

This Preliminary Official Statement and the information contained herein is subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED MAY 4, 2026

NEW ISSUE – Book-Entry-Only

Ratings: Moody's _____
Oklahoma #1

*It is anticipated that prior to the delivery of the Bonds, Bond Counsel will render an opinion that under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2026 Combined Purpose Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the 2026 Combined Purpose Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code. **Interest on the 2026 Building Bonds is included in gross income for Federal income tax purposes.** In the opinion of Bond Counsel, interest on the 2026 Building Bonds and the 2026 Combined Purpose Bonds is exempt from State of Oklahoma income tax under existing law. See "TAX MATTERS RESPECTING THE 2026 COMBINED PURPOSE BONDS" and "TAX MATTERS RESPECTING THE 2026 BUILDING BONDS" herein.*

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

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

\$23,695,000
General Obligation
Combined Purpose Bonds, Series 2026

\$5,785,000
General Obligation
Building Bonds, Federally Taxable Series 2026

Dated: July 1, 2026

Due: July 1, As Shown Below

Interest on the \$23,695,000 Independent School District Number 52, Oklahoma County, Oklahoma, General Obligation Combined Purpose Bonds, Series 2026 (the "2026 Combined Purpose Bonds") and the \$5,785,000 General Obligation Building Bonds, Federally Taxable Series 2026 (the "2026 Building Bonds") (collectively, the "Bonds" or "2026 Bonds") will accrue from July 1, 2026, (the "Dated Date") and will be payable January 1 and July 1 of each year commencing July 1, 2028, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "The Bonds – Book Entry System" herein. The initial Paying Agent/Registrar is BancFirst (the "Paying Agent/Registrar").

The 2026 Bonds constitute direct and general obligations of Independent School District No. 52 of Oklahoma County, Oklahoma, payable from ad valorem taxes levied against all taxable property located therein, excepting homestead exemptions, without limitation as to rate or amount. The 2026 Bonds are being issued in accordance with the provisions contained in the Oklahoma Constitution, and laws of the State of Oklahoma supplementary and amendatory thereto.

\$23,695,000
General Obligation
Combined Purpose Bonds, Series 2026

\$5,785,000
General Obligation
Building Bonds, Federally Taxable Series 2026

| <u>Maturity</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP 678807</u> | <u>Maturity</u> | <u>Principal Amount</u> | <u>Interest Rate</u> | <u>Yield</u> | <u>CUSIP 678807</u> |
|-----------------|-------------------------|----------------------|--------------|---------------------|-----------------|-------------------------|----------------------|--------------|---------------------|
| 7-1-2028 | \$5,920,000 | | | | 7-1-2028 | \$1,445,000 | | | |
| 7-1-2029 | \$5,920,000 | | | | 7-1-2029 | \$1,445,000 | | | |
| 7-1-2030 | \$5,920,000 | | | | 7-1-2030 | \$1,445,000 | | | |
| 7-1-2031 | \$5,935,000 | | | | 7-1-2031 | \$1,450,000 | | | |

The 2026 Bonds are offered subject to the approval of legality by the Attorney General of the State of Oklahoma and _____, _____, Oklahoma, Bond Counsel. It is anticipated that the 2026 Bonds in definitive form will be available for delivery on or about July 7, 2026.

Financial Advisor
BOK Financial Securities, Inc.

Official Statement Dated May __, 2026

REGARDING USE OF THE OFFICIAL STATEMENT

This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy within any jurisdiction to any person to whom it is unlawful to make such offer or solicitation within such jurisdiction. In connection with the offering of the 2026 Bonds, no dealer, salesman or any other person has been authorized to give any information or to make any representation other than contained herein. If given or made, such information or representation must not be relied upon.

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

Any statements, contained in this Official Statement involving matters of opinion, estimations or projections, whether or not expressly so stated, are intended as such and not as representations of facts. This Official Statement shall not be construed as a contract or agreement between the Board of Education of Independent School District No. 52 of Oklahoma County, Oklahoma, (the "School District") and the purchasers, holders or beneficial owners of any of the 2026 Bonds.

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

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Financial Statements with Auditor’s Report
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OFFICIAL STATEMENT

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

relating to

**\$23,695,000 General Obligation Combined Purpose Bonds, Series 2026
and
\$5,785,000 General Obligation Building Bonds, Federally Taxable Series 2026**

INTRODUCTION

Independent School District No. 52 of Oklahoma County, Oklahoma, also known as the Midwest City – Del City School District (the "School District") is issuing its \$23,695,000 General Obligation Combined Purpose Bonds, Series 2026 (the "2026 Combined Purpose Bonds") and its \$5,785,000 General Obligation Building Bonds, Federally Taxable Series 2026 (the "2026 Building Bonds") (collectively, the "Bonds" or "2026 Bonds") to provide funds for the purpose of acquiring capital improvements and equipment within and for the benefit of the School District. The 2026 Bonds are being issued in accordance with the provisions of the Oklahoma Constitution and laws of the State of Oklahoma supplementary and amendatory thereto. The 2026 Bonds constitute direct and general obligations of the School District payable from ad valorem taxes levied against all taxable property, excepting homestead exemptions, located therein without limitation as to rate or amount.

The School District is located primarily in Oklahoma County just east of Oklahoma City, the state's largest city. The School District has included herein, as Exhibit A, a copy of its Financial Statements as of June 30, 2025, together with Auditor's Report. **Exhibit A should be read in its entirety.**

THE BONDS

Description

The 2026 Bonds shall bear interest at the rates and mature on the dates as shown on the cover of this Official Statement. Interest on the Bonds will accrue from July 1, 2026, and will be payable January 1 and July 1 of each year commencing July 1, 2028, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of the Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. No physical delivery of the Bonds will be made to the owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by BancFirst, as paying agent and registrar (the "Paying Agent/Registrar") to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "The Bonds – Book Entry System" herein.

Record Date

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

No Redemption Prior to Maturity

The 2026 Bonds are not subject to redemption prior to maturity.

Registration

The 2026 Bonds will be initially registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the 2026 Bonds. Individual purchases may be made in book entry form only, in the principal amount of \$5,000 and integral multiples thereof. Purchasers will not receive certificates representing their interest in the 2026 Bonds purchased. See "Book-Entry System" below.

The 2026 Bonds are transferable by their registered owner(s) in person or by their attorney(ies) duly authorized in writing at the principal office of the Paying Agent/Registrar but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of the Series 2026 Bond(s). Upon such transfer a new Bond or Bonds of the same maturity or maturities, interest rate or rates and of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange therefor. The School District and the Paying Agent/Registrar may deem and treat the registered owner(s) as the absolute owner(s) (whether or not the Series 2026 Bond(s) shall be overdue) for the purpose of receiving payment thereof and for all other purposes and neither School District nor Registrar shall be affected by any notice to the contrary.

Book-Entry System

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

DTC will act as securities depository for the 2026 Bonds. The 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2026 Bond certificate will be issued for each maturity of the 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC at the office of the Paying Agent/Registrar on behalf of DTC utilizing the DTC FAST system of registration.

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

Purchases of 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2026 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants'

records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2026 Bonds, except in the event that use of the book-entry system for the 2026 Bonds is discontinued.

To facilitate subsequent transfers, all 2026 Bonds deposited by Direct Participants with DTC (or the Paying Agent/Registrar on behalf of DTC utilizing the DTC FAST system of registration) are registered in the name of DTC's partnership nominee, Cede & Co or such other name as may be requested by an authorized representative of DTC. The deposit of 2026 Bonds with DTC (or the Paying Agent/Registrar on behalf of DTC utilizing the DTC FAST system of registration) and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

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

Redemption notices shall be sent to DTC. If less than all the 2026 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the School District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the 2026 Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the School District or the Paying Agent/Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar or the School District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions and dividend payments on the 2026 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the School District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2026 Bonds at any time by giving reasonable notice to the School District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2026 Bond certificates are required to be printed and delivered.

The School District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2026 Bond certificates will be printed and delivered to DTC.

The School District, Financial Advisor, Bond Counsel, the Paying Agent/Registrar and the Underwriters cannot and do not give any assurances that the DTC Participants will distribute to the Beneficial Owners of the 2026 Bonds: (i) payments of principal of or interest on the 2026 Bonds; (ii) certificates representing an ownership interest or other confirmation of Beneficial Ownership interests in the 2026 Bonds; or (iii) redemption or other notices sent to DTC or its nominee, as the Registered Owners of the 2026 Bonds; or that they will do so on a timely basis or that DTC or its participants will serve and act in the manner described in this official statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

None of the School District, Financial Advisor, Bond Counsel, the Paying Agent/Registrar or the Underwriters will have any responsibility or obligation to such DTC Participants (Direct or Indirect) or the persons for whom they act as nominees with respect to: (i) the 2026 Bonds; (ii) the accuracy of any records maintained by DTC or any DTC Participant; (iii) the payment by any DTC Participant of any amount due to any Beneficial Owner in respect of the principal amount of or interest on the 2026 Bonds; (iv) the delivery by any DTC Participant of any notice to any Beneficial Owner which is required or permitted under the terms of the Bond Indenture to be given to Registered Owners; (v) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the 2026 Bonds; or (vi) any consent given or other action taken by DTC as Registered Owner.

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

In reading this Official Statement, it should be understood that while the 2026 Bonds are in the Book Entry system, references in other sections of this Official Statement to Registered Owner should be read to include the Beneficial Owners of the 2026 Bonds, but: (i) all rights of ownership must be exercised through DTC and the Book Entry system; and (ii) notices that are to be given to Registered Owners by the School District or the Paying Agent/Registrar will be given only to DTC.

(Remainder of this page intentionally left blank)

Security for the Bonds

The 2026 Bonds are payable from ad valorem taxes levied annually on all taxable property, **without limitation as to rate or amount**, within the School District including real, personal and public service property, and any other monies available for such purpose. Pursuant to Oklahoma statutes, the Assessor is required to reassess the property within the County at least once each five years. The School District is required to pay a portion of the cost of such reassessment. The current assessment ratios for Oklahoma and Cleveland Counties are shown below:

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

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

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

Authority for Issuance and Purpose of Bonds

The Bonds are issued pursuant to the provisions of and in full compliance with the Constitution and Laws of the State of Oklahoma, particularly Article X, Section 26 of the Constitution of the State of Oklahoma and Title 70, Article XV of the Oklahoma Statutes 2011, and laws supplementary and amendatory thereto, and resolutions of the Board of Education to be adopted on May 11, 2026.

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

2017 Authorization

The School District had a successful bond election on October 10, 2017. The special election authorized the issuance of a total of \$130,600,000 in bonds. The School District has previously issued \$112,120,000 of bonds authorized at this election. The 2026 Combined Purpose Bonds include \$18,480,000 of bonds authorized at this election.

2023 Authorization

The School District had a successful bond election on October 10, 2023. The special election authorized the issuance of a total of \$492,700,000 in bonds. The School District has previously issued \$12,310,000 of bonds authorized at this election. The 2026 Combined Purpose Bonds include \$5,215,000 of bonds authorized at this election. The 2026 Building Bonds include \$5,785,000 of bonds authorized at this election. The remaining bonds under this authorization are expected to be issued in varying amounts and in separate series annually from 2027 through 2045.

Tax Levy and Collection Procedures

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

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

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

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

(Remainder of this page intentionally left blank)

THE MIDWEST CITY - DEL CITY SCHOOL DISTRICT

The Midwest City-Del City School District (“Mid-Del”), located directly east of Oklahoma City, provides a comprehensive educational program for approximately 11,541 students (estimated as of April 2026). The district has developed a wide variety of academic, enrichment, and extracurricular programs to meet the needs of its students. Schools emphasize active student learning, higher order thinking, reading and writing across the curriculum, cooperative learning, parental involvement and high expectations for personal achievement.

- Schools routinely take top honors at academic, athletic, and fine arts competitions.
- Mid-Del students have been named Academic All-State, National Merit Finalist, Oklahoma Academic Scholar and Advanced Placement Scholar.
- Mid-Del has two National Blue Ribbon Schools.
- Mid-Del is a Purple Star School District (Tinker Elementary is a Purple Star School).
- School District encompasses 77 square miles
 - Serves Tinker Air Force Base
 - Serves Del City, Forest Park, Midwest City, Choctaw and part of Oklahoma City
- Number of Employees – 693 Certified Teachers/Administrators & 672 Support Personnel
- Average Teacher Years of Experience: 11
- Nationally Board Certified Teachers: 15
- Number of Schools: 3 High Schools (Grades 9-12), 3 Middle Schools (Grades 6-8) and 13 Elementary Schools (Grades Pre K-5) (as of April 2025), Career Academy, Virtual Academy, and Mid-Del Technology Center (3 campuses)

Residents of the School District are employed at businesses located throughout the City of Midwest City, the City of Del City and the City of Oklahoma City as well as the surrounding communities. No separate employment figures are available for the School District; however, as of January 2026 the unemployment rate for the counties included in the school district are as follows:

| | <u>Unemployment Rate</u> |
|-------------------|--------------------------|
| Oklahoma County | 4.3% |
| Cleveland County | 3.9% |
| State of Oklahoma | 3.9% |
| United States | 4.3% |

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

Source: Oklahoma Employment Security Commission

Board of Education and School Administration

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

Board of Education

| | |
|-----------------|-------------------------|
| Dr. Silvy Kirk | President & Member |
| Shelly Schultz | Vice President & Member |
| Jonna Grant | Clerk & Member |
| Dr. Ed Daniel | Member |
| Gina Standridge | Member |

School Administration

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

Payment Record

The School District has never defaulted.

FINANCIAL INFORMATION

Computation of Legal Debt Margin

| | | | | |
|---------|---|---------------------|----------------------|-----------------|
| 2025-26 | Estimated Market Value | | | \$6,847,158,631 |
| 2025-26 | Net Assessed Valuation (NAV) | <u>Oklahoma Co.</u> | <u>Cleveland Co.</u> | <u>Total</u> |
| | | \$728,549,174 | \$27,958,745 | \$756,507,919 |
| | Millage Adjustment Factor (MAF) | 103.2543% | 102.980% | |
| | Legal Debt Limitation (NAV * MAF * 10%) | \$75,225,834 | \$2,879,191 | \$78,105,025 |
| | General Obligation Indebtedness Outstanding ⁽¹⁾ | | | \$95,030,000 |
| | Less: ESTIMATED Sinking Fund Balance (as of April 28, 2026) | | | \$21,777,282 |
| | Net General Obligation Indebtedness Outstanding | | | \$73,252,718 |
| | Remaining Legal Debt Margin | | | \$4,852,307 |
| | Ratio of Net G.O. Indebtedness to Net Assessed Valuation | | | 9.68% |

⁽¹⁾ As of April 28, 2026, and includes the 2026 Bonds.

