

REPORT OF AUDIT

MID AMERICA TECHNOLOGY CENTER #8

McCLAIN COUNTY - OKLAHOMA

JULY 1, 2024 TO JUNE 30, 2025

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8

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INDEPENDENT AUDITOR'S REPORT

The Honorable Board of Education
Mid America Technology Center #V-8
McClain County, Oklahoma

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Mid America Technology Center #V-8 as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Mid America Technology Center basic financial statements- regulatory basis as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Mid America Technology Center #V-8, 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 (GAAS) 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 Mid America Technology Center, 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; 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 Mid America Technology Center'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 Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures including 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 Mid America Technology Center'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 Mid America Technology Center'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 and budgetary comparison schedules, the schedules of the Mid America Technology Center's proportionate share of the net pension liability, and the schedule of the Mid America Technology Center's contribution to Teachers' Retirement system of Oklahoma, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Mid America Technology Center's basic financial statements. The schedule of expenditures of federal awards as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued my report dated January 23, 2026, on our consideration of the Mid America Technology Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Mid America Technology Center's internal control over financial reporting and compliance.

S&B CPA & Associates, PLLC

S&B CPA & Associates, PLLC
January 23, 2026

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Our discussion and analysis of the Mid America Technology Center School District No. 8's, performance provides an overview of the School District's financial activities for the year ended June 30, 2025. Please read it in conjunction with the District's financial statements, which immediately follows this section.

USING THIS ANNUAL REPORT

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

Mid America Technology Center (the District)

The District is a part of the public *CareerTech* system of Oklahoma, under the direction and control of the Oklahoma State Board of Career and Technology Education. The District is located Wayne, Oklahoma serving one main campus. The District has 31 programs and serves 19 public school districts.. The District has three basic areas or types of instruction:

Full-Time Programs – These programs are designed to lead to industry certifications, licenses, employment, and/or continuing education.

Adult and Career Development – These classes are designed around specific curriculum and are designed to provide an introduction to or enhance knowledge of specific topics.

Business and Industry Services – This division strives to meet the training and development needs of business and industry.

FINANCIAL HIGHLIGHTS

The District's financial status improved from the last year. Total net position increased 14 percent. Overall revenues were \$22.3 million and overall expenses were \$18.1 million

Reporting the School District as a Whole

The Statement of Net Position and the Statement of Activities

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

These two statements report the School District's net position and changes in them. You can think of the School District's net position – the difference between assets and liabilities – as one way to measure the School District's

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

financial health, or financial position. Over time, increases or decreases in the School District's net position are an indicator of whether its financial health is improving or deteriorating.

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

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

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

THE SCHOOL DISTRICT AS A WHOLE

	<u>2024</u>	<u>2025</u>
Current and Other Assets	\$ 24,942,224	\$ 26,805,607
Capital Assets	<u>14,002,861</u>	<u>16,243,264</u>
Total Assets	<u>\$ 38,945,085</u>	<u>\$ 43,048,871</u>
Deferred Outflows of Resources	<u>2,190,415</u>	<u>1,639,930</u>
Long-term Liabilities	\$ 203,223	\$ 200,109
Other Liabilities	3,038,129	489,163
Net Pension Liability	<u>9,587,309</u>	<u>8,282,721</u>
Total Liabilities	<u>\$ 12,828,661</u>	<u>\$ 8,971,993</u>
Deferred Inflows of Resources	<u>296,155</u>	<u>905,293</u>
Net Position		
Invested in capital assets, net of debt	\$ 14,002,862	\$ 16,243,265
Restricted	934,935	9,846,144
Unrestricted	<u>13,072,887</u>	<u>8,722,106</u>
Total Net Position	<u>\$ 28,010,684</u>	<u>\$ 34,811,515</u>

Net Position. The District's combined net position increased on June 30, 2025, from the year before – increasing by 14% from \$30.6 million (as restated) to \$35 million.

For the years ended June 30, 2025 and 2024, net position changed as follows:

Changes in Net Position. The District's total revenues increased to \$22 million. Property taxes accounted for 63 percent of the District's collections. Another 5 percent came from tuition and fees.

Total revenues surpassed expenses, increasing net position \$4.2 million over the past year.

The District's total expenditures increased by 14 percent to \$18.1 million. The District's expenses are primarily related to education, training and support of students and business clients.

Governmental Activities

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

District Sources of Revenue:

Ad Valorem property tax	Taxes for current year and prior years, revenue in lieu of taxes
Interest	Interest earnings of investments and taxes

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

Tuition and Fees	Tuition and fees for Full-time adult classes, Short-term adult classes, Safety Training, Industry Specific, Assessment and Health Certification
Local Sources	Local grants, district contracts, rental of school facilities and property, sale of surplus equipment, bookstore revenue, reimbursement for insurance loss recoveries, damages to school property, and rebates
State Revenue	Formula operations, Bid Assistance Program, Existing Industry Initiative, Training for Industry Program, Safety Training, professional development.
Federal Revenue - Grants	Carl Perkins Grant, Student Financial Aid (PELL Grants), TANF, Child Care, Head Start, Nutrition

THE SCHOOL DISTRICT’S FUNDS

The following schedule presents a summary of general, special revenue (building fund and activity fund), and expenditures for the fiscal year ended June 30, 2025 and 2024.

Revenues:	2024		2025	
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>
Property Taxes	\$ 13,653,571	65.70%	\$ 14,320,856	65.31%
Interest	1,184,749	5.70%	1,128,839	5.15%
Tuition and Fees	509,064	2.45%	480,883	2.19%
State Revenue	3,547,826	17.07%	4,447,696	20.28%
Federal Sources	688,002	3.31%	808,373	3.69%
Miscellaneous	<u>1,198,484</u>	5.77%	<u>742,079</u>	3.38%
Total Revenues	<u>\$ 20,781,696</u>	<u>100%</u>	<u>\$ 21,928,726</u>	<u>100%</u>

Expenditures

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

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025

	2024	Percent	2025	Percent
Expenditures:	<u>Amount</u>	<u>of Total</u>	<u>Amount</u>	<u>of Total</u>
Instruction	6,985,364	58.54%	7,328,275	36.60%
Support Services	5,394,428	45.20%	8,415,941	42.03%
Non-Instructional Services	(593,104)	-4.97%	785,402	3.92%
Facilities	146,621	1.23%	3,403,108	17.00%
Other Outlays	-	0.00%	90,138	0.45%
Total Expenditures	<u>\$ 11,933,309</u>	<u>100.00%</u>	<u>\$ 20,022,864</u>	<u>100.00%</u>

The primary source of revenue for the governmental funds is ad valorem property tax, which is not received evenly throughout the fiscal year. The majority of property tax revenues are received between January 1 and April 30 of each year. The governmental funds must carry forward a fund balance large enough to finance the first six months of the fiscal year.

