,108 | - | (984,250) | 661,470,754 |
| Less: Accumulated depreciation/amortization for: | | | | | |
| Subscription Amortization | (935,321) | (533,709) | - | 313,060 | (1,155,970) |
| Land Improvements | (2,190,447) | (406,057) | - | - | (2,596,504) |
| Buildings and Building Improvements | (109,015,849) | (13,951,335) | - | - | (122,967,184) |
| Furniture and Equipment | (43,647,920) | (2,994,125) | - | 631,980 | (46,010,065) |
| Total accumulated depreciation/amortization | (155,789,536) | (17,885,226) | - | 945,040 | (172,729,722) |
| Net Assets All Funds: | \$ 472,958,359 | \$ 15,821,882 | \$ - | \$ (39,210) | \$ 488,741,032 |

** Adjustments: Retirements/Disposals/Corrections within classification of assets.
(figures may be different due to rounding)

Depreciation/amortization expense was charged to governmental functions as follows:

| <u>Governmental Activities:</u> | Depreciation/Amortization | | |
|--|---------------------------|---------------------|----------------------|
| | Expense: | Adjustments: | Balance: |
| Instruction | \$ 6,358,166 | \$ - | \$ 6,358,166 |
| Support Services - Students and Staff | 308,349 | - | 308,349 |
| Instructional Support Services | 704,951 | - | 704,951 |
| Administrative Support Services | 128,274 | - | 128,274 |
| Operations and Maintenance of Plant Services | 1,193,283 | - | 1,193,283 |
| Transportation | 1,219,226 | (33,283) | 1,185,943 |
| Operation of Non-instructional Services | 7,972,978 | (911,757) | 7,061,221 |
| Total Depreciation/Amortization: | \$ 17,885,226 | \$ (945,040) | \$ 16,940,186 |

Note 5. General Long-Term Debt

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years of the date of issue, however, the District typically pays all bonds within 5 to 10 years of the date of issue.

General long-term debt of the District consists of building bonds payable and net pension liability. Debt service requirements for bonds are paid solely from the fund balance and the future revenues of the Debt Service Fund. The District primarily liquidates debt through the Debt Service Fund. The net pension liability will be liquidated in future years by the General Fund.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

The following is a summary of the long-term debt transactions, with deductions, which includes premium on bonds sold for the District for the year ended June 30, 2025:

| | 2024 | Additions | Deductions | Adjustment | 2025 | Due in One Year |
|--------------------------|----------------------|----------------------|-----------------------|-------------|----------------------|----------------------|
| Governmental activities | | | | | | |
| Bonds payable | \$115,690,000 | \$ 45,700,000 | \$(39,580,000) | \$ - | \$121,810,000 | \$ 39,830,000 |
| Premium on debt issuance | 416,930 | 62,442 | (232,694) | - | 246,678 | 203,689 |
| Total | \$116,106,930 | \$ 45,762,442 | \$(39,812,694) | \$ - | \$122,056,678 | \$ 40,033,689 |

In compliance with GASB Statement No. 62-187, the District amortizes all premiums on bonds sold. The amortization for the 2024-25 fiscal year was \$232,694, which reduces long-term interest expense.

The District passed a new bond election during the 2023-24 year aimed to address critical facility needs, technology upgrades, and enhancing security and transportation. The passage of this bond allowed the millage rate to remain consistent due to an increase in valuation, resulting in no tax increase for residents. During 2024-25, the District issued \$7.1 million in General Obligation Combined Purpose Bonds Series 2024, in November of 2024 in order to continue work on these projects. An additional \$9.6 million in General Obligation Combined Purpose Bonds Series 2025 was issued for this same purpose in June of 2025. The District issued an additional \$29 million in General Obligation Combined Purpose Bonds Series 2025 in April 2025 for repayment on Lease Revenue Bond series, as well as to further fund annual department allocations such as instruction, technology, maintenance, transportation, fine arts, and athletics.

Between 2020 and 2024, the District issued a combined total of \$138.8 million in General Obligation Combined Purpose Bonds for various projects and new construction consisting of: one new elementary schools, a new Vo-Ag facility at the High School, new HVAC equipment, purchase of instructional software/equipment, new transportation equipment/buses, renovation projects at multiple sites, technology updates/developments, copiers, athletic department upgrades, fuel station upgrades, new work vehicles, security upgrades, and the purchase additional music equipment.

Bonds sold at discounts decrease the carrying value of the bond, and bonds sold at a premium increase the carrying value. The discount or premium is then amortized as an increase or decrease, respectively, to the coupon interest payment in reporting interest expense. Interest expense on general long-term debt during the 2024-25 fiscal year totaled \$5.9 million. Amortization on bond premiums for the year ended June 30, 2025 increased long-term interest expense per GASB, Statement No. 23.

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

| Fiscal Year | | | |
|--------------|----------------------|---------------------|----------------------|
| Outstanding | Principal | Interest | Total |
| 2025-2026 | \$ 39,830,000 | \$ 680,638 | \$ 40,510,638 |
| 2026-2027 | 47,480,000 | 1,743,455 | 49,223,455 |
| 2027-2028 | 16,750,000 | 756,375 | 17,506,375 |
| 2028-2029 | 10,500,000 | 485,000 | 10,985,000 |
| 2029-2030 | 7,250,000 | 344,375 | 7,594,375 |
| Total | \$121,810,000 | \$ 4,009,843 | \$125,819,843 |

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

A brief description of the outstanding long-term debt at June 30, 2025, is set forth below:

| | <u>Amount Outstanding</u> |
|---|-------------------------------|
| General Obligation Bonds, Series 2021, original issue \$30,000,000 Dated 4-01-2021, interest rate of 1.00%, due in annual Installments of \$7,500,000, final payment of \$7,500,000 Due 4-01-2026 | 7,500,000 |
| General Obligation Bonds, Series 2022, original issue \$46,885,000 Dated 5-01-2022, interest rate of 3.50%, due in four Installments of \$4,795,000, \$14,030,000, \$14,030,000, and Final payment of \$14,030,000 due 5-01-2027 | 28,060,000 |
| General Obligation Bonds, Series 2023B, original issue \$25,000,000 Dated 4-01-2023, interest rate of 5.00%, due in annual Installments of \$6,250,000, final payment of \$6,250,000 Due 4-01-2028 | 18,750,000 |
| General Obligation Bonds, Series 2024A, original issue \$8,800,000 Dated 3-01-2024, interest rate of 4.50%, due in annual Installments of \$8,800,000, final payment of \$8,800,000 Due 3-01-2026 | 8,800,000 |
| General Obligation Bonds, Series 2024B, original issue \$13,000,000 Dated 4-01-2024, interest rate of 4.75%, due in annual Installments of \$3,250,000, final payment of \$3,250,000 Due 4-01-2029 | 13,000,000 |
| General Obligation Bonds, Series 2024C, original issue \$7,100,000 Dated 11-01-2024, interest rate of 4.00%, due in annual Installments of \$7,100,000, final payment of \$7,100,000 Due 11-01-2026 | 7,100,000 |
| General Obligation Bonds, Series 2025A, original issue \$29,000,000 Dated 4-01-2025, interest rate of 4.50%, due in annual Installments of \$7,250,000, final payment of \$7,250,000 Due 4-01-2030 | 29,000,000 |
| General Obligation Bonds, Series 2025B, original issue \$9,600,000 Dated 6-01-2025, interest rate of 3.55%, due in annual Installments of \$9,600,000, final payment of \$9,600,000 Due 6-01-2027 | 9,600,000 |
| TOTAL | <u>\$121,810,000</u> |

Note 6. Employee Retirement System and Plan

General Information about the Pension Plan

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

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

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

Employees Covered - At June 30, 2025, the following employees were covered by the benefit terms for each plan:

| | Governmental Funds |
|--|-----------------------|
| Inactive employees or beneficiaries currently receiving benefits | 45 |
| Active employees participating in the plan | 2,776 |
| Total | <u><u>2,821</u></u> |

Contributions - Per Article 17 of the state of Oklahoma statutes, contribution requirement of the active employees and the District are established and may be amended by the OTRS Board. Employees are required to contribute 7.0% of their annual pay. The District's contractually required contribution rate for the year ended June 30, 2025, was 9.5% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District's total contribution to OTRS in 2025 was \$11.4 million.

The state contributes on behalf of each teacher meeting minimum salary requirements (known as the OTRS year of service credit). The state is also required to contribute to the Oklahoma Teachers' Retirement System on behalf of the participating employers. For 2025, the state of Oklahoma contributed 5.25% of sales taxes, use taxes, corporate income taxes, individual income taxes, and lottery proceeds to OTRS on behalf of participating employers. The District has estimated the amounts contributed to OTRS by the state on its behalf based on a contribution rate provided to the District. For the year ended June 30, 2025, the total amount contributed to OTRS by the state of Oklahoma on behalf of the District was approximately \$8.4 million. In accordance with generally accepted accounting practices, the District recognized the on-behalf-of payments as revenue and expense/expenditure in the Government-Wide and Fund Financial Statements. These on-behalf payments do not meet the definition of a special funding situation.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

At June 30, 2025, the District reported a net pension liability of \$108.7 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The District's proportion of the net pension liability was based on the District's contributions to OTRS relative to total contributions of OTRS for all participating employers for the year ended June 30, 2024. Based upon this information, the District's proportion was 1.6509178 percent.

For the period ended June 30, 2025, the District recognized pension expense of \$17.2 million. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 7,689,291 | \$ (1,680,373) |
| Changes of assumptions | 1,192,754 | (4,665,096) |
| Net difference between projected and actual investment earnings on pension plan investments | - | (3,717,881) |
| Changes in proportion and differences between District contributions and proportionate share of contributions | - | - |
| District contributions subsequent to the measurement date | <u>11,409,267</u> | - |
| Total | \$ 20,291,312 | \$ (10,063,349) |

Deferred pension outflows totaling approximately \$11.4 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, 2026. The net deferred pension inflows totaling approximately \$10 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 5.34 years at June 30, 2024 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 |
|---------------------|------------------------------|
| 2025 | \$ (4,433,818) |
| 2026 | 8,625,601 |
| 2027 | (3,028,044) |
| 2028 | (2,528,890) |
| 2029 | 183,847 |
| Total | <u>\$ (1,181,304)</u> |

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

| | |
|-------------------------------|--|
| Actuarial Cost Method | - Entry Age Normal |
| Amortization Method | - Level Percentage of Payroll |
| Remaining Amortization Period | - 12 years |
| Asset Valuation Method | - 5-year smoothed market |
| Inflation | - 2.25% |
| Salary Increases | - Composed of 2.25% inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service. |
| Investment Rate of Return | - 7.00%, net of investment expenses and compounded annually |
| Retirement Age | - Experience-based table of rates based on age, service, and gender. Adopted by the Board in July 2020 in conjunction with the five year experience study for the period ending June 30, 2019. |
| Mortality | - 2020 GRS Southwest Region Teacher Mortality Table for males and females. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. |

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

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study, dated July 15, 2020, for the period July 1, 2014-June 30, 2019 and in conjunction with the five-year experience study for the period ending June 30, 2019.

Based on the stated assumptions and the projection of cash flows, the pension plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of the June 30, 2024 actuarial, are summarized in the following table:

| Asset Class | Target Asset Allocation | Long-Term Expected Real Rate of Return |
|-----------------------|-------------------------|--|
| Domestic Equity | 38.3% | 4.5% |
| International Equity | 16.7% | 4.5% |
| Domestic Fixed Income | 22.0% | 2.4% |
| Real Estate** | 10.0% | 4.4% |
| Private Equity | 8.0% | 6.9% |
| Private Debt | 5.0% | 5.6% |
| Total | <u>100.0%</u> | |

** The Real Estate total expected return is a combination of Core Real Estate (25% leverage) and Non-Core Real Estate (100% leverage).

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

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

Changes in the Net Pension Liability

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption - The following table provides the sensitivity of the net pension liability to changes in the discount rate as of the June 30, 2024 actuarial report. In particular, the table presents the plan's net pension liability, if it were calculated using a single discount rate that is one-percentage-point lower or one-percentage-point higher than the single discount rate:

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|-----------------------|------------------------|----------------------------------|------------------------|
| Net pension liability | \$ 166,094,800 | \$ 108,749,168 | \$ 60,978,885 |

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

Other Post-Employment Benefits (OPEB)

The Oklahoma Teachers' Retirement System pays between \$100 and \$105 per month, depending on the members' years of service and final average compensation, to the Employees Group Insurance Division (EGID) of the Office of Management and Enterprise Services (OMES), for each retiree who elects to obtain health insurance coverage through EGID. The District retains no obligation for this benefit and performs no administrative functions related to the health insurance coverage provided through EGID.

Note 7. Risk Management

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

The District utilizes Consolidated Benefits Resources, LLC (CBR), to provide services for workers' compensation claims and administration. CBR will operate a claims management program for the prevention, investigation, processing, accounting and payment of workers' compensation claims. The District's General Fund pays for claims as they are incurred. As of June 30, 2025, CBR has reported an outstanding reserve for the District to be \$285,479. In order to mitigate the risk associated with this program, the District reserves and restricts a percentage of the fund balance. For 2024-25, this amount was \$0.5 million for general activities.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

Note 7. Risk Management – cont'd

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

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

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

Note 8. Commitments and Contingencies

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

| | | |
|--------------------------------------|-----------|------------------|
| General Fund | \$ | 1,557,428 |
| Building Fund - nonmajor fund | | 702,278 |
| Child Nutrition Fund - nonmajor fund | | 190,900 |
| Workers Comp Fund | | 39,392 |
| Total | <u>\$</u> | <u>2,489,997</u> |

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

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

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

As of June 30, 2025, the District had outstanding commitments (contracts and purchase orders), of approximately \$2.4 million primarily for supplies, utilities, and equipment. Construction in progress had \$159.8 million in outstanding projects not completed. These projects consist of construction for new elementary classroom additions and an aquatic center, renovations to school buildings, flooring/roofing upgrades, and the final stages of construction on an eighth-grade academy.