Source: The District

Direct Indebtedness

Upon the issuance of the 2026 Bonds, the School District has gross outstanding general obligation bonded indebtedness of \$95,030,000. Such indebtedness matures as follows:

| <u>Series</u> | <u>Dated Date</u> | <u>Final Scheduled Maturity</u> | <u>Original Principal Amount</u> | <u>Principal Amount Outstanding</u> |
|---------------|-------------------|---------------------------------|----------------------------------|-------------------------------------|
| 2021 CP | 7/1/2021 | 7/1/2026 | \$14,620,000 | \$3,655,000 |
| 2021 BLDG | 7/1/2021 | 7/1/2026 | 1,500,000 | 375,000 |
| 2022 CP | 7/1/2022 | 7/1/2027 | 19,875,000 | 10,890,000 |
| 2023 CP | 7/1/2023 | 7/1/2028 | 14,960,000 | 12,420,000 |
| 2023B BLDG | 12/1/2023 | 12/1/2026 | 7,560,000 | 5,040,000 |
| 2024 CP | 7/1/2024 | 7/1/2029 | 13,090,000 | 13,090,000 |
| 2024 BLDG | 7/1/2024 | 7/1/2026 | 1,350,000 | 1,350,000 |
| 2025 CP | 7/1/2025 | 7/1/2030 | 17,930,000 | 17,930,000 |
| 2025 BLDG | 7/1/2025 | 7/1/2027 | 800,000 | 800,000 |
| 2026 CP | 7/1/2026 | 7/1/2031 | 23,695,000 | 23,695,000 |
| 2026 BLDG | 7/1/2026 | 7/1/2031 | 5,785,000 | 5,785,000 |
| | | | | \$95,030,000 |

Direct, Overlapping and Underlying Indebtedness

| | Total Net Assessed Valuation (by Municipal Entity) | Total Net Assessed Valuation in District | Percent of Municipality Net Assessed Valuation in Mid-Del District | Percent of Total District Net Assessed Valuation | Total Municipality Net Indebtedness | Total Municipality Net Indebtedness Underlying or Overlapping Mid-Del Schools |
|---------------------------------|--|--|--|--|-------------------------------------|---|
| Direct Indebtedness | | | | | | |
| Mid-Del School District | 756,507,919 | 756,507,919 | 100.00% | 100.00% | 73,252,718 | 73,252,718 |
| Overlapping Indebtedness | | | | | | |
| <u>Counties</u> | | | | | | |
| Oklahoma County | 10,496,990,435 | 728,549,174 | 6.94% | 96.30% | 38,974,679 | 2,705,058 |
| Cleveland County | 3,343,154,945 | 27,958,745 | 0.84% | 3.70% | 0 | 0 |
| | | 756,507,919 | | 100.00% | | |
| <u>Career Tech Districts</u> | | | | | | |
| Rose State College | 941,247,954 | 756,507,919 | 80.37% | 100.00% | 4,957,996 | 3,984,883 |
| Underlying Indebtedness | | | | | | |
| <u>Cities & Towns</u> | | | | | | |
| City of Midwest City | 461,419,632 | 291,397,965 | 63.15% | 38.52% | 45,177,572 | 28,530,759 |
| TIF District (Total) | 8,126,013 | 8,126,013 | 100.00% | 1.07% | 0 | 0 |
| City of Del City | 143,994,933 | 129,316,145 | 89.81% | 17.09% | 457,944 | 411,261 |
| City of Oklahoma City | 9,175,226,282 | 305,686,784 | 3.33% | 40.41% | 1,037,562,060 | 34,567,977 |
| City of Norman | 1,447,801,409 | 276,884 | 0.02% | 0.04% | 91,453,775 | 17,490 |
| Town of Forest Park | 14,892,508 | 12,713,501 | 85.37% | 1.68% | 0 | 0 |
| Town of Smith Village | 329,586 | 329,586 | 100.00% | 0.04% | 0 | 0 |
| Other/Unincorporated (Est.) | | 8,661,041 | N.A. | 1.14% | 0 | 0 |
| | | 756,507,919 | | 100.00% | 1,291,836,744 | 143,470,147 |

Note: Indebtedness figures for the Mid-Del School District are as of April 28, 2026, and include the 2026 Bonds. Indebtedness figures for all other entities are as of June 30, 2025. Figure for Other/Unincorporated is an estimate based on previous years.

2025-26 Net Assessed Valuation

(A) The Composition

| <u>Classification</u> | <u>Oklahoma County</u> | <u>Cleveland County</u> | <u>Total Amount</u> | <u>Percent</u> |
|-----------------------|------------------------|-------------------------|---------------------|----------------|
| Real (Net) | \$596,064,731 | \$25,912,743 | \$621,977,474 | 82.22% |
| Personal | 106,997,211 | 559,135 | 107,556,346 | 14.22% |
| Public Service | 25,487,232 | 1,486,867 | 26,974,099 | 3.57% |
| | \$728,549,174 | \$27,958,745 | \$756,507,919 | 100.00% |

SOURCE: Oklahoma & Cleveland County Assessors

(B) The Growth

| <u>Fiscal Year</u> | <u>Net Assessed Valuation</u> | <u>% Change</u> |
|--------------------|-------------------------------|-----------------|
| 2025-26 | \$756,507,919 | 6.90% |
| 2024-25 | 707,684,481 | 5.79% |
| 2023-24 | 668,941,167 | 5.97% |
| 2022-23 | 631,264,644 | 5.81% |
| 2021-22 | 596,609,761 | 3.66% |
| 2020-21 | 575,539,839 | 1.11% |
| 2019-20 | 569,202,294 | 3.95% |
| 2018-19 | 547,551,769 | 3.81% |
| 2017-18 | 527,478,685 | 5.33% |
| 2016-17 | 500,808,731 | |

Average Annual Growth 4.70%

SOURCE: Oklahoma & Cleveland County Assessors

Major Property Taxpayers (Oklahoma County only)

| <u>Rank</u> | <u>Taxpayer</u> | <u>2025 Assessed Valuation</u> | <u>% of Net Assessed Valuation</u> |
|-------------|------------------------------------|--------------------------------|------------------------------------|
| 1 | Oklahoma Gas & Electric | \$15,966,638 | 2.11% |
| 2 | The Boeing Co | 13,744,520 | 1.82% |
| 3 | RXT1 Oklahoma City OK Landlord LLC | 11,827,847 | 1.56% |
| 4 | Oklahoma Heart Hospital LLC | 8,692,489 | 1.15% |
| 5 | OKC Aerospace I Industrial LLC | 8,601,990 | 1.14% |
| 6 | Sooner Town Center LLC | 7,948,731 | 1.05% |
| 7 | Sooner Road 80 LLC | 5,970,626 | 0.79% |
| 8 | OKC South Sunnyslane LLC | 5,035,437 | 0.67% |
| 9 | Hubbell Manufacturing OKC Inc | 4,574,046 | 0.60% |
| 10 | Oklahoma Natural Gas Co/Div ONEOK | 4,156,506 | 0.55% |
| | | <u>\$86,518,830</u> | <u>11.44%</u> |

SOURCE: Oklahoma County Assessor

Sinking Fund Tax Collections

| <u>Fiscal Year</u> | <u>Net Levy</u> | <u>Current Collections</u> | <u>Total Collections</u> | <u>Collections Percentage*</u> |
|--------------------|-----------------|----------------------------|--------------------------|--------------------------------|
| 2025-26 | \$21,207,372 | | | |
| 2024-25 | 21,253,182 | \$21,309,516 | \$21,942,651 | 103.24% |
| 2023-24 | 16,612,507 | 16,594,929 | 17,015,450 | 102.43% |
| 2022-23 | 14,590,258 | 14,750,917 | 15,357,830 | 105.26% |
| 2021-22 | 15,686,298 | 15,710,169 | 16,189,967 | 103.21% |
| 2020-21 | 16,403,585 | 16,668,198 | 17,172,390 | 104.69% |
| 2019-20 | 14,136,672 | 14,251,784 | 14,970,096 | 105.90% |
| 2018-19 | 13,255,133 | 13,483,383 | 14,164,851 | 106.86% |
| 2017-18 | 13,681,828 | 13,842,306 | 14,365,905 | 105.00% |
| 2016-17 | 13,988,333 | 14,334,802 | 14,798,144 | 105.79% |
| 2015-16 | 13,975,227 | 13,953,457 | 14,338,655 | 102.60% |
| | | | Average: | 104.50% |

*An additional amount is added to compensate for delinquencies.

SOURCE: School District Administration and District Budgets.

Trend of Tax Rates on Major Taxing Units*

| <u>Fiscal Year Beginning</u> | <u>Mid-Del School District</u> | <u>City of Midwest City</u> | <u>City of Del City</u> | <u>City of Okla. City</u> | <u>Oklahoma County</u> | <u>Rose State College</u> |
|------------------------------|--------------------------------|-----------------------------|-------------------------|---------------------------|------------------------|---------------------------|
| 7/1/2025 | 70.73 | 8.28 | 3.42 | 15.16 | 23.14 | 17.43 |
| 7/1/2024 | 72.83 | 8.93 | 3.63 | 14.93 | 23.11 | 17.64 |
| 7/1/2023 | 67.38 | 9.55 | 4.30 | 14.78 | 22.99 | 17.79 |
| 7/1/2022 | 65.57 | 9.99 | 4.11 | 15.46 | 23.05 | 18.03 |
| 7/1/2021 | 68.91 | 9.44 | 4.69 | 14.73 | 22.92 | 18.18 |
| 7/1/2020 | 71.23 | 9.76 | 4.75 | 15.23 | 23.38 | 18.39 |
| 7/1/2019 | 67.38 | 8.08 | 4.76 | 15.41 | 23.49 | 18.54 |
| 7/1/2018 | 66.72 | 0.94 | 6.51 | 15.51 | 23.64 | 18.92 |
| 7/1/2017 | 68.54 | 0.92 | 5.58 | 15.26 | 23.28 | 19.21 |
| 7/1/2016 | 70.64 | 0.96 | 5.77 | 14.81 | 23.81 | 19.65 |
| Average | 68.99 | 6.69 | 4.75 | 15.13 | 23.28 | 18.38 |

* Dollars per \$1,000 of Net Assessed Valuation

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

ECONOMIC AND DEMOGRAPHIC INDICES

Retail Sales

| <u>Year</u> | <u>City of Midwest City</u> | <u>City of Oklahoma City</u> | <u>City of Del City</u> |
|-------------|---------------------------------|----------------------------------|-----------------------------|
| 2024-25 | \$1,026,253,935 | \$14,438,461,997 | \$303,446,294 |
| 2023-24 | 1,043,642,746 | 14,511,102,876 | 300,316,732 |
| 2022-23 | 1,055,246,127 | 14,307,023,720 | 296,775,977 |
| 2021-22 | 991,617,246 | 13,431,262,811 | 290,636,440 |
| 2020-21 | 948,471,002 | 11,534,545,062 | 282,081,468 |
| 2019-20 | 861,231,787 | 11,263,383,032 | 267,016,645 |
| 2018-19 | 850,699,144 | 11,391,038,630 | 261,824,249 |
| 2017-18 | 828,134,467 | 11,031,345,551 | 259,561,235 |
| 2016-17 | 807,256,088 | 10,404,309,755 | 257,490,799 |
| 2015-16 | 829,753,792 | 10,737,150,194 | 256,222,928 |

SOURCE: Oklahoma Tax Commission

Major Employers

| <u>Employer</u> | <u>Primary Business</u> | <u>Approximate Number of Employees</u> |
|--|-------------------------|--|
| Tinker Air Force Base | Military | 26,000 |
| The Boeing Company ^(Note 1) | Aerospace | 3,740 |
| Midwest City-Del City Schools | Education | 1,690 |
| SSM Health St. Anthony - Midwest | Hospital | 914 |
| Rose State College | Education | 632 |
| City of Midwest City | City Government | 466 |
| Hudiburg Auto Group | Automobile Dealer | 401 |
| Walmart/Sam's Club | Retail | 389 |
| Century Martial Arts | Athletic Supply | 220 |
| Crest Discount Foods | Discount Food Stores | 175 |

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

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

School Enrollment (Membership)

| <u>School Year</u> | <u>Membership</u> | <u>Change %</u> |
|--------------------|-------------------|-----------------|
| <u>Ending June</u> | | |
| 2025 | 11,965 | -2.71% |
| 2024 | 12,298 | -1.36% |
| 2023 | 12,467 | 1.18% |
| 2022 | 12,322 | 10.77% |
| 2021 | 11,124 | -20.93% |
| 2020 | 14,069 | 0.80% |
| 2019 | 13,957 | -1.13% |
| 2018 | 14,116 | -0.05% |
| 2017 | 14,123 | -1.81% |
| 2016 | 14,384 | |

SOURCE: School Administration

Population

| | <u>Year</u> | <u>City of Midwest City</u> | <u>City of Oklahoma City</u> |
|----------|-------------|---------------------------------|----------------------------------|
| Actual | 1980 | 49,559 | 403,213 |
| | 1990 | 52,267 | 435,950 |
| | 2000 | 54,088 | 506,132 |
| | 2010 | 54,371 | 579,999 |
| | 2020 | 58,409 | 681,054 |
| Estimate | 2024 | 58,505 | 712,919 |

Source: U.S. Census Data.

ABSENCE OF MATERIAL LITIGATION

No litigation is pending (a) seeking to restrain or enjoin the issuance or delivery of the 2026 Bonds, (b) contesting or affecting any authority for or the validity of the 2026 Bonds, (c) contesting the power of the School District to issue the 2026 Bonds or the power of the School District to offer and sell them, (d) affecting the power of the School District to levy and collect taxes to pay the 2026 Bonds, or (e) contesting the corporate existence or boundaries of the School District.

LEGAL MATTERS

All legal matters incidental to the authorization and issuance of the 2026 Bonds are subject to the approving opinion of _____, _____, Oklahoma, Bond Counsel, and the Attorney General of the State of Oklahoma.

CONTINUING DISCLOSURE

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

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

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

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

TAX MATTERS RESPECTING THE 2026 COMBINED PURPOSE BONDS

Opinion of Bond Counsel

In the opinion of Bond Counsel, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the 2026 Combined Purpose Bonds is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) interest on the 2026 Combined Purpose Bonds is not treated as a preference item in calculating the alternative minimum tax imposed on individuals under the Code; however, it should be noted that with respect to certain corporations (as defined for federal income tax purposes), for taxable years beginning before January 1, 2018, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. No federal alternative minimum tax applies to corporations for taxable years beginning after December 31, 2017. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the School District in connection with the 2026 Combined Purpose Bonds, and Bond Counsel has assumed compliance by the School District with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the 2026 Combined Purpose Bonds from gross income under Section 103 of the Code.

The Code provides that commercial banks, thrift institutions and other financial institutions may not deduct the portion of their interest expense allocable to tax-exempt obligations acquired after August 7, 1986, (other than certain "qualified" obligations). **The 2026 Combined Purpose Bonds are not "qualified" obligations for this purpose.**

In addition, under existing statutes interest on the 2026 Combined Purpose Bonds shall be exempt from Oklahoma income taxation pursuant to Section 2358.5 of Title 68, Oklahoma Statutes, 2011.

Certain Ongoing Federal Tax Requirements and Covenants

The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the 2026 Combined Purpose Bonds in order that interest on the 2026 Combined Purpose Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the 2026 Combined Purpose Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the federal government. Noncompliance with such requirements may cause interest on the 2026 Combined Purpose Bonds to become included in gross income for federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The School District has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the 2026 Combined Purpose Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences

The following is a brief discussion of certain collateral federal income tax matters with respect to the 2026 Combined Purpose Bonds. It does not purport to address all aspects of federal taxation that may be relevant to a particular owner of a 2026 Combined Purpose Bond. Prospective investors, particularly those

who may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the 2026 Combined Purpose Bonds.

Prospective owners of the 2026 Combined Purpose Bonds should be aware that the ownership of such obligations may result in collateral federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for federal income tax purposes. Interest on the 2026 Combined Purpose Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount

“Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a 2026 Combined Purpose Bond (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the 2026 Combined Purpose Bonds. In general, the issue price for each maturity of 2026 Combined Purpose Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any 2026 Combined Purpose Bonds having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the 2026 Combined Purpose Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner’s adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such 2026 Combined Purpose Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

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

Bond Premium

In general, if an owner acquires a 2026 Combined Purpose Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the 2026 Combined Purpose Bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that 2026 Combined Purpose Bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest

allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner's original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership, amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid on tax-exempt obligations, including the 2026 Combined Purpose Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a 2026 Combined Purpose Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the 2026 Combined Purpose Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the 2026 Combined Purpose Bonds under federal or state law or otherwise prevent beneficial owners of the 2026 Combined Purpose Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the 2026 Combined Purpose Bonds.