General Fund

The General Fund year-end fund balance is required to meet the labor intensive and operating expenses for the first six months of the fiscal year 2025.

Building Fund

The Building Fund year-end fund balance is restricted funds that are targeted for remodeling of current facilities, site improvements, new construction projects, equipment for the programs and building furniture needs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District was able to have a \$14.7 million general fund budgetary balance at the end of the fiscal year. No amendments were filed to the budget for the year.

CAPITAL ASSETS

At the end of June 30, 2025, the School District had \$41 million invested in capital assets (see table below). This represents a net increase of \$4.1 million or 11 percent, over the previous fiscal year.

**MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED)
JUNE 30, 2025**

	2025	2024
Land	\$ 280,000	\$ 280,000
Construction in Progress	-	12,587,747
Buildings and Improvements	31,890,673	16,389,239
Furniture and Equipment	4,904,613	4,490,106
Vehicles	<u>3,928,782</u>	<u>3,183,027</u>
TOTALS	<u>\$ 41,004,068</u>	<u>\$ 36,930,119</u>

See Note 8 for additional information on capital assets.

LONG-TERM LIABILITIES

Net Pension Liability

The District’s share of the Teachers’ Retirement System’s net pension liability as of June 30, 2025 was \$8,282,721. This was a increase from the prior year (2024 which was the measurement year for the net pension liability as of June 30, 2025. See Note 4 for additional information on the net pension liability.

CONTACTING THE SCHOOL DISTRICT’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of Mid America Technology Center's financial position to show accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office at Mid America Technology Center School District No. 8, located at 27438 State Highway 59, Wayne, Oklahoma 73095.

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and cash investments	\$ 25,028,459
Property taxes receivable (net)	1,304,931
Due from other governments	42,611
Consumable inventory	284,891
Nondepreciated capital assets	280,000
Depreciated capital assets, net of depreciation	15,963,264
OPEB asset	144,715
	<hr/>
Total assets	43,048,871
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	1,639,930
	<hr/>
LIABILITIES	
Accounts payable and other current liabilities	\$ 430,470
Long-term obligations	
Due within one year	58,693
Due beyond one year	8,482,830
	<hr/>
Total liabilities	8,971,993
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	905,293
	<hr/>
NET POSITION	
Net Investment in capital assets	16,243,265
Restricted for:	
Nonspendable inventory	284,891
Buildings	9,295,829
School organizations	165,454
OPEB	99,970
Unrestricted	8,722,106
	<hr/>
Total Net Position	\$ 34,811,515

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

	Program Revenues		Net (Expense) Revenue and Changes in Net position
Functions/programs	Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Governmental activities:			
Instruction	\$ 7,465,598	\$ 987,754	\$ (5,299,879)
Support services	7,974,978	92,908	(7,302,436)
Non-instruction services	854,756	-	(854,756)
Depreciation - unallocated	1,833,546	-	(1,833,546)
Total school district	\$ 18,128,878	\$ 1,080,662	(15,290,617)
General revenues:			
Taxes			
Property taxes, levied for general purposes			12,830,530
Property taxes, levied for building purposes			1,289,085
State aid - formula grants			4,124,225
Other revenue			95,862
Interest income			1,128,839
Total general revenues			19,468,541
Change in Net position			4,177,924
Net position, beginning of year, as restated			30,633,591
Net position, end of year			\$ 34,811,515

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Building Fund	Activity Fund	Totals Governmental Funds
ASSETS				
Cash	\$ 157,608	\$ 263	\$ 165,454	\$ 323,325
Investments	15,515,936	9,189,198	-	24,705,134
Property taxes receivable, net	1,198,563	106,368	-	1,304,931
Consumable inventory	284,891	-	-	284,891
Due from other governments	42,611	-	-	42,611
Total assets	\$ 17,199,609	\$ 9,295,829	\$ 165,454	\$ 26,660,892
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 430,470	\$ -	\$ -	\$ 430,470
Compensated Absences	23,627	-	-	23,627
Total liabilities	454,097	-	-	454,097
Deferred inflows of resources:				
Deferred property taxes	905,562	65,168	-	970,730
Total deferred inflows of resources	905,562	65,168	-	970,730
Fund balances				
Nonspendable	284,891	-	-	284,891
Restricted	-	7,895,785	-	7,895,785
Committed	902,347	-	165,454	1,067,801
Assigned	14,652,712	1,334,876	-	15,987,588
Unassigned	-	-	-	-
Fund balances, end of year	15,839,950	9,230,661	165,454	25,236,065
Total liabilities, deferred inflows of resources and fund balances	\$ 17,199,609	\$ 9,295,829	\$ 165,454	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$41,004,067 and the accumulated depreciation is \$24,760,803	16,243,264
Property taxes receivable and other receivables will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds	970,730
OPEB asset does not provide current resources so is not reported in the funds	144,715
Net pension obligation is not due and payable in the current period and, therefore is not reported in the funds	(8,282,721)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds. This includes deferred outflows of \$1,639,930 and deferred inflows of \$905,293	734,637
Long-term liabilities, including capital leases, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:	
Compensated absences	(235,175)

