



RYAN WALTERS
STATE SUPERINTENDENT *of* PUBLIC INSTRUCTION
OKLAHOMA STATE DEPARTMENT *of* EDUCATION

TO: The Honorable Members of the State Board of Education

FROM: Ryan Walters

DATE: September 28, 2023

SUBJECT: Request for Approval to use FY2024 General Fund for Capital Expenditures

State Board of Education approval is being requested for the following school district to use; five percent (5%) and/or \$50,000 of the district's FY2024 General Fund for Capital Expenditures pursuant to Title 70 O.S. § 1-117 and Oklahoma Administrative Code (OAC) 210:25-5-4.

The below district has voted in excess of eighty-five (85%) bonded indebtedness within the preceding three (3) school years and has the maximum five (5) building fund mills. District meets the qualifications to request the State Board of Education for approval to use; 5% and/or \$50,000 of the FY2024 General Fund to be used for Capital Expenditures.

<u>District</u>	<u>County</u>	<u>Request</u>	<u>Congressional District</u>
C048 Flower Mound	16 Comanche	5% & \$50,000	4



Flower Mound School

Dax Trent, Superintendent/Principal

2805 S. E. FLOWER MOUND ROAD LAWTON, OK 73501-9770

PHONE # (580) 353-4088 FAX # (580) 353-5742

www.flowermound.k12.ok.us

COGNIA ACCREDITED

Oklahoma A+ School

To: State Aid, State Department of Education

From: Dax Trent, Superintendent of Schools

Date: September 12th, 2023

Subject: Capital Expenditures from General Fund

This letter represents our request to use \$50,000.00 and 5% from the General Fund (Fund 11) for capital expenditures for the 2024 fiscal year. The expenditures are for the completion of the Early Childhood Center/ School Saferoom that had exaggerated costs due to the pandemic cost increases. Once bids came in after the bond issue and FEMA grant approval, the cost was over the budget anticipated.

Flower Mound School passed a bond for the district portion of the facility on November 9, 2021. With increased costs in construction, expending \$50,000.00 and 5% from the General Fund for Capital Improvements will help ensure the project is a success.

If you have any questions or need additional information, feel free to contact me at the number above.

Sincerely,

A handwritten signature in black ink that reads "Dax Trent".


Dax Trent
Superintendent of Schools

[EXTERNAL] GF request for Capital Expenditures

Dax Trent <dtrent@flowermound.k12.ok.us>

Tue 9/19/2023 12:21 PM

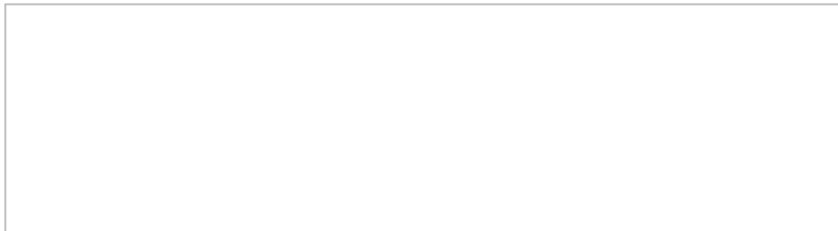
To:SDE State Aid <State.Aid@sde.ok.gov>

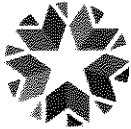
 1 attachments (829 KB)

OK State Board Authorization Request Form 071320 - Web.pdf;

Please see attached our request paperwork for the action above. Thank you and reach out if you have any questions.