No Other Opinion

Bond Counsel expresses no opinion regarding any other federal or state tax consequences with respect to the 2026 Combined Purpose Bonds. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action hereafter taken or not taken, or any facts or circumstances that may hereafter come to its attention, or changes in law or in interpretations thereof that may hereafter occur, or for any other reason. Bond Counsel expresses no opinion on the effect of any action hereafter taken or not taken in reliance upon an opinion of other counsel on the exclusion from gross income for federal income tax purposes of interest on the 2026 Combined Purpose Bonds, or under state and local tax law.

Prospective purchasers of the 2026 Combined Purpose Bonds should consult their own tax advisors as to the consequences of their acquisition, holding, or disposition of the 2026 Combined Purpose Bonds.

TAX MATTERS RESPECTING THE 2026 BUILDING BONDS

Opinion of Bond Counsel

In the opinion of bond counsel, interest on the 2026 Building Bonds is included in gross income for federal income tax purposes.

In the opinion of bond counsel, under existing statutes interest on the 2026 Building Bonds shall be exempt from Oklahoma income taxation pursuant to Section 2358.5 of Title 68, Oklahoma Statutes, 2011.

Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the 2026 Building Bonds under the laws of the State or any other state or jurisdiction.

General Matters

The following is a summary of certain anticipated federal income tax consequences of the purchase, ownership and disposition of the 2026 Building Bonds under the Code and the Regulations, and the judicial and administrative rulings and court decisions now in effect, all of which are subject to change or possible differing interpretations. The summary does not purport to address all aspects of federal income taxation that may affect particular investors in light of their individual circumstances, nor certain types of investors subject to special treatment under the federal income tax laws. Potential purchasers of the 2026 Building Bonds should consult their own tax advisors in determining the federal, state or local tax consequences to them of the purchase, holding and disposition of the 2026 Building Bonds.

In general, interest paid on the 2026 Building Bonds, original issue discount, if any, and market discount, if any, will be treated as ordinary income to the owners of the 2026 Building Bonds, and principal payments (excluding the portion of such payments, if any, characterized as original issue discount or accrued market discount) will be treated as a return of capital.

Bond Premium

An investor which acquires a 2026 Building Bond for a cost greater than its remaining stated redemption price at maturity and holds such 2026 Building Bond as a capital asset will be considered to have purchased such 2026 Building Bond at a premium and, subject to prior election permitted by Section 171(c) of the Code, may generally amortize such premium under the constant yield method. Except as may be provided by regulation, amortized premium will be allocated among, and treated as an offset to, interest payments. The basis reduction requirements of Section 1016(a)(5) of the Code apply to amortizable 2026 Building Bond premium that reduces interest payments under Section 171 of the Code. 2026 Building Bond premium is generally amortized over the 2026 Building Bond's term using constant yield principles, based on the purchaser's yield to maturity. Investors of any 2026 Building Bond purchased with a 2026 Building Bond premium should consult their own tax advisors as to the effect of such 2026 Building Bond premium with respect to their own tax situation and as to the treatment of 2026 Building Bond premium for state tax purposes.

Market Discount

An investor that acquires a 2026 Building Bond for a price less than the adjusted issue price of such 2026 Building Bond (or an investor who purchases a 2026 Building Bond in the initial offering at a price less than the issue price) may be subject to the market discount rules of Sections 1276 through 1278 of the Code. Under these sections and the principles applied by the Regulations, "market discount" means (a) in the case of a 2026 Building Bond originally issued at a discount, the amount by which the issue price of such 2026 Building Bond, increased by all accrued original issue discount (as if held since the issue date), exceeds the initial tax basis of the owner therein, less any prior payments that did not constitute payments of qualified stated interest, and (b) in the case of a 2026 Building Bond not originally issued at a discount, the amount by which the stated redemption price of such 2026 Building Bond at maturity exceeds the initial tax basis of the owner therein. Under Section 1276 of the Code, the owner of such a 2026 Building Bond

will generally be required (i) to allocate each principal payment to accrued market discount not previously included in income and, upon sale or other disposition of the 2026 Building Bond, to recognize the gain on such sale or disposition as ordinary income to the extent of such cumulative amount of accrued market discount as of the date of sale or other disposition of such a 2026 Building Bond or (ii) to elect to include such market discount in income currently as it accrues on all market discount instruments acquired by such owner on or after the first day of the taxable year to which such election applies.

The Code authorizes the Treasury Department to issue regulations providing for the method for accruing market discount on debt instruments the principal of which is payable in more than one installment. Until such time as regulations are issued by the Treasury Department, certain rules described in the legislative history will apply. Under those rules, market discount will be included in income either (a) on a constant interest basis or (b) in proportion to the accrual of stated interest or, in the case of a 2026 Building Bond with original issue discount, in proportion to the accrual of original issue discount.

An owner of a 2026 Building Bond that acquired such 2026 Building Bond at a market discount also may be required to defer, until the maturity date of such 2026 Building Bond or its earlier disposition in a taxable transaction, the deduction of a portion of the amount of interest that the owner paid or accrued during the taxable year on indebtedness incurred or maintained to purchase or carry such 2026 Building Bond in excess of the aggregate amount of interest (including original issue discount) includable in such owner's gross income for the taxable year with respect to such 2026 Building Bond. The amount of such net interest expense deferred in a taxable year may not exceed the amount of market discount accrued on the 2026 Building Bond for the days during the taxable year on which the owner held such 2026 Building Bond and, in general, would be deductible when such market discount is includable in income. The amount of any remaining deferred deduction is to be taken into account in the taxable year in which the 2026 Building Bond matures or is disposed of in a taxable transaction. In the case of a disposition in which gain or loss is not recognized in whole or in part, any remaining deferred deduction will be allowed to the extent gain is recognized on the disposition. This deferral rule does not apply if the owner elects to include such market discount in income currently as it accrues on all market discount obligations acquired by such owner in that taxable year or thereafter.

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

Sales or Other Dispositions

If an owner of a 2026 Building Bond sells the 2026 Building Bond, such person will recognize gain or loss equal to the difference between the amount realized on such sale and such owner's basis in such 2026 Building Bond. Ordinarily, such gain or loss will be treated as a capital gain or loss. At the present time, the maximum capital gains rate for certain assets held for more than 12 months is 15%. However, if a 2026 Building Bond was, at its initial issuance, sold at a discount, a portion of such gain will be recharacterized as interest and therefore ordinary income. Neither the School District nor Bond Counsel can predict whether the President or Congress will propose legislation effecting the long-term capital gains rate.

If the terms of a 2026 Building Bond were materially modified, in certain circumstances, a new debt obligation would be deemed created and exchanged for the prior obligation in a taxable transaction. Among the modifications that may be treated as material are those that relate to redemption provisions and, in the case of a nonrecourse obligation, those which involve the substitution of collateral. Each potential owner of a 2026 Building Bond should consult its own tax advisor concerning the circumstances in which such 2026 Building Bond would be deemed reissued and the likely effects, if any, of such reissuance.

Defeasance

The legal defeasance of the 2026 Building Bonds may result in a deemed sale or exchange of such 2026 Building Bond under certain circumstances. Owners of such 2026 Building Bonds should consult their tax advisors as to the federal income tax consequences of such a defeasance.

Backup Withholding

An owner of a 2026 Building Bond may be subject to backup withholding at the applicable rate determined by statute with respect to interest paid with respect to the 2026 Building Bonds, if such owner, upon issuance of the 2026 Building Bonds, fails to provide to any person required to collect such information pursuant to Section 6049 of the Code with such owner's taxpayer identification number, furnishes an incorrect taxpayer identification number, fails to report interest, dividends or other "reportable payments" (as defined in the Code) properly, or, under certain circumstances, fails to provide such persons with a certified statement, under penalty of perjury, that such owner is not subject to backup withholding.

Foreign Investors

An owner of a 2026 Building Bond that is not a "United States person" (as defined below) and is not subject to federal income tax as a result of any direct or indirect connection to the United States of America in addition to its ownership of a 2026 Building Bond will generally not be subject to United States income or withholding tax in respect of a payment on a 2026 Building Bond, provided that the owner complies to the extent necessary with certain identification requirements (including delivery of a statement, signed by the owner under penalties of perjury, certifying that such owner is not a United States person and providing the name and address of such owner). For this purpose the term "United States person" means a citizen or resident of the United States of America, a corporation, partnership or other entity created or organized in or under the laws of the United States of America or any political subdivision thereof, or an estate or trust whose income from sources within the United States of America is includable in gross income for United States of America income tax purposes regardless of its connection with the conduct of a trade or business within the United States of America.

Except as explained in the preceding paragraph and subject to the provisions of any applicable tax treaty, a 30% United States withholding tax will apply to interest paid and original issue discount accruing on 2026 Building Bonds owned by foreign investors. In those instances in which payments of interest on the 2026 Building Bonds continue to be subject to withholding, special rules apply with respect to the withholding of tax on payments of interest on, or the sale or exchange of 2026 Building Bonds having original issue discount and held by foreign investors. Potential investors that are foreign persons should consult their own tax advisors regarding the specific tax consequences to them of owning a 2026 Building Bond.

Tax-Exempt Investors

In general, an entity that is exempt from federal income tax under the provisions of Section 501 of the Code is subject to tax on its unrelated business taxable income. An unrelated trade or business is any trade or business that is not substantially related to the purpose that forms the basis for such entity's exemption. However, under the provisions of Section 512 of the Code, interest may be excluded from the calculation of unrelated business taxable income unless the obligation that gave rise to such interest is subject to acquisition indebtedness. Therefore, except to the extent any owner of a 2026 Building Bond incurs acquisition indebtedness with respect to such 2026 Building Bond, interest paid or accrued with respect to such owner may be excluded by such tax-exempt owner from the calculation of unrelated business taxable income. Each potential tax-exempt holder of a 2026 Building Bond is urged to consult its own tax advisor regarding the application of these provisions.

ERISA Considerations

The Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "ERISA Plans") and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of any investment by an ERISA Plan in the 2026 Building Bonds must be determined by the responsible

fiduciary of the ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment. Government and non-electing church plans are generally not subject to ERISA. However, such plans may be subject to similar or other restrictions under state or local law.

In addition, ERISA and the Code generally prohibit certain transactions between an ERISA Plan or a qualified employee benefit plan under the Code and persons who, with respect to that plan, are fiduciaries or other "parties in interest" within the meaning of ERISA or "disqualified persons" within the meaning of the Code. In the absence of an applicable statutory, class or administrative exemption, transactions between an ERISA Plan and a party in interest with respect to an ERISA Plan, including the acquisition by one from the other of the 2026 Building Bonds could be viewed as violating those prohibitions. In addition, Section 4975 of the Code prohibits transactions between certain tax-favored vehicles such as Individual Retirement Accounts and disqualified persons. Section 503 of the Code includes similar restrictions with respect to governmental and church plans. In this regard, the School District or any dealer of the 2026 Building Bonds might be considered or might become a "party in interest" within the meaning of ERISA or a "disqualified person" within the meaning of the Code, with respect to an ERISA Plan or a plan or arrangement subject to Sections 4975 or 503 of the Code. Prohibited transactions within the meaning of ERISA and the Code may arise if the 2026 Building Bonds are acquired by such plans or arrangements with respect to which the School District or any dealer is a party in interest or disqualified person.

In all events, fiduciaries of ERISA Plans and plans or arrangements subject to the above sections of the Code, in consultation with their advisors, should carefully consider the impact of ERISA and the Code on an investment in the 2026 Building Bonds. The sale of the 2026 Building Bonds to a plan is in no respect a representation by the School District that such an investment meets the relevant legal requirements with respect to benefit plans generally or any particular plan. Any plan proposing to invest in the 2026 Building Bonds should consult with its counsel to confirm that such investment is permitted under the plan documents and will not result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA, the Code and other applicable law.

Health Care and Education Reconciliation Act of 2010

Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over \$200,000 for unmarried individuals (\$250,000 for married couples filing a joint return and a surviving spouse). Holders of the 2026 Building Bonds should consult with their tax advisor concerning this additional tax as it may apply to interest earned on the 2026 Building Bonds as well as gain on the sale of a 2026 Building Bond.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the 2026 Building Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to indebtedness issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2026 Building Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2026 Building Bonds or the market value thereof would be impacted thereby. Purchasers of the 2026 Building Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the 2026 Building Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

GLOBAL RISKS

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

CREDIT RATINGS

The 2026 Bonds have been rated “_____” by Moody's Investors Service, Incorporated ("Moody's"), 99 Church Street, New York, New York, and the School District is currently rated Oklahoma #1 by the Municipal Rating Committee of Oklahoma. The ratings assigned by Moody's and the Municipal Rating Committee of Oklahoma express only the view of each respective rating agency. The explanation of the significance of each rating may be obtained from Moody's and the Municipal Rating Committee of Oklahoma, respectively. There is no assurance that any rating will continue for any period of time or that it will not be revised or withdrawn. Except as set forth in EXHIBIT B – FORM OF CONTINUING DISCLOSURE AGREEMENT, none of the School District, the Financial Advisor, the Paying Agent/Registrar or the Underwriters has undertaken any responsibility either to bring to the attention of the owners of the 2026 Bonds any proposed revision or withdrawal of the rating of the 2026 Bonds or to oppose any such proposed revision or withdrawal. Any revision or withdrawal of ratings may have an effect on the market price of the 2026 Bonds.

UNDERWRITING

The 2026 Combined Purpose Bonds are being purchased at competitive sale by _____. The underwriter of the 2026 Combined Purpose Bonds has agreed to purchase the 2026 Combined Purpose Bonds at a price equal to \$_____ plus accrued interest from July 1, 2026.

The 2026 Building Bonds are being purchased at competitive sale by _____. The underwriter of the 2026 Building Bonds has agreed to purchase the 2026 Building Bonds at a price equal to \$_____ plus accrued interest from July 1, 2026.