Total net assets - governmental activities

\$ 34,811,515

**MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025**

	Special Revenue Funds			Totals Governmental Funds
	General Fund	Building Fund	Activity Fund	
Revenues				
Property taxes	\$ 13,014,841	\$ 1,306,015	\$ -	\$ 14,320,856
Interest	705,835	423,004	-	1,128,839
Tuition and fees	480,883	-	-	480,883
State revenue	4,447,368	328	-	4,447,696
Federal revenue	808,373	-	-	808,373
Other	237,355	-	504,724	742,079
Total revenues	19,694,655	1,729,347	504,724	21,928,726
Expenditures				
Current				
Instruction	7,328,275	-	-	7,328,275
Support services	8,415,941	-	-	8,415,941
Non-instruction services	275,197	-	510,205	785,402
Capital outlay	3,403,108	-	-	3,403,108
Student Financial Aid	225,999	-	-	225,999
Total expenditures	19,512,659	-	510,205	20,022,864
Net Change in Fund Balance	181,996	1,729,347	(5,481)	1,905,862
Beginning fund balance, as restated	15,657,954	7,501,314	170,935	23,330,203
Ending fund balance	\$ 15,839,950	\$ 9,230,661	\$ 165,454	\$ 25,236,065

**MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL
FUNDS TO STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025**

Total net changes in fund balances - governmental funds \$ 1,905,862

The change in net assets reported in the statement of activities is different because:

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

Capital Outlays	\$	4,073,949
Depreciation Expense		<u>(1,833,546)</u>
		2,240,403

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are, instead counted as deferred revenues. They are however, recorded as revenues in the statement of activities. (201,242)

In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially the amounts actually paid). This year, vacation and sick leave earned exceeded amounts used. 3,114

Governmental funds report district pension contributions as expenditures. However, the Statement of Activities reports the cost of pension benefits earned net of employee contributions as pension expense (349,531)

Support for pension contributions from nonemployer contributing entities not in a special funding situation does not provide current financial resources so are not recorded in governmental funds but are recorded as revenues in the statement of activities 579,318

Change in net position of governmental activities \$ 4,177,924

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Mid America Technology Center School District No. 8 (the District) is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on the State of Oklahoma for support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70 of the Oklahoma Statutes.

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

The Reporting Entity

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

The School Education Foundation is not included in the reporting entity. The District does not appoint any of the board members or exercise any oversight authority over the Foundation.

Basic Financial Statements – Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. Governmental Activities include programs primarily supported by taxes, State aid, grants and other intergovernmental revenue. The District does not have any activities classified as business-type activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the District's programs and functions. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Direct expenses are those that are clearly identifiable with a specific function. Program revenues must be directly associated with the function. Charges for services include charges and fees to students, or customers who purchase, use or directly benefit from the goods, services, or privileges provided by a given function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

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

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Separate financial statements are provided for governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

NOTES TO FINANCIAL STATEMENTS

Basic Financial Statements – Fund Financial Statements

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

The District reports the following major governmental funds:

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

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

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

Basis of Accounting

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

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

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

NOTES TO FINANCIAL STATEMENTS

Capital Assets

Capital assets purchased or acquired with an original cost of \$2,500 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

School buildings	25-40 years
Site improvements	7- 40 years
Business machines and computers	7-40 years

Compensated Absences

The District accrues accumulated unpaid vacation and sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is reported only as a general long-term obligation in the government-wide statement of net position and represents a reconciling item between the fund and government-wide presentations.

Budgets and Budgetary Accounting

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

Under current Oklahoma Statutes a formal budget is required for general, building, sinking, child nutrition and coop funds, as applicable to the district. Budgets are presented include the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories. Budgets generally assume the expenditure of all available resources. Therefore, when the legal budget is prepared, it is assumed these funds will not have a carryover balance to subsequent year.

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

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

The unencumbered balance of current fiscal year appropriations and the unexpended reserve appropriations of the previous fiscal year are lapsed and become a part of the beginning fund balance for the succeeding fiscal year.

Cash

The District considers all cash on hand, demand deposits, money market checking and certificates of deposit, held at an individual bank which are subject to early withdrawal penalties no matter what the maturity period, to be cash. State statutes require collateral for deposits in excess of insured amounts. The collateral's market value must exceed the insured deposit.

NOTES TO FINANCIAL STATEMENTS

Investments

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

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

Inventories

Inventories are valued at cost, which approximates market, using the average cost method. The District's inventories include various items consisting of school supplies, paper, books, transportation items, etc. Inventorial items are recorded as expenditures when shipped to schools and department offices (the consumption method). The nonspendable fund balance at the governmental fund level is equal to the amount of inventories at year-end to indicate the portion of the governmental fund balances that are nonspendable.

Property Tax Revenues

The District is authorized by state law to levy property taxes, which consist of ad valorem taxes on real and personal property within the District. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax roll for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes is due prior to January 1. The second half is due prior to April 1.

If the first payment is not made timely, the entire tax becomes due and payable on January 1. Second half taxes become delinquent on April 1 of the year following the year of assessment. If not paid for a period of three years or more as of the date such taxes first become due, the property is offered for sale for the amount of taxes due.

Property taxes receivable by the District include uncollected taxes assessed as of October 1, 2024 and earlier. Delinquent property tax receivable is recognized as revenue in the government-wide financial statements. Only the portion of the property taxes receivable that meets the revenue recognition criteria is reported as revenue in the fund financial statements.

Property tax receivables are net of an allowance for uncollectible taxes of \$1,400 in the general fund and \$- in the building fund. The allowance represents the estimated amount that is deemed uncollectible based on past collection history.

Deferred Outflows of Resources – The District reports decreases in net position that related to future periods as deferred outflows of resources on the statement of net position. A deferred outflow is reported for (1) contributions made to Teachers' Retirement System of Oklahoma (TRS the Plan) between the measurement date of the net pension liabilities (June 30, 2024) and the end of the current fiscal year (June 30, 2025). (2) A loss from changes in assumptions used by the actuary is amortized to pension expense over the average expected remaining service life of the Plan (3) the actual pension plan investment earnings less than the expected amounts included in determining pension expense. This deferred inflow of resources is amortized to pension expense over a total of 5 years, including

NOTES TO FINANCIAL STATEMENTS

the current year (4) A loss in changes in assumptions used by the actuary is amortized to pension expense over the average expected remaining service life of the Plan.