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

Note 8. Commitments and Contingencies – cont'd

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

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

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

Note 9. Tax Abatements

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

For the fiscal year ended June 30, 2025, the District is subject to tax abatements granted by the State of Oklahoma - Oklahoma Tax Commission (Tulsa County). Ad valorem exemptions are available for capital investments made by certain types of companies provided that qualified investment exceeds \$250,000 within the calendar year, and the company complies with certain payroll thresholds; qualifications are sometimes industry specific.

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

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

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

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

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

Note 9. Tax Abatements – cont'd

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

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

| Fiscal Year Ended June 30, 2025 | Base Value of Assets during the Fiscal Year | Total TIF Increment Assessed Value | Amount of Abatements during the Fiscal Year |
|--|--|---|--|
| Tax Abatement Program (TIF) | | | |
| City of Broken Arrow: | | | |
| Broken Arrow FlightSafety and Downtown Economic Development District No. One | \$ 4,856,846 | \$ 14,792,101 | \$ 1,032,637 |
| Broken Arrow - Wagoner County TIF District No. Two | 1,633 | 592,638 | 41,200 |
| South Broken Arrow Economic Development District No. Three | 363,421 | 5,764,659 | 402,431 |
| County Board of Commissioners: | | | |
| Indian Housing Authority Owned Properties | 6,300 | 623,629 | 43,536 |
| Total | \$ 5,228,200 | \$ 21,773,027 | \$ 1,519,803 |

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

Note 10. Conduit Debt Obligations (Lease Revenue Bonds)

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

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

In February of 2015 the District passed a bond election for constructing, equipping, repairing and remodeling school buildings, acquiring school furniture, fixtures and equipment and acquiring and improving school sites for the benefit of the Broken Arrow School District.

The Tulsa County Industrial Authority issued these Educational Facilities Lease Revenue Bonds (Broken Arrow Public Schools Project Series) in subsequent years. The following amounts represent the total liability and payments that the District will owe for these series:

- March 1, 2016, issued \$87.5 million, Series 2016
- March 1, 2019, issued \$77.4 million, Series 2019
- December 1, 2021, issued \$75.6 million, Series 2021
- January 1, 2025, issued \$68.3 million, Series 2025

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

The following is a summary of the long-term debt transactions associated with the District's Lease Revenue Bonds, with deductions, which includes discounts on bonds sold for the District for the year ended June 30, 2025:

| | 2024 | Additions | Deductions | Adjustment | 2025 | Due in One Year |
|-----------------------------|----------------------|----------------------|-----------------------|-------------|----------------------|----------------------|
| Governmental activities | | | | | | |
| Lease Revenue bonds payable | \$194,815,000 | \$ 68,342,500 | \$ (6,465,500) | \$ - | \$256,692,000 | \$ 22,385,500 |
| Discount on debt issuance | (29,414,878) | (4,848,521) | 930,916 | - | (33,332,484) | 3,091,015 |
| Total | \$165,400,122 | \$ 63,493,979 | \$ (5,534,584) | \$ - | \$223,359,516 | \$ 25,476,515 |

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

| Year ending June 30 | Total Payments | Less Interest | Principal |
|------------------------|------------------------------|-------------------------------|------------------------------|
| 2026 | \$ 27,881,801 | \$ (5,496,301) | \$ 22,385,500 |
| 2027 | \$ 29,876,348 | \$ (4,008,348) | \$ 25,868,000 |
| 2028 | \$ 37,570,957 | \$ (755,957) | \$ 36,815,000 |
| 2029 | \$ 28,853,000 | | \$ 28,853,000 |
| 2030 | \$ 19,898,000 | | \$ 19,898,000 |
| 2031-2035 | <u>\$ 122,872,500</u> | | <u>\$ 122,872,500</u> |
| Totals | <u>\$ 266,952,605</u> | <u>\$ (10,260,605)</u> | <u>\$ 256,692,000</u> |

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

As of June 30, 2025, amounts available in escrow for construction totaled approximately \$58 million.

Note 11. Subscription-Based Information Technology Arrangements

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

SBITAs can be defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. SBITAs result in right-to-use subscription assets – an intangible asset – and a corresponding subscription liability that are recorded within the District's financial statements.

The following is a summary of the long-term liabilities associated with the District's subscription-based information technology arrangements, with deductions for the District for the year ended June 30, 2025:

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

| | 2024 | Additions | Deductions | Adjustment | 2025 | Due in One Year |
|-------------------------|--------------------------|--------------------|----------------------------|--------------------|--------------------------|--------------------------|
| Governmental activities | | | | | | |
| Subscription liability | \$ 405,276 | \$ - | \$ (197,696) | \$ - | \$ 207,580 | \$ 207,580 |
| Total | <u>\$ 405,276</u> | <u>\$ -</u> | <u>\$ (197,696)</u> | <u>\$ -</u> | <u>\$ 207,580</u> | <u>\$ 207,580</u> |

The future principal and interest subscription payments as of June 30, 2025 are as follows:

| Fiscal Year Ended | | | |
|--------------------------|--------------------------|-------------------------|--------------------------|
| June 30, | Principal | Interest | Total Payment |
| 2026 | 207,580 | 10,379 | 217,959 |
| Total | <u>\$ 207,580</u> | <u>\$ 10,379</u> | <u>\$ 217,959</u> |

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

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

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

For the year ended June 30, 2025, the District is entered into the following subscription-based information technology arrangements with the right to use the subscription assets:

| Description | Term Begin Date | Term End Date | Interest Rate | Subscription Liability | |
|--|----------------------------|----------------------|--------------------------|-------------------------------|--|
| | | | | Original Amount | Liability as of June 30, 2025 |
| Infinite Campus Student Information System | May 19, 2023 | June 30, 2026 | 5.00% | 691,286 | 207,580 |
| Right to Use Subscription Assets | | | | | |
| Description | Term Begin Date | Term End Date | Interest Rate | Original Amount | Accumulated Amortization |
| Infinite Campus Student Information System | May 19, 2023 | June 30, 2026 | 5.00% | \$ 691,286 | \$ 460,857 |
| Imagenet Laserfiche Document Imaging | July 1, 2019 | June 30, 2026 | 5.00% | 166,221 | 164,249 |
| Touma Inc ASAP Systems Barcloud Assets | January 15, 2024 | January 14, 2029 | 5.00% | 28,167 | 8,063 |
| Ivanti Payment Resources Landesk Software | July 1, 2023 | June 30, 2026 | 5.00% | 249,968 | 96,594 |
| Renaissance Learning EduClimber Database | July 1, 2024 | June 30, 2028 | 5.00% | 572,919 | 111,383 |
| | | | | Total | \$ 1,708,561 |
| | | | | \$ 841,146 | \$ 867,414 |

**BROKEN ARROW PUBLIC SCHOOLS - NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

Note 12. New Pronouncements

New Accounting Pronouncements Adopted in Fiscal Year 2025: A description of the new accounting pronouncements applicable to the District, the fiscal year in which they are effective, and the District's consideration of the impact of these pronouncements are described below:

- ✓ GASB issued Statement No. 102, *Certain Risk Disclosures*, issued December 2023. This Statement establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for periods beginning after June 15, 2024. The District has considered the requirements of this statement in the 2025 fiscal year.

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

- ✓ GASB issued Statement No. 103, *Financial Reporting Model Improvements*, issued April 2024. This Statement will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision-making and assessing a government's accountability as well as addresses certain application issues. The requirements of this Statement are effective for periods beginning after June 15, 2025. GASB 103 will be implemented in the District's fiscal year 2026 financial statements and the impact has not yet been determined.
- ✓ GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, issued September 2024. This Statement will provide users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The requirements of this Statement are effective for periods beginning after June 15, 2025. GASB 104 will be implemented in the District's fiscal year 2026 financial statements and the impact has not yet been determined.



REQUIRED SUPPLEMENTARY INFORMATION



Broken Arrow Public Schools
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Year Ended June 30, 2025
Last 10 Years

| | As of June 30, 2024 | As of June 30, 2023 | As of June 30, 2022 | As of June 30, 2021 | As of June 30, 2020 | As of June 30, 2019 | As of June 30, 2018 | As of June 30, 2017 | As of June 30, 2016 | As of June 30, 2015 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Proportion of the net pension liability | 1.65% | 1.80% | 1.70% | 1.69% | 1.71% | 1.68% | 1.87% | 1.65% | 1.66% | 1.65% |
| Proportionate share of the net pension liability | \$ 108,749,168 | \$ 138,378,571 | \$ 139,595,682 | \$ 86,224,222 | \$ 162,042,745 | \$ 111,231,171 | \$ 112,724,156 | \$ 109,466,199 | \$ 138,929,572 | \$ 100,474,905 |
| Covered payroll | \$ 112,235,984 | \$ 97,358,942 | \$ 92,125,206 | \$ 83,743,622 | \$ 82,834,160 | \$ 77,390,247 | \$ 67,298,802 | \$ 70,027,104 | \$ 71,777,099 | \$ 70,566,602 |
| Proportionate share of the net pension liability as percentage of covered payroll | 96.89% | 142.13% | 151.53% | 102.96% | 195.62% | 143.73% | 167.50% | 156.32% | 193.56% | 142.38% |
| Plan's fiduciary net position | \$ (112,736,597) | \$ (104,815,135) | \$ (107,139,770) | \$ (116,592,945) | \$ (99,494,722) | \$ (103,897,040) | \$ (105,194,365) | \$ (99,873,967) | \$ (99,543,391) | \$ (112,981,726) |
| Plan fiduciary net position as a percentage of the total pension liability | 103.67% | 75.75% | 76.75% | 135.22% | 61.40% | 93.41% | 93.32% | 91.24% | 71.65% | 112.45% |

See Independent Auditors' Report



Broken Arrow Public Schools
Required Supplementary Information
Schedule of District's Pension Plan Contributions
Year Ended June 30, 2025
Last 10 Years

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually required contribution (actuarially determined) | \$ 10,037,759 | \$ 10,007,435 | \$ 9,228,466 | \$ 8,311,644 | \$ 8,300,884 | \$ 7,831,480 | \$ 7,675,902 | \$ 8,055,978 | \$ 7,072,456 | \$ 6,902,353 |
| Contributions in relation to the actuarially determined contributions | 10,037,759 | 10,007,435 | 9,228,466 | 8,311,644 | 8,300,884 | 7,831,480 | 7,675,902 | 8,055,978 | 7,072,456 | 6,902,353 |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Covered payroll | \$ 119,147,220 | \$ 112,235,984 | \$ 97,358,942 | \$ 92,125,206 | \$ 83,743,622 | \$ 82,834,160 | \$ 77,390,247 | \$ 67,298,802 | \$ 70,027,104 | \$ 71,777,099 |
| Contributions as a percentage of covered payroll | 8.42% | 8.92% | 9.48% | 9.02% | 9.91% | 9.45% | 9.92% | 11.97% | 10.10% | 9.62% |
| Notes to schedule: | | | | | | | | | | |
| The District's statutorily required contribution rate: | 9.50% | | | | | | | | | |
| Valuation date: | 6/30/2016 | | | | | | | | | |
| Actuarial Cost Method | Entry Age Normal | | | | | | | | | |
| Amortization Method | Level Percentage of Payroll | | | | | | | | | |
| Amortization Period | Amortization over a 20-year period beginning July 1, 2016 | | | | | | | | | |
| Asset Valuation Method | 5-year smoothed market | | | | | | | | | |
| Inflation | 2.25% | | | | | | | | | |
| Salary increases | 3.75%, average, including inflation | | | | | | | | | |
| Investment rate of return | 7.00%, net of expenses and compounded annually | | | | | | | | | |
| Payroll growth rate | 2.75% per year | | | | | | | | | |
| Mortality | 2020 GRS Southwest Region Teacher Mortality Table | | | | | | | | | |

See Independent Auditors' Report



Broken Arrow Public Schools
Required Supplementary Information - Unaudited
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
Budgeted Governmental Fund Types - General Fund
Year Ended June 30, 2025

| | Original Budget | Final Budget | Non-GAAP Actual | Variances - Positive (Negative) |
|--|---------------------------------------|---|----------------------|------------------------------------|
| REVENUES | | | | |
| Local sources | \$ 49,617,532 | \$ 49,617,533 | \$ 53,807,440 | \$ 4,189,907 |
| Intermediate sources | 7,033,270 | 7,033,270 | 7,446,012 | 412,743 |
| State sources | 103,389,913 | 103,389,914 | 103,200,981 | (188,932) |
| Federal sources | 9,892,492 | 9,892,492 | 13,042,958 | 3,150,466 |
| Other sources | 1,800,000 | 1,800,000 | 3,729,082 | 1,929,082 |
| | TOTAL REVENUES | 171,733,207 | 171,733,208 | 181,226,473 |
| EXPENDITURES | | | | |
| Instruction | 110,136,000 | 109,506,026 | 105,248,163 | 4,257,863 |
| Support services | | | | |
| Student | 18,955,000 | 17,009,034 | 16,621,162 | 387,872 |
| Instructional staff | 8,702,000 | 9,117,357 | 9,082,176 | 35,181 |
| Administration | 24,282,000 | 24,597,632 | 23,928,010 | 669,622 |
| Operation and maintenance | 16,834,000 | 17,479,602 | 17,334,628 | 144,974 |
| Student transportation | 9,671,000 | 9,938,712 | 9,912,449 | 26,263 |
| Non-instructional services | | | | |
| Child nutrition operations | - | 11,128 | 11,128 | - |
| Community services operations | 2,641,000 | 2,731,973 | 2,730,455 | 1,518 |
| Other | 779,000 | 1,608,535 | 603,065 | 1,005,471 |
| | TOTAL EXPENDITURES | 192,000,000 | 192,000,000 | 185,471,238 |
| | EXCESS REVENUES (EXPENDITURES) | (20,266,793) | (20,266,792) | (4,244,765) |
| | | | | 16,022,027 |
| FUND BALANCE AT BEGINNING OF YEAR | 39,793,850 | 39,793,850 | 39,793,850 | - |
| FUND BALANCE AT END OF YEAR | \$ 19,527,057 | \$ 19,527,058 | \$ 35,549,085 | \$ 16,022,027 |
| ADJUSTMENTS TO CONFORM WITH GAAP | | | | |
| Receivables at end of year | | | 2,677,228 | |
| Inventory | | | 440,226 | |
| | | FUND BALANCE AT END OF YEAR (GAAP BASIS) | \$ 38,666,540 | |

