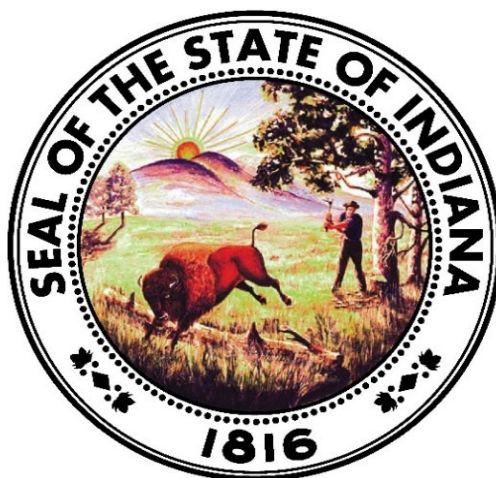


STATE BOARD OF ACCOUNTS
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INDIANAPOLIS, INDIANA 46204-2769

FINANCIAL STATEMENT AND
FEDERAL SINGLE AUDIT REPORT
OF

CARMEL CLAY SCHOOL CORPORATION
HAMILTON COUNTY, INDIANA

July 1, 2021 to June 30, 2022



FILED

08/03/2023



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Fax: (317) 232-4711
Web Site: www.in.gov/sboa

August 3, 2023

To: The Officials of the Carmel Clay School Corporation
Carmel Clay School Corporation
5201 E. Main Street
Carmel, IN 46033

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Carmel Clay School Corporation. We have reviewed the audit report opined upon by FORVIS, LLP, Independent Public Accountants, for the period July 1, 2021 to June 30, 2022. Per the *Independent Auditor's Report*, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information of Carmel Clay School Corporation as of June 30, 2022, 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.

We call your attention to the finding in the report on page 10 of the Single Audit Report. Please see the Schedule of Findings and Questioned Costs for complete details related to the finding. Management's Corrective Action Plan can be found on page 13 of the Single Audit Report.

In our opinion, FORVIS, LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

Carmel Clay School Corporation, Indiana

Annual Financial Report

June 30, 2022

Carmel Clay School Corporation

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Carmel Clay School Corporation

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Independent Auditor's Report

School Board
Carmel Clay School Corporation
Carmel, Indiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Carmel Clay School Corporation (School Corporation), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation as of June 30, 2022, 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 (*Government Auditing Standards*). 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 the School Corporation, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation'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, budgetary comparison, pension, and other postemployment benefit information 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 GAAS, 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 School Corporation's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are 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. The 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 GAAS. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2023, on our consideration of the School Corporation'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 effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

FORVIS,LLP

Indianapolis, Indiana
July 17, 2023

Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2022

As management of Carmel Clay School Corporation, (the School Corporation), we offer readers of the School Corporation's financial statements this narrative overview and analysis of the financial activities of the School Corporation for the fiscal year ended June 30, 2022. Amounts are reported in thousands.

Financial Highlights

- The assets and deferred outflows of resources, \$449,228 and \$29,515, respectively, of the School Corporation exceeded its liabilities and deferred inflows of, \$262,013 and \$36,615, respectively, at the close of the most recent fiscal year by \$180,115 (net position).
- The School Corporation's total net position increased by \$13,427 as compared to the prior year.
- At the close of the current fiscal year, the School Corporation's governmental funds reported combined ending fund balances of \$95,029, an increase of \$1,918 in comparison to the prior year.
- At the end of the current fiscal year, the fund balance for the operations fund was \$5,029 which represented 17.08% of total operations fund expenditures (\$29,448), excluding transfers out.
- The School Corporation's total amount of bonds increased by \$26,314 during the current fiscal year. The net change was a result of \$42,395 in new debt, a net increase of \$5,504 in unamortized bond premiums and a total of \$21,585 in principal payments on existing bonds.
- Nondebt Long-Term Obligations decreased \$5,929.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the School Corporation's finances, in a manner similar to private-sector business.

The statement of net position presents information on all the School Corporation's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the assets plus deferred outflows and liabilities plus deferred inflows reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School Corporation is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The governmental activities of the School Corporation include instruction, support services, community services, facilities acquisition and construction, interest on long-term debt and nonprogrammed charges.

The government-wide financial statements can be found on pages 1-2 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School Corporation, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the School Corporation can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School Corporation maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the Education Fund, Operations Fund, Operating Referendum Fund, Debt Service Fund, Building Corporation Fund and Construction Funds, which are considered to be a major funds. Data for the remaining School Corporation governmental funds are combined into a single, aggregated presentation. Individual fund data for nonmajor governmental funds is provided in the form of combining statements elsewhere in the report. The School Corporation adopts an annual appropriated budget for its education fund, operations fund, certain special revenue funds and debt service funds. Budgetary comparison schedules have been provided for the major special revenue funds in the required supplementary information.

The governmental fund financial statements can be found on pages 3-5 of this report.

Proprietary Funds. The School Corporation maintains two types of proprietary funds for internal services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School Corporation's various functions. The School Corporation uses the internal service fund to account for medical and liability insurance. Because these services benefit the governmental-type functions, they have been included within the governmental activities on the Statement of Net Position and in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 6-8 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 10-45 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the School Corporation's budgets for its major funds as well as a reconciliation between the budget schedules and fund financial statements. Since the School Corporation budgets on a calendar year basis and reports on fiscal year ending June 30th basis, there is a timing exception. In addition, the School Corporation's funding progress for its obligation to provide pension and other post-employment benefits to certain employees is included as supplementary information. Required supplementary information can be found on pages 46-61 of this report.

Carmel Clay School Corporation

Management's Discussion and Analysis

June 30, 2022

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on budgets. Combining and individual fund statements and schedules can be found pages on 62-75 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the School Corporation, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$180,115 at the close of the most recent fiscal year.

The largest portion, \$118,326 (65.69%), of the School Corporation's net position reflects the investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. The School Corporation uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the School Corporation's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional \$42,302 (23.49%), represents resources that are subject to external restrictions on how they may be used.

The following table reflects the condensed statement of net position:

	Governmental Activities	
	2022	2021
Current and other assets	\$ 163,960	\$ 144,687
Capital assets	<u>285,268</u>	<u>254,716</u>
Total assets	<u>\$ 449,228</u>	<u>\$ 399,403</u>
Deferred outflow of resources	<u>\$ 29,515</u>	<u>\$ 15,456</u>
Long-term liabilities	\$ 241,702	\$ 221,317
Other liabilities	<u>20,311</u>	<u>12,363</u>
Total liabilities	<u>\$ 262,013</u>	<u>\$ 233,680</u>
Deferred inflow of resources	<u>\$ 36,615</u>	<u>\$ 14,491</u>
Net investment in capital assets	\$ 118,325	\$ 124,843
Restricted net position	42,041	29,868
Unrestricted net position	<u>19,749</u>	<u>11,977</u>
Total net position	<u>\$ 180,115</u>	<u>\$ 166,688</u>

The remaining balance of unrestricted net position, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the School Corporation can report a positive balance in net position. The same situation held true for the prior fiscal year.

Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2022

Governmental Activities

The following table provides a comparative summary of changes in net position.

	Governmental Activities	
	2022	2021
Revenues:		
Program revenues		
Charges for services	7,026	5,534
Operating grants and contributions	29,145	17,294
General revenues:		
Property taxes	78,948	72,444
Other taxes	6,199	6,313
State aid	110,664	105,325
Other	11,965	15,674
Total revenues	<u>243,947</u>	<u>222,584</u>
Expenses:		
Instruction	114,373	108,784
Support services	66,816	62,514
Community services	10,647	8,237
Facilities acquisition	19,338	12,084
Nonprogrammed charges	16,897	20,922
Interest expense	<u>2,449</u>	<u>4,145</u>
Total expenses	<u>230,520</u>	<u>216,686</u>
Change in net position	13,427	5,898
Net Position, Beginning	<u>166,688</u>	<u>160,790</u>
Net Position, Ending	<u>\$ 180,115</u>	<u>\$ 166,688</u>

The School Corporation's net position from governmental activities, including the statement of net position increased by \$13,427 or 8.06% in 2022, over the net position of 2021. Notable changes in governmental activities revenues and expenses in 2022 compared to 2021 include the following:

- Program revenues (charge for services) increased in comparison to prior year by \$1,492 due an increase in the amount received for school lunch funds. The state considered every student to qualify for free lunch due to the effects of the pandemic.
- Program revenues (operating grants and contributions) increased by \$11,851, due to the receipt of ARPA funds in FY 22 that only had a small amount received in FY 22.
- Other revenues decreased by \$3,709 in comparison to prior year due to the prior year including contributions that should have been posted to nonprogrammed charges.
- The School Corporation's overall cash and cash equivalents plus investments of \$69,696 and \$48,197, respectively, remained very strong in the current economic environment. The School Corporation's property tax rate for 2022 increased slightly to \$.8602 from \$.8583 for 2021, per \$100 of assessed value.