Deferred Inflows of Resources The District reports decreases in net position that related to future periods as deferred outflows of resources on the statement of net position. A deferred outflow is reported for (1) contributions made to Teachers' Retirement System of Oklahoma (TRS the Plan) between the measurement date of the net pension liabilities (June 30, 2024) and the end of the current fiscal year (June 30, 2025). (2) A loss from changes in assumptions used by the actuary is amortized to pension expense over the average expected remaining service life of the Plan (3) the actual pension plan investment earnings less than the expected amounts included in determining pension expense. This deferred inflow of resources is amortized to pension expense over a total of 5 years, including the current year (4) A loss in changes in assumptions used by the actuary is amortized to pension expense over the average expected remaining service life of the Plan.

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

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

Other Postemployment Benefits (OPEB) –For purposes of measuring the net OPEB asset, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB plan) and additions to/deductions from the OPEB plans fiduciary net position have been determined on the same basis as they have been reported by the TRS plan. 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.

State Revenues

Revenues from state sources for current operations are primarily governed by the joint resolution of the Oklahoma House of Representatives and Senate. The Oklahoma Department of Career and Technical Education administers the allocation of state aid funds to school districts based on information accumulated from the districts.

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

The District receives revenue from the state to administer certain categorical educational programs. Oklahoma Department of Career and Technical Education rules require that revenue earmarked for these programs be expended only for the programs for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The Oklahoma Department of Career and Technical Education requires that categorical educational program revenues be accounted for in the general fund.

Use of Estimates

NOTES TO FINANCIAL STATEMENTS

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

Net Position and Fund Balance

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

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

Restricted for Nonspendable – The component of net position that reports the amounts held from inventory on hand.

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

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

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

Governmental Fund Financial Statements

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

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

NOTES TO FINANCIAL STATEMENTS

the Board of Education regarding use of the funds.

- **Assigned:** This classification includes amounts that are constrained by the District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to the superintendent through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has assigned interest earnings to the funds where earned for the purposes defined by the fund.
- **Unassigned:** This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Subsequent Events

Management has evaluated subsequent events through date of this report which is the date the financial statements were available to be issued.

NOTE 2 - CASH AND INVESTMENTS

Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. State statutes require collateral for all deposits in excess of federally insured amounts. The District policy for custodial credit risk requires compliance with the provisions of state law. At June 30, 2025, the District was not exposed to custodial credit risk.

NOTE 3 - LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Compensated absences	\$ 253,223	\$ 5,579	\$ -	\$ 258,802	\$ 58,693
	<u>\$ 253,223</u>	<u>\$ 5,579</u>	<u>\$ -</u>	<u>\$ 258,802</u>	<u>\$ 58,693</u>
Net pension liability				8,282,721	
Total governmental activity long-term liabilities				<u>\$ 8,541,523</u>	

Compensated absences are generally liquidated by the general fund.

NOTE 4 - EMPLOYEE RETIREMENT SYSTEM

NOTES TO FINANCIAL STATEMENTS

Teachers' Retirement Plan of Oklahoma

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

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

Contributions – In accordance with *Oklahoma Statutes*, System members are required to contribute 7.00% of applicable compensation. For the year ended June 30, 2025, qualifying employee contributions were reduced by a retirement credit of \$41,251 provided by Enrolled House Bill 1873 and paid by the State of Oklahoma as on-behalf payments. For the year ended June 30, 2025, the District had a statutory contribution rate of 9.5% plus 8% as a match for salaries funded by federal programs. The contribution requirements of System members and the District are established and may be amended by the state legislature. For the year ended June 30, 2025, the District contributions to the System for were \$759,398.

The State of Oklahoma, a non-employer contributing entity, provides funds through 5% of the State's sales, use, corporate and individual income taxes collected. The System receives 1% of the cigarette taxes collected by the State and 5% of net lottery proceeds collected by the State. The District's estimated share of these contributions based on their covered payroll for the measurement period was \$579,3189.

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 \$8,282,721 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of the contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District's proportion was 0.12600823%, which was increase to its proportion measured as of June 30, 2023.

For the year ended June 30 2025, the District recognized pension expense (credit) of \$367,943. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTES TO FINANCIAL STATEMENTS

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 586,894	\$ 128,256
Changes of assumptions	91,038	356,069
Net difference between projected and actual earnings on pension plan investments	-	283,772
Changes in proportion and differences between District contributions and proportionate share of contributions	176,730	66,581
District contributions subsequent to the measurement date	759,398	-
	<u>\$ 1,614,060</u>	<u>\$ 834,678</u>

\$759,398 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended	
2026	\$ (197,749)
2027	671,171
2028	(197,814)
2029	(175,957)
2030	20,416
Thereafter	<u>(100,083)</u>
	<u>\$ 19,984</u>

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

Actuarial Cost Method – Entry Age Normal

Inflation – 2.25%

Future Ad Hoc Cost-of living increases - None

Salary Increases – Composed of 2.25 %wage inflation, plus 0.75% productivity increase rate, plus step-rate promotional increases for members with less than 25 years of service.

Investment Rate of Return – 7.00%

Retirement Age – Experience-based table of rates based on age, service, and gender. Adopted by the TRS Board in July, 2020, in conjunction with five year experience study for the period ending June 30, 2019.

Mortality Rates after Retirement – Males: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. Females: 2020 GRS Southwest Region Teacher Mortality Table. Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2010.

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

NOTES TO FINANCIAL STATEMENTS

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Fixed Income	22.00%	1.80%
Domestic Equity	38.30%	4.60%
International Equity	16.70%	5.20%
Real Estate	10.00%	4.40%
Private Equity	8.00%	7.30%
Private Debt	5.00%	5.30%
	<u>100.00%</u>	

Discount rate – A single discount rate of 7.00% was used to measure the total pension liability as of June 30, 2024. This single discount rate was based solely on the expected rate of return on pension plan investments. Based on the stated assumptions and the projection of cash flows, the pension plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels and remain a level percentage of payrolls. The projection also assumed the state’s contribution plus the matching contributions will remain a constant percent of the projected member payroll based on the past five years of actual contributions.