See Notes to the Required Supplementary Information

**BROKEN ARROW PUBLIC SCHOOLS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025**

Note 1. Budgets and Budgetary Accounting

Budgetary Comparison Schedule

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

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

Encumbrances

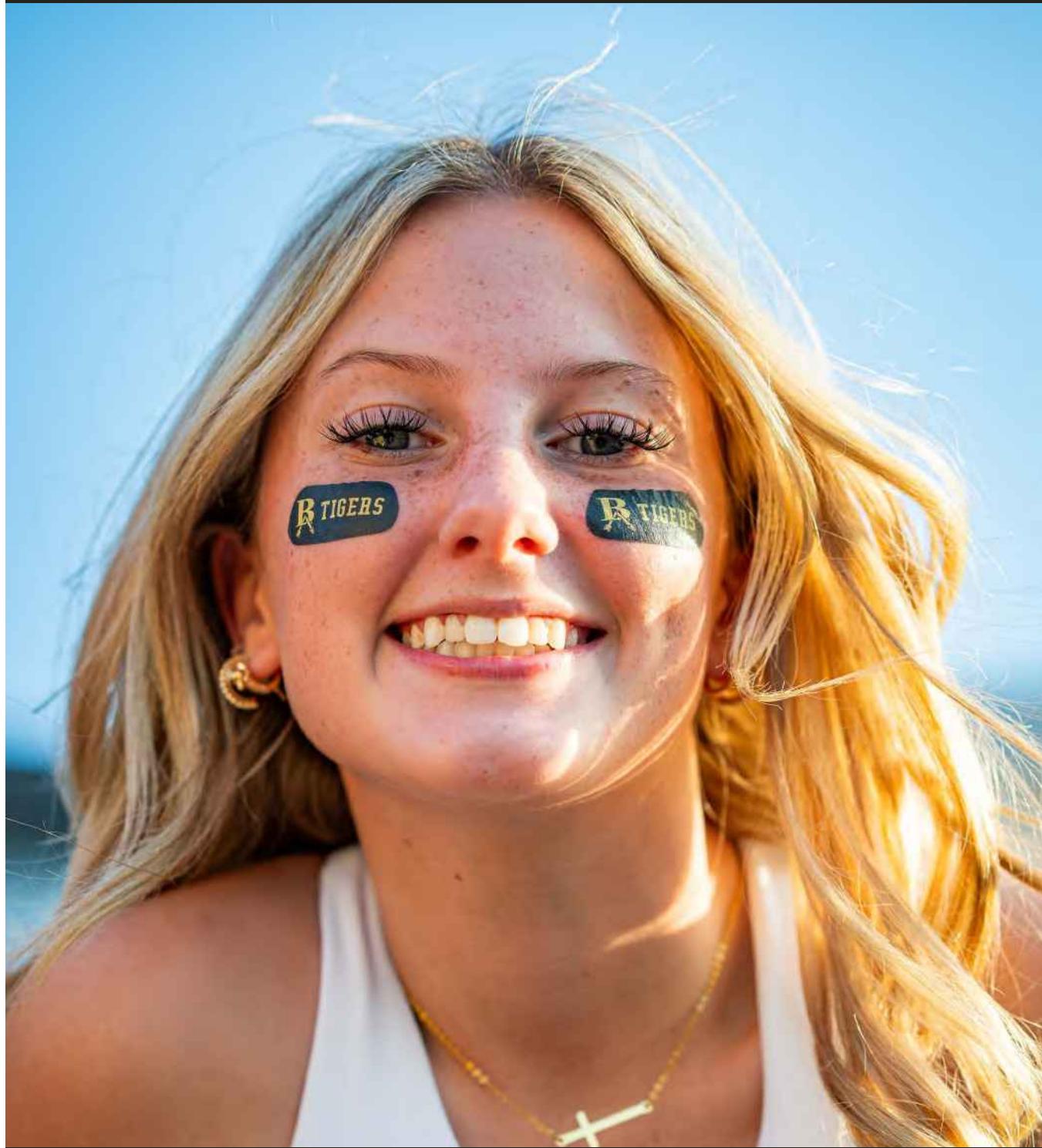
Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund - is utilized in all Governmental Funds of the District.

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

Revenues

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





OTHER SUPPLEMENTARY INFORMATION



Broken Arrow Public Schools
Other Supplementary Information
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

| | Special Revenue Funds | | | | | Permanent Fund | |
|---|-----------------------|----------------------|------------------|---------------------|-----------------------|----------------------|--------------------------|
| | Building Fund | Child Nutrition Fund | | Arbitrage Fund | Student Activity Fund | Endowment Fund | Total Governmental Funds |
| | | Fund | Fund | | | | |
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 2,931,575 | \$ 2,198,346 | \$ 82,899 | \$ 4,363,643 | \$ 1,791 | \$ 9,578,254 | |
| Investments | 14,266,831 | 5,203,350 | - | - | 46,421 | 19,516,602 | |
| Receivables net of allowance for uncollectibles | 7,206,785 | - | - | - | 582 | 7,207,367 | |
| Inventories | - | 378,713 | - | - | - | 378,713 | |
| TOTAL ASSETS | 24,405,191 | 7,780,409 | 82,899 | 4,363,643 | 48,794 | 36,680,936 | |
| LIABILITIES | | | | | | | |
| Accounts payable | 702,278 | 190,900 | - | - | - | 893,178 | |
| Other liabilities | - | 174,091 | - | - | - | 174,091 | |
| TOTAL LIABILITIES | 702,278 | 364,991 | - | - | - | 1,067,269 | |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Succeeding year property tax | 7,063,814 | - | - | - | - | - | 7,063,814 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 7,063,814 | - | - | - | - | - | 7,063,814 |
| FUND BALANCES | | | | | | | |
| Non-spendable | - | 378,713 | - | - | 40,000 | 418,713 | |
| Restricted | 16,639,100 | 7,036,704 | 82,899 | 4,363,643 | 8,794 | 28,131,140 | |
| TOTAL FUND BALANCES | 16,639,100 | 7,415,417 | 82,899 | 4,363,643 | 48,794 | 28,549,853 | |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | \$ 24,405,191 | \$ 7,780,409 | \$ 82,899 | \$ 4,363,643 | \$ 48,794 | \$ 36,680,936 | |



Broken Arrow Public Schools
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

| | Special Revenue Funds | | | | | Permanent Fund | Total Governmental Funds |
|--|-----------------------|----------------------|------------------|-----------------------|------------------|----------------------|--------------------------|
| | Building Fund | Child Nutrition Fund | Arbitrage Fund | Student Activity Fund | Endowment Fund | | |
| | | | | | | | |
| REVENUES | | | | | | | |
| Local sources | \$ 8,729,498 | \$ 4,564,714 | \$ - | \$ 5,933,323 | \$ 2,080 | \$ 19,229,615 | |
| State sources | 3,584,657 | 1,028,808 | - | - | - | 4,613,465 | |
| Federal sources | 125,000 | 6,264,065 | - | - | - | 6,389,065 | |
| Other sources | 5,005,801 | 45,863 | 75,000 | 74,673 | - | 5,201,337 | |
| TOTAL REVENUES | 17,444,956 | 11,903,450 | 75,000 | 6,007,996 | 2,080 | 35,433,482 | |
| EXPENDITURES | | | | | | | |
| Current | | | | | | | |
| Instruction | - | - | - | 165,674 | - | 165,674 | |
| Student | - | - | - | 1,060,015 | - | 1,060,015 | |
| Instructional staff | 55,000 | | | 17,695 | | 72,695 | |
| Administration | 43,565 | - | - | 277,312 | - | 320,877 | |
| Operations and maintenance | 6,329,043 | - | - | 16,047 | - | 6,345,090 | |
| Student transportation | 225,000 | | | 102,035 | | 327,035 | |
| Child nutrition operations | - | 12,617,466 | - | - | - | 12,617,466 | |
| Community service operations | - | - | - | 1,136,317 | - | 1,136,317 | |
| Other | 4,971,135 | 10,405 | 172,363 | 4,200,029 | - | 9,353,931 | |
| Capital outlay | - | 20,141 | - | - | - | 20,141 | |
| TOTAL EXPENDITURES | 11,623,744 | 12,648,013 | 172,363 | 6,975,123 | - | 31,419,242 | |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | | | | | | | |
| | 5,821,212 | (744,563) | (97,363) | (967,127) | 2,080 | 4,014,240 | |
| NET CHANGE IN FUND BALANCES | 5,821,212 | (744,563) | (97,363) | (967,127) | 2,080 | 4,014,240 | |
| FUND BALANCE AT BEGINNING OF YEAR | 10,817,888 | 8,159,980 | 180,261 | 5,330,770 | 46,714 | 24,535,613 | |
| FUND BALANCE AT END OF YEAR | \$ 16,639,100 | \$ 7,415,417 | \$ 82,899 | \$ 4,363,643 | \$ 48,794 | \$ 28,549,853 | |



Broken Arrow Public Schools
Other Supplementary Information - Unaudited
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
Budgeted Governmental Fund Types - Building Fund
Year Ended June 30, 2025

| | Original Budget | Final Budget | Non-GAAP Actual | Variances - Positive (Negative) |
|---|---------------------|---------------------|----------------------|------------------------------------|
| REVENUES | | | | |
| Local sources | \$ 6,895,635 | \$ 6,895,635 | \$ 7,706,932 | \$ 811,298 |
| State sources | 222,552 | 222,552 | 227,262 | 4,710 |
| Federal sources | 3,507,052 | 3,507,052 | 3,408,929 | (98,123) |
| Other sources | 1,000 | 1,000 | 6,024,305 | 6,023,305 |
| TOTAL REVENUES | 10,626,239 | 10,626,239 | 17,367,428 | 6,741,189 |
| EXPENDITURES | | | | |
| Support services | | | | |
| Instruction | - | 8,000 | - | 8,000 |
| Instructional and school leadership | 25,000 | 75,620 | 55,000 | 20,620 |
| Administrative support services | 75,000 | 86,398 | 43,565 | 42,833 |
| Operation and maintenance | 13,100,000 | 9,358,847 | 6,554,043 | 2,804,804 |
| Non-instructional services | | | | |
| Other | 19,800 | 4,971,135 | 4,971,135 | - |
| Capital Outlay | 1,280,200 | - | - | - |
| TOTAL EXPENDITURES | 14,500,000 | 14,500,000 | 11,623,744 | 2,876,256 |
| EXCESS REVENUES (EXPENDITURES) | (3,873,761) | (3,873,761) | 5,743,684 | 9,617,446 |
| FUND BALANCE AT BEGINNING OF YEAR | 10,752,444 | 10,752,444 | 10,752,444 | - |
| FUND BALANCE AT END OF YEAR | \$ 6,878,683 | \$ 6,878,683 | \$ 16,496,129 | \$ 9,617,446 |
| ADJUSTMENTS TO CONFORM WITH GAAP | | | | |
| Receivables at end of year | | | 142,971 | |
| FUND BALANCE AT END OF YEAR (GAAP BASIS) | | | \$ 16,639,100 | |



Broken Arrow Public Schools
Other Supplementary Information - Unaudited
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Budgetary Basis)
Budgeted Governmental Fund Types - Child Nutrition Fund
Year Ended June 30, 2025

| | Original Budget | Final Budget | Non-GAAP Actual | Variances - Positive (Negative) |
|---|---------------------|---------------------|--------------------|------------------------------------|
| REVENUES | | | | |
| Local sources | \$ 4,264,207 | \$ 4,264,207 | \$ 4,432,191 | \$ 167,984 |
| State sources | 814,767 | 814,767 | 1,028,808 | 214,042 |
| Federal sources | 5,931,950 | 5,931,950 | 6,264,065 | 332,114 |
| Other sources | 61,952 | 61,952 | 45,863 | (16,089) |
| TOTAL REVENUES | 11,072,877 | 11,072,877 | 11,770,928 | 698,051 |
| EXPENDITURES | | | | |
| Support services | | | | |
| Food preparation | 6,987,550 | 6,749,888 | 5,879,751 | 870,137 |
| Other direct services | 204,450 | 2,296,362 | 1,860,158 | 436,204 |
| Food procurement/ a la carte | 6,683,050 | 6,831,680 | 4,642,940 | 2,188,739 |
| Other CN Programs | 2,624,950 | 622,070 | 265,163 | 356,907 |
| TOTAL EXPENDITURES | 16,500,000 | 16,500,000 | 12,648,013 | 3,851,988 |
| EXCESS REVENUES (EXPENDITURES) | (5,427,123) | (5,427,123) | (877,085) | 4,550,038 |
| FUND BALANCE AT BEGINNING OF YEAR | 8,087,881 | 8,087,881 | 8,087,881 | - |
| FUND BALANCE AT END OF YEAR | \$ 2,660,758 | \$ 2,660,757 | 7,210,796 | \$ 4,550,038 |
| ADJUSTMENTS TO CONFORM WITH GAAP | | | | |
| Receivables at end of year | | | | - |
| Other receivables | | | (174,091) | |
| Inventory | | | 378,713 | |
| FUND BALANCE AT END OF YEAR (GAAP BASIS) | \$ 7,415,417 | | | |





STATISTICAL SECTION



ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDING JUNE 30, 2025
STATISTICAL SECTION

TABLE OF CONTENTS

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

FINANCIAL TRENDS **93**

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

REVENUE CAPACITY **99**

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

DEBT CAPACITY **105**

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

DEMOGRAPHIC AND ECONOMIC INFORMATION **111**

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

OPERATING INFORMATION **115**

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

SOURCES:

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



FINANCIAL TRENDS



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

| | 2016 | 2017 | 2018 | 2019 ^a | 2020 ^b | 2021 | 2022 | 2023 | 2024 | 2025 ^c |
|--|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 150,609,755 | \$ 163,470,238 | \$ 174,876,931 | \$ 191,660,532 | \$ 205,056,153 | \$ 214,176,559 | \$ 233,618,199 | \$ 202,135,428 | \$ 219,925,629 | \$ 253,612,325 |
| Restricted for: | | | | | | | | | | |
| Debt Service | 16,318,127 | 15,825,923 | 15,425,669 | 15,673,831 | 17,332,409 | 20,871,817 | 16,429,163 | 13,692,616 | 31,069,501 | 27,952,011 |
| Building | 1,881,808 | 2,808,231 | 3,434,872 | 3,947,831 | 3,430,580 | 3,655,197 | 6,130,755 | 6,587,615 | 10,766,355 | 16,738,805 |
| Child Nutrition | - | - | - | - | - | 1,469,629 | 6,144,116 | 7,738,323 | 7,827,034 | 7,036,704 |
| Non-expendable Endowment | - | - | - | - | - | - | - | - | - | 40,000 |
| Expendable Endowment | - | - | - | - | - | - | - | - | - | 8,794 |
| Other Programs | 43,316 | 43,422 | 43,598 | 43,997 | 44,624 | 4,255,344 | 4,964,759 | 5,999,976 | 5,770,124 | 4,559,936 |
| Unrestricted | (99,961,854) | (86,289,408) | (85,854,617) | (88,830,116) | (71,599,917) | (89,319,041) | (71,327,411) | (12,533,484) | (42,018,670) | (61,154,222) |
| Total Governmental activities net position | 68,891,152 | 95,858,406 | 107,926,453 | 122,496,075 | 154,263,849 | 155,109,505 | 195,959,582 | 223,620,475 | 233,339,973 | 248,794,354 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | 2,589,356 | 2,781,513 | 2,586,182 | - | - | - | - | - | - | - |
| Unrestricted | 2,033,177 | 2,296,046 | 2,345,180 | - | - | - | - | - | - | - |
| Total business-type activities net position | 4,622,533 | 5,077,559 | 4,931,362 | - |
| Government-wide | | | | | | | | | | |
| Net investment in capital assets | 153,199,111 | 166,251,751 | 177,463,113 | 191,660,532 | 205,056,153 | 214,176,559 | 233,618,199 | 202,135,428 | 219,925,629 | 253,612,325 |
| Restricted for: | | | | | | | | | | |
| Debt Service | 16,318,127 | 15,825,923 | 15,425,669 | 15,673,831 | 17,332,409 | 20,871,817 | 16,429,163 | 13,692,616 | 31,069,501 | 27,952,011 |
| Building | 1,881,808 | 2,808,231 | 3,434,872 | 3,947,831 | 3,430,580 | 3,655,197 | 6,130,755 | 6,587,615 | 10,766,355 | 16,738,805 |
| Child Nutrition | - | - | - | - | - | 1,469,629 | 6,144,116 | 7,738,323 | 7,827,034 | 7,036,704 |
| Non-expendable Endowment | - | - | - | - | - | - | - | - | - | 40,000 |
| Expendable Endowment | - | - | - | - | - | - | - | - | - | 8,794 |
| Other Programs | 43,316 | 43,422 | 43,598 | 43,997 | 44,624 | 4,255,344 | 4,964,759 | 5,999,976 | 5,770,124 | 4,559,936 |
| Unrestricted | (97,928,677) | (83,993,362) | (83,509,437) | (88,830,116) | (71,599,917) | (89,319,041) | (71,327,411) | (12,533,484) | (42,018,670) | (61,154,222) |
| Total government-wide net position | \$ 73,513,685 | \$ 100,935,965 | \$ 112,857,815 | \$ 122,496,075 | \$ 154,263,849 | \$ 155,109,505 | \$ 195,959,582 | \$ 223,620,475 | \$ 233,339,973 | \$ 248,794,354 |

Source: Statement of Net Position - audited financial reports

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

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

^c The District reclassified Endowment funds from the Other Programs category to report as separate Non-expendable Endowment and Expendable Endowment restricted values.



Broken Arrow Public Schools
Government-Wide Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

Continued on Next Page

| | 2016 ^a | 2017 | 2018 | 2019 ^a | 2020 ^b | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | \$ 75,087,668 | \$ 62,518,919 | \$ 72,327,553 | \$ 90,646,294 | \$ 75,304,012 | \$ 99,694,569 | \$ 85,058,579 | \$ 87,366,559 | \$ 103,094,309 | \$ 105,699,991 |
| Support services - students and staff | 9,855,840 | 9,475,049 | 11,852,416 | 10,552,243 | 11,505,508 | 12,651,434 | 14,412,923 | 16,541,565 | 19,520,940 | 17,505,329 |
| Instructional and school leadership | 6,594,731 | 6,034,706 | 6,393,335 | 6,959,813 | 6,784,522 | 7,032,853 | 6,910,959 | 9,306,240 | 12,533,379 | 11,525,663 |
| Administrative support services | 17,069,178 | 10,474,526 | 16,039,368 | 16,185,343 | 16,461,574 | 17,519,050 | 18,573,107 | 20,558,812 | 25,036,498 | 23,853,684 |
| Operations and maintenance services | 10,855,305 | 12,474,582 | 14,462,651 | 14,263,568 | 14,891,541 | 16,217,967 | 17,124,130 | 20,288,766 | 26,150,050 | 24,588,335 |
| Student transportation services | 6,464,193 | 6,178,821 | 5,814,517 | 6,559,954 | 6,800,173 | 6,166,281 | 7,101,466 | 9,273,211 | 9,128,460 | 12,282,562 |
| Operation of non-instructional services | 1,604,731 | 1,136,458 | 1,054,692 | 1,194,839 | 7,424,673 | 3,722,116 | 3,006,193 | 4,542,428 | 10,775,869 | 13,272,315 |
| Child Nutrition | - | - | - | 9,170,694 | 8,173,767 | 8,525,733 | 9,084,712 | 10,338,263 | 11,892,559 | 12,628,594 |
| Other outlays and uses | 1,002,869 | 2,842,198 | 1,171,003 | 1,606,648 | 378,249 | 1,843,097 | 2,012,922 | 94,413 | 8,770,018 | 8,579,786 |
| Judgement Paid | - | - | 22,331 | 1,837 | - | - | - | - | 61,713 | 1,954 |
| Depreciation | 7,605,398 | 8,921,607 | 11,136,470 | 9,508,343 | 11,814,622 | 11,208,089 | 11,981,081 | 15,294,589 | 16,813,429 | 17,351,517 |
| Interest on long-term debt | 1,189,964 | 1,003,215 | 1,143,994 | 1,679,107 | 2,923,746 | 2,273,705 | 1,968,970 | 2,590,001 | 3,325,835 | 3,875,313 |
| Total governmental-type activities expense | 137,329,878 | 121,060,080 | 141,418,330 | 168,328,683 | 162,462,385 | 186,854,894 | 177,235,043 | 196,194,847 | 247,103,059 | 251,165,044 |
| Business-type activities | | | | | | | | | | |
| Food service | 8,892,758 | 8,807,997 | 9,357,479 | - | - | - | - | - | - | - |
| Total business-type activities expense | 8,892,758 | 8,807,997 | 9,357,479 | - |
| Total district expenses | 146,222,636 | 129,868,077 | 150,775,809 | 168,328,683 | 162,462,385 | 186,854,894 | 177,235,043 | 196,194,847 | 247,103,059 | 251,165,044 |
| Program Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Regular instruction | 320,928 | 410,372 | 450,376 | 305,658 | 34,949 | 485,387 | 631,281 | 767,829 | 456,622 | 990,269 |
| Operation of non-instructional services | - | - | - | 450,993 | 881,912 | 1,961,629 | 2,896,527 | 6,233,606 | 6,289,785 | 6,305,186 |
| Pupil transportation services | - | - | - | 125,143 | - | - | - | - | - | - |
| Community services | - | - | - | - | - | - | - | - | - | - |
| Other support services | 35,530 | 27,110 | 18,162 | 3,478,527 | 4,520,469 | - | - | - | - | - |
| Operating grants and contributions | 6,194,363 | 6,681,660 | 6,967,980 | 13,510,487 | 12,300,088 | 22,288,924 | 36,399,531 | 21,312,804 | 18,323,420 | 17,999,654 |
| Capital grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Total governmental activities program revenues | 6,550,821 | 7,119,142 | 7,436,518 | 17,870,809 | 17,737,418 | 24,735,940 | 39,927,339 | 28,314,239 | 25,069,828 | 25,295,109 |
| Business-type activities | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Food service | 4,024,001 | 3,821,960 | 3,795,513 | - | - | - | - | - | - | - |
| Operating grants and contributions | 4,390,841 | 4,581,035 | 4,502,001 | - | - | - | - | - | - | - |
| Capital grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Total business-type activities revenues | 8,414,842 | 8,402,994 | 8,297,514 | - |
| Total district program revenues | \$ 14,965,663 | \$ 15,522,136 | \$ 15,734,032 | \$ 17,870,809 | \$ 17,737,418 | \$ 24,735,940 | \$ 39,927,339 | \$ 28,314,239 | \$ 25,069,828 | \$ 25,295,109 |



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

| | 2016 ^a | 2017 | 2018 | 2019 ^a | 2020 ^b | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Net (Expense) Revenue | | | | | | | | | | |
| Governmental activities | \$ (130,779,056) | \$ (113,940,938) | \$ (133,981,811) | \$ (150,457,875) | \$ (144,724,968) | \$ (162,118,954) | \$ (137,307,703) | \$ (167,880,608) | \$ (222,033,231) | \$ (225,869,935) |
| Business-type activities | (477,916) | (405,002) | (1,059,965) | - | - | - | - | - | - | - |
| Total district net expense | <u>(131,256,972)</u> | <u>(114,345,940)</u> | <u>(135,041,776)</u> | <u>(150,457,875)</u> | <u>(144,724,968)</u> | <u>(162,118,954)</u> | <u>(137,307,703)</u> | <u>(167,880,608)</u> | <u>(222,033,231)</u> | <u>(225,869,935)</u> |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property tax, levied for general purposes | 33,431,998 | 35,931,361 | 36,848,832 | 39,020,402 | 40,587,016 | 42,234,511 | 45,080,776 | 49,680,387 | 52,818,855 | 56,608,965 |
| Property tax, levied for debt services | 22,676,491 | 24,634,668 | 27,903,706 | 26,421,985 | 30,842,677 | 32,069,330 | 30,925,168 | 33,232,248 | 34,724,435 | 38,469,416 |
| Other taxes | 11,499,443 | 14,471,579 | 4,911,914 | 5,076,661 | 5,519,302 | 6,184,529 | 6,961,786 | 7,046,374 | 7,033,270 | 7,446,012 |
| State aid not restricted to specific programs | 62,958,660 | 61,725,150 | 71,449,446 | 77,665,415 | 87,195,975 | 75,791,964 | 87,245,857 | 98,498,933 | 117,271,469 | 116,217,447 |
| Interest and investment earnings | 149,464 | 231,258 | 661,763 | 1,279,791 | 926,689 | 227,932 | 202,518 | 4,465,273 | 10,010,735 | 7,971,583 |
| Gain on sale of capital assets | 32,222 | 695 | 39,057 | 32,110 | 378,249 | - | 28,711 | 916,776 | - | 12,391 |
| Other | 3,645,992 | 3,913,483 | 4,235,141 | 10,599,770 | 7,444,765 | 6,456,346 | 7,712,964 | 6,213,621 | 9,893,965 | 14,598,503 |
| Total governmental activities | <u>134,394,271</u> | <u>140,908,194</u> | <u>146,049,859</u> | <u>160,096,134</u> | <u>172,894,673</u> | <u>162,964,610</u> | <u>178,157,780</u> | <u>200,053,612</u> | <u>231,752,729</u> | <u>241,324,316</u> |
| Business-type activities | | | | | | | | | | |
| State aid not restricted to specific programs | 722,887 | 839,442 | 798,893 | - | - | - | - | - | - | - |
| Interest and investment earnings | 2,819 | 5,300 | 14,205 | - | - | - | - | - | - | - |
| Gain on disposal of capital assets | - | - | - | - | - | - | - | - | - | - |
| Capital contribution | - | - | - | - | - | - | - | - | - | - |
| Other | 45,071 | 15,286 | 100,670 | - | - | - | - | - | - | - |
| Total business-type activities | <u>770,776</u> | <u>860,028</u> | <u>913,768</u> | <u>-</u> |
| Total district-wide | <u>135,165,047</u> | <u>141,768,222</u> | <u>146,963,627</u> | <u>160,096,134</u> | <u>172,894,673</u> | <u>162,964,610</u> | <u>178,157,780</u> | <u>200,053,612</u> | <u>231,752,729</u> | <u>241,324,316</u> |
| Changes in Net Position | | | | | | | | | | |
| Governmental activities | 3,615,214 | 26,967,256 | 12,068,047 | 9,638,259 | 28,169,705 | 845,656 | 40,850,077 | 32,173,004 | 9,719,498 | 15,454,381 |
| Business-type activities | 292,860 | 455,026 | (146,197) | - | - | - | - | - | - | - |
| Total district | <u>\$ 3,908,074</u> | <u>\$ 27,422,283</u> | <u>\$ 11,921,850</u> | <u>\$ 9,638,259</u> | <u>\$ 28,169,705</u> | <u>\$ 845,656</u> | <u>\$ 40,850,077</u> | <u>\$ 32,173,004</u> | <u>\$ 9,719,498</u> | <u>\$ 15,454,381</u> |