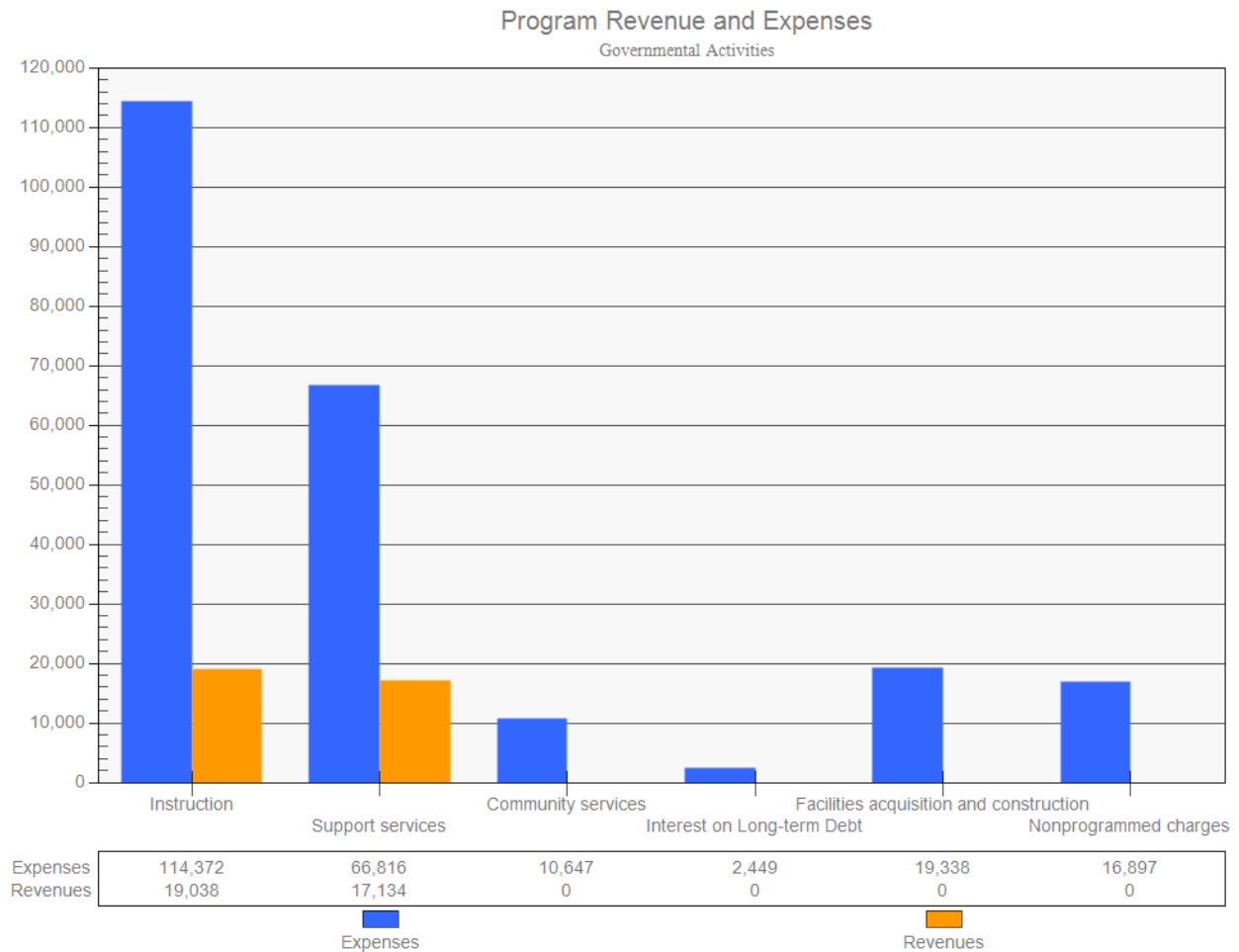
Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2022

Program Revenue and Expenses - Governmental Activities

State aid, as in prior years, was the School Corporation's major source of revenue supporting its activities. Other sources of revenue consisted primarily of property taxes. The following table displays program revenues as compared to program expenses. Deficits in programs are made up by general revenues.

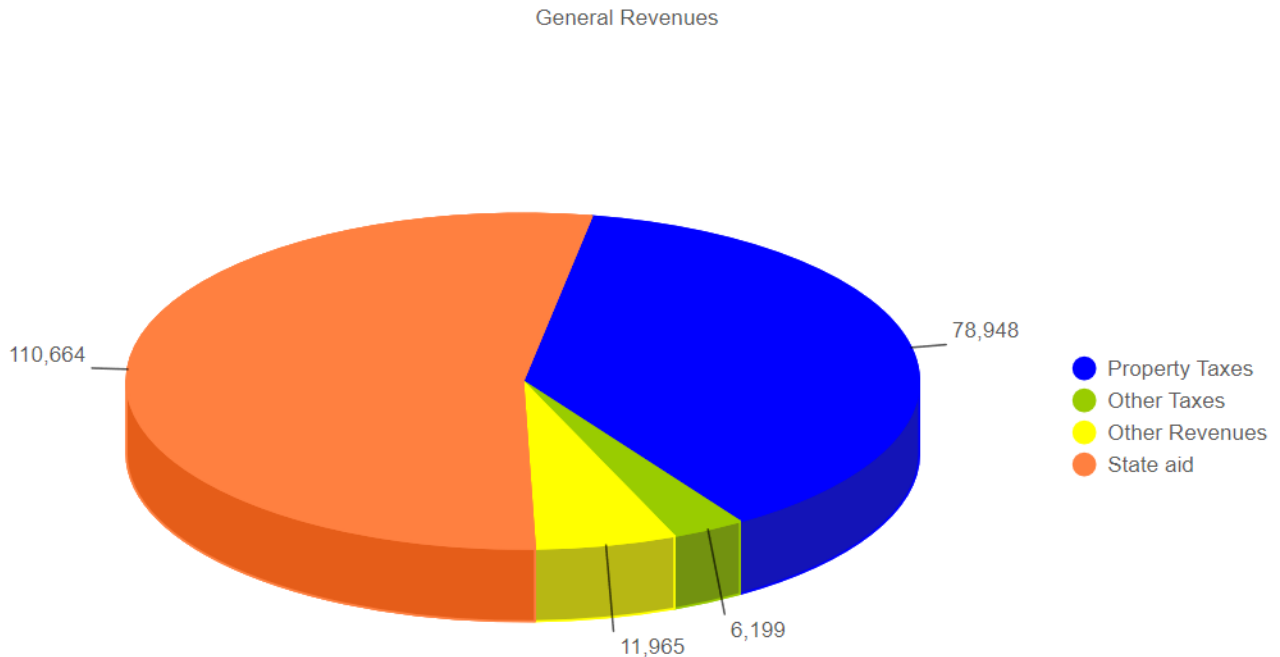
The following displays the Expenses and Program Revenues of the School Corporation's governmental activities.



Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2022

The following displays the General Revenues by source for the School Corporation's governmental activities. General revenues are used to help offset funding shortfalls related to governmental functions detailed in the preceding graph:



Financial Analysis of the Government's Funds

As noted earlier, the School Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the School Corporation's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful to assess the School Corporation's financial requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Fund balances are the differences between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources in a governmental fund. The nonspendable fund balance includes amounts that are not in spendable form or amounts that are required to be maintained intact. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision-making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the education fund and deficit fund balances in any other governmental fund.

Carmel Clay School Corporation

Management's Discussion and Analysis

June 30, 2022

As of the end of the current fiscal year, the School Corporation's governmental funds reported combined ending fund balances of \$95,028 an increase of \$1,919 in comparison with the prior year. The fund balance has restricted fund balance of \$90,522, committed fund balance of \$1,805 and unassigned fund balance of \$2,700 (See [page 4](#)).

The Operations Fund is the chief operating fund of the School Corporation. At the end of the current fiscal year the total fund balance totaled \$5,029. As a measure of the operations fund's liquidity, it may be useful to compare total fund balance to total expenditures of \$29,449 excluding transfers. Total fund balance represents 17.08% of total operations fund expenditures.

The fund balance of the School Corporation's operations fund had an increase of \$2,593 during the current fiscal year. Key factors in this increase are as follows:

- Expenses exceeded revenues by \$1,371 excluding other financing sources and uses.
- Other financing sources increased by \$7,496 during the current fiscal year.
- Revenues increased by \$976 and expenditures increased by \$4,847 from 2021 to 2022.
- Revenue changes include an increase in miscellaneous revenue of \$695, in 2022.
- Major expenditure changes include an increase in support services expenses of \$4,854.

The Education Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$3,540. The major source of revenue was state aid received from the state. Significant expenditures include instruction of \$95,435 and support services of \$15,408.

The Operating Referendum Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$1,593. The major source of revenues are property taxes. Significant expenditures include support services expenses of \$18,104.

The Debt Service Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$8,142. The major source of revenue is property taxes. Significant expenditures include debt payments and transfers out of \$6,490 and \$21,951, respectively.

The Building Corporation Construction Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$45,344. The major source of revenues are bond proceeds from bonds issued during the current fiscal year. The expenditures are mainly for facilities acquisition and construction.

The Construction Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$10,077. The major source of revenues was from transfers from other funds. Significant expenditures were mainly for facilities acquisition and construction.

Budgetary Highlights

The School Corporation Board submits a budget to allow for the continues operation of daily activities. There were several assumptions used at the time of budget development, but when the actual budget information becomes available in January from the Department of Local Government Finance, the School Corporation adjusts the budget accordingly. The budget is prepared on a calendar year basis.