FINANCIAL ADVISOR

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

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

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

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MISCELLANEOUS

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

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

INDEPENDENT SCHOOL DISTRICT NO. 52
OF OKLAHOMA COUNTY, OKLAHOMA

BY: _____
President, Board of Education

EXHIBIT A

**FINANCIAL STATEMENTS WITH ACCOUNTANT'S REPORT
FOR THE YEAR ENDED JUNE 30, 2025**

**AUDITED FINANCIAL STATEMENTS
AND REPORTS OF INDEPENDENT AUDITOR**

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

JUNE 30, 2025



JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

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**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHOOL DISTRICT OFFICIALS
FOR THE YEAR ENDED JUNE 30, 2025**

BOARD OF EDUCATION

| | |
|----------------|---------------------|
| President | Ms. Gina Standridge |
| Vice-President | Dr. Silvy Kirk |
| Clerk | Ms. Shelly Schultz |
| Member | Ms. Jonna Grant |
| Member | Dr. Ed Daniel |

SUPERINTENDENT OF SCHOOLS

Dr. Rick Cobb

SCHOOL DISTRICT TREASURER
and CHIEF FINANCIAL OFFICER

Mrs. Jacqueline Woodard



JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Midwest City-Del City School District No. I-52, Midwest City, Oklahoma (the "School District") as of and for the year ended June 30, 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 Midwest City-Del City School District No. I-52, Oklahoma 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 Midwest City-Del City School District No. I-52, Midwest City, Oklahoma and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7-11, Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual on pages 58 and 59, Schedule of Proportionate Share of the Net Pension Liability on page 56, Schedule of Contributions on page 57, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the method of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 7, 2026, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

January 7, 2026

Management's Discussion & Analysis

MANAGEMENT’S DISCUSSION AND ANALYSIS

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

June 30, 2025

This section of Midwest City-Del City Independent School District #52's annual financial report presents the District’s discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2025. Please read it in conjunction with the District's financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

TABLE A2
Net Position

| ASSETS | | | |
|----------------------------------|----|--------------|-----------------|
| Current and other assets | \$ | 335.4 | \$ 354.0 |
| Capital assets | | 234.7 | 221.6 |
| TOTAL ASSETS | \$ | <u>570.1</u> | <u>\$ 575.6</u> |
| Deferred Outflows of Resources | \$ | <u>16.5</u> | <u>\$ 21.6</u> |
| LIABILITIES | | | |
| Long-term liabilities | \$ | 434.3 | \$ 454.0 |
| Other liabilities | | 15.7 | 11.6 |
| TOTAL LIABILITIES | \$ | <u>450.0</u> | <u>\$ 465.6</u> |
| Deferred Inflows of Resources | \$ | <u>9.0</u> | <u>\$ 2.0</u> |
| NET POSITION | | | |
| Net investment in capital assets | \$ | 136.8 | \$ 130.5 |
| Restricted | | 31.9 | 26.6 |
| Unrestricted | | (41.2) | (27.5) |
| TOTAL NET POSITION | \$ | <u>127.5</u> | <u>\$ 129.6</u> |

TABLE A3
Changes in Net Position

| | <u>2025</u> | <u>2024</u> | <u>Difference</u> |
|----------------------------|----------------------|----------------|-------------------|
| | <i>(in Millions)</i> | | |
| REVENUES | | | |
| Program revenues: | | | |
| Charges for services | \$ 8.1 | \$ 8.8 | \$ (0.7) |
| Federal and State grants | 22.1 | 25.3 | \$ (3.2) |
| General revenues: | | | |
| Property taxes | 51.0 | 44.6 | \$ 6.4 |
| Other taxes | 12.4 | 12.3 | \$ 0.1 |
| State entitlement | 77.8 | 76.5 | \$ 1.3 |
| Other general revenues | 15.2 | 9.0 | \$ 6.2 |
| TOTAL REVENUES | <u>186.6</u> | <u>176.5</u> | <u>\$ 10.1</u> |
| EXPENSES | | | |
| Instruction | 85.8 | 78.7 | \$ 7.1 |
| Support services | 80.4 | 64.8 | \$ 15.6 |
| Non-instruction | 7.0 | 6.4 | \$ 0.6 |
| Interest on long-term debt | 13.8 | 1.6 | \$ 12.2 |
| Other outlays/uses | 1.8 | 4.0 | \$ (2.2) |
| TOTAL EXPENSES | <u>188.8</u> | <u>155.5</u> | <u>\$ 33.3</u> |
| CHANGE IN NET POSITION | <u>\$ (2.2)</u> | <u>\$ 21.0</u> | <u>\$ (23.2)</u> |

Changes in Net Position: The ending net position decreased by approximately \$23.2 million from the prior fiscal year. All categories of revenue saw an increase except for charges for services and federal grants. This was the first year for district-wide CEP and local lunch collections were down significantly, as expected. As COVID-Relief federal funds sunset, federal revenue is dropping to pre-COVID levels. Property valuations grew 5.79% increasing overall property tax collections. The Sinking Fund levy increased by 5.45 mills representing the majority of the \$6.4M increase for property taxes.

The most significant contributors to the fluctuation in the net position were the beginning of construction projects from the most recent lease revenue bond to purchase or build capital assets, and also funds necessary for the repayment of principal of long-term debt issues. Repayments on long-term debt this year were more than debt issued in FY24. The other contributor was the large fluctuation in the net pension liability. Expenses for personnel that directly educate or care for more than 12,000 students make up 80-90 of the district's resources.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As the District completed the year, its governmental funds reported combined fund balances of \$84.8 million, compared to \$82.5 million in FY24. General fund's fund balance went from 17.12% in FY24, to 18.21% in FY25 (cash basis). The district continues to make budget modifications to keep the general fund's fund balance stable and prepare for the expiration of COVID-relief funds. In FY25 the district went full Community Eligibility Provision (CEP) and increased student meals served which lead to an increase of fund balance. A plan is being put into place to reduce Child Nutrition fund balance to allowable levels by replacing outdated equipment.

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

General Fund Budgetary Highlights: The General Fund Budget continues to display a strong fund balance. A budget amendment was presented to the board on November 11, 2024, approving an estimated fund balance of 11.5%. Final fund balance for FY25 was 18.21%. An increase in the state aid factor at mid-term accounted for a large increase in state aid. Interest rates also continued to remain high through out FY25 rather than decreasing as previously had been budgeted based on economic reports.

Actual expenditures were below budget, due primarily to underspending in positions that were budgeted for but were unable to be filled. Another factor of underspending that is typical in every fiscal year, is federal programs underspending allocations which becomes carryover into the next fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: By the end of 2025 the district expended \$7.4 million on AV equipment, appliances, playgroup equipment, construction, athletic equipment, vehicles, buses, and musical equipment.

Long-Term Debt: At year end the district had \$18 million in total long-term debt. This is an increase from last year's amount of \$12.8 million. (More detailed information about the District's long-term liabilities is presented in Note 5 to the financial statements.)

FACTORS BEARING ON THE DISTRICT'S FUTURE

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2025

| | Governmental Activities |
|---|----------------------------|
| Assets | |
| Current assets | |
| Cash and cash equivalents | \$ 88,799,384 |
| Property taxes receivable | 2,319,272 |
| Due from other governments | 4,352,011 |
| Other receivables | 239,071,768 |
| Inventory | 857,638 |
| Total current assets | 335,400,073 |
| Noncurrent assets | |
| Land and construction-in-process | 32,604,239 |
| Net investment in capital assets | 202,060,409 |
| Total noncurrent assets | 234,664,648 |
| Total assets | 570,064,721 |
| Deferred outflows of resources | |
| Pension related deferred outflows | 16,490,804 |
| Liabilities | |
| Current liabilities | |
| Accounts payable | 4,231,784 |
| Wages payable | 7,811,213 |
| Liabilities for incurred claims | 81,309 |
| Bond proceeds good faith deposit | 374,600 |
| Current portion of long-term debt | 18,000,812 |
| Accrued interest | 3,216,538 |
| Total current liabilities | 33,716,256 |
| Noncurrent liabilities | |
| Noncurrent portion of long-term debt | 318,433,541 |
| Net pension obligation | 97,884,530 |
| Total noncurrent liabilities | 416,318,071 |
| Total liabilities | 450,034,327 |
| Deferred inflows of resources | |
| Pension related deferred inflows | 9,057,965 |
| Net Position | |
| Investment in capital assets | 136,779,049 |
| Restricted for: | |
| Debt service | 4,093,980 |
| Child nutrition | 4,804,229 |
| Building | 23,003,226 |
| Unrestricted (deficit) | (41,217,251) |
| Total net position | \$ 127,463,233 |

See Notes to Basic Financial Statements

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

| <u>Programs/Functions</u> | <u>Expenses</u> | <u>Program Revenues</u> | | <u>Net (Expenses) Revenue and Changes in Net Position</u> |
|---|-----------------------|---------------------------------|---|---|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Governmental Activities</u> |
| Governmental Activities: | | | | |
| Instruction | \$ 85,765,136 | 7,974,461 | 19,541,951 | (58,248,724) |
| Support services | 80,446,650 | | | (80,446,650) |
| Non-instruction services | 7,000,727 | 154,579 | 2,538,203 | (4,307,945) |
| Other outlays | 1,826,608 | | | (1,826,608) |
| Interest on long-term debt | 13,755,612 | | | (13,755,612) |
| Total primary government | \$ 188,794,733 | 8,129,040 | 22,080,154 | (158,585,539) |
| General Revenues | | | | |
| Taxes: | | | | |
| Property taxes, levied for general purposes | | | | \$ 25,271,398 |
| Property taxes, levied for building purposes | | | | 3,607,863 |
| Property taxes, levied for debt service | | | | 22,094,056 |
| General taxes | | | | 7,277,368 |
| State aid not restricted for specific purposes | | | | 77,815,510 |
| Support from other local governments | | | | 5,183,071 |
| Interest, dividends, and investment earnings | | | | 12,701,497 |
| Other general revenues | | | | 2,471,944 |
| Total general revenues | | | | 156,422,707 |
| Changes in net position | | | | (2,162,832) |
| Net position, beginning of year | | | | 129,626,065 |
| Net position, end of year | | | | \$ 127,463,233 |

See Notes to Basic Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2025**

| | General Fund | Tech Center Fund | Building Fund | Tech Center Building Fund | Bond Fund |
|--|----------------------|---------------------|-------------------|---------------------------------|-------------------|
| Assets | | | | | |
| Cash and cash equivalents | \$ 28,762,804 | 11,283,494 | 9,642,523 | 13,189,117 | 12,092,471 |
| Property taxes receivable | 1,148,962 | | 165,048 | | |
| Receivables net of allowance for uncollectibles | 3,486,159 | 644,793 | | 219,725 | |
| Inventory | 286,295 | | 239,919 | | |
| Total assets | <u>33,684,220</u> | <u>11,928,287</u> | <u>10,047,490</u> | <u>13,408,842</u> | <u>12,092,471</u> |
| Liabilities, Deferred Inflows of Resources, and Fund Balances | | | | | |
| Liabilities | | | | | |
| Accounts payable | 233,548 | 29,226 | 318,972 | | 429,243 |
| Accrued wages | 7,432,616 | 160,583 | | | |
| Total liabilities | <u>7,666,164</u> | <u>189,809</u> | <u>318,972</u> | <u>-</u> | <u>429,243</u> |
| Deferred Inflows of Resources | | | | | |
| Unavailable revenue - property taxes | 940,889 | | 134,134 | | |
| Total deferred inflows of resources | <u>940,889</u> | <u>-</u> | <u>134,134</u> | <u>-</u> | <u>-</u> |
| Fund Balances | | | | | |
| Nonspendable inventory | 286,295 | | 239,919 | | |
| Restricted fund balances: | | | | | |
| School construction | | | | | 11,663,228 |
| Retirement of long-term debt | | | | | |
| Buildings | | | 9,354,465 | 13,408,842 | |
| Custodial funds | | | | | |
| Child nutrition | | | | | |
| Assigned | | 11,738,478 | | | |
| Unassigned | 24,790,872 | | | | |
| Total fund balances | <u>25,077,167</u> | <u>11,738,478</u> | <u>9,594,384</u> | <u>13,408,842</u> | <u>11,663,228</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 33,684,220</u> | <u>11,928,287</u> | <u>10,047,490</u> | <u>13,408,842</u> | <u>12,092,471</u> |

See Notes to Basic Financial Statements

| <u>Sinking Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|-------------------------|---|---|
| 3,910,878 | 9,693,182 | 88,574,469 |
| 1,005,262 | | 2,319,272 |
| | 1,334 | 4,352,011 |
| | <u>331,424</u> | <u>857,638</u> |
| <u>4,916,140</u> | <u>10,025,940</u> | <u>96,103,390</u> |
| | 562,188 | 1,573,177 |
| | <u>218,014</u> | <u>7,811,213</u> |
| <u>-</u> | <u>780,202</u> | <u>9,384,390</u> |
| 822,160 | | 1,897,183 |
| <u>822,160</u> | <u>-</u> | <u>1,897,183</u> |
| | 331,424 | 857,638 |
| | | 11,663,228 |
| 4,093,980 | | 4,093,980 |
| | | 22,763,307 |
| | 2,524,584 | 2,524,584 |
| | 4,472,805 | 4,472,805 |
| | 1,916,925 | 13,655,403 |
| | | <u>24,790,872</u> |
| <u>4,093,980</u> | <u>9,245,738</u> | <u>84,821,817</u> |
| <u>4,916,140</u> | <u>10,025,940</u> | <u>96,103,390</u> |

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**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025**

| | | |
|---|---------------------|------------------------------|
| Total governmental fund balances | | \$ 84,821,817 |
| 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. | | 232,006,040 |
| Capitalized bond issuance costs are not reported in governmental funds. | | 2,911,723 |
| Revenues receivable are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. | | |
| Property taxes | | 1,897,184 |
| An internal service fund is used by the District to charge the costs of workers' compensation insurance to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities. | | 143,607 |
| Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows: | | |
| Deferred outflows of resources | 16,490,804 | |
| Deferred inflows of resources | <u>(9,057,965)</u> | 7,432,839 |
| Long-term liabilities, including bonds payable, are not due and payable in the current period and; therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of: | | |
| Bonds | (49,690,000) | |
| Premium on bonds | (2,355,885) | |
| Leases payable | (258,561,650) | |
| Premium on leases | (26,349,833) | |
| Accrued interest | (3,216,538) | |
| Compensated absences | (2,388,709) | |
| Bond proceeds good faith deposit | (374,600) | |
| Net pension liability | <u>(97,884,530)</u> | (440,821,745) |
| Funds available for drawdown under the capital lease are reported as a receivable and related construction-in-progress as an accounts payable in the governmental activities, but not reported in governmental funds. | | <u>239,071,768</u> |
| Net position of governmental activities | | <u>\$ 127,463,233</u> |

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
JUNE 30, 2025

| | General Fund | Tech Center Fund | Building Fund | Tech Center Building Fund |
|--|-----------------|---------------------|------------------|---------------------------------|
| Revenues: | | | | |
| Property tax | \$ 25,252,007 | | 3,603,250 | |
| Interest | 1,903,896 | 652,375 | | |
| County | 5,183,071 | | | |
| State | 71,410,928 | 2,949,886 | 2,703,036 | |
| Federal | 12,823,453 | 571,104 | 88,156 | |
| Local | 336,546 | 5,628,754 | 22,092 | 2,273,754 |
| Other | 218,019 | 136 | | |
| Total revenues | 117,127,920 | 9,802,255 | 6,416,534 | 2,273,754 |
| Expenditures: | | | | |
| Instruction | 65,585,742 | 3,324,671 | | |
| Support services | 50,682,490 | 4,388,458 | 5,691,129 | 4,200 |
| Non-instruction services | 113,646 | | | |
| Capital outlays | | | 141,454 | 872,857 |
| Other outlays | 135,378 | 3,150 | | |
| Debt service: | | | | |
| Principal paid | | | | |
| Interest paid | | | | |
| Total expenditures | 116,517,256 | 7,716,279 | 5,832,583 | 877,057 |
| Excess (deficiency) of revenues over expenditures | 610,664 | 2,085,976 | 583,951 | 1,396,697 |
| Other financing sources (uses) | | | | |
| Premium on bonds sold | | | | |
| Proceeds of bonds | | | | |
| Total other financing sources (uses) | - | - | - | - |
| Net change in fund balances | 610,664 | 2,085,976 | 583,951 | 1,396,697 |
| Fund balance, beginning of year | 24,466,503 | 9,652,502 | 9,010,433 | 12,012,145 |
| Fund balance, end of year | \$ 25,077,167 | 11,738,478 | 9,594,384 | 13,408,842 |