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OKLAHOMA Education

State Board Authorization Request Form

for use of Five Percent (5%) and/or Fifty Thousand (\$50,000)
of the District's General Fund for Capital Expenditures per
Oklahoma Statute 70 § 1-117

Submit completed form with attachments by email to: <State.Aid@sde.ok.gov> or mail to: Oklahoma
State Department of Education, State Aid Section, 2500 N Lincoln Blvd, Rm 427, OKC, OK 73105-4599

Date of Request:	9-8-23	Fiscal Year of Request:	2023-2024
County Number:	16	County Name:	Comanche
District Number:	C-048	District Name:	Flower Mound
Person requesting authorization:	Cory Dax Trent		
Title:	Superintendent	Contact number:	580-353-4088

Requesting: ☒ Fifty Thousand (\$50,000) pursuant to 70 O.S. § 1-117 (K) & OAC 210:25-5-4 (f)
☒ Five Percent (5%) May only be utilized for remodeling or construction of classroom
facilities and such ancillary facilities to said classrooms pursuant to 70 O.S. § 1-117 (L)

\$50,000 5% Type of Capital Expenditure with Type of Funds Requested:

<input type="checkbox"/>	<input type="checkbox"/>	Purchase of Land or Existing Building
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Purchased of Real Property
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Ground or site improvement for construction purposes
<input type="checkbox"/>	<input type="checkbox"/>	Additions to Buildings
<input type="checkbox"/>	<input type="checkbox"/>	Remodeling (structural involving roof or load-bearing walls)
<input type="checkbox"/>	<input type="checkbox"/>	Architects & Engineers (professional services, salaries & expenses, except those covered by bond issue)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Heat & Air (initial installation or extension of existing buildings systems)
<input type="checkbox"/>	<input type="checkbox"/>	Destroyed building replacement
<input type="checkbox"/>	<input type="checkbox"/>	Installments and Lease payments on property including interest, which has a terminal date and results in the acquisition of property.

Attach the following information for each request (\$50,000 and/or 5%) for the Board of Education's review:

1. Detailed letter of the requested capital expenditure project(s), including the purchase, construction, improvements, professional service and the circumstances of district need to use general fund.
2. The district's most current revenue, expenditure and balance information for the general fund and building fund.
3. Your district's sinking fund schedule, showing bonds issues, paid and pending issue.

The Board always appreciates a district representative to be available for questions during the action item being presented at the Board of Education meeting.

I certify that all General Revenue Funds requested and expended for the above referenced capital expenditure, will comply with O.S. 70 § 1-117.

Authorized Signature: Dax Trent

Date: 9-8-23

For State Department of Education Office Use Only

Bonded within the preceding 3 school years	Circle <input checked="" type="radio"/> YES <input type="radio"/> NO	Financial Acct. reviewed	Initials <u>Rh</u>	Submit to Board	Date <u>9-28-23</u>
Valuation/ADA Per Capita < 60% of state average	<input checked="" type="radio"/> YES <input type="radio"/> NO	State Aid reviewed	<u>Rel</u>		

70 O.S. § 1-117 Definition of General Fund of School District - Capital Expenditures – Noncapital Expenditures

A. The general fund of any school district is hereby defined as a current expense fund and shall consist of all revenue or monies that can legally be expended within a certain specified fiscal year, but shall not be considered as including any money derived from a special building fund levy made in accordance with the provisions of Section 10 of Article X of the Oklahoma Constitution, nor shall it include any monies derived from the sale of bonds issued under the provisions of Section 26 of Article X of the Oklahoma Constitution. All monies derived from the proceeds of the school levies made pursuant to the provisions of Section 9 of Article X of the Oklahoma Constitution shall be placed in the general fund provided by this section. Expenditures from the general fund shall be noncapital in nature. All monies derived from state-dedicated revenue, state-appropriated revenue unless otherwise provided for by law, and county sources shall be placed in the general fund provided for by this section. Except as provided for in subsections K and L of this section, a district shall not be authorized to make capital expenditures as defined by this section from the general fund.

B. For purposes of this section, state-dedicated revenue shall be any registration or license fees, taxes, or penalties collected at the state level and distributed to common school districts. County sources shall be all funds collected by the county and distributed to common school districts but shall not include any funds derived from the building fund levy made in accordance with the provisions of Section 10 of Article X of the Oklahoma Constitution or funds derived from the sinking fund levy made in accordance with the provisions of Section 26 of Article X of the Oklahoma Constitution.