Capital Asset and Debt Administration

Capital assets. The School Corporation's investment in capital assets for its governmental activities as of June 30, 2022 amounts to \$285,268 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress.

Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2022

Major capital asset events during the current fiscal year included the following:

- The School had construction in progress expenditures totaling \$41,840 during fiscal year 2022. Some of the larger categories of expenses related to the construction in progress were as follows:
 - \$15,912 for improvements and renovations to Carmel High School
 - \$7,865 for improvements and renovations to Clay Center Elementary School
 - 7,930 for improvements and renovations to Carmel Elementary School

The following table displays the School's capital assets.

	Governmental Funds	
	2022	2021
Land	\$ 10,657	\$ 10,657
Construction in progress	41,814	57,606
Buildings	369,139	314,185
Machinery and equipment	<u>22,610</u>	<u>23,129</u>
Total capital assets	444,220	405,577
Accumulated depreciation	<u>(158,951)</u>	<u>(150,861)</u>
Net capital assets	<u>\$ 285,269</u>	<u>\$ 254,716</u>

Additional information can be found in the notes to the financial statements pages 11 to 46.

Long-Term Obligations

At the end of the current fiscal year, the School Corporation had outstanding total long-term debt related liabilities (net of unamortized premiums and discounts and current portion) of \$221,186. Of this amount \$198,030 comprises general obligation debt payable in more than one year.

The remainder of the School Corporation's long-term obligations consist of \$261 of compensated absences, \$3,871 of net pension liability and \$19,285 of OPEB liability. The following table reflects the School Corporation's long-term obligations:

	Governmental Activities	
General obligation bonds	<u>\$ 218,285</u>	<u>\$ 191,971</u>
Subtotal	<u>218,285</u>	<u>191,971</u>
Compensated absences	261	409
Net pension liability	3,871	10,952
OPEB Liability	<u>19,285</u>	<u>17,984</u>
Subtotal	<u>23,417</u>	<u>29,345</u>
Less current portion	<u>(20,516)</u>	<u>(19,355)</u>
Total long-term obligations	<u>\$ 221,186</u>	<u>\$ 201,961</u>

Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2022

Additional information on long-term obligations can be found in the notes to the financial statement on pages 23 to 24.

The School Corporation's total long-term obligations increased by \$19,225 during the current fiscal year. Debt increased during the year due mostly to a \$42,395 bond issuance. There was an increase in the OPEB liability of \$1,301 and a decrease in net pension liability of \$7,081 as a result of updated actuarial studies.

The School Corporation maintains a long term rating of AA on its outstanding general obligation bonds and building corporation first mortgage lease rental bonds (which are rated as a general obligation security) assigned by S&P Global Ratings.

Additional information of the School Corporation's long-term debt can be found on [pages 54-62](#) in the Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budget and Rates:

- The 2022 tax rates for the School Corporation increased from the 2021 value of \$.8583 to \$.8602 per \$100 in assessed value. Overall, the School Corporation's assessed value increased by about .22% from 2021 to 2022.
- Property tax and the Basic Tuition Support is the School Corporation's largest source of revenue. These funds are used for education expenses as well as operating expenses. The School Corporation received \$110,664 for the Basic Grant.
- State-wide property tax caps (based upon a percent of gross AV by property class) became effective in 2009, yet they had a minimal impact on the School's revenues received. For the 2022 budget year, the expected loss to the School due to the caps is \$2,752. For the 2021 budget year, the loss to the School was \$2,368. Expenditure restraints have been used to offset this loss.

Request for Information

This financial report is designed to provide a general overview of the School Corporation's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Carmel Clay Schools, 5201 East Main Street, Carmel, IN 46033.

BASIC FINANCIAL STATEMENTS

Carmel Clay School Corporation

Statement of Net Position

June 30, 2022

	Governmental Activities
Assets and Deferred Outflows of Resources	
Cash	\$ 34,329,855
Receivables (net):	
Taxes receivable	33,883,317
Intergovernmental receivable	1,777,304
Accounts	129,734
Interest	17,995
Prepaid	955,239
Restricted assets:	
Cash	35,365,702
Investments	48,197,471
Net pension asset	9,303,009
Capital assets:	
Land and construction in progress	52,470,524
Other capital assets, net of depreciation	232,797,923
	<hr/>
Total assets	449,228,073
Deferred Outflows of Resources	
Loss on refunding	778,310
OPEB related amounts	5,155,053
Pension related amounts	23,581,742
	<hr/>
Total deferred outflows of resources	29,515,105

See notes to financial statements

Carmel Clay School Corporation

Statement of Net Position

June 30, 2022

	Governmental Activities
Liabilities, Deferred Inflows of Resources and Net Position	
Liabilities	
Accounts payable	\$ 11,213,932
Accrued wages and payroll withholding	5,954,148
Interest payable	2,101,926
Claims payable	1,041,238
Noncurrent liabilities:	
Due within one year:	
Bonds payable	20,255,000
Compensated absences	260,983
Due in more than one year:	
Bonds payable (net of premiums)	198,029,955
Total OPEB liability	19,284,617
Net pension liability	3,871,095
	<u>262,012,894</u>
Total liabilities	
Deferred Inflows of Resources	
OPEB related amounts	3,124,037
Pension related amounts	33,490,440
	<u>36,614,477</u>
Total deferred inflows of resources	
Net Position	
Net investment in capital assets	118,325,697
Restricted for:	
Instruction	421,867
Support services	13,651,181
Debt service	18,926,389
Pension asset	9,303,009
Unrestricted	19,487,664
	<u>180,115,807</u>
Total net position	<u>\$ 180,115,807</u>

See notes to financial statements

Carmel Clay School Corporation

Statement of Activities

Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenues and Changes in Net Position
				Governmental Activities
Governmental activities:				
Instruction	\$ 114,371,633	\$ 2,756,244	\$ 16,281,303	\$ (95,334,086)
Support services	66,816,363	4,269,839	12,864,041	(49,682,483)
Community services	10,646,817	-	-	(10,646,817)
Facilities acquisition and construction	19,338,208	-	-	(19,338,208)
Interest on long term debt	2,449,045	-	-	(2,449,045)
Principal paid on debt	-	-	-	-
Nonprogrammed charges	<u>16,896,584</u>	<u>-</u>	<u>-</u>	<u>(16,896,584)</u>
Total governmental activities	<u>230,518,650</u>	<u>7,026,083</u>	<u>29,145,344</u>	<u>(194,347,223)</u>
General revenues:				
Property taxes				78,948,094
Other taxes				6,198,704
State aid				110,663,905
Grants and contributions not restricted to specific programs				60,368
Investment loss				(146,332)
Miscellaneous				<u>12,050,548</u>
Total general revenues				<u>207,775,287</u>
Change in net position				13,428,064
Net Position, Beginning				<u>166,687,743</u>
Net Position, Ending				<u>\$ 180,115,807</u>

See notes to financial statements

Carmel Clay School Corporation

Balance Sheet
 Governmental Funds
 June 30, 2022

	Education Fund	Operations Fund	Operating Referendum	Debt Service	Building Corporation Construction Fund	Construction Funds	Nonmajor Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents	\$ 6,407,142	\$ 6,785,666	\$ 2,451,456	\$ -	\$ -	\$ -	\$ 11,053,970	\$ 26,698,234
Receivables:								
Taxes	-	11,489,123	9,347,252	11,325,794	-	-	1,721,148	33,883,317
Intergovernmental	-	-	-	-	-	-	1,777,304	1,777,304
Accounts	-	-	-	-	-	-	129,734	129,734
Interest	-	-	-	-	-	17,995	-	17,995
Due from other funds	1,777,304	-	-	-	-	-	-	1,777,304
Restricted investments	-	-	-	-	43,491,328	4,706,143	-	48,197,471
Restricted cash	-	-	-	8,142,877	1,852,358	12,485,029	12,885,438	35,365,702
Total assets	<u>\$ 8,184,446</u>	<u>\$ 18,274,789</u>	<u>\$ 11,798,708</u>	<u>\$ 19,468,671</u>	<u>\$ 45,343,686</u>	<u>\$ 17,209,167</u>	<u>\$ 27,567,594</u>	<u>147,847,061</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ 104,507	\$ 1,370,649	\$ 111,625	\$ -	\$ -	\$ 7,131,828	\$ 2,485,488	11,204,097
Accrued wages and payroll withholding	4,540,130	386,010	746,075	-	-	-	281,933	5,954,148
Due to other funds	-	-	-	-	-	-	1,777,304	1,777,304
Total liabilities	<u>4,644,637</u>	<u>1,756,659</u>	<u>857,700</u>	<u>-</u>	<u>-</u>	<u>7,131,828</u>	<u>4,544,725</u>	<u>18,935,549</u>
Deferred Inflows of Resources								
Unavailable revenues	-	11,489,123	9,347,252	11,325,794	-	-	1,721,148	33,883,317
Total deferred inflows of resources	-	11,489,123	9,347,252	11,325,794	-	-	1,721,148	33,883,317
Fund Balances								
Restricted	-	5,029,007	1,593,756	8,142,877	45,343,686	10,077,339	20,335,723	90,522,388
Committed	-	-	-	-	-	-	1,805,413	1,805,413
Unassigned (deficit)	3,539,809	-	-	-	-	-	(839,415)	2,700,394
Total fund balances	<u>3,539,809</u>	<u>5,029,007</u>	<u>1,593,756</u>	<u>8,142,877</u>	<u>45,343,686</u>	<u>10,077,339</u>	<u>21,301,721</u>	<u>95,028,195</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,184,446</u>	<u>\$ 18,274,789</u>	<u>\$ 11,798,708</u>	<u>\$ 19,468,671</u>	<u>\$ 45,343,686</u>	<u>\$ 17,209,167</u>	<u>\$ 27,567,594</u>	
Amounts reported for governmental activities in the statement of net position are different because:								
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the fund statements. See Note 2.								285,268,447
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position								6,580,548
Some receivables that are not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide statements. Unavailable revenue								33,883,317
Prepaid expenses are not reported in the current period; therefore, not reported in the fund financial statements								955,239
Deferred outflows and deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.								(9,908,698)
Deferred outflows and deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds.								2,031,016
Deferred outflows of resources related to deferred amounts on refunding do not relate to current financial resources and are not reported in the governmental funds.								778,310
Other liabilities, compensated absences and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the funds statements								(2,362,909)
Restricted assets are not available in the current period, and therefore, are not reported in the fund financial statements. Net pension asset								9,303,009
Long-term liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the fund financial statements. See Note 2.								
Bonds payable							\$ (218,284,955)	
Net pension liability							(3,871,095)	
Total OPEB liability							<u>(19,284,617)</u>	
								<u>(241,440,667)</u>
Net Position of Governmental Activities								<u>\$ 180,115,807</u>