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

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



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

| | 2016 | 2017 | 2018 | 2019 ^a | 2020 ^b | 2021 | 2022 | 2023 | 2024 | 2025 |
|--|---------------|---------------|---------------|-------------------|-------------------|---------------|---------------|---------------|---------------|----------------|
| General Fund | | | | | | | | | | |
| Unreserved | | | | | | | | | | |
| Nonspendable | | | | | | | | | | |
| Inventories | \$ 306,257 | \$ 284,852 | \$ 337,135 | \$ 322,121 | \$ 345,965 | \$ 436,096 | \$ 312,596 | \$ 516,989 | \$ 343,073 | \$ 440,226 |
| Restricted | | | | | | | | | | |
| Federal and state allocation carryover | - | - | - | 1,125,171 | 2,718,600 | 2,433,650 | 4,869,525 | 4,722,398 | 4,752,883 | 2,444,671 |
| Assigned | | | | | | | | | | |
| Unassigned | 12,886,722 | 12,385,812 | 16,690,971 | 16,655,669 | 19,488,765 | 24,504,097 | 30,773,008 | 41,690,765 | 39,893,810 | 35,781,642 |
| Total general fund | \$ 13,192,980 | \$ 12,670,664 | \$ 17,028,106 | \$ 18,102,961 | \$ 22,553,330 | \$ 27,373,843 | \$ 35,955,128 | \$ 46,930,151 | \$ 44,989,766 | \$ 38,666,540 |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | | | | | | | | | | |
| Inventories | - | - | - | 307,733 | 278,594 | 316,746 | 329,275 | 471,540 | 332,946 | 378,713 |
| Permanent fund principal | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Restricted | | | | | | | | | | |
| Federal and state allocation carryover | - | - | - | - | - | - | - | - | 51,533 | 125,000 |
| Capital projects | 19,903,804 | 22,896,512 | 24,452,256 | 45,439,738 | 18,762,861 | 32,542,320 | 49,719,539 | 34,257,137 | 28,879,598 | 52,493,772 |
| Debt service | 16,234,350 | 15,717,771 | 15,425,669 | 15,673,831 | 17,332,409 | 20,871,817 | 16,429,163 | 13,692,616 | 31,069,501 | 27,952,011 |
| Building | 1,866,206 | 2,724,918 | 3,434,872 | 3,947,831 | 3,430,580 | 3,655,197 | 6,130,755 | 6,587,615 | 10,766,355 | 16,514,100 |
| Child Nutrition | - | - | - | 1,747,393 | 1,278,542 | 1,469,629 | 6,144,116 | 7,738,323 | 7,827,034 | 7,036,704 |
| Endowment | 3,316 | 3,422 | 3,598 | 3,997 | 4,624 | 4,665 | 4,676 | 4,715 | 6,714 | 8,794 |
| Arbitrage | - | - | - | - | 20,000 | 55,261 | 55,261 | 55,261 | 180,261 | 82,899 |
| Student Activities | - | - | - | - | 3,993,526 | 4,011,046 | 4,561,777 | 5,759,748 | 5,330,770 | 4,363,643 |
| Co-op Fund | - | - | - | - | - | - | - | - | - | - |
| Total all other governmental funds | \$ 38,047,676 | \$ 41,382,623 | \$ 43,356,395 | \$ 67,160,523 | \$ 45,141,136 | \$ 62,966,682 | \$ 83,414,563 | \$ 68,606,956 | \$ 84,484,713 | \$ 108,995,636 |

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

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



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

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Revenues | | | | | | | | | | |
| Local sources | \$ 57,646,172 | \$ 61,677,116 | \$ 65,182,356 | \$ 74,150,167 | \$ 82,331,536 | \$ 80,517,561 | \$ 86,328,582 | \$ 99,000,702 | \$ 107,889,937 | \$ 117,573,172 |
| Intermediate sources | 4,573,947 | 4,761,319 | 4,911,914 | 5,076,661 | 5,519,302 | 6,184,529 | 6,961,786 | 7,046,374 | 7,033,270 | 7,446,012 |
| State sources | 69,884,157 | 66,180,379 | 66,457,459 | 77,665,415 | 80,949,160 | 75,791,964 | 81,992,053 | 90,480,533 | 108,046,820 | 107,816,034 |
| Federal sources | 5,926,438 | 6,200,370 | 6,481,122 | 13,112,015 | 11,674,296 | 21,707,256 | 35,668,397 | 20,774,196 | 17,595,120 | 17,123,811 |
| Other sources | 2,287,169 | 2,428,275 | 2,954,130 | 2,734,308 | 2,947,362 | 3,327,524 | 1,769,526 | 1,261,418 | 2,272,801 | 6,034,489 |
| Total Revenue | 140,317,882 | 141,247,459 | 145,986,981 | 172,738,565 | 183,421,656 | 187,528,834 | 212,720,344 | 218,563,223 | 242,837,948 | 255,993,518 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| Instruction | 69,260,186 | 67,216,520 | 66,229,327 | 77,651,930 | 80,777,119 | 83,177,520 | 88,236,254 | 87,923,669 | 103,257,848 | 109,482,970 |
| Student | 9,160,746 | 9,102,254 | 9,600,133 | 11,170,317 | 11,520,173 | 12,651,434 | 14,792,297 | 15,564,087 | 17,731,263 | 17,681,516 |
| Instructional staff | 7,054,784 | 6,651,380 | 6,597,870 | 8,384,970 | 7,288,534 | 7,891,155 | 7,786,198 | 9,030,515 | 11,376,721 | 12,381,179 |
| Administration | 16,085,306 | 15,472,790 | 14,866,078 | 17,182,660 | 17,015,013 | 17,666,678 | 19,097,442 | 19,808,685 | 23,110,148 | 24,421,199 |
| Operations and maintenance | 18,298,238 | 14,587,040 | 15,072,223 | 16,190,616 | 16,520,629 | 16,953,807 | 18,710,788 | 20,556,173 | 26,240,843 | 26,481,893 |
| Student transportation | 7,134,523 | 6,479,865 | 6,177,370 | 7,393,010 | 7,699,748 | 7,087,708 | 8,304,158 | 8,935,137 | 10,016,673 | 11,283,364 |
| Non-Instruction expenditures | | | | | | | | | | |
| Child Nutrition operations | - | - | 42,453 | 9,270,820 | 8,470,482 | 7,484,695 | 9,174,710 | 9,946,203 | 11,892,559 | 12,628,594 |
| Community service operations | 985,006 | 1,103,343 | 1,001,928 | 1,164,549 | 4,158,390 | 2,202,033 | 3,164,923 | 2,939,863 | 3,461,425 | 3,866,772 |
| Other | 644,169 | 910,491 | 613,845 | 766,701 | 692,905 | 2,473,420 | 2,087,680 | 1,729,819 | 5,793,751 | 9,956,996 |
| Capital outlay | 23,043,842 | 15,169,844 | 16,313,803 | 15,798,741 | 36,831,530 | 9,354,797 | 23,894,350 | 42,414,651 | 19,076,714 | 11,984,179 |
| Debt service | | | | | | | | | | |
| Principal | 21,675,000 | 23,665,000 | 24,370,000 | 25,745,000 | 26,205,000 | 25,540,000 | 33,355,000 | 34,385,000 | 16,095,000 | 39,580,000 |
| Interest | 1,842,961 | 2,118,963 | 2,159,275 | 2,284,128 | 2,991,878 | 2,458,178 | 1,973,590 | 2,393,360 | 2,747,195 | 3,817,645 |
| Judgements | - | - | - | - | - | - | - | - | 61,713 | 1,954 |
| Total expenditures | \$ 175,184,760 | \$ 162,477,491 | \$ 163,044,305 | \$ 193,003,442 | \$ 220,171,401 | \$ 194,941,425 | \$ 230,577,390 | \$ 255,627,162 | \$ 250,861,855 | \$ 283,568,262 |
| Excess (deficiency) of revenues over (under) expenditures | (34,866,878) | (21,230,031) | (17,057,324) | (20,264,877) | (36,749,744) | (7,412,591) | (17,857,046) | (37,063,939) | (8,023,906) | (27,574,744) |
| Other financing sources (uses) | | | | | | | | | | |
| Issuance of debt | \$ 23,925,000 | \$ 23,500,000 | \$ 23,325,000 | \$ 42,500,000 | \$ 15,200,000 | \$ 30,000,000 | \$ 46,885,000 | \$ 33,000,000 | \$ 21,800,000 | \$ 45,700,000 |
| Capital Leases | - | - | - | - | - | - | - | - | - | - |
| Premium on new issuance of debt | 1,390,707 | 541,969 | 24,482 | 296,870 | 4,408 | 58,650 | 1,212 | 231,355 | 161,278 | 62,442 |
| Proceeds on disposal of capital assets | 32,222 | 695 | 39,057 | 1,811 | 378,249 | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | 25,347,929 | 24,042,664 | 23,388,539 | 42,798,682 | 15,582,657 | 30,058,650 | 46,886,212 | 33,231,355 | 21,961,278 | 45,762,442 |
| Net changes in fund balances | \$ (9,518,949) | \$ 2,812,632 | \$ 6,331,214 | \$ 22,533,804 | \$ (21,167,088) | \$ 22,646,059 | \$ 29,029,166 | \$ (3,832,584) | \$ 13,937,372 | \$ 18,187,698 |
| Debt service as a percentage of noncapital expenditures ^a | 16.18% | 17.91% | 18.41% | 16.16% | 16.28% | 15.36% | 17.38% | 17.56% | 8.59% | 17.37% |

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



REVENUE CAPACITY



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

| Fiscal Year Ended June 30 | Public Service | | | Ratio of Net Assessed Value to Total Estimated Actual Value | | | Total Direct Tax Rate ^d |
|---------------------------------|--|--|---|--|---------------------------------------|--------|---------------------------------------|
| | Real Property Assessed Value ^a | Personal Property Net Assessed Value ^a | Property Assessed Value ^b | Total Net Assessed Value | Total Estimated Value ^c | | |
| 2016 | 691,169,953 | 82,030,524 | 26,793,531 | 799,994,008 | 7,383,360,050 | 10.84% | 69.73 |
| 2017 | 728,256,008 | 77,967,565 | 33,712,941 | 839,936,514 | 7,718,321,096 | 10.88% | 71.00 |
| 2018 | 799,481,750 | 54,063,523 | 35,826,575 | 889,371,848 | 8,160,962,344 | 10.90% | 71.24 |
| 2019 | 845,459,879 | 63,809,309 | 36,588,071 | 945,857,259 | 8,673,867,904 | 10.90% | 71.34 |
| 2020 | 874,410,554 | 71,998,701 | 39,123,068 | 985,532,323 | 9,027,278,482 | 10.92% | 73.17 |
| 2021 | 929,017,748 | 80,474,397 | 42,758,939 | 1,052,251,084 | 9,621,426,481 | 10.94% | 71.95 |
| 2022 | 967,513,142 | 103,959,296 | 45,701,543 | 1,117,173,981 | 10,207,358,171 | 10.94% | 69.83 |
| 2023 | 1,043,328,783 | 109,833,190 | 43,898,225 | 1,197,060,198 | 11,050,824,016 | 10.83% | 69.31 |
| 2024 | 1,144,664,946 | 102,415,690 | 45,183,147 | 1,292,263,783 | 12,881,429,861 | 10.03% | 68.87 |
| 2025 | 1,232,993,939 | 111,120,742 | 47,441,319 | 1,391,556,000 | 13,788,513,646 | 10.09% | 69.81 |

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

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

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

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

Source: Tulsa & Wagoner County Assessors



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

| Fiscal Year | Direct Rates | | | Total Direct Rates | Rates for Taxpayers in the City of Broken Arrow | | | | Total Direct & Overlapping Rates |
|-------------|--------------|----------|---------|--------------------|---|-------------------------|---------------|-------------------------|----------------------------------|
| | General | Building | Sinking | | Tulsa County | Tulsa Community College | Tulsa Vo-Tech | City of Broken Arrow | |
| 2016 | 36.40 | 5.20 | 28.13 | 69.73 | 22.22 | 7.21 | 13.33 | 17.10 | 129.59 |
| 2017 | 36.40 | 5.20 | 29.40 | 71.00 | 22.24 | 7.21 | 13.33 | 16.92 | 130.70 |
| 2018 | 36.40 | 5.20 | 29.64 | 71.24 | 22.24 | 7.21 | 13.33 | 16.84 | 130.86 |
| 2019 | 36.40 | 5.20 | 29.74 | 71.34 | 22.74 | 7.21 | 13.33 | 15.61 | 130.23 |
| 2020 | 36.40 | 5.20 | 31.57 | 73.17 | 22.66 | 7.21 | 13.33 | 15.66 | 132.03 |
| 2021 | 36.40 | 5.20 | 30.35 | 71.95 | 23.25 | 7.21 | 13.33 | 16.19 | 131.93 |
| 2022 | 36.40 | 5.20 | 28.23 | 69.83 | 23.26 | 7.21 | 13.33 | 16.05 | 129.68 |
| 2023 | 36.40 | 5.20 | 27.71 | 69.31 | 23.16 | 7.21 | 13.33 | 16.61 | 129.62 |
| 2024 | 36.40 | 5.20 | 27.27 | 68.87 | 22.60 | 7.21 | 13.33 | 16.49 | 128.50 |
| 2025 | 36.40 | 5.20 | 28.21 | 69.81 | 22.20 | 7.21 | 13.33 | 16.26 | 128.81 |
| | | | | | | | | Ten-Year Average | \$ 130.20 |

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

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



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

| Taxpayer | 2025 | | | 2016 | | |
|-------------------------------------|------------------------|--|---------------------------------|------|------------------------|--|
| | Net Assessed Valuation | Percentage of District's Net Assessed Valuation ^a | | Rank | Net Assessed Valuation | Percentage of District's Net Assessed Valuation ^b |
| | | Rank | Assessed Valuation ^a | | | |
| Public Service Company of Oklahoma | \$ 13,696,598 | 0.98% | 1 | 1 | \$ 8,273,024 | 1.03% |
| Greens at Broken Arrow/Battle Creek | 6,989,819 | 0.50% | 2 | | 5,652,176 | 0.71% |
| Alpine/JMCR Broken Arrow LLC | 6,087,246 | 0.44% | 3 | | - | - |
| St. Johns Hospital | 6,015,196 | 0.43% | 4 | | - | - |
| Walmart Stores | 5,703,340 | 0.41% | 5 | | 5,348,805 | 0.67% |
| Heights Battle Creek LLC | 4,426,818 | 0.32% | 6 | | - | - |
| Oklahoma Natural Gas | 4,342,203 | 0.31% | 7 | | 2,839,375 | 0.35% |
| Park at Mission Hills | 4,301,202 | 0.31% | 8 | | 3,925,876 | 0.49% |
| Flight Safety International | 4,272,404 | 0.31% | 9 | | 3,638,746 | 0.45% |
| Valor Comm of OK/Windstream | 3,860,335 | 0.28% | 10 | | 3,969,047 | 0.50% |
| Auburndale Halifax Broken Arrow LLC | - | - | | | 3,470,924 | 0.43% |
| LSREF2 Oreo (Heights) LLC | - | - | | | 2,102,895 | 0.26% |
| Cox Communications | - | - | | | 1,941,126 | 0.24% |
| Total | <u>\$ 59,695,161</u> | <u>4.29%</u> | | | <u>\$ 41,161,994</u> | <u>5.15%</u> |