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate – The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's Proportionate share of the net pension liability	<u>\$ 12,677,380</u>	<u>\$ 8,282,721</u>	<u>\$ 4,654,285</u>

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

NOTE 5 OTHER POST-EMPLOYMENT BENEFITS (OPEB)

In addition to the retirement plan described in Note 4, the District participates in the state-administered Supplemental Health Insurance Program (OPEB Plan) within Teachers’ Retirement System of Oklahoma (the OPEB System), which is a cost-sharing multiple-employer defined benefit OPEB plan administered by the Teacher Retirement System (TRS).

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

NOTES TO FINANCIAL STATEMENTS

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

Contributions – Employer and employee contributions are made based upon the TRS Plan provisions contained in State Statute Title 70, as amended. However, the statutes do not specify or identify any particular contribution source to pay the health insurance subsidy. The cost of the subsidy averages 0.12% of normal cost, as determined by an actuarial valuation.

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

At June 30, 2025, the District reported an asset of (\$144,715) for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB asset was based on a projection of the District’s long-term share of the contributions to the OPEB plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2024, the District’s proportion was 0.12600823%, which was an increase from its proportion measured as of June 30, 2023.

For the year ended June 30 2025, the District recognized OPEB expense (credit) of (\$18,412). At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ -	\$ 21,273
Changes of assumptions	6,232	39,595
Net difference between projected and actual earnings on pension plan investments	-	5,792
Changes in proportion and differences between District contributions and proportionate share of contributions	10,199	3,952
District contributions subsequent to the measurement date	9,435	-
	<u>\$ 25,866</u>	<u>\$ 70,612</u>

\$9,435 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net OPEB asset in the measurement year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

NOTES TO FINANCIAL STATEMENTS

Year Ended	
2026	\$ (21,048)
2027	3,673
2028	(17,105)
2029	(13,551)
2030	(9,423)
Thereafter	3,273
	<u>\$ (54,181)</u>

See Note 4. Employee pension plans for Actuarial assumptions, measurement, discount rate, long-term expected rate of return and target asset allocation

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

Sensitivity of the District’s proportionate share of the net OPEB asset to changes in the discount rate– The following presents the District’s proportionate share of the net OPEB asset calculated using the discount rate of 7.00%, as well as what the District’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's Proportionate share of the net pension liability	<u>\$ (99,376)</u>	<u>\$ (144,715)</u>	<u>\$ (188,655)</u>

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

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

NOTE 6 – CONTINGENCIES AND COMMITMENTS

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

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

NOTE 7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the District carries commercial insurance. There have been no

NOTES TO FINANCIAL STATEMENTS

significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

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

NOTE 8- CAPITAL ASSETS

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

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	\$ 280,000	\$ -	\$ -	\$ 280,000
Construction in progress	12,587,747	2,913,687	15,501,434	-
Total capital assets not being depreciated	<u>12,867,747</u>	<u>2,913,687</u>	<u>15,501,434</u>	<u>280,000</u>
Capital assets being depreciated:				
Buildings and improvements	16,389,239	15,501,434	-	31,890,673
Furniture, fixtures and equipment	4,490,106	414,507	-	4,904,613
Autos	3,183,027	745,755	-	3,928,782
Total capital assets being depreciated	<u>24,062,372</u>	<u>16,661,696</u>	<u>-</u>	<u>40,724,068</u>
Less accumulated depreciation for:				
Total accumulated depreciation	<u>22,927,258</u>	<u>1,833,546</u>	<u>-</u>	<u>24,760,804</u>
Total capital assets being depreciated, net	<u>1,135,114</u>	<u>14,828,150</u>	<u>-</u>	<u>15,963,264</u>
Governmental activity capital assets, net	<u>\$ 14,002,861</u>	<u>\$ 17,741,837</u>	<u>\$ 15,501,434</u>	<u>\$ 16,243,264</u>

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

NOTE 9 – FUND BALANCES – GOVERNMENTAL FUNDS

As of June 30,2025, fund balances, other than unassigned are composed of the following:

	General Fund	Building Fund	Other Governmental Fund
Nonspendable	\$ 284,891		\$ 143,792
Restricted			
Buildings	-	\$ 7,895,785	-
Committed			
Student Activities	-		165,454
District Programs	902,347	-	-
Assigned			
Buildings	-	1,334,876	-
Subsequent year's budget	14,652,712	-	-
Unassigned	-	-	-
	<u>\$ 15,839,950</u>	<u>\$ 9,230,661</u>	<u>\$ 165,454</u>

The District would typically use restricted fund balances first, followed by committed resources, and then assigned

NOTES TO FINANCIAL STATEMENTS

resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

NOTE 10 – TAX ABATEMENT

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

For the year ended June 30, 2025, abated property taxes were approximately \$725,000

NOTE 11 – RESTATEMENT

The District discovered that accounts payable had been overstated in the building fund in the prior year by \$2,622,906. To correct this error, the beginning fund balance of the Building fund of \$4,878,407, as originally reported, has been increased to \$7,501,314. In addition, beginning net position of \$28,010,685 has been increased to \$30,633,591.

NOTE 12 – NEW GASB STANDARDS

The District implemented the following GASB Statements:

- GASBS Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences. The provisions of this statement are effective reporting periods beginning after December 15, 2023.
- GASBS Statement No. 102, *Certain Risk Disclosures*, objective is to provide users of government financial statements essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The provisions of this statement are effective reporting periods beginning after June 15, 2024.

The following pronouncements will be effective in the future: Management has evaluated these statements as having an impact on the District or potential impact in the future.

- GASBS Statement No. 103, *Financial Reporting Model Improvements*, objective is to improve 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. The provisions of this statement are effective reporting periods beginning after June 15, 2025.
- GASBS Statement No. 104, *Disclosure of Certain Capital Assets*, objective is to provide users of government financial statements with essential information about certain types of capital assets. The provisions of this statement are effective reporting periods beginning after June 15, 2025.