See notes to financial statements

Carmel Clay School Corporation

 Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2022

	Education Fund	Operations Fund	Operating Referendum	Debt Service	Building Corporation Construction Fund	Construction Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Property taxes	\$ -	\$ 26,581,716	\$ 21,010,223	\$ 25,823,781	\$ -	\$ -	\$ 3,869,243	\$ 77,284,963
Other taxes	-	2,430,386	1,370,790	2,145,014	-	-	252,514	6,198,704
Intergovernmental	365,762	-	-	-	-	-	16,912,496	17,278,258
State aid	110,663,905	-	-	-	-	-	-	110,663,905
Charges for services	827,817	-	1,570,346	-	-	-	4,627,920	7,026,083
Other:								
Interest Income	2,252	-	-	-	(255,668)	106,308	776	(146,332)
Miscellaneous	584,530	1,808,666	278,905	-	62,723	79,116	8,936,592	11,750,532
Total revenues	<u>112,444,266</u>	<u>30,820,768</u>	<u>24,230,264</u>	<u>27,968,795</u>	<u>(192,945)</u>	<u>185,424</u>	<u>34,599,541</u>	<u>230,056,113</u>
Expenditures								
Current:								
Instruction	95,434,535	-	4,799,738	-	-	-	6,042,762	106,277,035
Support services	15,408,418	22,341,534	18,104,285	-	-	479,937	13,300,652	69,634,826
Community services	17,500	-	2,105,997	-	-	-	8,851,509	10,975,006
Capital outlays and facilities acquisition and construction	-	7,107,133	-	-	19,618,875	32,198,213	86,957	59,011,178
Nonprogrammed charges	-	-	-	3,613	9,819	-	6,811,229	6,824,661
Debt service:								
Principal paid on debt	-	-	-	5,405,000	-	-	16,180,000	21,585,000
Interest on debt	-	-	-	1,085,329	-	-	2,974,207	4,059,536
Debt issuance costs	-	-	-	-	540,473	-	-	540,473
Total expenditures	<u>110,860,453</u>	<u>29,448,667</u>	<u>25,010,020</u>	<u>6,493,942</u>	<u>20,169,167</u>	<u>32,678,150</u>	<u>54,247,316</u>	<u>278,907,715</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,583,813</u>	<u>1,372,101</u>	<u>(779,756)</u>	<u>21,474,853</u>	<u>(20,362,112)</u>	<u>(32,492,726)</u>	<u>(19,647,775)</u>	<u>(48,851,602)</u>
Other Financing Sources (Uses)								
Debt proceeds	-	-	-	-	42,395,000	-	-	42,395,000
Premium on long-term debt	-	-	-	-	8,375,171	-	-	8,375,171
Transfers in	2,447,514	4,847,817	176,453	-	1,454,739	2,359,092	23,539,949	34,825,564
Transfers out	-	(3,627,181)	-	(21,956,793)	(1,548,006)	(6,281,743)	(1,411,841)	(34,825,564)
Total other financing sources (uses)	<u>2,447,514</u>	<u>1,220,636</u>	<u>176,453</u>	<u>(21,956,793)</u>	<u>50,676,904</u>	<u>(3,922,651)</u>	<u>22,128,108</u>	<u>50,770,171</u>
Net change in fund balances	4,031,327	2,592,737	(603,303)	(481,940)	30,314,792	(36,415,377)	2,480,333	1,918,569
Fund Balances (Deficit), Beginning	<u>(491,518)</u>	<u>2,436,270</u>	<u>2,197,059</u>	<u>8,624,817</u>	<u>15,028,894</u>	<u>46,492,716</u>	<u>18,821,388</u>	<u>93,109,626</u>
Fund Balances, Ending	<u>\$ 3,539,809</u>	<u>\$ 5,029,007</u>	<u>\$ 1,593,756</u>	<u>\$ 8,142,877</u>	<u>\$ 45,343,686</u>	<u>\$ 10,077,339</u>	<u>\$ 21,301,721</u>	<u>\$ 95,028,195</u>

See notes to financial statements

Carmel Clay School Corporation

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2022

Net Change in Fund Balances, Total Governmental Funds \$ 1,918,569

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlays reported as an expenditure in the fund financial statements	39,376,094
Loss on disposal of assets	(63,912)
Depreciation is reported in the government-wide statements	(8,759,858)

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Debt issued	(42,395,000)
Premium on debt issued	(8,375,171)
Principal paid	21,585,000
Amortization of debt premium	2,871,161

Changes in Net Pension Liability/Asset and Total OPEB liability are reported in the government wide statement of activities.

Total OPEB liability	(1,300,803)
Net Pension Liability	7,080,699
Net Pension Asset	9,303,009

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in interest payable	(1,226,731)
Deferred outflows of resources related to pensions	10,043,818
Deferred inflow of resources related to pensions	(19,886,056)
Deferred outflows of resources related to OPEB	4,049,261
Deferred inflows of resources related to OPEB	(2,237,139)
Deferred amount on refunding	(33,939)
Change in prepaid expenses	47,951
Change in compensated absences	148,865

Some revenues reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as revenue in the funds.

Deferred inflows of resources related to unavailable revenue	1,663,132
--	-----------

Internal Service Funds are used by management to change the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

(380,886)

Change in Net Position of Governmental Activities \$ 13,428,064

Carmel Clay School Corporation

Statement of Net Position

Proprietary Fund

June 30, 2022

	<u>Internal Service</u>
Assets	
Current Assets	
Cash	\$ 7,631,621
Total assets	<u>7,631,621</u>
Liabilities and Net Position	
Current Liabilities	
Accounts payable	9,835
Claims payable	<u>1,041,238</u>
Total current liabilities	<u>1,051,073</u>
Net Position	
Unrestricted	<u>6,580,548</u>
Total net position	<u>\$ 6,580,548</u>

See notes to financial statements

Carmel Clay School Corporation

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Fund

Year Ended June 30, 2022

	<u>Internal Service</u>
Operating Revenues	
Charges for services	\$ 16,751,707
Other	<u>6,214,068</u>
Total operating revenues	<u>22,965,775</u>
Operating Expenses	
Health and dependent care costs	<u>23,346,661</u>
Total operating expenses	<u>23,346,661</u>
Operating loss	<u>(380,886)</u>
Change in net position	(380,886)
Net Position, Beginning	<u>6,961,434</u>
Net Position, Ending	<u>\$ 6,580,548</u>

See notes to financial statements

Carmel Clay School Corporation

Statement of Cash Flows
Proprietary Fund
Year Ended June 30, 2022

	Internal Service
Cash Flows From Operating Activities	
Received from employees	\$ 22,965,775
Payments for interfund services used	<u>(23,361,314)</u>
Net cash flows used in operating activities	<u>(395,539)</u>
Net change in cash and cash equivalents	(395,539)
Cash, Beginning	<u>8,027,160</u>
Cash, Ending	<u>\$ 7,631,621</u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities	
Operating loss	\$ (380,886)
Changes in assets, deferred outflows, liabilities and deferred inflows	
Claims payable	204,619
Accounts payable	<u>(219,272)</u>
Net cash flows used in operating activities	<u>\$ (395,539)</u>

See notes to financial statements

Carmel Clay School Corporation

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June 30, 2022

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Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

1. Summary of Significant Accounting Policies

The Carmel Clay School Corporation (Primary Government or School Corporation) was established under the laws of the State of Indiana. The Primary Government operates under a council-commissioner form of government and provides education services.