See Notes to Basic Financial Statements

| <u>Bond Fund</u> | <u>Sinking Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|----------------------|-------------------------|---|---|
| | 21,926,825 | | 50,782,082 |
| 1,172,501 | 13,286 | 319,815 | 4,061,873 |
| | | | 5,183,071 |
| | 670 | 454,539 | 77,519,059 |
| | | 6,059,237 | 19,541,950 |
| 3,534 | | 4,251,717 | 12,516,397 |
| | | 376,795 | 594,950 |
| <u>1,176,035</u> | <u>21,940,781</u> | <u>11,462,103</u> | <u>170,199,382</u> |
| 1,589,346 | | 743,346 | 71,243,105 |
| 11,371,235 | | 2,005,604 | 74,143,116 |
| | | 6,258,100 | 6,371,746 |
| 9,182,574 | | 294,920 | 10,491,805 |
| | | 597,295 | 735,823 |
| | 17,110,000 | | 17,110,000 |
| | 2,643,530 | | 2,643,530 |
| <u>22,143,155</u> | <u>19,753,530</u> | <u>9,899,265</u> | <u>182,739,125</u> |
| <u>(20,967,120)</u> | <u>2,187,251</u> | <u>1,562,838</u> | <u>(12,539,743)</u> |
| | 296,941 | | 296,941 |
| <u>14,525,800</u> | | | <u>14,525,800</u> |
| <u>14,525,800</u> | <u>296,941</u> | <u>-</u> | <u>14,822,741</u> |
| (6,441,320) | 2,484,192 | 1,562,838 | 2,282,998 |
| <u>18,104,548</u> | <u>1,609,788</u> | <u>7,682,900</u> | <u>82,538,819</u> |
| <u>11,663,228</u> | <u>4,093,980</u> | <u>9,245,738</u> | <u>84,821,817</u> |

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INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2025

| | | |
|--|--------------------|-----------------------|
| Net change in fund balance - total governmental funds | | \$ 2,282,998 |
| Amounts reported for governmental activities and the statement of activities are different because: | | |
| Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which the capital outlays exceeded depreciation and retirements in the period. | | |
| Capital outlays | \$ 28,950,535 | |
| Depreciation expense | <u>(8,535,667)</u> | 20,414,868 |
| Capital lease funds held in escrow for construction and debt service are not reported in governmental funds, but are recognized on the statement of activities. | | |
| Interest revenues | | 8,637,598 |
| Drawdowns to acquire capital assets and service debt | | <u>(17,228,607)</u> |
| Because some revenues will not be collected for several months after the District's year end, they are not considered "available" revenues in the governmental funds and are, instead counted as deferred inflows of resources. They are, however, recorded as revenues in the statement of activities. | | |
| Property taxes | | 202,987 |
| Some of the capital assets acquired this year were financed with general obligation bonds. The amount financed by the bonds and related premium is reported in the governmental funds as a source of financing, but increases long-term liabilities in the statement of net position and does not affect the statement of activities. | | |
| | | (14,822,741) |
| Repayment of bond principal and repayment on capital lease purchases are an expense in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. | | |
| | | 19,753,530 |
| Amortization of bond premium is recorded in the statement of activities, but not in the governmental funds. | | |
| | | (143,746) |
| In the statement of activities, certain expenses do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. | | |
| Compensated absences | | 146,982 |
| Pension expense adjustments net of state contributions | | <u>(7,671,387)</u> |
| An internal service fund is used by the District to charge the costs of workers compensation insurance to the individual funds. The changes in net position of the internal service fund is reported with governmental activities. | | |
| | | 20,299 |
| Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus, requires the use of current financial resources. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. | | |
| | | <u>(13,755,613)</u> |
| Change in net position - statement of activities | | <u>\$ (2,162,832)</u> |

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF NET POSITION - PROPRIETARY FUND
JUNE 30, 2025

| | Internal Service Fund - Workers' Compensation |
|-------------------------------|--|
| Assets | |
| Cash and cash equivalents | \$ 224,915 |
| Total assets | 224,915 |
| Liabilities | |
| Liability for incurred claims | 81,309 |
| Net Position | |
| Unrestricted | \$ 143,606 |

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. 1-52, OKLAHOMA COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN NET POSITION - PROPRIETARY FUND
JUNE 30, 2025

| | <u>Internal Service Fund - Workers' Compensation</u> |
|--|--|
| Operating revenues: | |
| Local | \$ 27,841 |
| Total operating revenues | <u>27,841</u> |
| Operating expenses: | |
| Management fees | 9,569 |
| Total operating expenses | <u>9,569</u> |
| Operating income | 18,272 |
| Nonoperating revenues, interest income | <u>2,026</u> |
| Changes in net position | 20,298 |
| Net position, beginning of year | 123,308 |
| Net position, end of year | <u>\$ 143,606</u> |

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2025

| | <u>Internal Service Fund - Workers' Compensation</u> |
|--|--|
| Cash flows from operating activities: | |
| Refunds received | \$ 27,841 |
| Payments for workers' compensation claims and management fees | <u>(39,572)</u> |
| Net cash (used in) operating activities | <u>(11,731)</u> |
| | |
| Cash flows from investing activities, interest earnings | <u>2,026</u> |
| Net decrease in cash and cash equivalents | (9,705) |
| | |
| Cash and cash equivalents, beginning of year | 234,620 |
| Cash and cash equivalents, end of year | <u>\$ 224,915</u> |
| | |
| Reconciliation of operating income to net cash (used in) operating activities: | |
| Operating income | \$ 18,272 |
| Adjustments to reconcile operating income to net cash (used in) operating activities: | |
| Change in liability for incurred claims | <u>(30,003)</u> |
| Net cash (used in) operating activities | <u>\$ (11,731)</u> |

See Notes to Basic Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

The District has presented the entities which comprise the reporting entity in the basic financial statements for 2025.

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

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

A. Reporting Entity – contd.

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

B. Fund Accounting

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

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

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

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

Governmental Fund Types

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

B. Fund Accounting - contd.

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

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

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

Co-op Fund - The co-op fund is established when the boards of education of two or more school districts enter into cooperative agreements and maintain joint programs. The revenues necessary to operate a cooperative program can come from federal, state, or local sources, including the individual contributions of participating school districts. The expenditures for this fund would consist of those necessary to operate and maintain the joint programs. The District did not maintain this fund during the 2024-2025 fiscal year.

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

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

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

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

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

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

B. Fund Accounting - contd.

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

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

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

Proprietary Fund Types

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

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

Fiduciary Fund Types

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

B. Fund Accounting - contd.

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

The District reports the following non-major fiduciary funds:

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

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

Account Group

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

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

C. Basis of Accounting and Measurement Focus

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

C. Basis of Accounting and Measurement Focus – contd.

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

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

D. Budget and Budgetary Accounting

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

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable fund balance is utilized in all governmental funds of the District. Appropriations which are not spent lapse at the end of the fiscal year and encumbrances are reversed. On the first day of the following fiscal year, the encumbrances are reinstated and the expenditures are applied against the year's budget. At the beginning of the next year, prior year encumbrances are reviewed and some are reestablished. There were no material encumbrances which lapsed at June 30, 2024 and were reinstated during fiscal year 2025.

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025**

1. Summary of Significant Accounting Policies- contd.

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

Cash and Cash Equivalents and Investments – The District considers all cash on hand, demand deposits interest bearing checking accounts, and highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents. As of June 30, 2025, all of the District’s investments were in money market accounts which meet the definition of cash equivalents. Investments, not meeting the definition of cash equivalents, are recorded at fair value.

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

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

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. Summary of Significant Accounting Policies- contd.

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

Deferred Outflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s). It will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources for the year ended June 30, 2025 consist of unrecognized items not yet charged to pension expense and contributions from the District after the measurement date but before the end of the District's reporting period.

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

Deferred inflows of resources in the statement of net position for the year ended June 30, 2025 consist of succeeding year property tax receivables that will not be recognized until the year for which it is levied and budgeted for and the unamortized portion of the net difference between projected and actual earnings on pension plan investments and pension plan experience.

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. Summary of Significant Accounting Policies- contd.

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

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

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

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

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

Restricted Net Position – This component of net position reports the difference between assets, deferred inflows/outflows of resources and liabilities of certain programs or funds that consist of assets with constraints placed on their use by either external parties and/or enabling legislation. Net position restricted by enabling legislation consists of \$4,093,980 for debt service, \$4,804,229 for child nutrition and \$23,003,226 for buildings.

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

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

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

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

Committed Fund Balance – contd.

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

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

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

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

F. *Revenue and Expenditures*

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

F. *Revenue and Expenditures – contd.*

Local Revenues – contd.

If the first payment is not made timely, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1, of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property.

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

F. *Revenue and Expenditures-* contd.

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

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

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

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

F. *Revenue and Expenditures-* contd.

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

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

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

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

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

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

2. **Deposits**

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of failure of a counterparty, the District will not be able to recover its deposits. Deposits are exposed to credit risk if they are uninsured or uncollateralized. The District's policy requires that all deposits in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the deposits. As of June 30, 2025, all the District's deposits were federally insured by FDIC or collateralized.

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

2. **Deposits** – contd.

The District had cash deposits at financial institutions with a book balance of approximately \$88,799,384 at June 30, 2025. The bank balance of these deposits was approximately \$93,308,145. The difference between the bank balance and book balance are the outstanding checks and deposits.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the District, and are held by counterparty or the counterparty's trust department but not in the name of this District. The District's policy requires that all investments in excess of amounts covered by federal deposit insurance be fully collateralized by the entity holding the investments. As of June 30, 2025, all of the District's investments were collateralized.

Concentration of Credit Risk:

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

- a. Direct obligations of the United State Government to the payment of which the full faith and credit of the government is pledged.
- b. Obligations to the payment of which the full faith and credit of the state is pledged.
- c. Certificates of deposits of banks when such certificates of deposits are secured by acceptable collateral as in the deposit of other public monies.
- d. Savings accounts or savings certificates of saving and loan associations to the extent that such accounts or certificates are fully insured by the Federal Saving and Loan Insurance Corporation.
- e. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 and 2 of this section including obligations of the United States, its agencies and instrumentalities, and where collateral has been deposited with a trustee of custodian bank in an irrevocable trust or escrow account established for such purposes.

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

2. **Deposits – contd.**

- f. County, municipal or school district direct debt obligations for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value.
- g. Money market mutual funds regulated by the Securities and Exchange Commission and which investments consist of obligations of the United States, its agencies and instrumentalities, and investments in those items listed above.
- h. Warrants, bonds, or judgments of the school district.
- i. Qualified pooled investment programs, the investments of which consist of those items specified above, as well as obligations of the United States agencies and instrumentalities, regardless of the size of the district's budget. To be qualified, a pooled investment program for the school funds must be governed through an Interlocal cooperative agreement formed pursuant to Title 70 Section 5-117b, and the program must competitively select its investment advisors and other professional. Any pooled investment program must be approved by the Board of Education.

The District did not have any investments as of June 30, 2025.

Interest Rate Risk:

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

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

3. Receivables

Receivables at June 30, 2025, for the individual governmental and proprietary funds are as follows:

| | General | Debt Service | Building | Tech Center | Tech Building | Other Governmental Funds | |
|--------------------------|---------------------|------------------|----------------|----------------|------------------|--------------------------|---------------------|
| | | | | | | Child Nutrition | Internal Service |
| Receivables | | | | | | | |
| Ad valorem | \$ 1,148,962 | 1,005,262 | 165,048 | | | | |
| Federal grants | 3,247,186 | | | 162,026 | | | |
| Local & intermediate | 61,559 | | | 429,507 | 219,725 | 1,334 | - |
| State dedicated revenue | 177,414 | | | 53,260 | | | |
| Total receivables | \$ 4,635,121 | 1,005,262 | 165,048 | 644,793 | 219,725 | 1,334 | - |

The government-wide financial statements also include other receivables of approximately \$239 million for amounts available to draw down on the capital lease (see Note 5).

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

4. Capital Assets

A summary of changes in capital assets for the year ended June 30, 2025 follows:

| | Balance June 30, 2024 | Additions | Transfers | Disposals | Balance June 30, 2025 |
|--|-----------------------------|--------------------|--------------------|-----------|-----------------------------|
| Governmental activities: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 16,372,412 | | | | 16,372,412 |
| Construction in progress | 1,990,821 | 18,604,226 | (4,363,220) | | 16,231,827 |
| Total capital assets not being depreciated | <u>18,363,233</u> | <u>18,604,226</u> | <u>(4,363,220)</u> | <u>-</u> | <u>32,604,239</u> |
| Capital assets being depreciated: | | | | | |
| Buildings and renovations | 319,751,136 | | 4,363,220 | | 324,114,356 |
| Furniture and assessories | 529,410 | | | | 529,410 |
| Equipment and appliances | 20,054,296 | 2,994,094 | | | 23,048,390 |
| Computer software/hardware | 9,806,544 | | | | 9,806,544 |
| Vehicles/buses | 14,252,257 | | | | 14,252,257 |
| Total capital assets being depreciated | <u>364,393,643</u> | <u>2,994,094</u> | <u>4,363,220</u> | <u>-</u> | <u>371,750,957</u> |
| Less: accumulated depreciation | 161,154,880 | 8,535,668 | | | 169,690,548 |
| Total capital assets being depreciated, net | <u>203,238,763</u> | <u>(5,541,574)</u> | <u>4,363,220</u> | <u>-</u> | <u>202,060,409</u> |
| Total Capital assets, net | <u>\$ 221,601,996</u> | <u>13,062,652</u> | <u>-</u> | <u>-</u> | <u>234,664,648</u> |

Depreciation expense on the government-wide statement of activities includes \$7,522,517 in expense under instruction and \$1,013,151 in expense under support services.