C. For the purposes of this section, a capital expenditure shall be an expenditure which results in the acquisition of fixed assets or additions to fixed assets. Capital expenditures shall include, but shall not be limited to, purchases of land or existing buildings, purchases of real property, improvements of grounds and sites for construction purposes, all expenditures for construction of buildings unless authorized by the State Board of Education or the State Board of Career and Technology Education upon application to the appropriate state board pursuant to subsection F of this section, additions to buildings, remodeling of buildings if such remodeling involves changes to roof structures or load-bearing walls, professional services, salaries and expenses of architects and engineers hired or assigned to capital projects except for such services, salaries and expenses as are applicable in preparation for a bond issue, expenditures for the initial installation and extension of service systems and built-in heat or air equipment to existing buildings, expenditures for the replacement of a building which has been destroyed, installments and lease payments on property, including interest, that have a terminal date and result in the acquisition of property, and expenditures for preliminary studies made prior to the time that authority to proceed with a construction project is given if authority is received within the same fiscal year that the expenditure was made.

D. Noncapital expenditures shall include, but shall not be limited to expenditures for maintenance, repair and replacement of property and equipment, initial or additional purchases of furniture and equipment, direct expenses for maintenance of plant, including grounds, salaries for maintenance of plant, including salaries for the upkeep of grounds, and repair and replacement of building structures which do not add to existing facilities and which do not involve changes in roof structures or load-bearing walls and which are not classified as a capital expenditure by this section.

E. The State Board of Education shall adopt and amend regulations regarding the classification, definition and financial administration of funds, accounts and expenditures in accordance with the requirements of this section.

F. A school district shall be authorized to make capital expenditures from the general fund to defray the cost of rebuilding a school building only if a school building or facility has been destroyed by a fire or natural disaster, such as flood, tornado or other act of God, or by an act of a public enemy of the United States or this state and monies received by the district through insurance coverage, federal reimbursement, contributions and allocation from the State Board of Education from the State Public Common School Building OSCN Found Document Definition of General Fund of School District - Capital Expenditures - Noncapital Expenditures Equalization Fund are insufficient to rebuild the facility. Capital expenditures from the general fund pursuant to this subsection shall be limited to an amount necessary to defray the cost of rebuilding the facility which exceeds monies received by the school district through insurance, federal reimbursement, contributions and state allocations.

G. Schools which receive gifts or donations or state-appropriated monies for the purpose of capital expenditures or projects shall place such monies in the building fund, as provided by Section 1-118 of this title, and not in the general fund. School districts which receive gifts, grants, or donations of monies for noncapital expenditures may place the monies in the general fund, and such monies shall not be required to be used during the year in which the money was received but may accumulate from year to year and

shall not be considered a part of the general fund collections when calculating the general fund carryover as provided for in subsection G of Section 18-200.1 of this title.

H. School districts which receive monies from rental, sale, or lease of buildings, impact aid monies, or grants, gifts or donations for capital purposes, whether from state, federal, or other sources, may place such monies in the building fund authorized by Section 1-118 of this title or the general fund authorized by this section.

I. Any construction of a building included as a capital expenditure from the general fund of a school district which is authorized and has had a contractual agreement concerning such construction executed prior to July 1, 1991, may be proceeded with and completed as authorized prior to July 1, 1991, as a capital expenditure from such general fund.

J. School districts receiving revenues authorized by Section 9B of Article X of the Oklahoma Constitution shall be authorized to make capital expenditures from the general revenue fund no greater than the amount levied by the incentive millage.