The accounting policies of the Carmel Clay School Corporation, Indiana conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the *Governmental Accounting Standards Board (GASB)*.

Reporting Entity

This report includes all of the funds of the School Corporation. The reporting entity for the School Corporation consists of the Primary Government and its component units. Component units are legally separate organizations for which the Primary Government is financially accountable or other organizations for which the nature and significance of their relationship with the Primary Government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Primary Government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the Primary Government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Primary Government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the Primary Government, its component units or its constituents; (2) the Primary Government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization and (3) the economic resources received or held by an individual organization that the Primary Government or its component units, is entitled to, or has the ability to otherwise access, are significant to the Primary Government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the Primary Government using the blending method if it meets any one of the following criteria: (1) the Primary Government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the Primary Government and the component unit have substantively the same governing body and management of the Primary Government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the Primary Government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the Primary Government.

Blended Component Units

The Carmel 2002 School Building Corporation is a blended component unit of the School Corporation. The Building Corporation was created for the purpose of financing school buildings and improvements. Although it is legally separate from the Primary Government, the Building Corporation is reported as if it were a part of the Primary Government because it provides services entirely or almost entirely to the Primary Government. To exclude the financial statements of this component unit would render the School Corporation's financial statements incomplete or misleading. The Building Corporation is induced as a debt service fund (to account for the retirement of debt) and a capital projects fund (to account for construction related costs). The Building Corporation does not issue separate financial statements.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Government-Wide and Fund Financial Statements

In June of 2017, the GASB issued Statement No. 87 - *Leases*. This statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under the Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about the School Corporation's leasing activities. This standard was implemented July 1, 2021. The implementation of GASB 87 did not impact the School Corporation's June 30, 2022 financial statements.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Direct expenses are clearly identifiable with a specific function or segment Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the School Corporation are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the School Corporation or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental fund are at least 10% of the corresponding total for all funds of that category or type and
- b. The same element of the individual governmental fund that met the 10% test is at least 5% of the corresponding total for all governmental funds combined.
- c. In addition, any other governmental fund that the School Corporation believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

The School Corporation reports the following major governmental funds:

Education Fund - accounts for all financial resources of the general government related to education of students..

Operations Fund - accounts for all financial resources of the general government, except those required to be accounted for in another fund..

Operating Referendum Fund - accounts for financial resources accumulated due to the referendum passed and the uses of those resources.

Debt Service Fund - accounts for all financial resources related to the debt of the general government.

Building Corporation Construction Fund - accounts for the activity and investment of funds of the First Mortgage Bond, Series 2020 and the First Mortgage Bond, Series 2022.

Construction Funds - accounts for the activity of the construction funds for the School Corporation.

The School Corporation reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Debt Service Funds - used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs.

In addition, the School Corporation reports the following fund types:

Internal Service Funds - used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the School Corporation, or to other governmental units, on a cost-reimbursement basis.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the school corporation considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the School Corporation is entitled the resources and the amounts are available. Amounts owed to the School Corporation which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

All Financial Statements

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

ASSETS, LIABILITIES, AND NET POSITION OR FUND BALANCE

Deposits and Investments

For purposes of the statement of cash flows, the School Corporation considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

The School Corporation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statute (IC 5-13-9) authorizes the Primary Government invest in securities including, but not limited to, federal government securities, repurchase agreements and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Nonparticipating certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision.

See Note 3 for further information.

Receivables

Property taxes levied are collected by the County Treasurer and are distributed to the Primary Government in June and in December. State statute (IC 61.11716) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the school corporation is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the preceding year's January 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Primary Government prior to December 31 of the year collected. Delinquent property taxes outstanding at year end for governmental proprietary funds are recorded as a receivable with an offset to deferred inflows of resources – unavailable revenue since the amounts are not considered available.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as *due to and from other funds*. Long-term interfund loans (noncurrent portion) are reported as *advances from and to other funds*. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$20,000 for general capital assets and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Carmel Clay School Corporation

Notes to Financial Statements

June 30, 2022

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Land	N/A	N/A
Buildings	50	Years
Machinery, vehicles and equipment	8-10	Years

For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time. The School Corporation is reporting deferred outflows of resources for a loss on refunding and OPEB and pension related items.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

Compensated Absences

Eligible employees will be granted vacation days according to their benefit schedule. An employee may carry over up to five vacation days annually. At the conclusion of employment, unused vacation days will be paid out to employees.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2022, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. The School Corporation is reporting deferred inflows of pension and OPEB related amounts.

Net Position and Fund Balance Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of *restricted* or *net investment in capital assets*.

When both restricted and unrestricted resources are available for use, it is the School Corporation's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the School Corporation Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints imposed, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the School Corporation Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The School Corporation Council has, by resolution, adopted a financial policy authorizing the Director of Finance to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

The school corporation considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the school corporation would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note 3 for further information.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, have been determined on the same basis as they are reported by the School Corporation's OPEB Plan. For this purpose, the School Corporation's OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions expense, information about the fiduciary net position of the Indiana Public Employees' Retirement Fund, the Teachers' Retirement Fund (TRF) and the Pre-96 TRF Fund (the Plans) and additions to and deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with benefit terms.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

2. Stewardship, Compliance and Accountability

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of June 30, 2022, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Textbook Rental	\$ 290,998	Accounts payable
Project Lead the Way FY 19	450	Accounts payable
Early Childhood Grants	941	Reimbursable federal grant
Federal Part B 611 Funds	124,532	Reimbursable federal grant
Secured School Safety Grants	45,708	Reimbursable federal grant
Title I Grants	10,304	Reimbursable federal grant
Title II Grants	3,001	Reimbursable federal grant
Title III Grants	4,810	Reimbursable federal grant
ESSER II	43,264	Reimbursable federal grant
SS ARP 611 Grant 2021	53,536	Reimbursable federal grant

3. Detailed Notes on All Funds

Deposits and Investments

The School Corporation's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 47,021,863	\$ 50,496,855	Custodial
US treasuries	43,491,328	43,491,328	Custodial, Interest Rate
Money markets	22,671,227	22,615,272	Custodial
Certificates of deposit	<u>4,708,610</u>	<u>4,700,000</u>	Custodial
Total deposits and investments	<u>\$ 117,893,028</u>	<u>\$ 121,303,455</u>	

Reconciliation to financial statements

Per statement of net position:

Unrestricted cash and investments	\$ 34,329,855
Restricted cash and investments	<u>83,563,173</u>

Total deposits and investments \$ 117,893,028

Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Indiana Public Deposit Insurance Fund, which cover all public funds held in approved depositories.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

The School Corporation categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

Investment Type	June 30, 2022			
	Level 1	Level 2	Level 3	Total
Money markets	\$ 22,671,227	\$ -	\$ -	\$ 22,671,227
US treasuries	43,491,328	-	-	43,491,328
Total	<u>\$ 66,162,555</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 66,162,555</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the School Corporation's deposits may not be returned to the School Corporation.

The school corporation's deposit policy for custodial credit risk is to comply with Indiana Code 5-13-8-1.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School Corporation's policy for credit risk is to stay in compliance with Indiana Code.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of June 30, 2022, the School Corporation's investments were as follows:

Investment Type	Fair Value	Maturity (In Months)	
		Less than 1 Year	1-5 Years
US treasuries	\$ 43,491,328	\$ 13,221,812	\$ 30,269,516
Total	<u>\$ 43,491,328</u>	<u>\$ 13,221,812</u>	<u>\$ 30,269,516</u>

See Note 1 for further information on deposit and investment policies.

Receivables

All of the receivables on the balance sheet are expected to be collected within one year.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Governmental funds report *unavailable* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 33,883,317
Total unavailable revenue for governmental funds	<u>\$ 33,883,317</u>

Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 10,656,624	\$ -	\$ -	\$ 10,656,624
Construction in progress	<u>57,606,294</u>	<u>41,839,818</u>	<u>57,632,212</u>	<u>41,813,900</u>
Total capital assets not being depreciated	<u>68,262,918</u>	<u>41,839,818</u>	<u>57,632,212</u>	<u>52,470,524</u>
Capital assets being depreciated:				
Buildings	314,184,533	54,954,436	-	369,138,969
Machinery, equipment and vehicles	<u>23,129,265</u>	<u>214,052</u>	<u>733,672</u>	<u>22,609,645</u>
Total capital assets being depreciated	<u>337,313,798</u>	<u>55,168,488</u>	<u>733,672</u>	<u>391,748,614</u>
Total capital assets	<u>405,576,716</u>	<u>97,008,306</u>	<u>58,365,884</u>	<u>444,219,138</u>
Less accumulated depreciation for:				
Buildings	(136,054,295)	(6,833,238)	-	(142,887,533)
Machinery, equipment and vehicles	<u>(14,806,298)</u>	<u>(1,926,620)</u>	<u>669,760</u>	<u>(16,063,158)</u>
Total accumulated depreciation	<u>(150,860,593)</u>	<u>(8,759,858)</u>	<u>669,760</u>	<u>(158,950,691)</u>
Net capital assets being depreciated	<u>186,453,205</u>	<u>46,408,630</u>	<u>63,912</u>	<u>232,797,923</u>
Total governmental activities capital assets, net of accumulated depreciation/amortization	<u>\$ 254,716,123</u>	<u>\$ 88,248,448</u>	<u>\$ 57,696,124</u>	<u>\$ 285,268,447</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