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

5. General Long-Term Debt

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

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2025:

| | Balance June 30, 2024 | Additions | Retirements | Balance June 30, 2025 | Due within one year |
|-----------------------|-----------------------------|-------------------|-------------------|-----------------------------|------------------------|
| Bonds payable | \$ 52,360,000 | 14,440,000 | 17,110,000 | 49,690,000 | 2,870,000 |
| Premium on bonds | 3,585,706 | 296,941 | 1,526,763 | 2,355,884 | 1,523,387 |
| Leases payable | 268,572,475 | | 10,010,825 | 258,561,650 | 12,305,825 |
| Premium on leases | 27,651,433 | | 1,301,600 | 26,349,833 | 1,301,600 |
| Debt issuance costs | (3,055,468) | | (143,745) | (2,911,723) | |
| Compensated absences | 2,535,691 | | 146,982 | 2,388,709 | |
| Net pension liability | 102,377,120 | | 4,492,590 | 97,884,530 | |
| Total | <u>\$ 454,026,957</u> | <u>14,736,941</u> | <u>34,445,015</u> | <u>434,318,883</u> | <u>18,000,812</u> |

A brief description of the outstanding general obligation bond issues at June 30, 2025, is set forth below:

| | <u>Amount outstanding</u> |
|---|-------------------------------|
| General Obligation Bonds, Series 2020B, original issue \$1,400,000, interest rate of 0.75%, due in annual installments of \$350,000 beginning on 9-1-21; | \$ 350,000 |
| General Obligation Bonds, Series 2021, original issue \$1,500,000, interest rate of 0.7-2.0%, due in annual installments of \$375,000 beginning on 7-1-23; | 375,000 |
| Combined Purpose Bonds, Series 2021, original issue \$14,620,000, interest rate of 1.0-2.0%, due in annual installments of \$3,655,000 beginning on 7-1-23; | \$ 3,655,000 |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

| | <u>Amount outstanding</u> |
|---|-------------------------------|
| Combined Purpose Bonds, Series 2022, original issue \$19,875,000, interest rate of 4.0%, due in an initial installment of \$3,540,000 on 7-1-24, annual installments thereafter of \$5,445,000 beginning on 7-1-25; | \$ 10,890,000 |
| Building Bonds, Series 2023B, original issue \$7,560,000, interest rate of 4.0%, due in installments of \$2,520,000 beginning 12-1-25, final payment due on 12-1-27; | 7,560,000 |
| Combined Purpose Bonds, Series 2023, original issue \$14,960,000, interest rate of 4.0%, due in an initial installment of \$2,540,000 on 7-1-25, annual installments thereafter of \$4,140,000 beginning on 7-1-26; | 12,420,000 |
| Building Bonds, Series 2024B, original issue \$1,350,000, interest rate of 5.5%, due in one installment on 7-1-26; | 1,350,000 |
| Combined Purpose Bonds, Series 2024, original issue \$13,090,000, interest rate of 4.0%, due in an initial installment of \$2,260,000 on 7-1-26, annual installments thereafter of \$3,610,000 beginning on 7-1-27; | <u>13,090,000</u> |
| Totals | <u>\$ 49,690,000</u> |

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

| Year ending <u>June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------------|-----------------------------|-------------------------|--------------------------|
| 2026 | \$ 2,870,000 | 852,475 | 3,722,475 |
| 2027 | 19,745,000 | 1,528,269 | 21,273,269 |
| 2028 | 15,715,000 | 840,900 | 16,555,900 |
| 2029 | 7,750,000 | 371,600 | 8,121,600 |
| 2030 | 3,610,000 | 144,400 | 3,754,400 |
| Total | <u>\$ 49,690,000</u> | <u>3,737,644</u> | <u>53,427,644</u> |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

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

Lease-purchase agreements

The District entered into a lease-purchase agreement dated 1-10-2024 for 700 Apple Macbook Air computers totaling \$1,063,300, due in annual principal and interest installments of \$265,825, beginning 1-10-24, final payment due 7-10-26. The outstanding balance as of June 30, 2025 was \$531,650.

Annual principal and interest payments for lease purchase agreements are as follows:

| Year ending | |
|----------------|------------------|
| <u>June 30</u> | <u>Payment</u> |
| 2026 | \$265,825 |
| 2027 | <u>265,825</u> |
| Total | <u>\$531,650</u> |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025**

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

Compensated Absences:

Compensating absences represent the estimated liability for employees accrued vacation and sick leave for which employees are entitled to be paid upon termination or resignation. The liability at June 30, 2025 totaled \$2,388,709 and is recorded as long-term debt of the District in the government-wide financial statements. The retirement of this liability is liquidated by the general fund or special revenue funds based on the assignment of the employee at termination or resignation. Below is the liquidation by fund:

| | |
|-----------------|---------------------|
| General Fund | \$ 2,056,143 |
| Tech Center | 203,002 |
| Child Nutrition | 129,564 |
| Total | <u>\$ 2,388,709</u> |

Capital Leases:

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

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

5. General Long-Term Debt – cont'd

Capital Leases:

The Oklahoma County Finance Authority issued additional Educational Facilities Lease Revenue Bonds in subsequent years as follows:

- February 1, 2024, issued \$233.3 million, Series 2024

The trustee bank holds the cash and makes payments after authorization from the District. Amounts held by the trustee and available for draw down at June 30, 2025 are recorded as a receivable in the government wide statements.

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

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

The future minimum lease obligations and the net present value of these lease payments as of June 30, 2025, were as follows:

| <u>Year ending</u> <u>June 30</u> | <u>Amount</u> |
|---|-----------------------|
| 2026 | \$ 24,640,500 |
| 2027 | 27,494,875 |
| 2028 | 12,383,125 |
| 2029 | 12,221,875 |
| 2030 | 16,541,875 |
| 2031-2035 | 94,207,000 |
| 2036-2040 | 105,006,875 |
| 2041-2045 | 119,807,875 |
| 2046-2050 | <u>8,179,500</u> |
| Total minimum lease payments | 420,483,500 |
| Less amount representing interest | <u>(162,453,500)</u> |
| Present value of minimum lease payments | <u>\$ 258,030,000</u> |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

5. General Long-Term Debt – cont'd

Capital Leases – cont'd

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

| <u>Year ending June 30</u> | <u>Rental Payments</u> |
|--------------------------------|----------------------------|
| 2026 | \$ 6,000 |
| 2027 | 3,000 |
| 2028 | 3,000 |
| 2029 | 3,000 |
| 2030 | 3,000 |
| 2031-2035 | 15,000 |
| 2036-2040 | 15,000 |
| 2041-2045 | 15,000 |
| 2046-2050 | 1,500 |
| Total | <u>\$ 64,500</u> |

6. Operating Leases

The District leases various business machines under operating lease agreements. The lease agreements are generally for one-year terms and subject to annual ratification. Management expects that in the normal course of business, leases that expire for the business machines will be renewed or replaced by other leases. The total rent expenditures were approximately \$348,237 for the year ended June 30, 2025.

Minimum future lease commitments under leases payable are as follows:

| <u>June 30</u> | <u>Amount</u> |
|----------------|-------------------|
| 2026 | \$ 81,168 |
| 2027 | 81,168 |
| 2028 | 54,112 |
| Total | <u>\$ 216,448</u> |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

7. Employee Retirement System

Oklahoma Teachers Retirement System

Plan Description:

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

Benefits Provided:

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

Benefit Provisions Include:

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

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

7. Employee Retirement System – cont'd

service credit accumulated prior to July 1, 1995 to \$40,000 or \$25,000, depending on the member's election. Monthly benefits are 1/12 of the amount. Service credits accumulated after June 30, 1995 are calculated based on each member's final average compensation, except for certain employees of the two comprehensive universities. Upon the death of a member who has not yet retired, the designated beneficiary shall receive the member's total contributions plus 100 percent of interest earned through the end of the fiscal year, with interest rates varying based on time of service. A surviving spouse of a qualified member was entitled to at the time of death as provided under the Joint Survivor Benefit Option.

- Upon the death of a retired member, OTRS will pay \$5,000 to the designated beneficiary, in addition to the benefits provided for the retirement option selected by the member.
- A member is eligible for disability benefits after ten years of credited Oklahoma service. The disability benefit is equal to 2% of final average compensation for the applicable year of credited service.
- Upon separation from OTRS, members' contributions to a tax-sheltered annuity program up to the exclusion allowance provided under the IRC under Code Section 403(b).

Contributions:

The contribution requirements of OTRS are at an established rate determined by Oklahoma Statute and are not based on actuarial calculations. Employees are required to contribute 7 percent of their annual compensation. The District paid the employees' required contribution. The amount paid by the District for employees totaled approximately \$5.2 million for the year ended June 30, 2025. The District's contribution rate is 9.5 percent for the year ended June 30, 2025. In addition, the District is required to match the State's contribution rate on salaries that are paid with federal funds. The District's contributions to OTRS in 2025 were \$8.5 million, equal to the annual required contributions each year. The District's matching contributions to OTRS in 2025 were \$0.7 million.

The State makes a contribution on behalf of each teacher meeting minimum salary requirements (known as the OTRS years of services credit). The credit amount is determined based on years of services and ranges from \$60.15 per year for 0 years of service to \$1,410.53 per year for 25 years or more of service. For the fiscal year ended June 30, 2025, the State paid approximately \$654,228 on behalf of teachers employed at the District. In accordance with generally accepted accounting practices, the District recognized the on-behalf-of payments as revenue and expense/expenditure in the government wide and fund financial statements. These on behalf payments do not meet the definition of a special funding situation.

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

7. Employee Retirement System – cont’d

The State of Oklahoma is also required to contribute to the System on behalf of the participating employers. For 2025, the State of Oklahoma contributed 5 percent of state revenues from sales and use taxes and individual income taxes, to the System on behalf of participating employers. The District has estimated the amounts contributed to the System by the State of Oklahoma on its behalf based on a contribution rate provided to the District. For the year ended June 30, 2025, the total amount contributed to the System by the State of Oklahoma on behalf of the District was approximately \$7.56 million. In accordance with generally accepted accounting practices, District recognized the on-behalf-of payments as revenue and expense/expenditure in the government fund financial statements. These on-behalf payments do not meet the definition of a special funding situation.

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

At June 30, 2025, the District reported a liability of \$97,884,530 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 June 30, 2024. The District’s proportion of the net pension liability was based on the District’s contributions to OTRS relative to total contributions of OTRS for all participating employees for the year ended June 30, 2024. Based upon this information, the District’s proportion was 1.48598206 percent.

For the year ended June 30, 2025, the District recognized pension expense of \$15,233,453. June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 6,921,089 | (1,512,494) |
| Changes in Assumptions | 1,073,591 | (4,199,027) |
| Net difference between projected and actual earnings on pension plan investments | | (3,346,444) |
| Changes in proportionate and differences between District contributions and proportionate share of contributions | - | - |
| District contributions subsequent to the measurement date | 8,496,124 | - |
| Total | \$ 16,490,804 | (9,057,965) |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

7. Employee Retirement System – cont’d

Deferred pension outflows totaling \$8.5 million resulting from the District’s contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. The net deferred pension inflows totaling approximately \$9.0 million will be recognized in pension expense using the average expected remaining life of the Plan. The average expected remaining life of the Plan is determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the Plan are estimated at 5.4 years at June 30, 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 | Amount |
|----------------|-----------------------|
| <u>June 30</u> | |
| 2025 | \$ (3,990,855) |
| 2026 | 7,763,856 |
| 2027 | (2,725,526) |
| 2028 | (2,276,240) |
| 2029 | 165,480 |
| Total | <u>\$ (1,063,285)</u> |

Actuarial Assumptions:

The total pension liability was determined based on an actuarial valuation prepared as of June 30, 2024 using the following actuarial assumptions:

- Actuarial Cost Method—Entry Age Normal
- Amortization Method—Level Percentage of Payroll
- Amortization Period—Amortization over a 12-year period
- Asset Valuation Method—5-year smooth market
- Inflation—2.50 percent
- Salary Increases—Composed of 2.50 percent inflation, plus .50 percent productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service
- Investment Rate of Return—7.00 percent, net of expenses and compounded annually
- Retirement Age—Experience-based table of rates based on age, service, and gender.
- Mortality –2020 GRS Southwest Region Teacher Mortality Table for males and females.

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

7. Employee Retirement System – cont’d

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study, dated May 24, 2024, for the period ending June 30, 2023.

2008 Legislative Session: a 2.00% ad hoc cost-of-living adjustment (COLA) was provided, effective July 1, 2008. All retirees who retired before July 1, 2007 were eligible, including disabled retirees, special retirees and beneficiaries receiving payments.

2020 Legislative Session: a cost-of-living (COLA) was provided ranging from 2.00% to 4.00% based on the retirement date, effective July 1, 2020. All retirees who retired before July 1, 2019 were eligible, including disabled retirees, special retirees, and beneficiaries receiving payments.

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 expecting inflation.

The target asset allocation and best estimates of arithmetic expected real rates of return for each major asset class as of June 30, 2024, 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% |
| 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)

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

7. Employee Retirement System – cont’d

Discount Rate:

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

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

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

| | 1% Decrease (6.0%) | Current Discount Rate (7.0%) | 1% Increase (8.0%) |
|----------------------------------|-----------------------|---------------------------------|-----------------------|
| District's net pension liability | \$ 149,501,018 | \$ 97,884,530 | \$ 54,886,759 |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

8. Sanctioned Organizations

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

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

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

9. Risk Management

The District administered a self-insurance workers' compensation fund for District employees until June 30, 2018. Currently, the District is now insured through Oklahoma Schools Assurance Group (OSAG). The self-insurance program was administered by an independent third-party and covers workers' compensation expenses for employees. In order to mitigate the risk associated with this program, the District has purchased individual "stop loss" insurance of \$1,000,000. The District made payments to the internal service fund based on estimates of the amounts needed to pay prior and current year claims. As of the end of the fiscal year, it was determined that the liability for incurred claims approximately \$81,309. Changes in the claims liability were as follows:

| Fiscal Year | Beginning Balance | Claims Incurred | Claims Paid | Ending Balance |
|----------------|----------------------|--------------------|----------------|-------------------|
| 2024- 2025 | \$ 111,312 | - | (30,003) | \$ 81,309 |

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

The full amount of the claims liability at June 30, 2025 is expected to be paid during fiscal year 2025.

10. Surety Bonds

The District has a Position Schedule Bond with Travelers Casualty and Surety Company of America Bond #106118502, for the period of July 1, 2024 to June 30, 2025, covering the following positions/amounts:

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

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

11. New/Adopted Pronouncements

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

Issued Not Yet Adopted:

- GASB issued Statement No. 103, *Financial Reporting Model Improvements, issued April 2024*. This Statement updates key components of the financial reporting model to enhance the effectiveness in providing information that is essential for decision making and assessing a government's accountability and 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.

- GASB issued Statement No. 104, *Disclosure of Certain Capital Assets, issued September 2024*. This Statement requires new, separate disclosures for certain capital assets in the notes to financial statements, including lease assets, intangible right to use assets, and subscription-based information technology arrangements (SBITAs), by major class of underlying asset. It also establishes new criteria for identifying and disclosing capital assets held for sale. 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.