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Actual Amounts		Variance with Final Budget	
	Original	Final		Budgetary Basis	Original to Final	Final to Actual	Positive(Negative)
	14,721,150	14,721,150		14,721,150	-	-	\$
Budgetary fund balance, July 1							
Resources (inflows)							
Local sources	12,112,664	12,112,664	14,343,052	-	2,230,388		
State sources	4,060,506	4,060,506	4,447,368	-	386,862		
Federal Sources	602,095	602,095	806,226	-	204,131		
Other	-	-	241,405	-	241,405		
Total resources	16,775,265	16,775,265	19,838,051	-	3,062,786		
Amounts available for appropriation	31,496,415	31,496,415	34,559,201	-	3,062,786		
Charges to appropriations (outflows)							
Instruction	11,562,992	11,562,992	7,344,655	-	4,218,337		
Support services	11,535,280	11,535,280	8,662,716	-	2,872,564		
Non-instruction services	329,648	329,648	279,071	-	50,577		
Capital outlay	7,581,835	7,581,835	3,233,265	-	4,348,570		
Other outlays	486,660	486,660	268,296	-	218,364		
Total charges to appropriations	31,496,415	31,496,415	19,788,003	-	11,708,412		
Budgetary fund balance, June 30	\$	-	\$	-	\$	-	\$ 14,771,198
Accounts receivable not recognized as revenue for budgetary basis			335,612				
Consumable inventory recognized as expenditures for budgetary basis when purchased			284,891				
Compensated absences not recognized as expenditures for budgetary basis			(23,627)				
Accounts Payable not recognized as expenditures for budgetary basis			(430,470)				
Encumbrances not recognized as expenditures for GAAP basis			902,346				
Fund Balance, End of year GAAP Basis			\$ 15,839,950				

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
BUDGETARY COMPARISON SCHEDULE – BUILDING FUND (UNAUDITED)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget Positive(Negative)	
	Original	Final		Original to Final	Final to Actual
Budgetary fund balance, July 1	7,460,114	7,460,114	7,460,114	-	\$ -
Resources (inflows)					
Local sources	1,171,896	1,171,896	1,729,019	-	557,123
State sources	-	-	328	-	328
Total resources	1,171,896	1,171,896	1,729,347	-	557,451
Amounts available for appropriation	8,632,010	8,632,010	9,189,461	-	557,451
Charges to appropriations (outflows)					
Capital outlay	8,632,010	8,632,010	-	-	8,632,010
Other Outlays	-	-	-	-	-
Total charges to appropriations	8,632,010	8,632,010	-	-	8,632,010
Budgetary fund balance, June 30	\$ -	\$ -	\$ 9,189,461	\$ -	\$ 9,189,461
Accounts receivable not recognized as revenue for budgetary basis			41,200		
Accounts Payable not recognized as expenditures for budgetary basis			-		
Encumbrances not recognized as expenditures for GAAP basis			-		
Fund Balance, End of year GAAP Basis			\$ 9,230,661		

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (UNAUDITED)
YEAR ENDED JUNE 30, 2025

Measurement Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's portion of the net pension liability (asset)	0.12600823%	0.12473006%	0.12343351%	0.12404670%	0.12451449%	0.12281888%	0.11861627%	0.12099244%	0.11378924%	0.11297250%
District's proportionate share of the net pension liability (asset)	8,282,721	9,587,309	10,126,279	6,253,443	11,816,715	8,128,153	7,169,300	8,011,292	9,534,562	6,860,548
District's covered payroll	7,993,663	7,857,305	7,129,968	6,675,053	6,120,653	6,117,568	5,891,189	5,287,853	5,169,284	4,955,611
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	103.62%	122.02%	142.02%	93.68%	193.06%	132.87%	121.70%	151.50%	184.45%	138.44%
Plan fiduciary net position as a percentage of the total pension liability	77.33%	72.64%	70.05%	80.80%	63.47%	71.54%	72.71%	69.92%	62.24%	70.31%

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
SCHEDULE OF DISTRICT'S CONTRIBUTIONS (UNAUDITED)
YEAR ENDED JUNE 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 759,398	\$ 746,444	\$ 677,347	\$ 634,130	\$ 581,462	\$ 581,169	\$ 559,663	\$ 502,346	\$ 491,082	\$ 470,783
Contributions in relation to the contractually required contribution	759,398	746,444	677,347	634,130	581,462	581,169	559,663	502,346	491,082	470,783
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered payroll	7,993,663	7,857,305	7,129,968	6,675,053	6,120,653	6,117,568	5,891,189	5,287,853	5,169,284	4,955,611
Contributions as a percentage of Covered employee Payroll	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%	9.50%

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET OPEB ASSET (UNAUDITED)
YEAR ENDED JUNE 30, 2025

Measurement Year	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's portion of the net OPEB liability (asset)	0.12600823%	0.12473006%	0.12343351%	0.12404670%	0.12451449%	0.12281888%	0.11861627%
District's proportionate share of the net OPEB liability (asset)	(144,715)	(59,893)	(50,611)	(148,259)	(4,403)	(68,010)	(68,724)
District's covered payroll	7,993,663	7,857,305	7,129,968	6,675,053	6,120,653	6,117,568	5,891,189
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	(1.81%)	(0.76%)	(0.71%)	(2.22%)	(0.07%)	(1.11%)	(1.17%)
Plan fiduciary net position as a percentage of the total pension liability	131.23%	112.01%	110.31%	129.91%	102.30%	115.07%	115.41%

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

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS(UNAUDITED)
YEAR ENDED JUNE 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 9,435	\$ 9,226	\$ 8,347	\$ 8,678	\$ 1,224	\$ 1,224	\$ 3,535	\$ 7,932
Contributions in relation to the contractually required contribution	9,435	9,226	8,347	8,678	1,224	1,224	3,535	7,932
Contribution deficiency (excess)	-	-	-	-	-	-	-	-
District's covered payroll	7,993,663	7,857,305	7,129,968	6,675,053	6,120,653	6,117,568	5,891,189	5,287,853
Contributions as a percentage of Covered employee Payroll	0.12%	0.12%	0.12%	0.13%	0.02%	0.02%	0.06%	0.15%

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

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

Note 1: Budgeting and Budgetary Control

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

Under current Oklahoma Statutes a formal budget is required for general, building, sinking, child nutrition and coop funds, as applicable to the district. Budgets are presented include the originally approved budgeted appropriations for expenditures and final budgeted appropriations as adjusted for supplemental appropriations and approved transfers between budget categories. Budgets generally assume the expenditure of all available resources. Therefore, when the legal budget is prepared, it is assumed these funds will not have a carryover balance to subsequent year.