^a Based on FY24-25 District Net Assessed Valuation of \$1,391,556,000

^b Based on FY15-16 District Net Assessed Valuation of \$799,994,008

Source: Tulsa and Wagoner County Assessors



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

| Fiscal Year Ended June 30 | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy ^a | | | Total Collections to Date | | |
|------------------------------|--|--|-----------------------|---|---------------------------|-----------------------|--|
| | | Amount | Percentage of Levy | Collected in Subsequent Years ^b | Amount | Percentage of Levy | |
| 2016 | 55,704,874 | 54,964,159 | 98.67% | 996,621 | 55,960,780 | 100.46% | |
| 2017 | 59,552,346 | 58,212,751 | 97.75% | 1,260,346 | 59,473,097 | 99.87% | |
| 2018 | 63,275,425 | 61,916,217 | 97.85% | 1,021,194 | 62,937,410 | 99.47% | |
| 2019 | 67,385,585 | 65,859,432 | 97.74% | 1,107,972 | 66,967,405 | 99.38% | |
| 2020 | 72,018,661 | 68,808,535 | 95.54% | 1,283,179 | 70,091,714 | 97.32% | |
| 2021 | 75,603,020 | 72,525,412 | 95.93% | 3,027,209 | 75,552,622 | 99.93% | |
| 2022 | 77,900,358 | 74,575,281 | 95.73% | 1,402,760 | 75,978,041 | 97.53% | |
| 2023 | 82,839,409 | 79,272,916 | 95.69% | 3,680,388 | 82,953,304 | 100.14% | |
| 2024 | 88,864,060 | 86,248,791 | 97.06% | 1,410,999 | 87,659,791 | 98.64% | |
| 2025 | 97,001,748 | 93,578,287 | 96.47% | 1,294,654 | 94,872,941 | 97.81% | |

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

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

Source: Tulsa and Wagoner County Treasurer's records.





DEBT CAPACITY



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

| Fiscal Year Ended June 30 | Governmental Activities General Obligation Bonds | Governmental Activities Capital Leases | Governmental Activities Subscription Liability ^c | Governmental Activities Lease Revenue Bonds ^c | Total District Total Estimated Actual Value ^a | Ratio of Outstanding Debt to Estimated Actual Value ^a | Total Personal Income | Ratio of Outstanding Debt Per Personal Income | Ratio of Average Daily Membership (ADM) ^b | Ratio of Outstanding Debt Per Student ^b | |
|------------------------------|---|---|--|--|--|--|--------------------------|---|---|---|--------|
| | General Obligation Bonds | Capital Leases | Subscription Liability ^c | Governmental Activities Lease Revenue Bonds ^c | | | | | | | |
| 2016 | 91,495,050 | - | - | - | 91,495,050 | 7,383,360,050 | 1.24% | 173,186,712 | 52.83% | 18,796 | 4,868 |
| 2017 | 90,693,794 | - | - | - | 90,693,794 | 7,718,321,096 | 1.18% | 167,502,814 | 54.14% | 18,899 | 4,799 |
| 2018 | 88,645,469 | - | - | - | 88,645,469 | 8,160,962,344 | 1.09% | 173,817,578 | 51.00% | 19,081 | 4,646 |
| 2019 | 105,115,172 | - | - | - | 105,115,172 | 8,673,867,904 | 1.21% | 186,102,700 | 56.48% | 19,070 | 5,512 |
| 2020 | 93,690,036 | - | - | - | 93,690,036 | 9,027,278,482 | 1.04% | 191,835,000 | 48.84% | 19,436 | 4,820 |
| 2021 | 97,963,940 | - | - | - | 97,963,940 | 9,621,426,481 | 1.02% | 221,611,000 | 44.21% | 18,619 | 5,262 |
| 2022 | 111,435,174 | - | - | - | 111,435,174 | 10,207,358,171 | 1.09% | 214,670,000 | 51.91% | 19,530 | 5,706 |
| 2023 | 110,255,610 | - | 405,276 | 181,698,322 | 292,359,208 | 11,050,824,016 | 2.65% | 230,350,000 | 126.92% | 20,116 | 14,534 |
| 2024 | 116,106,930 | - | 405,276 | 165,400,122 | 281,912,328 | 12,881,429,861 | 2.19% | 256,819,000 | 109.77% | 20,057 | 14,056 |
| 2025 | 122,056,678 | - | 207,580 | 223,359,516 | 345,623,774 | 13,788,513,646 | 2.51% | 275,167,000 | 125.61% | 19,882 | 17,384 |

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

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

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

Sources:

District records

Oklahoma State Department of Education



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

| Fiscal Year Ended June 30 | General Obligation Bonds | Less Sinking Fund Balance | Net General Bonded Debt Outstanding | Total Estimated Actual Value ^a | Ratio of Net | | Average Daily Membership (ADM) ^b | Ratio of Net Debt Per Student ^b |
|------------------------------|--------------------------------|------------------------------|---|--|---|---|---|--|
| | | | | | Debt to Estimated Actual Valuation ^a | Debt to Estimated Actual Valuation ^a | | |
| 2016 | 91,495,050 | 16,234,350 | 75,260,700 | 7,383,360,050 | 1.02% | 0.97% | 18,796 | 4,004 |
| 2017 | 90,693,794 | 15,717,771 | 74,976,023 | 7,718,321,096 | 0.97% | 0.90% | 18,899 | 3,967 |
| 2018 | 88,645,469 | 15,425,669 | 73,219,800 | 8,160,962,344 | 0.90% | 1.03% | 19,081 | 3,837 |
| 2019 | 105,115,172 | 15,673,831 | 89,441,341 | 8,673,867,904 | 0.85% | 0.80% | 19,070 | 4,690 |
| 2020 | 93,960,036 | 17,332,409 | 76,627,627 | 9,027,278,482 | 0.93% | 0.87% | 19,436 | 3,943 |
| 2021 | 97,963,940 | 20,871,817 | 77,092,123 | 9,621,426,481 | 0.93% | 0.66% | 18,619 | 4,141 |
| 2022 | 111,435,174 | 16,429,163 | 95,006,011 | 10,207,358,171 | 0.66% | 0.68% | 19,530 | 4,865 |
| 2023 | 110,255,610 | 13,692,616 | 96,562,994 | 11,050,824,016 | 0.68% | 0.68% | 20,116 | 4,800 |
| 2024 | 116,106,930 | 31,069,501 | 85,037,429 | 12,881,429,861 | 0.68% | 0.68% | 20,057 | 4,240 |
| 2025 | 122,056,678 | 27,952,011 | 94,104,667 | 13,788,513,646 | 0.68% | 0.68% | 19,882 | 4,733 |

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

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

Sources:

District records

Oklahoma State Department of Education



Broken Arrow Public Schools
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable ^a</u> | <u>Estimated Share of Direct and Overlapping Debt ^b</u> |
|--|-------------------------|---|--|
| Tulsa County | \$ - | N/A | \$ - |
| Wagoner County | - | N/A | - |
| Tulsa Community College | - | N/A | - |
| Tulsa Vo-Tech #18 | - | N/A | - |
| City of Broken Arrow | 198,977,806 | 100.00% | 198,977,806 |
| City of Tulsa | 361,151,482 | 0.68% | 2,455,830 |
| City of Coweta | - | N/A | - |
| Subtotal, overlapping debt | | | 201,433,636 |
| District direct debt ^c | | | 345,623,774 |
| Total direct and overlapping debt | | | \$ 547,057,410 |

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

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

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

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



Broken Arrow Public Schools
Legal Debt Margin
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2025:

| | |
|------------------------------------|-----------------------------|
| Secondary assessed valuation | \$ 1,391,556,000 |
| Debt Limit (10% of assessed value) | 139,155,600 |
| Debt applicable to limit | 122,056,678 |
| Current sinking fund balance | (27,952,011) |
| Legal debt margin | <u><u>\$ 45,050,933</u></u> |

| Fiscal Year Ended June 30 | Net Assessed Valuation ^a | Legal Debt Limit | | Outstanding District Indebtedness | Less Sinking Fund Balance | Total Net Debt Subject to Legal Limit | Legal Debt Margin ^c | Total Net Debt Applicable to the Limit as a Percentage of Debt Limit |
|------------------------------|--|---|--|---|---------------------------------|---|-----------------------------------|--|
| | | 10% of Net Assessed Valuation ^b | | | | | | |
| 2016 | 799,994,008 | 79,999,401 | | 91,495,050 | 16,235,350 | 75,259,700 | 4,739,701 | 94.08% |
| 2017 | 839,936,514 | 83,993,651 | | 90,693,794 | 15,717,771 | 74,976,023 | 9,017,628 | 89.26% |
| 2018 | 889,371,848 | 88,937,185 | | 88,645,469 | 15,425,669 | 73,219,800 | 15,717,385 | 82.33% |
| 2019 | 945,857,259 | 94,585,726 | | 105,115,172 | 15,673,831 | 89,441,341 | 5,144,385 | 94.56% |
| 2020 | 985,532,323 | 98,553,232 | | 93,960,036 | 17,332,409 | 76,627,627 | 21,925,605 | 77.75% |
| 2021 | 1,052,251,084 | 105,225,108 | | 97,693,940 | 20,871,817 | 76,822,123 | 28,402,985 | 73.01% |
| 2022 | 1,117,173,981 | 111,717,398 | | 111,435,174 | 16,429,163 | 95,006,011 | 16,711,387 | 85.04% |
| 2023 | 1,197,060,198 | 119,706,020 | | 110,255,610 | 13,692,616 | 96,562,994 | 23,143,026 | 80.67% |
| 2024 | 1,292,263,783 | 129,226,378 | | 116,106,930 | 31,069,501 | 85,037,429 | 44,188,949 | 65.81% |
| 2025 | 1,391,556,000 | 139,155,600 | | 122,056,678 | 27,952,011 | 94,104,667 | 45,050,933 | 67.63% |

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

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

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

Sources:

District financial records

Tulsa and Wagoner County Assessors





DEMOGRAPHIC & ECONOMIC INFORMATION



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

| Fiscal Year Ended June 30 | Population ^a | Total Personal Income ^c | Real Per Capita Personal Income ^a | Unemployment Rate ^b | District Average Daily Membership Population ^d |
|------------------------------|-------------------------|---------------------------------------|---|-----------------------------------|---|
| 2016 | 106,563 | 173,186,712 | 26,655 | 4.20% | 18,796 |
| 2017 | 107,403 | 167,502,814 | 25,762 | 3.60% | 19,074 |
| 2018 | 108,303 | 173,817,578 | 26,437 | 3.50% | 19,081 |
| 2019 | 109,171 | 186,102,700 | 26,472 | 3.20% | 19,070 |
| 2020 | 113,540 | 191,835,000 | 28,011 | 7.40% | 19,436 |
| 2021 | 115,458 | 221,611,000 | 31,797 | 3.20% | 18,619 |
| 2022 | 117,911 | 214,670,000 | 36,303 | 3.40% | 19,530 |
| 2023 | 120,448 | 230,350,000 | 41,844 | 2.60% | 20,116 |
| 2024 | 120,949 | 256,819,000 | 45,118 | 3.30% | 20,057 |
| 2025 | 122,704 | 275,167,000 | 51,260 | 2.95% | 19,882 |

^a US Census Bureau

^b Oklahoma Employment Security Commission

^c US Bureau of Economic Analysis

^d District records



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

| Employer | 2025 | | | 2016 | | |
|-------------------------------|------------------------|------|---|------------------------|------|---|
| | Employees ^a | Rank | Percentage of Total Employment ^b | Employees ^a | Rank | Percentage of Total Employment ^c |
| Broken Arrow Public Schools | 2,618 | 1 | 2.13% | 2,221 | 1 | 2.08% |
| Northeastern State University | 800 | 2 | 0.65% | 800 | 3 | 0.75% |
| FlightSafety International | 750 | 3 | 0.61% | 715 | 4 | 0.67% |
| City of Broken Arrow | 675 | 4 | 0.55% | 675 | 5 | 0.63% |
| Zeeco | 647 | 5 | 0.53% | 487 | 6 | 0.46% |
| Oklahoma HealthCare Services | 460 | 6 | 0.37% | 460 | 7 | 0.43% |
| AG Equipment | 360 | 7 | 0.29% | - | - | 0.00% |
| Exterran, Inc. | 350 | 8 | 0.29% | 350 | 8 | 0.33% |
| Micahtek Inc. | 350 | 9 | 0.29% | 350 | 9 | 0.33% |
| McDaniel Technical Services | 325 | 10 | 0.26% | 325 | 10 | 0.30% |
| Walmart | - | | | 900 | 2 | 0.84% |
| | <u>7,335</u> | | <u>5.98%</u> | <u>7,283</u> | | <u>6.83%</u> |

Sources:

^a Broken Arrow Chamber of Commerce

^b Based on US Census Bureau population of 122,704

^c Based on US Census Bureau population of 106,563



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

| | Full-Time Equivalent District Employees by Type | | | | | | | | | | Percentage Change |
|---|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | |
| | | | | | | | | | | | |
| Supervisory | | | | | | | | | | | |
| Principals | 29 | 27 | 30 | 35 | 30 | 31 | 30 | 32 | 29 | 30 | 3.45% |
| Assistant Principals | 28 | 28 | 26 | 19 | 29 | 30 | 31 | 34 | 43 | 44 | 57.14% |
| Total supervisory | 57 | 55 | 56 | 54 | 59 | 61 | 61 | 66 | 72 | 74 | 29.82% |
| Instruction | | | | | | | | | | | |
| Teachers | 1,090 | 1,066 | 967 | 1,053 | 1,060 | 1,032 | 1,037 | 1,062 | 1,110 | 1,129 | 3.58% |
| Other professionals | 113 | 108 | 140 | 127 | 123 | 135 | 134 | 153 | 153 | 159 | 40.71% |
| Aides | 435 | 506 | 280 | 289 | 212 | 258 | 249 | 271 | 323 | 341 | -21.61% |
| Total instruction | 1,638 | 1,680 | 1,387 | 1,469 | 1,395 | 1,425 | 1,420 | 1,486 | 1,586 | 1,629 | -0.55% |
| Student Services | | | | | | | | | | | |
| Librarians | 18 | 20 | 20 | 22 | 23 | 22 | 23 | 22 | 22 | 23 | 27.78% |
| Technicians | 23 | 25 | 31 | 35 | 23 | 26 | 26 | 28 | 29 | 31 | 34.78% |
| Social Workers/ Counselors | 42 | 42 | 40 | 42 | 43 | 43 | 43 | 45 | 47 | 48 | 14.29% |
| Total student services | 83 | 87 | 91 | 99 | 89 | 91 | 92 | 95 | 98 | 102 | 22.89% |
| Support and Administration ^a | | | | | | | | | | | |
| Office | 209 | 211 | 216 | 212 | 236 | 227 | 227 | 226 | 240 | 241 | 15.31% |
| Maintenance | 231 | 251 | 177 | 182 | 188 | 195 | 177 | 194 | 206 | 209 | -9.52% |
| Food Service | 238 | 237 | 205 | 196 | 131 | 139 | 133 | 140 | 148 | 155 | -34.87% |
| Transportation | 237 | 205 | 194 | 172 | 144 | 142 | 149 | 154 | 160 | 164 | -30.80% |
| Total support and administration | 915 | 904 | 792 | 762 | 699 | 703 | 686 | 714 | 754 | 769 | -15.96% |
| Total | 2,693 | 2,726 | 2,326 | 2,384 | 2,242 | 2,280 | 2,259 | 2,361 | 2,510 | 2,574 | -4.42% |

Source: State Department of Education and District records

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



OPERATING INFORMATION



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

| | 2016 | 2017 | 2018 | 2019 ^b | 2020 | 2021 | 2022 ^c | 2023 | 2024 | 2025 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities | | | | | | | | | | |
| Instruction | \$ 249,359,547 | \$ 265,238,327 | \$ 281,092,680 | \$ 296,877,119 | \$ 300,207,529 | \$ 301,119,277 | \$ 479,117,650 | \$ 501,701,909 | \$ 527,024,304 | \$ 555,172,380 |
| Student | 6,258,506 | 6,307,726 | 6,324,456 | 6,324,456 | 6,324,456 | 6,324,456 | 6,340,292 | 6,340,292 | 6,340,292 | 6,340,292 |
| Instructional support | 4,880,445 | 5,715,149 | 6,419,824 | 7,481,067 | 7,999,744 | 8,858,045 | 9,550,229 | 10,239,897 | 10,647,729 | 11,691,479 |
| General administration | 176,427 | 448,952 | 448,952 | 472,093 | 472,093 | 619,720 | 619,720 | 619,720 | 644,978 | 644,978 |
| School administration | 975,507 | 975,507 | 975,507 | 975,507 | 1,528,947 | 1,528,947 | 1,528,947 | 1,528,947 | 1,528,947 | 1,528,947 |
| Business | 10,649,898 | 10,649,898 | 10,649,898 | 10,649,898 | 10,649,898 | 10,649,898 | 10,718,697 | 10,795,409 | 10,928,240 | 10,963,775 |
| Operations and maintenance | 10,978,022 | 11,565,686 | 12,581,160 | 14,147,870 | 49,243,662 | 49,979,502 | 51,132,514 | 52,848,504 | 55,939,454 | 57,758,105 |
| Transportation | 6,280,370 | 6,639,624 | 7,987,486 | 8,644,321 | 9,543,896 | 10,465,323 | 10,954,592 | 12,003,036 | 11,383,989 | 12,619,585 |
| Non-instructional | 1,102,204 | 1,108,185 | 1,108,185 | 5,893,613 | 5,957,703 | 4,181,477 | 3,932,294 | 3,879,520 | 4,223,454 | 4,664,704 |
| Other-unclassified | 86,509 | 86,509 | 86,509 | 86,509 | 86,509 | 86,509 | 86,509 | 86,509 | 86,509 | 86,509 |
| Total Governmental Activities | <u>290,747,435</u> | <u>308,735,562</u> | <u>327,674,656</u> | <u>351,552,452</u> | <u>392,014,436</u> | <u>393,813,154</u> | <u>573,981,443</u> | <u>600,043,742</u> | <u>628,747,896</u> | <u>661,470,754</u> |
| Business-Type Activities^a | | | | | | | | | | |
| Child nutrition services | 4,240,587 | 4,613,539 | 4,689,813 | - | - | - | - | - | - | - |
| Total Capital Assets | <u>\$ 294,988,021</u> | <u>\$ 313,349,100</u> | <u>\$ 332,364,469</u> | <u>\$ 351,552,452</u> | <u>\$ 392,014,436</u> | <u>\$ 393,813,154</u> | <u>\$ 573,981,443</u> | <u>\$ 600,043,742</u> | <u>\$ 628,747,896</u> | <u>\$ 661,470,754</u> |

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

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

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

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

Source: District Records



Broken Arrow Public Schools
Employee Information
Last Ten Fiscal Years

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Certified Personnel | | | | | | | | | | |
| Bachelor's | | | | | | | | | | |
| Minimum Salary | \$ 29,525 | \$ 29,525 | \$ 29,525 | \$ 34,904 | \$ 38,521 | \$ 38,821 | \$ 38,821 | \$ 39,121 | \$ 42,121 | \$ 42,121 |
| Maximum Salary | \$ 44,822 | \$ 45,422 | \$ 44,822 | \$ 52,905 | \$ 60,969 | \$ 61,269 | \$ 61,269 | \$ 61,569 | \$ 67,569 | \$ 67,569 |
| Average Salary | \$ 35,253 | \$ 35,167 | \$ 35,922 | \$ 39,955 | \$ 43,943 | \$ 44,189 | \$ 43,716 | \$ 43,278 | \$ 47,913 | \$ 48,186 |
| Number of Teachers | 730 | 833 | 907 | 860 | 846 | 861 | 852 | 865 | 901 | 911 |
| Master's | | | | | | | | | | |
| Minimum Salary | \$ 30,806 | \$ 30,806 | \$ 30,806 | \$ 36,361 | \$ 39,911 | \$ 40,211 | \$ 40,211 | \$ 40,511 | \$ 43,511 | \$ 43,511 |
| Maximum Salary | \$ 48,728 | \$ 49,403 | \$ 48,728 | \$ 57,162 | \$ 62,891 | \$ 63,191 | \$ 63,191 | \$ 63,491 | \$ 69,491 | \$ 69,491 |
| Average Salary | \$ 38,687 | \$ 38,583 | \$ 39,964 | \$ 44,280 | \$ 47,013 | \$ 47,021 | \$ 46,391 | \$ 46,634 | \$ 51,574 | \$ 51,648 |
| Number of Teachers | 292 | 330 | 306 | 327 | 352 | 345 | 360 | 385 | 391 | 409 |
| Doctoral | | | | | | | | | | |
| Minimum Salary | \$ 35,909 | \$ 33,298 | \$ 32,137 | \$ 37,869 | \$ 41,301 | \$ 41,601 | \$ 41,601 | \$ 41,901 | \$ 44,901 | \$ 46,204 |
| Maximum Salary | \$ 42,559 | \$ 43,459 | \$ 59,259 | \$ 58,766 | \$ 65,315 | \$ 65,615 | \$ 53,137 | \$ 65,915 | \$ 71,915 | \$ 60,917 |
| Average Salary | \$ 38,500 | \$ 38,674 | \$ 40,651 | \$ 42,492 | \$ 49,262 | \$ 46,561 | \$ 45,090 | \$ 42,673 | \$ 53,113 | \$ 53,450 |
| Number of Teachers | 6 | 9 | 9 | 11 | 11 | 12 | 12 | 7 | 8 | 8 |
| Total Certified Personnel ^a | <u>1,028</u> | <u>1,172</u> | <u>1,222</u> | <u>1,198</u> | <u>1,209</u> | <u>1,218</u> | <u>1,224</u> | <u>1,257</u> | <u>1,300</u> | <u>1,328</u> |
| Support Personnel | | | | | | | | | | |
| Number of Support | 1,582 | 991 | 1,010 | 1,094 | 1,030 | 1,039 | 1,001 | 1,044 | 1,141 | 1,166 |
| Administrative Personnel | | | | | | | | | | |
| Number of Administrators | 83 | 97 | 94 | 92 | 102 | 101 | 102 | 109 | 114 | 124 |

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

Source: District records



Broken Arrow Public Schools
Operating Statistics
Last Ten Fiscal Years

| Fiscal Year Ended June 30 | Average Daily Membership (ADM) ^a | Operating Expenditures ^b | Cost per Pupil ^c | Percentage Change | Teaching Staff ^d | Pupil/Teacher Ratio | Percentage of Students Receiving Free or Reduced - Price Meals ^e |
|------------------------------|---|--|--------------------------------|----------------------|--------------------------------|------------------------|---|
| 2016 | 18,796 | 146,222,636 | 7,780 | 7.84% | 1,090 | 24:1 | 42.00% |
| 2017 | 18,899 | 129,868,077 | 6,872 | -11.67% | 1,066 | 24:1 | 42.00% |
| 2018 | 19,081 | 150,775,808 | 7,902 | 14.99% | 967 | 26:1 | 48.00% |
| 2019 | 19,070 | 168,328,683 | 8,827 | 11.71% | 1,053 | 26:1 | 44.00% |
| 2020 | 19,436 | 162,462,385 | 8,359 | -5.30% | 1,060 | 26:1 | 46.00% |
| 2021 | 18,619 | 186,854,894 | 10,036 | 20.06% | 1,032 | 24:1 | 35.96% |
| 2022 | 19,530 | 177,235,043 | 9,075 | -9.57% | 1,037 | 24:1 | 35.64% |
| 2023 | 20,116 | 196,194,847 | 9,753 | 7.47% | 1,062 | 25:1 | 44.00% |
| 2024 | 20,057 | 247,103,059 | 12,320 | 26.32% | 1,110 | 25:1 | 53.00% |
| 2025 | 19,882 | 251,165,044 | 12,633 | 2.54% | 1,129 | 24:1 | 47.00% |

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

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

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

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

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



Broken Arrow Public Schools School Building Information

Last Ten Fiscal Years

Continued on Next Page

| School | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Early Childhood Center | | | | | | | | | | |
| Arrow Springs (2014) ^a | | | | | | | | | | |
| Square Feet | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 |
| Capacity | 260 | 260 | 286 | 286 | 286 | 286 | 286 | 286 | 286 | 286 |
| Enrollment | 225 | 228 | 218 | 218 | 222 | 149 | 139 | 138 | 101 | 101 |
| Aspen Creek (2013) | | | | | | | | | | |
| Square Feet | 28,712 | 28,712 | 28,712 | 28,712 | 28,712 | 28,712 | 28,712 | 28,712 | 28,712 | 28,712 |
| Capacity | 320 | 320 | 352 | 352 | 352 | 352 | 352 | 352 | 352 | 352 |
| Enrollment | 294 | 301 | 306 | 306 | 271 | 256 | 275 | 271 | 258 | 258 |
| Creekwood (2013) | | | | | | | | | | |
| Square Feet | 28,400 | 28,400 | 28,400 | 28,400 | 28,400 | 28,400 | 28,400 | 28,400 | 28,400 | 28,400 |
| Capacity | 320 | 320 | 352 | 352 | 352 | 352 | 352 | 352 | 352 | 352 |
| Enrollment | 314 | 307 | 309 | 309 | 275 | 312 | 270 | 266 | 271 | 271 |
| Park Lane (2013) ^b | | | | | | | | | | |
| Square Feet | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 |
| Capacity | 360 | 360 | 396 | 396 | 396 | 396 | 396 | 396 | 396 | 396 |
| Enrollment | 251 | 305 | 321 | 321 | 302 | 218 | 231 | 260 | 256 | 256 |
| Elementary | | | | | | | | | | |
| Arrow Springs (1981) ^a | | | | | | | | | | |
| Square feet | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 | 28,479 |
| Capacity | - | - | - | - | - | - | - | - | - | - |
| Enrollment | - | - | - | - | - | - | - | - | - | - |
| Arrowhead (1970) | | | | | | | | | | |
| Square feet | 68,960 | 68,960 | 68,960 | 68,960 | 68,960 | 68,960 | 68,960 | 68,960 | 68,960 | 68,960 |
| Capacity | 696 | 696 | 728 | 728 | 728 | 728 | 728 | 728 | 728 | 728 |
| Enrollment | 436 | 454 | 449 | 449 | 401 | 374 | 426 | 411 | 423 | 423 |
| Aspen Creek (2013) ^c | | | | | | | | | | |
| Square feet | 92,539 | 92,539 | 92,539 | 92,539 | 92,539 | 92,539 | 92,539 | 92,539 | 92,539 | 92,539 |
| Capacity | 792 | 792 | 896 | 896 | 896 | 896 | 896 | 896 | 896 | 896 |
| Enrollment | 673 | 705 | 680 | 680 | 730 | 578 | 574 | 628 | 622 | 622 |
| Country Lane (1993) | | | | | | | | | | |
| Square feet | 90,266 | 90,266 | 90,266 | 90,266 | 90,266 | 90,266 | 90,266 | 90,266 | 90,266 | 90,266 |
| Capacity | 984 | 984 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 |
| Enrollment | 828 | 853 | 764 | 764 | 725 | 686 | 680 | 667 | 701 | 701 |
| Country Lane Int. (2007) | | | | | | | | | | |
| Square feet | 97,330 | 97,330 | 97,330 | 97,330 | 97,330 | 97,330 | 97,330 | 97,330 | 97,330 | 97,330 |
| Capacity | 1,224 | 1,224 | 1,232 | 1,232 | 1,232 | 1,232 | 1,232 | 1,232 | 1,232 | 1,232 |
| Enrollment | 845 | 845 | 746 | 746 | 733 | 732 | 689 | 747 | 695 | 695 |
| Creekwood (2013) | | | | | | | | | | |
| Square feet | 92,539 | 92,539 | 93,067 | 93,067 | 93,067 | 93,067 | 93,067 | 93,067 | 93,067 | 93,067 |
| Capacity | 792 | 792 | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 |
| Enrollment | 677 | 677 | 583 | 583 | 624 | 554 | 588 | 640 | 588 | 588 |
| Highland Park (2012) | | | | | | | | | | |
| Square feet | 92,000 | 92,000 | 92,000 | 92,000 | 92,000 | 92,000 | 92,000 | 92,000 | 92,000 | 92,000 |
| Capacity | 864 | 864 | 1,008 | 1,008 | 1,008 | 1,008 | 1,008 | 1,008 | 1,008 | 1,008 |
| Enrollment | 853 | 897 | 797 | 797 | 853 | 629 | 677 | 698 | 695 | 695 |
| Indian Springs (1974) ^c | | | | | | | | | | |
| Square feet | 42,066 | 42,066 | 21,803 | 21,803 | 21,803 | 21,803 | 21,803 | 21,803 | 21,803 | 21,803 |
| Capacity | - | - | - | - | - | - | - | - | - | - |
| Enrollment | - | - | - | - | - | - | - | - | - | - |