K. Upon the approval of the State Board of Education, a school district shall be authorized to make capital expenditures as defined in this section from its general fund if:

1. A bond issue has been rejected at an election by the school district electors voting on that question within the current school year, as certified by the secretary of the county election board; or

2. The school district has voted indebtedness at any time within the preceding three (3) school years through the issuance of bonds or through approval by voters of issuance of new bonds for more than eighty-five percent (85%) of the maximum allowable pursuant to the provisions of Section 26 of Article X of the Oklahoma Constitution as shown on the school district budget filed with the State Board of Equalization for the current school year and certifications by the Attorney General prior to April 1 of the current school year. The State Board of Education shall establish the rules to administer the provisions of this subsection which shall include, but not be limited to, specification of a maximum amount of general fund monies to be used for capital expenditures, the purposes for which such funds may be expended and the period of time in which such funds shall be encumbered.

L. Other provisions of this section notwithstanding, a school district shall be authorized to make capital expenditures from the general fund if the total assessed property valuation per average daily attendance is less than sixty percent (60%) of the state average total assessed property valuation per average daily attendance and if, for each year in which general fund revenue is used for capital expenditures, the district has voted the five-mill building fund levy authorized in Section 10 of Article X of the Oklahoma Constitution and has voted indebtedness through the issuance of new bonds for at least eighty-five percent (85%) within the last three (3) years of the maximum allowable pursuant to the provisions of Section 26 of Article X of the Oklahoma Constitution as shown on the school district budget filed with the State Board of Equalization for the current school year and certifications by the Attorney General prior to April 1 of the school year. Provided, the maximum amount of general fund revenue used for capital expenditures pursuant to this subsection shall not exceed five percent (5%) of the total yearly revenue to the general fund. Said fund may not be used for capital expenditures for more than five (5) consecutive years and may only be utilized for remodeling or construction of classroom facilities and such ancillary facilities to said classrooms as may be necessary. Provided, further, the State Superintendent of Public Instruction shall certify in writing, prior to the expenditure of the funds for which provision is made in this subsection, that such expenditures are in compliance with the provisions of this subsection.

OAC 210:25-5-4. Accounting

(f) Upon the approval of the State Board of Education, school districts may make capital expenditures up to a maximum amount of \$50,000 (fifty thousand dollars) during the current fiscal year within the General Fund pursuant to 70 O.S. 2001, § 1-117, if the school district meets the established criteria as outlined in the Statutes. School districts shall be voting the maximum five (5) building fund mills. General Fund monies authorized by the State Board of Education for expenditures must be expended within the current fiscal year. Any such funds encumbered as of June 30th of the current fiscal year, but not expended by November 15th of the subsequent fiscal year, shall lapse and return to the original purpose of such funds.

(g) A school district shall be authorized to utilize general fund monies for capital expenditures, in addition to the amount specified in subsection (c), pursuant to the provisions of 70 O.S. 2001, § 1-117.

Flower Mound Public School

Cash Balances

Options: Fiscal Years: 2023, Funds: 11,21,22,31,41, Account Nos: 102, As Of Date: 6/30/2023, Account Types: AC

Cash By Account and Fund

AC 0102 LNB TREASURER FUNDS

2023	11	GENERAL FUND	\$836,053.76
2023	21	BUILDING FUND	\$115,866.58
2023	22	CHILD NUTRITION PROGRAMS FUND	\$91,257.37
2023	31	BUILDING BOND FUND of FY 2022	\$501,228.55
2023	41	SINKING FUND	\$263,631.59
Total AC 0102			\$1,808,037.85
			\$1,808,037.85

Cash By Fund

2023	11	GENERAL FUND	\$836,053.76
2023	21	BUILDING FUND	\$115,866.58
2023	22	CHILD NUTRITION PROGRAMS FUND	\$91,257.37
2023	31	BUILDING BOND FUND of FY 2022	\$501,228.55
2023	41	SINKING FUND	\$263,631.59
			\$1,808,037.85