Nonprogrammed charges	\$ <u>8,759,858</u>
Total governmental activities depreciation/amortization expense	\$ <u><u>8,759,858</u></u>

Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Education Fund	Nonmajor Governmental Funds	\$ <u>1,777,304</u>	\$ -
Total, fund financial statements		1,777,304	
Less government-wide eliminations		<u>(1,777,304)</u>	
Total internal balances, government-wide statement of net position		<u><u>\$ -</u></u>	

The principal purpose of these interfund loans is cover overdrafts of pooled cash. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Education Fund	Education Fund Operations Fund	\$ 1,500,000	Rainy Day funds
Education Fund	Nonmajor Governmental	947,514	Reimbursement
Operating Referendum	Nonmajor Governmental	176,453	Reimbursement
Nonmajor Governmental	Nonmajor Governmental	32,163	Reimbursement
Operations Fund	Construction Funds	4,827,003	Reimbursement
Operations Fund	Nonmajor Governmental	20,815	Reimbursement
Construction Funds	Nonmajor Governmental	234,896	Reimbursement
Nonmajor Governmental	Debt Service Fund	43,156	Debt service payments
Nonmajor Governmental Building Corporation	Operation Fund	2,986	Reimbursement
Construction Fund	Construction Funds	1,454,739	Reimbursement
Nonmajor Governmental	Debt Service Funds Building Corporation	21,913,637	Debt service payments
Nonmajor Governmental	Construction Fund	1,548,006	Reimbursement
Construction Funds	Operations Fund	<u>2,124,196</u>	Reimbursement
Total, fund financial statements		34,825,564	
Less government-wide eliminations		<u>(34,825,564)</u>	
Total transfers, government-wide statement of activities		<u>\$ -</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Long-Term Obligations

Long-term obligations activity for the year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 174,280,000	\$ 42,395,000	\$ 21,585,000	\$ 195,090,000	\$ 20,255,000
(DiscOUNTS)/premiums	<u>17,690,945</u>	<u>8,375,171</u>	<u>2,871,161</u>	<u>23,194,955</u>	<u>-</u>
Subtotal	<u>191,970,945</u>	<u>50,770,171</u>	<u>24,456,161</u>	<u>218,284,955</u>	<u>20,255,000</u>
Other liabilities:					
Vested compensated absences	409,849	-	148,866	260,983	260,983
Other postemployment benefits	17,983,814	5,716,537	4,415,734	19,284,617	-
Net pension obligation	<u>10,951,792</u>	<u>3,063,102</u>	<u>10,143,799</u>	<u>3,871,095</u>	<u>-</u>
Total other liabilities	<u>29,345,455</u>	<u>8,779,639</u>	<u>14,708,399</u>	<u>23,416,695</u>	<u>260,983</u>
Total governmental activities long-term liabilities	<u>\$ 221,316,400</u>	<u>\$ 59,549,810</u>	<u>\$ 39,164,560</u>	<u>\$ 241,701,650</u>	<u>\$ 20,515,983</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the School Corporation. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund.

Governmental Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance June 30, 2022</u>
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2014	06/24/2014	01/15/2024	3 % to 5%	\$ 19,955,000	\$ 5,060,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016A	10/20/2016	01/15/2025	2.98	47,695,000	17,940,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016A	10/20/2016	01/15/2025	2.85	47,690,000	18,040,000
General Obligation Bonds, Series 2019	04/18/2019	01/15/2025	2	22,415,000	12,225,000
First Mortgage Bonds, Series 2020	03/19/2020	01/15/2036	3.5 to 5	59,335,000	58,345,000
General Obligation Bonds, Series 2021	03/11/2021	01/15/2027	2 to 3	20,100,000	19,420,000
First Mortgage Bonds, Series 2021	06/03/2021	01/15/2030	4	21,665,000	21,665,000
First Mortgage Bonds, Series 2022	03/17/2022	01/15/2031	5	42,395,000	<u>42,395,000</u>
Total governmental activities, general obligation debt					<u>\$195,090,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 20,255,000	\$ 4,560,167
2024	24,540,000	8,589,640
2025	24,030,000	6,052,911
2026	19,265,000	5,292,175
2027	20,075,000	4,489,350
2028-2032	65,620,000	11,175,100
2033-2037	<u>21,305,000</u>	<u>1,711,500</u>
Total	<u>\$ 195,090,000</u>	<u>\$ 41,870,843</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Net Position/Fund Balances

Net position reported on the government wide statement of net position at June 30, 2022, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 10,656,624
Construction in progress	41,813,900
Other capital assets, net of accumulated depreciation	232,797,923
Less long-term debt outstanding	(218,284,955)
Plus unspent capital related debt proceeds	55,421,025
Plus deferred loss on refunding	778,310
Less capital assets included in accounts payable	<u>(4,857,130)</u>

Total net investment in capital assets \$ 118,325,697

Governmental Funds

Governmental fund balances reported on the fund financial statements at June 30, 2022, include the following:

	Education Fund	Operating Fund	Operating Fund Referendum	Debt Service Fund	Construction Funds	Building Corp Construction Fund	Nonmajor Funds	Total
Fund Balances								
Restricted for:								
Instruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 421,867	\$ 421,867
Support services	-	5,029,007	1,593,756	-	-	-	7,028,418	13,651,181
Debt service	-	-	-	8,142,877	-	-	12,885,438	21,028,315
Capital projects	-	-	-	-	10,077,339	45,343,686	-	55,421,025
Subtotal	<u>-</u>	<u>5,029,007</u>	<u>1,593,756</u>	<u>8,142,877</u>	<u>10,077,339</u>	<u>45,343,686</u>	<u>20,335,723</u>	<u>90,522,388</u>
Committed to:								
Other	-	-	-	-	-	-	1,805,413	1,805,413
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,805,413</u>
Unassigned (deficit):	<u>3,539,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(839,415)</u>	<u>2,700,394</u>
Total fund balances (deficit)	<u>\$ 3,539,809</u>	<u>\$ 5,029,007</u>	<u>\$ 1,593,756</u>	<u>\$ 8,142,877</u>	<u>\$ 10,077,339</u>	<u>\$ 45,343,686</u>	<u>\$ 21,301,721</u>	<u>\$ 95,028,195</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

4. Other Information

Employees' Retirement System

Public Employees' Retirement Fund

Plan Description

The School Corporation participates in the Public Employees' Retirement Fund, a cost-sharing multiple-employer defined benefit plan effective July 1, 2013 based on 35 IAC 21-1-1, 35 IAC 21-1-2 and amended IC 5-10.2-2-11(b). PERF was established to provide retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan and certain INPRS employees. Political subdivisions mean a county, city, town, township, political body corporate, public school corporation, public library, public utility of a county, city, town, township and any department of or associated with, a county, city, town or township, which department receives revenue independently of or in addition to, funds obtained from taxation. There are two (2) tiers to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the My Choice Retirement Savings Plan for Public Employees (My Choice). Details of the PERF Hybrid Plan are described below.

PERF Hybrid Plan Description

The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10.2, IC 5-10.3 and IC 5-10.5. There are two (2) aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the Public Employees' Hybrid Members Defined Contribution Account (DC Account), formerly known as the Annuity Savings Account (ASA), which that supplements the defined benefit at retirement. Employees contribute 3% of their annual covered salary to their defined contribution account. The Primary Government is required to contribute at an actuarially determined rate; the current rate for calendar year 2022 is 11.20% of annual covered payroll. The rate for 2022 is also 11.20%. The contribution requirements of plan members and the Primary Government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the PERF plan from the School Corporation were \$1,991,452 for the fiscal year ended June 30, 2022, with a June 30, 2021 measurement date.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplemental information for the plan as a whole and for its participants. the report is available online at <http://www.inprs.in.gov> or can be obtained by contacting:

Indiana Public Retirement System
1 N Capital Street
Indianapolis, IN 46204
ph. (888) 526-1687

Retirement Benefits

The PERF Hybrid Plan retirement benefit consists of the sum of a defined pension benefit provided by employer contributions plus the amount credited to the member's a DC Account. Pension benefits vest after 10 years of creditable service. The vesting period is eight (8) years for certain elected officials. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity or leave the contributions invested with INPRS. Vested PERF members leaving a covered position, who wait 30 days after termination, may withdraw their DC account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the DC Account. A nonvested member who terminates employment prior to retirement may withdraw his/her DC Account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit component. This annual pension benefit is equal to 1.1% times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) different groups. For PERF members who serve as an elected official, the highest one (1) year (total of four (4) consecutive quarters) of annual compensation is used. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100% of the benefits as described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89%. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84%) to age 50 being 44%.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.

Disability and Survivor Benefits

The PERF Hybrid Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

Retirement Benefits – My Choice

Members are required to participate in My Choice. The My Choice DC Account consists of the member's contributions, set by statute at three (3)% of compensation as defined by IC 5-10.2-3-2 for PERF, plus the interest/earnings or losses credited to the member's account. The employer may elect to make the contributions on behalf of the member. The City has elected to make the contributions on behalf of the member. In addition, under certain conditions, members may elect to make additional voluntary contributions of up to 10% of their compensation into their DC Account. A member's contributions and interest credits belong to the member and do not belong to the State or political subdivision.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the fiscal year ended June 30, 2021, which is being utilized as the measurement date, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for Public Employee's Retirement Fund was 25.46%.