12. Subsequent Events

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

REQUIRED SUPPLEMENTARY INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2025
LAST 10 YEARS

| | 2024 | 2023 | 2022 | 2021 | 2020 | As of June 30, 2019 | 2018 | 2017 | 2016 | 2015 |
|--|---------------|----------------|----------------|---------------|----------------|------------------------|----------------|----------------|----------------|----------------|
| Proportion of the net pension liability | 1.48% | 1.33% | 1.44% | 1.55% | 1.67% | 1.66% | 1.66% | 1.75% | 1.65% | 1.66% |
| Proportionate share of the net pension liability | \$ 97,884,530 | \$ 102,377,120 | \$ 118,201,138 | \$ 79,290,697 | \$ 158,626,216 | \$ 109,967,540 | \$ 100,183,700 | \$ 115,630,011 | \$ 137,373,683 | \$ 100,913,059 |
| Covered payroll | \$ 79,205,452 | \$ 80,157,620 | \$ 76,167,770 | \$ 75,133,999 | \$ 74,862,779 | \$ 79,291,499 | \$ 76,626,141 | \$ 64,032,397 | \$ 66,932,668 | \$ 66,929,860 |
| Proportionate share of the net pension liability as percentage of covered-employee payroll | 123.58% | 127.72% | 155.19% | 105.53% | 211.89% | 138.69% | 130.74% | 180.58% | 205.24% | 150.77% |
| Plan's fiduciary net position | \$ 90,451,690 | \$ 82,780,302 | \$ 88,851,124 | \$ 98,834,732 | \$ 115,008,081 | \$ 98,095,686 | \$ 96,697,773 | \$ 108,410,195 | \$ 100,706,830 | \$ 110,226,600 |
| Plan fiduciary net position as a percentage of the total pension liability | 92.41% | 80.86% | 75.17% | 124.65% | 72.50% | 89.20% | 96.52% | 93.76% | 73.31% | 109.23% |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2025**

| | Statutorily Required Contribution | Contributions in Relation to the Statutorily Required Contribution | Contributions Deficiency (Excess) | District's Covered- Employee Payroll | Contributions as a Percentage of Covered Employee Payroll |
|------|--|---|--|---|--|
| 2025 | \$ 8,496,124 | 8,496,124 | - | 79,205,452 | 10.73% |
| 2024 | 8,596,587 | 8,596,587 | - | 80,157,620 | 10.72% |
| 2023 | 7,813,965 | 7,813,965 | - | 76,167,770 | 10.26% |
| 2022 | 7,814,149 | 7,814,149 | - | 75,133,999 | 10.40% |
| 2021 | 7,747,150 | 7,747,150 | - | 74,862,779 | 10.35% |
| 2020 | 8,131,088 | 8,131,088 | - | 79,291,499 | 10.25% |
| 2019 | 7,892,184 | 7,892,184 | - | 76,626,141 | 10.30% |
| 2018 | 6,777,253 | 6,777,253 | - | 65,819,885 | 10.30% |
| 2017 | 6,648,486 | 6,648,486 | - | 64,032,397 | 10.38% |
| 2016 | 6,993,055 | 6,993,055 | - | 66,932,668 | 10.36% |

Notes to Required Supplementary Information:

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

January 1, 2010 to present 9.50%

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED JUNE 30, 2025**

| | Budgeted Amounts | | Actual (budgetary basis) | Variance (final budget) |
|--|---------------------|--------------------|-----------------------------|----------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Property tax | \$ 24,203,633 | 25,144,860 | 25,311,845 | (166,985) |
| Interest | 1,000,000 | 1,800,000 | 1,903,896 | (103,896) |
| County | 4,650,000 | 5,130,554 | 5,189,998 | (59,444) |
| State | 70,143,843 | 71,374,237 | 71,407,206 | (32,969) |
| Federal | 11,584,342 | 12,404,823 | 12,987,365 | (582,542) |
| Local | 217,000 | 285,185 | 556,717 | (271,532) |
| Total revenues | <u>111,798,818</u> | <u>116,139,659</u> | <u>117,357,027</u> | <u>(1,217,368)</u> |
| Expenditures: | | | | |
| Instruction | 69,125,540 | 66,403,845 | 65,575,097 | 828,748 |
| Support services | 50,713,229 | 50,610,894 | 50,555,575 | 55,319 |
| Non-instructional services | 252,360 | 123,390 | 113,646 | 9,744 |
| Other outlays | 154,581 | 154,581 | 128,706 | 25,875 |
| Total expenditures | <u>120,245,710</u> | <u>117,292,710</u> | <u>116,373,024</u> | <u>919,686</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(8,446,892)</u> | <u>(1,153,051)</u> | <u>984,003</u> | <u>(2,137,054)</u> |
| Other financing sources (uses): | | | | |
| Non-revenue receipts | 184,133 | 248,259 | | 248,259 |
| Total other financing sources | <u>184,133</u> | <u>248,259</u> | <u>-</u> | <u>248,259</u> |
| Net change in fund balance | <u>(8,262,759)</u> | <u>(904,792)</u> | <u>984,003</u> | <u>(1,888,795)</u> |
| Fund balance, beginning of year | <u>14,974,995</u> | <u>20,346,185</u> | <u>20,346,185</u> | <u>-</u> |
| Cash fund balance, end of year <i>budgetary basis</i> | <u>\$ 6,712,236</u> | <u>19,441,393</u> | <u>21,330,188</u> | <u>(1,888,795)</u> |
| Adjustments to conform with GAAP | | | | |
| Inventory | | | 286,295 | |
| Receivables at year end | | | | |
| less unavailable revenues | | | 3,694,232 | |
| Accounts payable at year end | | | <u>(233,548)</u> | |
| Fund balance, end of year - <i>modified accrual basis</i> | | | <u>\$ 25,077,167</u> | |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - BUILDING FUND
YEAR ENDED JUNE 30, 2025**

| | Budgeted Amounts | | Actual (budgetary basis) | Variance (final budget) |
|--|---------------------|------------------|-----------------------------|----------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Property tax | \$ 3,437,420 | 3,580,108 | 3,612,638 | (32,530) |
| State | 1,400,000 | 2,703,036 | 2,702,916 | 120 |
| Federal | 82,916 | 83,833 | 88,156 | (4,323) |
| Local | 193 | 13,641 | 21,261 | (7,620) |
| Total revenues | <u>4,920,529</u> | <u>6,380,618</u> | <u>6,424,971</u> | <u>(44,353)</u> |
| Expenditures: | | | | |
| Instruction | 242,460 | | | - |
| Support services | 7,312,808 | 7,430,788 | 5,634,923 | 1,795,865 |
| Capital outlays | 157,697 | 149,879 | 141,454 | 8,425 |
| Total expenditures | <u>7,712,965</u> | <u>7,580,667</u> | <u>5,776,377</u> | <u>1,804,290</u> |
| Net change in fund balance | (2,792,436) | (1,200,049) | 648,594 | 1,848,643 |
| Fund balance, beginning of year | <u>7,821,113</u> | <u>8,993,929</u> | <u>8,993,929</u> | <u>-</u> |
| Cash fund balance, end of year <i>budgetary basis</i> | <u>\$ 5,028,677</u> | <u>7,793,880</u> | <u>9,642,523</u> | <u>1,848,643</u> |
| Adjustments to conform with GAAP | | | | |
| Inventory | | | 239,919 | |
| Receivables at year end less unavailable revenues | | | 30,914 | |
| Accounts payable at year end | | | <u>(318,972)</u> | |
| Fund balance, end of year - <i>modified accrual basis</i> | | | <u>\$ 9,594,384</u> | |

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OTHER SUPPLEMENTARY INFORMATION

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
COMBINING BALANCE SHEET - OTHER GOVERNMENTAL FUNDS
JUNE 30, 2025**

| | Special Revenue Funds | | | Total Other Governmental Funds |
|--|----------------------------|--------------------|--------------------------------|---|
| | Child Nutrition Fund | Custodial Funds | Casualty/ Insurance Fund | |
| Assets | | | | |
| Cash and cash equivalents | \$ 4,928,777 | 2,552,560 | 2,211,845 | 9,693,182 |
| Receivables net of allowance for uncollectibles | 1,334 | | | 1,334 |
| Inventories | 331,424 | | | 331,424 |
| Total assets | 5,261,535 | 2,552,560 | 2,211,845 | 10,025,940 |
| Liabilities, Deferred Inflows of Resources, and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts payable | 239,292 | 27,976 | 294,920 | 562,188 |
| Accrued wages | 218,014 | | | 218,014 |
| Total liabilities | 457,306 | 27,976 | 294,920 | 780,202 |
| Fund Balances | | | | |
| Nonspendable: | | | | |
| Inventory | 331,424 | | | 331,424 |
| Restricted fund balances: | | | | |
| Custodial funds | | 2,524,584 | | 2,524,584 |
| Child nutrition | 4,472,805 | | | 4,472,805 |
| Assigned | | | 1,916,925 | 1,916,925 |
| Total fund balances | 4,804,229 | 2,524,584 | 1,916,925 | 9,245,738 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 5,261,535 | 2,552,560 | 2,211,845 | 10,025,940 |

See Notes to Basic Financial Statements

INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
JUNE 30, 2025

| | <u>Special Revenue Funds</u> | | | Total Other Governmental Funds |
|------------------------------------|------------------------------|--------------------|--------------------------------|---|
| | Child Nutrition Fund | Custodial Funds | Casualty/ Insurance Fund | |
| Revenues: | | | | |
| Interest | \$ 264,866 | 54,949 | | 319,815 |
| State | 454,539 | | | 454,539 |
| Federal | 5,706,787 | 352,450 | | 6,059,237 |
| Local | 154,579 | 2,952,069 | 1,145,069 | 4,251,717 |
| Other | 2,975 | 373,820 | | 376,795 |
| Total revenues | <u>6,583,746</u> | <u>3,733,288</u> | <u>1,145,069</u> | <u>11,462,103</u> |
| Expenditures: | | | | |
| Instruction | | 718,486 | 24,860 | 743,346 |
| Support services | | 1,816,841 | 188,763 | 2,005,604 |
| Non-instruction services | 5,713,203 | 544,897 | | 6,258,100 |
| Capital outlays | | | 294,920 | 294,920 |
| Other outlays | 2,975 | 594,320 | | 597,295 |
| Total expenditures | <u>5,716,178</u> | <u>3,674,544</u> | <u>508,543</u> | <u>9,899,265</u> |
| Net change in fund balances | 867,568 | 58,744 | 636,526 | 1,562,838 |
| Fund balance, beginning of year | 3,936,661 | 2,465,840 | 1,280,399 | 7,682,900 |
| Fund balance, end of year | <u>\$ 4,804,229</u> | <u>2,524,584</u> | <u>1,916,925</u> | <u>9,245,738</u> |

See Notes to Basic Financial Statements

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2025**

| | Budgeted Amounts | | Actual (budgetary basis) | Variance (final budget) |
|--|---------------------|-------------------|-----------------------------|----------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Property tax | \$ 20,698,123 | 21,760,485 | 21,942,650 | (182,165) |
| Interest | | 13,286 | 13,286 | - |
| State | 1,000 | 671 | 671 | - |
| Total revenues | <u>20,699,123</u> | <u>21,774,442</u> | <u>21,956,607</u> | <u>(182,165)</u> |
| Expenditures: | | | | |
| Other outlays | 10,000 | | | - |
| Debt service | 19,990,000 | 19,303,534 | 19,753,530 | (449,996) |
| Total expenditures | <u>20,000,000</u> | <u>19,303,534</u> | <u>19,753,530</u> | <u>(449,996)</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>699,123</u> | <u>2,470,908</u> | <u>2,203,077</u> | <u>267,831</u> |
| Other financing sources, bond premium | | 296,941 | 296,941 | - |
| Net change in fund balance | 699,123 | 2,767,849 | 2,500,018 | 267,831 |
| Fund balance, beginning of year | <u>1,760,924</u> | <u>1,410,860</u> | <u>1,410,860</u> | <u>-</u> |
| Cash fund balance, end of year <i>budgetary basis</i> | <u>\$ 2,460,047</u> | <u>4,178,709</u> | <u>3,910,878</u> | <u>267,831</u> |
| Adjustments to conform with GAAP | | | | |
| Receivables at year end less unavailable revenues | | | <u>183,102</u> | |
| Fund balance, end of year - <i>modified accrual basis</i> | | | <u>\$ 4,093,980</u> | |

**INDEPENDENT SCHOOL DISTRICT NO. 1-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - CHILD NUTRITION FUND
YEAR ENDED JUNE 30, 2025**

| | Budgeted Amounts | | Actual (budgetary basis) | Variance (final budget) |
|--|---------------------|------------------|-----------------------------|----------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Interest | \$ 150,000 | 236,000 | 264,866 | (28,866) |
| State | 416,002 | 454,539 | 454,539 | - |
| Federal | 5,272,655 | 5,644,784 | 5,718,809 | (74,025) |
| Local | 50,000 | 130,701 | 160,792 | (30,091) |
| Total revenues | <u>5,888,657</u> | <u>6,466,024</u> | <u>6,599,006</u> | <u>(132,982)</u> |
| Expenditures: | | | | |
| Non-instructional services | 6,804,509 | 6,370,340 | 5,716,415 | 653,925 |
| Other outlays | 13,328 | 13,328 | 2,975 | 10,353 |
| Total expenditures | <u>6,817,837</u> | <u>6,383,668</u> | <u>5,719,390</u> | <u>664,278</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(929,180)</u> | <u>82,356</u> | <u>879,616</u> | <u>(797,260)</u> |
| Other financing sources (uses): | | | | |
| Cash or change | 2,975 | 2,975 | | 2,975 |
| Total other financing sources | <u>2,975</u> | <u>2,975</u> | <u>-</u> | <u>2,975</u> |
| Net change in fund balance | (926,205) | 85,331 | 879,616 | (794,285) |
| Fund balance, beginning of year | <u>2,972,639</u> | <u>3,831,147</u> | <u>3,831,147</u> | <u>-</u> |
| Cash fund balance, end of year <i>budgetary basis</i> | <u>\$ 2,046,434</u> | <u>3,916,478</u> | 4,710,763 | <u>(794,285)</u> |
| Adjustments to conform with GAAP | | | | |
| Inventory | | | 331,423 | |
| Receivables at year end | | | 1,335 | |
| Accounts payable at year end | | | <u>(239,292)</u> | |
| Fund balance, end of year - <i>modified accrual basis</i> | | | <u>\$ 4,804,229</u> | |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - TECH CENTER
YEAR ENDED JUNE 30, 2025**

| | Budgeted Amounts | | Actual (budgetary basis) | Variance (final budget) |
|--|---------------------|-------------------|-----------------------------|----------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Interest | \$ 400,000 | 625,000 | 652,375 | (27,375) |
| State | 2,916,435 | 2,962,285 | 2,945,186 | 17,099 |
| Federal | 603,170 | 514,427 | 430,028 | 84,399 |
| Local | 4,885,000 | 5,665,860 | 5,705,299 | (39,439) |
| Total revenues | <u>8,804,605</u> | <u>9,767,572</u> | <u>9,732,888</u> | <u>34,684</u> |
| Expenditures: | | | | |
| Instruction | 2,566,960 | 4,022,683 | 3,350,984 | 671,699 |
| Support services | 5,797,049 | 4,537,643 | 4,443,026 | 94,617 |
| Capital outlays | 633,930 | 310,728 | | 310,728 |
| Other outlays | | | 3,150 | (3,150) |
| Total expenditures | <u>8,997,939</u> | <u>8,871,054</u> | <u>7,797,160</u> | <u>1,073,894</u> |
| Net change in fund balance | (193,334) | 896,518 | 1,935,728 | (1,039,210) |
| Fund balance, beginning of year | <u>8,404,374</u> | <u>9,187,183</u> | <u>9,187,183</u> | <u>-</u> |
| Cash fund balance, end of year <i>budgetary basis</i> | <u>\$ 8,211,040</u> | <u>10,083,701</u> | 11,122,911 | <u>(1,039,210)</u> |
| Adjustments to conform with GAAP | | | | |
| Receivables at year end | | | 644,793 | |
| Accounts payable at year end | | | (29,226) | |
| Fund balance, end of year - <i>modified accrual basis</i> | | | <u>\$ 11,738,478</u> | |

**INDEPENDENT SCHOOL DISTRICT NO. 1-52, OKLAHOMA COUNTY
BUDGETARY COMPARISON SCHEDULE - TECH CENTER BUILDING FUND
YEAR ENDED JUNE 30, 2025**

| | Budgeted Amounts | | Actual (budgetary basis) | Variance (final budget) |
|--|----------------------|-------------------|-----------------------------|----------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Local | \$ 2,000,000 | 2,316,394 | 2,316,394 | - |
| Total revenues | <u>2,000,000</u> | <u>2,316,394</u> | <u>2,316,394</u> | <u>-</u> |
| Expenditures: | | | | |
| Instruction | 85,351 | | | - |
| Support services | 276,038 | 4,200 | 4,200 | - |
| Capital outlays | 1,778,611 | 903,454 | 903,454 | - |
| Total expenditures | <u>2,140,000</u> | <u>907,654</u> | <u>907,654</u> | <u>-</u> |
| Net change in fund balance | (140,000) | 1,408,740 | 1,408,740 | - |
| Fund balance, beginning of year | <u>11,171,751</u> | <u>11,780,377</u> | <u>11,780,377</u> | <u>-</u> |
| Cash fund balance, end of year <i>budgetary basis</i> | <u>\$ 11,031,751</u> | <u>13,189,117</u> | <u>13,189,117</u> | <u>-</u> |
| Adjustments to conform with GAAP | | | | |
| Receivables at year end | | | 219,725 | |
| Accounts payable at year end | | | | |
| Fund balance, end of year - <i>modified accrual basis</i> | | | <u>\$ 13,408,842</u> | |