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

Note 2: Changes of Assumptions

The covered payroll is an estimate of the actual payroll, imputed from individual member contributions
The assumption changes in fiscal year 2015 is attributable to the new assumptions adopted by the TRS board in May 2015.

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

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

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

The assumption change in fiscal year 2024 is attributable to the new assumptions adopted by the Board in May 2024.

Actuarially determined contribution rates are calculated as of June 30 of the previous fiscal year. Members and employers contribute based on statutorily fixed rates. The State of Oklahoma contributes a portion of revenues from sales taxes, use taxes, corporate and individual income taxes and lottery proceeds. An additional contribution is made for members whose salary is paid from federal funds or certain grant money

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA		Pass-through Grantor's Project Number	Program or Award Amount	Federal Grant		Deferred Revenue (Accounts Receivable) 6/30/2024	Deferred Revenue (Accounts Receivable) 6/30/2025
	Number	Project Number			Receipts	Expenditures		
U.S. Department of Education								
Direct Programs-								
Student Financial Aid								
Federal Pell Grant Program	84.063	474		222,669	\$ 222,091	\$ 223,999	\$ (1,908)	
Pell Admin Fee	84.063	n.a.		135	135	135	-	
Total Student Financial Aid Cluster					<u>222,226</u>	<u>224,134</u>	<u>(1,908)</u>	
Passed through Oklahoma Department of Career Technology Education								
Carl Perkins Secondary	84.048	423		132,525	132,525	132,525	-	
Carl Perkins Supplemental	84.048	424		156,300	156,300	156,300	-	
Tech Centers Thr Work	84.048	429		20,000	20,000	20,000	-	
Total Passed through Oklahoma Department of Career Technology Education					<u>308,825</u>	<u>308,825</u>	<u>-</u>	
Total U.S. Department of Education					<u>531,051</u>	<u>532,959</u>	<u>(1,908)</u>	
U.S. Department of Treasury								
Direct Programs-								
Coronavirus State and Local Fiscal Recovery Funds	21.027	414		330,988	275,175	275,414	(40,703)	
Total U.S. Department of Treasury					<u>275,175</u>	<u>275,414</u>	<u>(40,703)</u>	
Total Expenditures of Federal Awards					<u>\$ 806,226</u>	<u>\$ 808,373</u>	<u>\$ (42,611)</u>	

MID AMERICA TECHNOLOGY CENTER SCHOOL DISTRICT NO. 8
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025

Note A: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Mid America Technology Center School District No. 8 under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 220, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Mid America Technology Center School District No. 8 it is not intended to and does not present financial position, changes in financial position or cash flows.

Note B: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on using the cash basis of accounting. Some amounts presented in the schedule may differ from amounts presented in or used in the preparation of the basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, where certain types of expenditures are not allowable or are limited as to reimbursement.

Note C: Indirect Cost Rate

Mid America Technology Center School District No. 8 has elected not to use the 15% de minimis indirect cost rate allowed under the Uniform Guidance.

Note D: Subrecipients

Mid America Technology Center School District No. 8 did not have any awards that have been passed through to subrecipients.

Mid America Technology Center
 McClain County - Oklahoma
 Combining Statement of Assets, Liabilities and
 Fund Equity - Regulatory Basis - Fiduciary Funds
 7/1/24 to 6/30/25

<u>Depository</u>	<u>Detail</u>	<u>Totals</u>
Cash	<u>174,406.75</u>	
Total Depository		<u><u>\$174,406.75</u></u>
<u>Fund</u>		
Ledger Balance	165,178.34	
Add: 2024-25 Outstanding	8,952.41	
2022-23 Outstanding (in old software)	<u>276.00</u>	
Total Depository		<u><u>\$174,406.75</u></u>

Mid America Technology Center
 McClain County - Oklahoma
 Combining Statement of Changes in Assets and Liabilities -
 Regulatory Basis - Fiduciary Fund
 7/1/24 to 6/30/25