Net Pension Liability

At June 30, 2022, the School Corporation reported a Liability of \$3,871,095 for its proportionate share of the net pension Liability, based on the June 30, 2021 measurement date. The School Corporation's proportion of the total was measured on the ratio of the wages reported by employers relative to the collective wages of the plan. This basis of allocation measures the proportionate relationship of an employer to all employers and is consistent with the manner in which contributions to the pension plan are determined. The plan does not have a special funding situation, as there is not a nonemployer contributing entity legally responsible for making contributions that are used to provide pension benefits to members of the pension plan. At the June 30, 2021 measurement date, the School Corporation's proportion was 0.29419%, which is a decrease of .01899% from the prior year proportion of .31318%.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Deferred Outflows of Resources and Deferred Inflows of Resource

At June 30, 2022, the School Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions, based on the measurement date of June 30, 2021, from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 132,403	\$ 77,294
Changes in assumptions	1,947,185	869,521
Net differences between projected and actual earnings on pension plan investments	-	5,026,260
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,204	615,880
Employer contributions subsequent to the measurement date	<u>1,991,452</u>	<u>-</u>
Total	<u>\$ 4,076,244</u>	<u>\$ 6,588,955</u>

\$1,991,452 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Years Ending June 30:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (1,298,447)
2023	(1,095,943)
2024	(673,027)
2025	(1,436,747)

Pension Expense

The School Corporation recognized pension expense for the following proportionate share of pension expense:

<u>Pension Expense (Credit)</u>	
Proportionate share of plan pension expense (credit)	\$ (334,221)
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(249,647)</u>
Total	<u>\$ (583,868)</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Key Methods and Assumptions

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Valuation Date	
Assets	June 30, 2021
Liabilities	June 30, 2020 - Member census data as of June 30, 2020 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2020 and June 30, 2021. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date.
Actuarial Cost Method	Entry Age Normal (Level percent of payroll)
Experience Study Date	Period of 5 years ended June 30, 2019
Investment Rate of Return	6.25%, net of investment expense, including inflation
Cost of Living Increases	Beginning January 1, 2024 - 0.40% Beginning January 1, 2034 - 0.50% Beginning January 1, 2039 - 0.60%
Salary increases, including inflation	2.65% - 8.65%
Inflation	2.00%
Mortality:	
Healthy	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Disabled	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Funding policy location	www.in.gov/inprs/files/INPRS_Funding_Policy.pdf

Change in Assumptions

- The Interest Rate / Investment Return assumption changed from 6.75% to 6.25%.
- The inflation assumption changed from 2.25% to 2.00%.
- The Future Salary Scale assumption changed from 2.75% - 8.75% to 2.65% - 8.65%.

Changes in Actuarial Methods

There were no changes to the actuarial methods during the fiscal year.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Plan Amendments

HEA 1001-2021 granted a 1% COLA effective January 1, 2022.

Long-Term Return Expectation

The long-term return expectation has been determined by using a building-block approach and assumes a time horizon, as defined by INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established and the long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Global Asset Class	Long-Term Expected Rate of Return (Geometric Basis)	Target Asset Allocation
Public Equity	3.6%	20.0%
Private Markets	7.3	15.0
Fixed Income, Ex Inflation-Linked	1.5	20.0
Fixed Income, Inflation-Linked	(0.3)	15.0
Commodities	0.8	10.0
Real Estate	4.2	10.0
Absolute Return	2.5	5.0
Risk Parity	4.4	20.0
Leverage Offset	(1.4)	(15.0)

Discount Rate

The discount rate used to measure the total pension liability was 6.25% as of the measurement date of June 30, 2021 and is equal to the long-term expected return on plan investments.

Sensitivity of the School Corporation's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

For the June 30, 2021 measurement date, the following presents the School Corporation's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the School Corporation's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease to Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase to Discount Rate (7.25%)
School Corporation's proportionate share of the net pension liability (asset)	\$ 10,124,604	\$ 3,871,095	\$ (1,345,164)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued INPRS Annual Comprehensive Financial Report and Actuarial Valuations. These reports can be found at:

https://www.in.gov/inprs/files/2021INPRSActuarialValuationRpt_PERF.pdf
https://www.in.gov/inprs/files/INPRSConsolidatedAR_FY21.pdf

Teacher's Retirement Plan

Plan Description

Teacher's Retirement (TRF) Plan was established by the Indiana General Assembly in 1921 and is governed by the INPRS Board of Trustees in accordance with IC 5-10.2. There are two (2) aspects to the TRF Plan defined-benefit structure. The first portion is the monthly defined-benefit pension that is funded by the employer. The second portion of the TRF Plan is the annuity savings account (ASA) that supplements the defined-benefit at retirement.

Retirement Benefits - Defined-Benefit Pension

The TRF Plan retirement benefit consists of the sum of the defined pension benefit provided by the employer contributions plus the amount credited to the member's annuity savings account.

Pension benefits vest after 10 years of creditable service. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity or leave the contributions invested with INPRS. Vested TRF members leaving a covered position, who wait 30 days after termination, may withdraw their annuity savings account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the annuity savings account. A nonvested member who terminates employment prior to retirement may withdraw his/her annuity savings account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit component. This annual pension benefit is equal to 1.1% times the average annual compensation times the number of years or creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) difference groups. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for early retirement and, as such, is entitled to 100% of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable services is at least 85 is entitled to 100% of the benefits described above.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89%. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84%) to age 50 being 44%.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.

Retirement Benefits - Disability and Survivor Benefits

The TRF Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. TRF classroom disability may be available for those who do not qualify for social security disability guidelines. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

Contributions

Members are required to contribute 3% of their annual covered salary. The School Corporation is required to contribute at an actuarially determined rate; the rate for both fiscal year 2021 and 2022 was 5.50% of annual covered payroll. The contribution requirements of plan members and the Primary Government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana. Contributions to the TRF plan from the School Corporation were \$4,081,598 for the year ended June 30, 2022.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

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

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Indiana Public Retirement System (INPRS) and additions to/deductions from INPRS's fiduciary net position have been determined on the same basis as they are reported by INPRS. 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. At June 30, 2022, the School reported an asset of \$9,303,009 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The School's proportion of the net pension asset was based on the School's reported wages as a proportion of total collective reported wages for all employers. At the measurement date of June 30, 2021, the School's proportion was 1.98024%, an increase of 0.0653% from 1.91494% as of June 30, 2020 .

For the measurement date, year ended June 30, 2021, the School recognized pension expense of \$44,324 for the TRF Fund. A breakdown of the pension expense is shown below:

Pension Expense	
Proportionate share of plan pension expense	\$ 241,405
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(197,081)</u>
Total	<u>\$ 44,324</u>

At June 30, 2022, the School reported deferred inflows of resources and deferred outflows of resources related to pensions from the following services:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,668,634	\$ 3,056,043
Changes in assumptions	12,213,565	5,153,462
Net differences between projected and actual earnings on pension plan investments	-	16,534,236
Changes in proportion and differences between employer contributions and proportionate share of contributions	541,701	2,157,744
Employer contributions subsequent to the measurement date	<u>4,081,598</u>	<u>-</u>
Total	<u>\$ 19,505,498</u>	<u>\$ 26,901,485</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

\$4,081,598 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Date Years Ended</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2023	\$ (3,887,602)
2024	(3,393,952)
2025	(3,258,035)
2026	(4,274,930)
2027	429,939
Thereafter	2,906,995

Actuarial Assumptions

Inflation:	2.00%
Salary increases, including inflation:	2.65% - 11.90%, based on years of service
Cost of Living Increases:	2020-2021 - 13th check Beginning January 1, 2024 - 0.40% Beginning January 1, 2034 - 0.50% Beginning January 1, 2039 - 0.60%
Mortality:	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational project of mortality improvements using SOA Scale MP-2019.

The actuarial assumptions used in the June 30, 2021 valuation of the Teachers' 1996 Defined Benefit Account were adopted by the INPRS Board in June 2020. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014 through June 30, 2019 and were first used in the June 30, 2021 valuation. The INPRS Board adopted a funding policy in April 2014 and the policy was last updated in October 2018.

Changes in Assumption

- The Interest Rate / Investment Return assumption changed from 6.75% to 6.25%.
- The inflation assumption changed from 2.25% to 2.00%.
- The Future Salary Scale assumption changed from 2.75% - 12.00% to 2.65% - 11.90%.

Changes in Actuarial Methods

- There were no changes to the actuarial methods during the fiscal year.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Changes in Plan Provisions

- HEA 1001-2021 granted a 1% COLA effective January 1, 2022.