Broken Arrow Public Schools School Building Information

Last Ten Fiscal Years

Continued on Next Page

| School | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Fiscal Year Ending June 30 | | | | | | | | | | |
| Leisure Park (1983) | | | | | | | | | | |
| Square feet | 72,530 | 72,530 | 72,530 | 72,530 | 72,530 | 72,530 | 72,530 | 72,530 | 72,530 | 72,530 |
| Capacity | 816 | 816 | 868 | 868 | 868 | 868 | 868 | 868 | 868 | 868 |
| Enrollment | 669 | 658 | 648 | 648 | 658 | 502 | 515 | 541 | 522 | 522 |
| Liberty (2004) | | | | | | | | | | |
| Square feet | 81,466 | 81,466 | 81,446 | 81,446 | 81,446 | 81,446 | 81,446 | 81,446 | 81,446 | 81,446 |
| Capacity | 1,032 | 1,032 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 | 1,092 |
| Enrollment | 749 | 713 | 684 | 684 | 632 | 586 | 622 | 624 | 648 | 648 |
| Lynn Wood (1980) | | | | | | | | | | |
| Square feet | 65,395 | 65,395 | 65,395 | 65,395 | 65,395 | 65,395 | 65,395 | 65,395 | 65,395 | 65,395 |
| Capacity | 744 | 744 | 690 | 690 | 690 | 690 | 690 | 690 | 690 | 690 |
| Enrollment | 504 | 472 | 471 | 471 | 436 | 353 | 377 | 395 | 429 | 429 |
| Oak Crest (1964) ^d | | | | | | | | | | |
| Square feet | 54,020 | 54,020 | 54,020 | 54,020 | 54,020 | 54,020 | 54,020 | 54,020 | 54,020 | 54,020 |
| Capacity | 816 | 816 | 644 | 644 | 644 | 644 | 644 | 644 | 644 | 644 |
| Enrollment | 405 | 427 | 363 | 363 | 375 | 337 | 354 | 378 | 367 | 367 |
| Park Lane (1978) ^b | | | | | | | | | | |
| Square feet | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 | 33,280 |
| Capacity | - | - | - | - | - | - | - | - | - | - |
| Enrollment | - | - | - | - | - | - | - | - | - | - |
| Rhoades (1958) | | | | | | | | | | |
| Square feet | 68,461 | 68,461 | 68,461 | 68,461 | 68,461 | 68,461 | 68,461 | 68,461 | 68,461 | 68,461 |
| Capacity | 720 | 720 | 728 | 728 | 728 | 728 | 728 | 728 | 728 | 728 |
| Enrollment | 481 | 489 | 392 | 392 | 411 | 392 | 393 | 413 | 403 | 403 |
| Rosewood (2021) | | | | | | | | | | |
| Square feet | - | - | - | - | - | 81,882 | 81,882 | 81,882 | 81,882 | 81,882 |
| Capacity | - | - | - | - | - | 667 | 667 | 667 | 667 | 667 |
| Enrollment | - | - | - | - | - | 459 | 508 | 622 | 583 | 583 |
| Spring Creek (1987) | | | | | | | | | | |
| Square feet | 68,314 | 68,314 | 68,314 | 68,314 | 68,314 | 68,314 | 68,314 | 68,314 | 68,314 | 68,314 |
| Capacity | 744 | 744 | 784 | 784 | 784 | 784 | 784 | 784 | 784 | 784 |
| Enrollment | 536 | 516 | 520 | 520 | 598 | 395 | 548 | 494 | 511 | 511 |
| Timber Ridge (2017) | | | | | | | | | | |
| Square feet | - | - | 90,145 | 90,145 | 90,145 | 90,145 | 90,145 | 90,145 | 90,145 | 90,145 |
| Capacity | - | - | 952 | 952 | 952 | 952 | 952 | 952 | 952 | 952 |
| Enrollment | - | - | 566 | 566 | 666 | 559 | 584 | 623 | 589 | 589 |
| Vandever (1974) | | | | | | | | | | |
| Square feet | 64,180 | 64,180 | 64,180 | 64,180 | 64,180 | 64,180 | 64,180 | 64,180 | 64,180 | 64,180 |
| Capacity | 768 | 768 | 728 | 728 | 728 | 728 | 728 | 728 | 728 | 728 |
| Enrollment | 478 | 454 | 421 | 421 | 390 | 368 | 387 | 396 | 453 | 453 |
| Westwood (1986) ^e | | | | | | | | | | |
| Square feet | - | - | - | - | - | - | - | - | - | - |
| Capacity | - | - | - | - | - | - | - | - | - | - |
| Enrollment | - | - | - | - | - | - | - | - | - | - |
| Wolf Creek (1991) | | | | | | | | | | |
| Square feet | 87,584 | 87,584 | 80,987 | 80,987 | 80,987 | 80,987 | 80,987 | 80,987 | 80,987 | 80,987 |
| Capacity | 864 | 864 | 924 | 924 | 924 | 924 | 924 | 924 | 924 | 924 |
| Enrollment | 570 | 545 | 565 | 565 | 570 | 518 | 545 | 550 | 525 | 525 |



Broken Arrow Public Schools School Building Information

Last Ten Fiscal Years

Continued on Next Page

| School | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Middle | | | | | | | | | | |
| Centennial (2003) | | | | | | | | | | |
| Square feet | 142,200 | 142,200 | 142,200 | 142,200 | 142,200 | 142,200 | 142,200 | 142,200 | 142,200 | 142,200 |
| Capacity | 1,400 | 1,400 | 1,680 | 1,680 | 1,680 | 1,680 | 1,680 | 1,680 | 1,680 | 1,680 |
| Enrollment | 1,043 | 1,070 | 982 | 982 | 1,063 | 1,933 | 1,180 | 1,121 | 1,088 | 1,088 |
| Childers (1986) | | | | | | | | | | |
| Square feet | 123,464 | 123,464 | 123,464 | 123,464 | 132,014 | 132,014 | 132,014 | 132,014 | 132,014 | 132,014 |
| Capacity | 1,110 | 1,110 | 1,320 | 1,320 | 1,290 | 1,290 | 1,290 | 1,290 | 1,290 | 1,290 |
| Enrollment | 770 | 775 | 763 | 763 | 764 | 580 | 779 | 796 | 790 | 790 |
| Haskell (1958) ^d | | | | | | | | | | |
| Square feet | - | - | - | - | - | - | - | - | - | - |
| Capacity | - | - | - | - | - | - | - | - | - | - |
| Enrollment | - | - | - | - | - | - | - | - | - | - |
| Oliver (1992) | | | | | | | | | | |
| Square feet | 141,305 | 141,305 | 141,305 | 141,305 | 141,305 | 141,305 | 141,305 | 141,305 | 141,305 | 141,305 |
| Capacity | 1,150 | 1,150 | 1,380 | 1,380 | 1,380 | 1,380 | 1,380 | 1,380 | 1,380 | 1,380 |
| Enrollment | 812 | 790 | 754 | 754 | 818 | 603 | 851 | 898 | 937 | 937 |
| Oneta Ridge (2013) ^d | | | | | | | | | | |
| Square feet | 132,688 | 132,688 | 132,688 | 132,688 | 132,688 | 132,688 | 132,688 | 132,688 | 132,688 | 132,688 |
| Capacity | 1,250 | 1,250 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 |
| Enrollment | 815 | 876 | 874 | 874 | 878 | 696 | 905 | 924 | 856 | 856 |
| Sequoyah (1967) | | | | | | | | | | |
| Square feet | 99,696 | 99,696 | 131,621 | 131,621 | 131,621 | 131,621 | 131,621 | 131,621 | 131,621 | 131,621 |
| Capacity | 1,025 | 1,025 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 | 1,470 |
| Enrollment | 544 | 571 | 717 | 717 | 809 | 500 | 755 | 720 | 679 | 679 |
| High | | | | | | | | | | |
| Senior High (1982) ^f | | | | | | | | | | |
| Square feet | 506,417 | 506,417 | 537,524 | 537,524 | 537,524 | 537,524 | 537,524 | 537,524 | 537,524 | 537,524 |
| Capacity | 4,050 | 4,050 | 5,160 | 5,160 | 5,160 | 5,160 | 5,160 | 5,160 | 5,160 | 5,160 |
| Enrollment | 3,403 | 3,679 | 3,692 | 3,692 | 3,961 | 4,369 | 4,407 | 4,205 | 3,577 | 3,577 |
| North Intermediate (1952) ^h | | | | | | | | | | |
| Square feet | 175,150 | 53,559 | - | - | - | - | - | - | - | - |
| Capacity | - | - | - | - | - | - | - | - | - | - |
| Enrollment | - | - | - | - | - | - | - | - | - | - |
| South Intermediate (1976) | | | | | | | | | | |
| Freshman Academy (2014) ^t | | | | | | | | | | |
| Square feet | 186,636 | 186,636 | 207,456 | 207,456 | 207,456 | 207,456 | 207,456 | 207,456 | 207,456 | 207,456 |
| Capacity | 2,130 | 2,130 | 2,220 | 2,220 | 2,220 | 2,220 | 2,220 | 2,220 | 2,220 | 2,220 |
| Enrollment | 1,249 | 1,291 | 1,344 | 1,344 | 1,121 | 981 | 1,271 | 1,305 | 1,393 | 1,393 |
| Options & Virtual Academy (1954) ^d | | | | | | | | | | |
| Square feet | 120,092 | 120,092 | 120,440 | 120,440 | 120,440 | 120,440 | 120,440 | 120,440 | 120,440 | 120,440 |
| Capacity | 1,224 | 1,224 | 1,260 | 1,260 | 1,260 | 1,260 | 1,260 | 1,260 | 1,260 | 1,260 |
| Enrollment | 127 | 120 | 152 | 152 | 150 | 150 | 230 | 259 | 502 | 502 |
| Vanguard Academy (2021) | | | | | | | | | | |
| Square feet | - | - | - | - | - | - | 61,376 | 61,376 | 61,376 | 61,376 |
| Capacity | - | - | - | - | - | - | 480 | 480 | 480 | 480 |
| Enrollment | - | - | - | - | - | - | 141 | 145 | 254 | 254 |



Broken Arrow Public Schools
School Building Information
Last Ten Fiscal Years

| School | Fiscal Year Ending June 30 | | | | | | | | | |
|---|----------------------------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Other | | | | | | | | | | |
| Central on Main (1925) | | | | | | | | | | |
| Square feet | 60,807 | 60,807 | 73,574 | 73,574 | 73,574 | 73,574 | 73,574 | 73,574 | 73,574 | 73,574 |
| Southside (1955) | | | | | | | | | | |
| Square feet | - | - | - | - | - | - | - | - | - | - |
| Education Service Center (1973) ^a | | | | | | | | | | |
| Square feet | - | - | - | - | - | - | - | - | - | - |
| Education Service Center (2009) | | | | | | | | | | |
| Square feet | 86,230 | 86,260 | 90,303 | 90,303 | 90,303 | 90,303 | 90,303 | 90,303 | 90,303 | 90,303 |
| Warehouse (1974) | | | | | | | | | | |
| Square feet | 59,217 | 59,217 | 59,218 | 59,218 | 59,218 | 59,218 | 59,218 | 59,218 | 59,218 | 59,218 |
| Transportation (1974) | | | | | | | | | | |
| Square feet | 22,380 | 22,380 | 22,380 | 22,380 | 22,380 | 22,380 | 22,380 | 22,380 | 22,380 | 22,380 |
| Maintenance (1974) | | | | | | | | | | |
| Square feet | 7,488 | 7,488 | 7,488 | 7,488 | 7,488 | 7,488 | 7,488 | 7,488 | 7,488 | 7,488 |
| Maintenance/Transportation (2015) | | | | | | | | | | |
| Square feet | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Special Services (1974) | | | | | | | | | | |
| Square feet | - | - | - | - | - | - | - | - | - | - |
| Indoor Practice Facility (2014) | | | | | | | | | | |
| Square feet | 71,624 | 71,624 | 71,624 | 71,624 | 71,624 | 71,624 | 71,624 | 71,624 | 71,624 | 71,624 |
| Kirkland Activity Complex (2018) ^h | | | | | | | | | | |
| Square feet | - | - | 42,630 | 42,630 | 42,630 | 42,630 | 42,630 | 42,630 | 42,630 | 42,630 |
| Student Event Center (2024) | | | | | | | | | | |
| Square feet | - | - | - | - | - | - | - | - | 114,000 | 114,000 |

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

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

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

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

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

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

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

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

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

Source: District records



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

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

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

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

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

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

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