Account	07/01/24	Revenues	Adjustments	Transfers	Expenditures	06/30/25
Pell Grants	\$0.00	\$222,090.50			\$222,090.50	\$0.00
Misc Food Services	65,496.95	274,203.30			272,926.99	66,773.26
Vending Commissions	0.00	25,455.78			25,455.78	0.00
Interest	10.92	141.50			139.68	12.74
Petty Cash	0.00	200.00			200.00	0.00
AT&D Tuition	0.00	148,735.54			148,330.39	405.15
IT&D Tuition	0.00	98,236.76			98,236.76	0.00
Safety Tuition	0.00	15,065.00			15,065.00	0.00
Day Program Tuition	0.00	71,292.95			71,292.95	0.00
Practical Nursing Tuition	0.00	135,282.77			135,282.77	0.00
Assessment	0.00	14,661.53			14,661.53	0.00
Pell Grant Adm Cost Allowance	0.00	135.00			135.00	0.00
Refund/Rebate/VA Ed Treasury	0.00	128.00			128.00	0.00
Reimburse - Employee Payback	0.00	446.93			446.93	0.00
Sale of Equipment/Salvage	0.00	14,219.52			14,219.52	0.00
Health Certification Project	2,400.00	23,616.36			24,070.00	1,946.36
Miscellaneous Scholarships	2,225.00	5,250.00	250.00		6,000.00	1,725.00
Oklahoma First Scholarship	129.09	0.00			0.00	129.09
Otha Grimes Scholarship	0.00	7,400.00			7,400.00	0.00
PN/Straka Award	2,650.00	0.00			309.00	2,341.00
BPA	4,525.56	0.00			4,525.56	0.00
Equine Production	48,521.49	21,368.50			33,558.51	36,331.48
HOSA/HEALTH	15,000.00	20,050.84			19,890.84	15,160.00
HOSA/PN	2,238.32	458.48			1,537.17	1,159.63
Skills USA	27,436.80	31,849.22			20,778.25	38,507.77
Faculty Staff	301.80	693.95			308.89	686.86
Auto Collision Tech Resale	0.00	1,155.61			1,155.61	0.00
Automotive Service Tech Resale	0.00	7,502.42			7,502.42	0.00
CADD Resale	0.00	348.21			348.21	0.00
Carpentry Resale	0.00	192.77			192.77	0.00
CNC Machinist Resale	0.00	91.75			91.75	0.00
Cosmetology Resale	0.00	6,001.13			6,001.13	0.00
Diesel Technology Resale	0.00	977.30			977.30	0.00
Electrical Trades Resale	0.00	1,300.98			1,300.98	0.00
Equine Production Resale	0.00	2,158.68			2,158.68	0.00
Graphic Design Resale	0.00	186.72			186.72	0.00
Health Careers Ed Resale	0.00	3,439.81			3,439.81	0.00
Horticulture Resale	0.00	44,858.45			44,858.45	0.00
HVAC Resale	0.00	1,321.88			1,321.88	0.00
Industrial Robotics Resale	0.00	986.01			986.01	0.00
Misc Resale	0.00	2,095.06			2,095.06	0.00
Plumbing Assistant Resale	0.00	64.00			64.00	0.00
Practical Nursing Resale	0.00	773.06			773.06	0.00
Veterinarian Assistant	0.00	1,141.50			1,141.50	0.00
Welding Resale	0.00	4,092.82			4,092.82	0.00
Totals	\$170,935.93	\$1,209,670.59	\$250.00	\$0.00	\$1,215,678.18	\$165,178.34

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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

Honorable Board of Education
Mid America Technology Center #V-8
McClain County, Oklahoma

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Mid America Technology Center #V-8, McClain County, Oklahoma, as listed in the Table of Contents, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Mid America Technology Center's basic financial statements and have issued our report thereon dated January 23, 2026.

Report on Internal Control Over Financial Reporting

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

Internal Control/Compliance Report
Mid America Technology Center #V-8

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 Mid America Technology Center'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 Mid America Technology Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

S&B CPA & Associates, PLLC

S&B CPA & Associates, PLLC
January 23, 2026

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE
UNIFORM GUIDANCE**

Honorable Board of Education
Mid America Technology Center #V-8
McClain County, Oklahoma

Opinion on Each Major Federal Program

We have audited Mid America Technology Center #V-8, McClain County, Oklahoma compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the Mid America Technology Center's major federal programs for the year ended June 30, 2025. The Mid America Technology Center'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, Mid America Technology Center #V-8 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (*Uniform Guidance*). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of Mid America Technology Center 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 Mid America Technology Center'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 provisions of contracts or grant agreements applicable to the Mid America Technology Center's federal programs.

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

In performing an audit in accordance with GAAS and, 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 Mid America Technology Center'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 Mid America Technology Center'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 Mid America Technology Center'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 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.

S&B CPA & Associates, PLLC

S&B CPA & Associates, PLLC
January 23, 2026

**MID AMERICA TECHNOLOGY CENTER, SCHOOL DISTRICT NO. 8
McCLAIN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:

* Material weakness(es) identified? _____ Yes X No

* Significant Deficiency(ies) identified
not considered to be material weakness(es)? _____ Yes X None Reported

Noncompliance material to financial statement noted? _____ Yes X No

Federal Awards

Internal control over major programs:

* Material weakness(es) identified? _____ Yes X No

* Significant Deficiency(ies) identified
not considered to be material weakness(es)? _____ Yes X None Reported

Type of auditors’ report issued on compliance for
Major programs: Unmodified

Any audit findings disclosed that are required to
be reported in accordance with
the Uniform Guidance? _____ Yes X No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
21.027	ARPA Broadband
84.048	Carl Perkins

Dollar threshold used to distinguish between type
A and type B programs \$750,000

Auditee qualified as low-risk auditee? X Yes _____ No

**MID AMERICA TECHNOLOGY CENTER, SCHOOL DISTRICT NO. 8
McCLAIN COUNTY, OKLAHOMA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025**

Section II – Findings Relating to the Financial Statements

None

Section III – Findings and Questioned Costs for Federal Awards

None

Section IV – Status of Prior Year Audit Findings

None related to the financial statements or questioned costs for federal awards.

Section V – Management's Corrective Action Plan

N/A

MID AMERICA TECHNOLOGY CENTER #V-8
MCCLAIN COUNTY - OKLAHOMA
JULY 1, 2024 TO JUNE 30, 2025

DISPOSITION OF PRIOR YEAR FINDINGS
JUNE 30, 2025

No reportable conditions were noted during the 2023-24 fiscal.

MID AMERICA TECHNOLOGY CENTER #V-8

MCCLAIN COUNTY, OKLAHOMA

SCHEDULE OF ACCOUNTANTS' PROFESSIONAL LIABILITY INSURANCE AFFIDAVIT
FOR THE YEAR ENDING JUNE 30, 2025

STATE OF OKLAHOMA)

County of GARFIELD) ss
)

The undersigned auditing firm of lawful age, being first duly sworn on oath, says that said firm had in full force and effect Accountant's Professional Liability Insurance in Accordance with the "Oklahoma Public School Audit law" at the time of audit contract and during the entire audit engagement with Mid America Technology Center #V-8 for the audit year 2023-2024.

S&B CPAs & ASSOCIATES, PLLC

Subscribed and sworn to before me on this 9th day of February, 2026.
My commission expires on 4th day of June, 2027.

AMY ZIEMBA

Notary Public
Commission No. 03003504