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COMPLIANCE SECTION

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

| Federal Grantor/Pass Through Grantor/Program Title | Federal Award Listing Number | Pass-through Grantor's Project Number | Program or Award Amount | Beginning Balance 7/1/2024 | Revenue Collected | Total Expenditures | Ending Balance 6/30/2025 |
|---|------------------------------------|--|-------------------------------|----------------------------------|----------------------|-----------------------|--------------------------------|
| <u>U.S. Department of Education</u> | | | | | | | |
| <u>Direct Programs:</u> | | | | | | | |
| Title VII Impact Aid | | | | | | | |
| Title VII Impact Aid - BF | 84.041 | 591 | \$ 88,156 | | 88,156 | 88,156 | |
| Title VII Impact Aid - GF | 84.041 | 592 | 24,145 | 72,023 | 24,145 | 96,168 | |
| Subtotal - Title VII Impact Aid | | | 112,301 | 72,023 | 112,301 | 184,324 | - |
| Title VI-Part A, Indian Education | 84.060 | 561 | 216,993 | | 188,799 | 216,993 | (28,194) |
| Title VI-Part A, Indian Education 2023-24 | 84.060 | 799 | | (49,012) | 49,012 | | |
| Pell Grant Program | 84.063 | 474 | 358,500 | | 352,200 | 352,200 | |
| Subtotal - Direct Programs | | | 687,794 | 23,011 | 702,312 | 753,517 | (28,194) |
| <u>Passed Through State Department of Education:</u> | | | | | | | |
| Title I Cluster: | | | | | | | |
| Title I-Part A, Improving Basic Programs | 84.010 | 511 | 4,837,599 | | 2,787,906 | 4,692,705 | (1,904,799) |
| Title I-Part A, Improving Basic Programs 2023-24 | 84.010 | 799 | | (747,774) | 747,774 | | |
| Title I-School Improvement | 84.010 | 515 | 1,272,246 | | 572,889 | 825,305 | (252,416) |
| Title I-School Improvement 2023-24 | 84.010 | 799 | | (85,227) | 85,227 | | |
| Subtotal - Title I Program (Cluster) | | | 6,109,845 | (833,001) | 4,193,796 | 5,518,010 | (2,157,215) |
| Title II Cluster: | | | | | | | |
| Title II-Part A, Teacher & Principal Training | 84.367 | 541 | 732,446 | | 224,116 | 423,102 | (198,986) |
| Title II-Part A 2023-24 | 84.367 | 799 | | (71,452) | 71,452 | | |
| Title IV-SSAE Grant | 84.424A | 552 | 327,434 | | 327,434 | 327,434 | |
| Subtotal - Title II Program (Cluster) | | | 1,059,880 | (71,452) | 623,002 | 750,536 | (198,986) |
| Title III-Part A, ELA | | | | | | | |
| Title III-Part A, ELA 2023-24 | 84.365 | 572 | 63,364 | | 57,489 | 57,489 | |
| Title IX-Part A, Homeless | 84.196 | 596 | 84,242 | | 61,564 | 82,082 | (20,518) |
| Title IX-Part A, Homeless 2023-24 | 84.196 | 799 | | (13,517) | 13,517 | | |
| * <i>Education Stabilization Funds (Covid19)</i> | | | | | | | |
| Counselor Grant (Covid19) 2023-24 | 84.425U | 799 | | (14,958) | 14,958 | | |
| ARP/ESSER III Student Teacher Stipend (Covid19) | 84.425U | 725 | 13,943 | 196 | 13,992 | 13,943 | 245 |
| ARP/ESSER Science of Reading (Covid19) | 84.425U | 726 | 17,919 | 21 | 18,088 | 17,919 | 190 |
| High Dosage Literacy Tutoring (Covid19) 2023-24 | 84.425U | 799 | | (9,118) | 9,118 | | |
| ARP/ESSER III (Covid19) | 84.425U | 795 | 1,953,332 | | 1,953,332 | 1,953,332 | |
| ARP/ESSER III (Covid19) 2023-24 | 84.425U | 799 | | (1,166,599) | 1,166,599 | | |
| ARP/ESSER III Homeless I (Covid19) 2023-24 | 84.425U | 799 | | (14,616) | 14,616 | | |
| ARP/ESSER III Homeless II (Covid19) 2023-24 | 84.425U | 799 | | (5,669) | 5,669 | | |
| Subtotal - Education Stabilization Funds (Covid19) | | | \$ 1,985,194 | (1,210,743) | 3,196,372 | 1,985,194 | 435 |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

| Federal Grantor/Pass Through Grantor/Program Title | Federal Award Listing Number | Pass-through Grantor's Project Number | Program or Award Amount | Beginning Balance 7/1/2024 | Revenue Collected | Total Expenditures | Ending Balance 6/30/2025 |
|--|------------------------------------|--|-------------------------------|----------------------------------|----------------------|-----------------------|--------------------------------|
| <i>Special Education Cluster:</i> | | | | | | | |
| IDEA-B Discretionary | 84.027 | 613 | \$ 2,485 | | 1,460 | 1,460 | |
| IDEA-B Discretionary | 84.027 | 615 | 13,324 | | 8,507 | 8,620 | (113) |
| IDEA-B Discretionary 2023-24 | 84.027 | 799 | | (765) | 765 | | |
| IDEA-B Certification Examination | 84.027 | 616 | 315 | | 313 | 313 | |
| IDEA-B Transition Development | 84.027 | 618 | 13,929 | | 10,862 | 10,862 | |
| IDEA-B Flowthrough | 84.027 | 621 | 3,720,768 | | 2,871,297 | 3,592,944 | (721,647) |
| IDEA-B Flowthrough 2023-24 | 84.027 | 799 | | (1,127,809) | 1,127,809 | | |
| IDEA-B Flowthrough Private School | 84.027 | 625 | 57,348 | | 11,383 | 12,644 | (1,261) |
| IDEA-B Preschool | 84.173 | 641 | 90,324 | | 55,279 | 73,701 | (18,422) |
| IDEA-B Preschool 2023-24 | 84.173 | 799 | | (18,341) | 18,341 | | |
| Subtotal - Special Education Program (Cluster) | | | 3,898,493 | (1,146,915) | 4,106,016 | 3,700,544 | (741,443) |
| Subtotal - Passed Through State Dept of Education | | | <u>\$ 13,201,018</u> | <u>(3,281,405)</u> | <u>12,257,533</u> | <u>12,093,855</u> | <u>(3,117,727)</u> |
| <u>Passed Through State Department of Career and Technology Education:</u> | | | | | | | |
| <i>Carl Perkins Programs:</i> | | | | | | | |
| Carl Perkins Grant - GF | 84.048 | 421 | 200,397 | | 129,729 | 186,863 | (57,134) |
| Carl Perkins Grant - GF 2023-24 | 84.048 | 799 | | (24,235) | 24,235 | | |
| Carl Perkins Grant - Tech | 84.048 | 421 | 82,093 | | 69,934 | 82,093 | (12,159) |
| Carl Perkins Grant - Tech 2023-24 | 84.048 | 799 | | (18,190) | 18,190 | | |
| Carl Perkins Special - Tech | 84.048 | 424 | 149,144 | | 116,103 | 138,075 | (21,972) |
| Tech Centers that Work | 84.048 | 429 | 20,000 | | | 4,211 | (4,211) |
| Tech Centers that Work 2023-24 | 84.048 | 799 | | (2,760) | 2,760 | | |
| Subtotal - Carl Perkins Cluster | | | 451,634 | (45,185) | 360,951 | 411,242 | (95,476) |
| ARPA SLFRF-Practical Nursing Grant | 21.027 | 414 | 300,000 | (192,196) | 192,196 | 65,583 | (65,583) |
| Temporary Assistance for Needy Families | 93.558 | 452 | 171,523 | | 30,844 | 88,945 | (58,101) |
| Subtotal - Passed Through State Dept of Career & Tech Ed | | | <u>\$ 923,157</u> | <u>(237,381)</u> | <u>583,991</u> | <u>565,770</u> | <u>(219,160)</u> |
| <u>U.S. Department of Agriculture:</u> | | | | | | | |
| <u>Passed Through State Department of Education:</u> | | | | | | | |
| Local Food for Schools Program | 10.185 | 757 | | | 22,217 | 22,217 | |
| * <i>Child Nutrition Cluster:</i> | | | | | | | |
| <i>Cash Assistance:</i> | | | | | | | |
| National School Lunch Program | 10.555 | 763 | | 3,736,335 | 4,411,343 | 4,086,730 | 4,060,948 |
| School Breakfast Program | 10.553 | 764 | | | 1,273,227 | 781,493 | 491,734 |
| Summer Food Program | 10.559 | 766 | | 87,856 | 12,021 | 99,877 | |
| Cash Assistance Subtotal | | | | 3,824,191 | 5,696,591 | 4,968,100 | 4,552,682 |
| <u>Passed Through State Department of Human Services:</u> | | | | | | | |
| Non-cash Assistance (Commodities) | 10.555 | N/A | | | 463,429 | 463,429 | |
| Subtotal - Child Nutrition Program (Cluster) | | | | <u>3,824,191</u> | <u>6,160,020</u> | <u>5,431,529</u> | <u>4,552,682</u> |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

| Federal Grantor/Pass Through Grantor/Program Title | Federal Award Listing Number | Pass-through Grantor's Project Number | Program or Award Amount | Beginning Balance 7/1/2024 | Revenue Collected | Total Expenditures | Ending Balance 6/30/2025 |
|---|------------------------------------|--|-------------------------------|----------------------------------|----------------------|-----------------------|--------------------------------|
| <u>U.S. Department of Defense:</u> | | | | | | | |
| <u>Direct Programs:</u> | | | | | | | |
| <u>JROTC Program:</u> | | | | | | | |
| JROTC - Air Force | 12.401 | 774 | \$ 220,329 | | 144,986 | 156,674 | (11,688) |
| JROTC - Air Force | 12.401 | 775 | 129,857 | | 76,534 | 101,353 | (24,819) |
| Subtotal - U.S. Department of Defense | | | <u>350,186</u> | <u>-</u> | <u>221,520</u> | <u>258,027</u> | <u>(36,507)</u> |
| <u>Other Federal Assistance:</u> | | | | | | | |
| Johnson O'Malley | 15.130 | 563 | 43,083 | 31,590 | 30,821 | 43,083 | 19,328 |
| ARPA SLFRF-OK County Mental Health Grant | 21.027 | 773 | 50,000 | | 50,000 | 10,315 | 39,685 |
| OJT-Rehabilitation Services | 84.126 | 456 | 18,451 | (312) | 11,573 | 18,451 | (7,190) |
| Subtotal - Other Federal Assistance | | | <u>111,534</u> | <u>31,278</u> | <u>92,394</u> | <u>71,849</u> | <u>51,823</u> |
| Total Federal Assistance | | | <u>\$ 15,273,689</u> | <u>359,694</u> | <u>20,039,987</u> | <u>19,196,764</u> | <u>1,202,917</u> |

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025**

1. General

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

2. Basis of Accounting

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

3. Non-cash Federal Awards

The District receives food commodities from the U.S. Department of Agriculture for use in its foodservice program. The commodities, in the amount of \$463,429 are recognized as revenue when received and are reported at fair market value.

4. Prior Year Reimbursements

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



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Midwest City-Del City School District No. I-52, Midwest City, Oklahoma, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 7, 2026. This report was unqualified with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

January 7, 2026



JENKINS & KEMPER
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

JACK JENKINS, CPA
MICHAEL KEMPER, CPA

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Midwest City-Del City School District No. I-52, Midwest City, Oklahoma's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Midwest City-Del City School District No. I-52, Midwest City, Oklahoma complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Jenkins & Kemper, CPAs P.C.

Jenkins & Kemper
Certified Public Accountants, P.C.

January 7, 2026

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**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JULY 1, 2024 TO JUNE 30, 2025**

Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements in conformity with generally accepted accounting principles.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Schedule of Findings and Questioned Costs.
3. No instances of noncompliance material to the financial statements of the District were reported during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Uniform Guidance"
5. An unqualified opinion report was issued on the compliance of major federal award programs.
6. The audit disclosed no audit findings and questioned costs, which are required to be reported under OMB Uniform Guidance.
7. Identification of Major Programs: Education Stabilization Fund (84.425U) and Child Nutrition (10.553,10.555,10.559) programs, which were each clustered in the determination.
8. The dollar threshold used to determine between Type A and Type B programs was \$750,000.
9. The District did qualify to be a low-risk auditee.

Findings – Financial Statement Audit

None

Findings and Questioned Costs – Major Federal Award Programs Audit

None

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
DISPOSITION OF PRIOR YEAR FINDINGS
JULY 1, 2021 TO JUNE 30, 2025**

Findings Related to the Financial Statement Audit:

There were no prior year findings.

**INDEPENDENT SCHOOL DISTRICT NO. I-52, OKLAHOMA COUNTY
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL
LIABILITY INSURANCE AFFIDAVIT
JULY 1, 2024 TO JUNE 30, 2025**

State of Oklahoma)
County of Tulsa)

The undersigned auditing firm representative of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Midwest City-Del City School District for the audit year 2024-2025.

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

BY *Michael Kemp*
AUTHORIZED AGENT



Subscribed and sworn to before me on this
7th day of January, 2026

Lauren McCain
NOTARY PUBLIC

EXHIBIT B
CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement dated as of July 1, 2026 (this “Disclosure Agreement”), is executed and delivered by Independent School District No. 52, Oklahoma County, Oklahoma (the “Issuer”) in connection with the Issuer’s issuance of its General Obligation Combined Purpose Bonds, Series 2026 (the “Combined Purpose Bonds”) and its General Obligation Building Bonds, Federally Taxable Series 2026 (the “Building Bonds”) (collectively, the “Bonds” or the “2026 Bonds”). The Bonds are being issued pursuant to resolutions dated as of May 11, 2026 (the “Resolutions”). The Issuer is an “obligated person” with respect to the Bonds for the purposes of the Rule, hereinafter defined, hereby covenants and agrees as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“*State*” shall mean the State of Oklahoma.

Section 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than 10 business days after such information becomes available, and not later than nine months after the end of the Issuer’s fiscal year (presently July 1 through June 30), commencing with the report for the 2026 Fiscal Year, provide to the MSRB in Prescribed Form the Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; *provided* that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date but within 10 business days after they become available. If the Issuer’s fiscal year changes, it shall give notice of such change in the same manner as for a Material Event under Section 5.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or Material Event Notice, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or Material Event Notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall

have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Material Event Notice.

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

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

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

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

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

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

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

**INDEPENDENT SCHOOL DISTRICT NO. 52,
OKLAHOMA COUNTY, OKLAHOMA**

By: _____
President, Board of Education

[Signature Page to Continuing Disclosure Agreement]

EXHIBIT A

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION AND OPERATING DATA

The information under the Heading “Financial Information”

Appendix A – Audited Financial Statements.

EXHIBIT B

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

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

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

EXHIBIT C

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Independent School District No. 52 of Oklahoma County, Oklahoma

Name of Bond Issue: \$23,695,000 General Obligation Combined Purpose Bonds, Series 2026 and \$5,785,000 General Obligation Building Bonds, Federally Taxable Series 2026

Date of Issuance: _____

Base CUSIP: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Agreement dated the ___ day of _____, 2026. The Issuer anticipates that the Annual Report will be filed by _____.

Dated: _____

**Independent School District No. 52 of
Oklahoma County, Oklahoma**

By: _____