Flower Mound Public School

Revenue/Expenditure Summary

Options: Fund: 11, Date Range: 7/1/2022 - 6/30/2023

	Begin Balance	Receipts	Adjusting Entries	Payments	Cash End Balance	Unpaid POs	End Balance
000 NONCATEGORICAL FUNDS	\$0.00	\$2,313,982.35	\$678,239.36	\$2,172,258.88	\$819,962.83	\$14,663.19	\$805,299.64
331 ED FBA-CERTIFIED PERSONNEL in Lieu	\$0.00	\$2,509.56	\$0.00	\$2,509.56	\$0.00	\$0.00	\$0.00
332 ED FBA-SUPPORT PERSONNEL in Lieu	\$0.00	\$27,315.36	\$0.00	\$26,366.91	\$948.45	\$0.00	\$948.45
333 STATE TEXTBOOK	\$0.00	\$22,772.18	\$0.00	\$22,772.18	\$0.00	\$0.00	\$0.00
334 ED FBA-CERTIFIED PERSONNEL	\$0.00	\$128,544.82	\$0.00	\$128,959.28	(\$414.46)	\$0.00	(\$414.46)
335 ED FBA-SUPPORT PERSONNEL	\$0.00	\$68,053.14	\$0.00	\$70,193.40	(\$2,140.26)	\$0.00	(\$2,140.26)
367 READING SUFFICIENCY ACT	\$0.00	\$4,819.68	\$0.00	\$4,819.68	\$0.00	\$0.00	\$0.00
511 TITLE I, PART A, BASIC PGM	\$0.00	\$38,998.46	\$0.00	\$38,998.46	\$0.00	\$0.00	\$0.00
541 PART A, TCHR & PRIN TRNG & RECRUIT FUND	\$0.00	\$3,211.50	\$0.00	\$0.00	\$3,211.50	\$0.00	\$3,211.50
552 TITLE IV PART A STU SUPP & ACADEM ENRICH FORMULA	\$0.00	\$10,000.00	\$0.00	\$0.00	\$10,000.00	\$0.00	\$10,000.00
561 TITLE VI PART A, INDIAN EDUCATION	\$0.00	\$9,534.00	\$0.00	\$9,534.00	\$0.00	\$0.00	\$0.00
586 TITLE V, PART B SUB 1, REAP	\$0.00	\$0.00	\$0.00	\$13,211.50	(\$13,211.50)	\$0.00	(\$13,211.50)
588 TITLE V, PART B SUB 1, SRSAP	\$0.00	\$39,629.00	\$0.00	\$39,629.00	\$0.00	\$0.00	\$0.00
591 TITLE VII-IMPACT AID	\$0.00	\$18,664.09	\$0.00	\$18,664.09	\$0.00	\$0.00	\$0.00
592 TITLE VII-IMPACT AID DISABLED	\$0.00	\$6,172.00	\$6,991.24	\$8,032.70	\$5,130.54	\$0.00	\$5,130.54
594 FEMA	\$0.00	\$52,472.25	\$0.00	\$0.00	\$52,472.25	\$0.00	\$52,472.25
621 FLOW THROUGH IDEA PARTB	\$0.00	\$70,332.91	\$0.00	\$61,247.17	\$9,085.74	\$0.00	\$9,085.74
623 EARLY INTERVENING SVCS	\$0.00	\$0.00	\$0.00	\$9,171.48	(\$9,171.48)	\$0.00	(\$9,171.48)
641 PRESCHOOL IDEA PART B	\$0.00	\$2,280.59	\$0.00	\$2,280.59	\$0.00	\$0.00	\$0.00
723 CDC-REOPENING SCHOOLS	\$0.00	\$60,135.15	\$0.00	\$100,000.00	(\$39,864.85)	\$0.00	(\$39,864.85)
795 ESSER III ARP	\$0.00	\$54,294.27	\$0.00	\$54,294.27	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$2,933,721.31	\$685,230.60	\$2,782,943.15	\$836,008.76	\$14,663.19	\$821,345.57

Flower Mound Public School

Revenue/Expenditure Summary

Options: Fund: 21, Date Range: 7/1/2022 - 6/30/2023

	Begin Balance	Receipts	Adjusting Entries	Payments	Cash End Balance	Unpaid POs	End Balance
000 NONCATEGORICAL FUNDS	\$0.00	\$71,124.12	\$104,461.11	\$175,585.24	(\$0.01)	\$0.00	(\$0.01)
318 REDBUD SCHOOL FUNDING ACT	\$0.00	\$45,596.64	\$0.00	\$45,596.64	\$0.00	\$0.00	\$0.00
591 TITLE VII-IMPACT AID	\$0.00	\$71,583.00	\$55,746.43	\$127,329.43	\$0.00	\$0.00	\$0.00
594 FEMA	\$0.00	\$563,112.18	\$0.00	\$447,245.59	\$115,866.59	\$0.00	\$115,866.59
795 ESSER III ARP	\$0.00	\$140,000.00	\$0.00	\$140,000.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$891,415.94	\$160,207.54	\$935,756.90	\$115,866.58	\$0.00	\$115,866.58

Flower Mound School District No. C-048, Comanche County, Oklahoma
Notes to Combined Financial Statements
For the Year Ended June 30, 2022

Note 2 – Deposit and Investment Risk, (continued)

Concentration of Investment Credit Risk – Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of the District (any over 5 percent are disclosed). Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this consideration. The District places no limit on the amount it may invest in any one issuer.

At June 30, 2022, the District had no concentration of credit risk as defined above.

Note 3 - General Long-Term Debt

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

General long-term debt of the District consists of bonds payable and lease purchases. Debt service requirements for bonds are payable solely from the fund balance and future revenues of the debt service fund.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2022:

	Bonds Payable	Capital Lease Obligations	Compensated Absences	Total
Balance July 1, 2021	\$ 0	\$ 6,630	\$ 0	\$ 6,630
Additions	500,000	1,325,000	0	1,825,000
Retirements	0	(3,060)	0	(3,060)
Balance, June 30, 2022	\$ 500,000	\$ 1,328,570	\$ 0	\$ 1,828,570

A brief description of the outstanding general obligation bond issues at June 30, 2022 is set forth below:

	Interest	Maturity	Amount	Amount
2022 Building Bonds	1.50%	03/01/2025	\$ 500,000	\$ 500,000
Totals			\$ 500,000	\$ 500,000

Presented below is a summary of debt service requirements to maturity by years and by each bond issue:

	Principal	Interest	Total
2022 Building Bonds			
2022-23	\$ 0	\$ 7,500	\$ 7,500
2023-24	250,000	7,500	257,500
2024-25	250,000	3,750	253,750
Total 2022 Building Bonds	\$ 500,000	\$ 18,750	\$ 518,750
Total Bonds	\$ 500,000	\$ 18,750	\$ 518,750

Interest paid on general debt during the 2021-22 year was \$0.

Ryan Walters
State Superintendent of Public Instruction
Oklahoma State Department of Education

16 Comanche
C048 Flower Mound

2023 Total Net Valuation	\$14,245,758
divided by	
2023 Full Year	328.84
Average Daily Attendance (ADA)	<u>328.84</u>

2023 Total District Net Valuation	=	
Per Cap		43,321.24

Category (A)	Per Cap Valuation < 60% of		
	43,568.27	=	YES

Category (B)	85% Bonded Indebtedness		
	Over one of the last 3 years	=	YES

District qualifies with a Yes in both categories A & B; approved to use 5% of General Fund (see calculation below) and approved to request State Board approval to use \$50,000 from General Fund per 70 O.S. § 1-117 (L)	=	YES
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District qualifies with Yes in category B only, approved to request State Board approval to use \$50,000 from General Fund per 70 O.S. § 1-117 (K) and OAC 210:25-5-4 (f)	=	NO
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2022 General Fund Revenue	\$2,783,141.78
times 5%	x 0.05
General Fund Revenue Allowable	<u>139,157.09</u>

Report request date: 09/05/23
 Person requesting Report: Dax Trent, Superintendent