Long-Term Return Expectation

For the measurement date of June 30, 2021, the long-term return expectation has been determined by using a building-block approach and assumes a time horizon, as defined by INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established and the long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

Global Asset Class	Long-Term Expected Rate of Return (Geometric Basis)	Target Asset Allocation
Public Equity	3.6%	20.0%
Private Markets	7.3	15.0
Fixed Income, Ex Inflation-Linked	1.5	20.0
Fixed Income, Inflation-Linked	(0.3)	15.0
Commodities	0.8	10.0
Real Estate	4.2	10.0
Absolute Return	2.5	5.0
Risk Parity	4.4	20.0
Leverage Offset	(1.4)	(15.0)

Discount rate

The discount rate used to measure the total pension liability was 6.25% as of the measurement date of June 30, 2021 and is equal to the long-term expected return on plan investments.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Sensitivity of the School's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

For the June 30, 2021 measurement date, the following presents the School's proportional share of the net pension liability (asset) calculated using the discount rate of 6.25%, as well as what the School's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease to Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase to Discount Rate (7.25%)
School Corporation's proportionate share of the net pension (asset) liability	\$17,205,529	\$(9,303,009)	\$(30,682,396)

INPRS issues publicly available financial information that includes financial statements and required supplementary information for the PERF and TRF plans that can be found at:

https://www.in.gov/inprs/files/INPRSConsolidatedAR_FY20.pdf

Teachers' Pre-96 Retirement Fund

Plan Description

The School Corporation participates in the Teachers' Pre-1996 Defined Benefit Account, a pay-as-you-go, cost-sharing, multiple-employer defined benefit fund providing retirement, disability and survivor benefits for teachers, administrators and certain INPRS employees. Administration of the account is generally in accordance with IC 5-10.2, IC 5-10.4 and 35 IAC 14. TRF Pre-'96 DB is the employer-funded defined benefit component of the Teachers' Hybrid Plan and the Teachers' Hybrid Members Defined Contribution Account (see Defined Contribution Funds section) is with the other component.

The state of Indiana assumes 100% of the net pension liability for the plan. The net pension liability associated with Carmel Clay School Corporation is \$97,646,818, as of the June 30, 2021 measurement date.

Retirement Benefits - Defined Benefit Pension

Pension benefits vest after 10 years of creditable service. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity or leave the contributions invested with INPRS. Vested Pre-96 TRF members leaving a covered position, who wait 30 days after termination, may withdraw their annuity savings account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the annuity savings account. A nonvested member who terminates employment prior to retirement may withdraw his/her annuity savings account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit component. This annual pension benefit is equal to 1.1% times the average annual compensation times the number of years or creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) difference groups. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for early retirement and, as such, is entitled to 100% of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable services is at least 85 is entitled to 100% of the benefits described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89%. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84%) to age 50 being 44%.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.'

Retirement Benefits - Disability and Survivor Benefits

The Pre-96 TRF Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. Pre-96 TRF classroom disability may be available for those who do not qualify for social security disability guidelines. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

Contributions

The Pre-96 TRF Plan is funded 100% from the State of Indiana through reimbursement of grants.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to 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 Indiana Public Retirement System (INPRS) and additions to/deductions from INPRS's fiduciary net position have been determined on the same basis as they are reported by INPRS. 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. At June 30, 2022, the net pension liability is assumed by the State of Indiana and the School does not report any liability for the pension liability.

For year ended June 30 2022, the School recognized pension expense of \$11,927,454 for the Pre-96 TRF Fund. No amounts were recognized for deferred outflows of resources and deferred inflows of resources.

Inflation:	2.00%
Salary increases, including inflation:	2.65% - 11.90%, based on years of service
Cost of Living Increases:	2020-2021 - 13th check
	Beginning January 1, 2024 - 0.40%
	Beginning January 1, 2034 - 0.50%
	Beginning January 1, 2039 - 0.60%
Mortality:	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational project of mortality improvements using SOA Scale MP-2019.

The actuarial assumptions used in the June 30, 2021 valuation of the Teachers' 1996 Defined Benefit Account were adopted by the INPRS Board in June 2020. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014 through June 30, 2019 and were first used in the June 30, 2021 valuation. The INPRS Board adopted a funding policy in April 2014 and the policy was last updated in October 2018.

Changes in Assumption

- The Interest Rate / Investment Return assumption changed from 6.75% to 6.25%.
- The inflation assumption changed from 2.25% to 2.00%.
- The Future Salary Scale assumption changed from 2.75% - 12.00% to 2.65% - 11.90%.

Changes in Actuarial Methods

There were no changes to the actuarial methods during the fiscal year.

Changes in Plan Provisions

HEA 1001-2021 granted a 1% COLA effective January 1, 2022.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Discount Rate

The discount rate used to measure the total pension liability was 6.25%, based on the June 30, 2021 measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from units will be made at contractually required rates, actuarially determined.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

403(b) Defined Contribution Retirement Plan

Carmel Clay Schools offers a 403(b) retirement plan for administrators hired prior to July 1, 2020, Carmel Clay Schools provides a 1% matching salary contribution. Vesting is immediate. These benefits pose a liability to Carmel Clay Schools for this year and in future years. Information regarding the benefits can be obtained by contacting Carmel Clay Schools who has the authority under which benefits and contribution requirements are established or can be amended. Carmel Clay Schools made ongoing contributions of \$127,264 to the 403(b) retirement plan July 1, 2021 through June 30, 2022.

401(a) Defined Contribution Retirement Plan

Carmel Clay Schools also provides a 401(a) retirement plan for employees as defined by the collective bargaining agreement. Vesting varies based on the employee's hire date. For those hired prior to July 1, 2004 who will attain their earliest retirement date under INPRS after June 30, 2018 but before July 1, 2023, a 2% ongoing contribution is provided. Vesting occurs after 10 consecutive years of service with Carmel Clay Schools following the 2002-2003 school year. Information regarding the benefits can be obtained by contacting Carmel Clay Schools who has the authority under which benefits and contribution requirements are established or can be amended.

Carmel Clay Schools made ongoing contributions of \$44,849 to the 401(a) retirement plan during July 1, 2021 through June 30, 2022. For those hired July 1, 2004 and after who attain their earliest retirement date with unreduced benefits under INPRS after June 30, 2023, a 1% ongoing contribution is provided. Vesting occurs after 10 consecutive years of service with Carmel Clay Schools following the 2002-2003 school year. These benefits pose a liability to Carmel Clay Schools for this year and in future years. Information regarding the benefits can be obtained by contacting Carmel Clay Schools who has the authority under which benefits and contribution requirements are established or can be amended. Carmel Clay Schools made ongoing contributions of \$657,684 to the 401(a) retirement plan July 1, 2021 through June 30, 2022.

Carmel Clay Schools also provides a 401(a) retirement account for the Associate Superintendent, Assistant Superintendent and the Carmel High School Principal. An ongoing contribution of 10% for the Associate Superintendent and 5% each for the Assistant Superintendent and Carmel High School Principal is provided. When the administrator is eligible to retire with unreduced benefits from INPRS, these contributions will convert to salary. Information regarding the benefits can be obtained by contacting Carmel Clay Schools who has the authority under which benefits and contribution requirements are established or can be amended. Carmel Clay Schools made ongoing contributions of \$35,560 to the 401(a) retirement plan July 1, 2021 through June 30, 2022.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Carmel Clay Schools also provides a 401(a) retirement account for all other administrators hired after July 1, 2003. A 3% ongoing contribution is provided. Vesting occurs after 10 years of employment with Carmel Clay Schools. These benefits pose a liability to Carmel Clay Schools for this year and in future years. Information regarding the benefits can be obtained by contacting Carmel Clay Schools who has the authority under which benefits and contribution requirements are established or can be amended. Carmel Clay Schools made ongoing contributions of \$379,740 to the 401(a) retirement plan July 1, 2021 through June 30, 2022.

Voluntary Employees' Beneficiary Association (VEBA) Plan

Carmel Clay Schools offers a Voluntary Employees' Beneficiary Association (VEBA) plan for administrators hired after July 1, 2003, and employees as defined by the collective bargaining agreement, all of whom are not eligible for the Early Retirement Incentive Plan. Carmel Clay Schools provides a 1% contribution. Vesting occurs after 10 consecutive years of service with Carmel Clay Schools. These benefits pose a liability to Carmel Clay Schools for this year and in future years. Information regarding the benefits can be obtained by contacting Carmel Clay Schools who has the authority under which benefits and contribution requirements are established or can be amended. Carmel Clay Schools made ongoing contributions of \$801,461 to the VEBA plan July 1, 2021 through June 30, 2022.

Risk Management

The School Corporation is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Self Insurance

The Primary Government has chosen to establish a risk financing fund for risks associated with risk of loss related to employee health claims for School employees. The risk financing fund is accounted for in the Internal Service Fund where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$500,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund that accounts for employee payroll. The total charge allocated to each of the funds is based primarily upon the percentage of each fund's current year payroll as it relates to total payroll and are reported as interfund services provided and used. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities for the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of payouts and other economic and social factors.

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims, beginning	\$ 1,149,785	\$ 836,619
Current year claims and changes in estimates	17,145,820	16,490,280
Claim payments	<u>(17,458,986)</u>	<u>(16,285,661)</u>
Unpaid claims, ending	<u>\$ 836,619</u>	<u>\$ 1,041,238</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the School Corporation is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the School Corporation attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the School Corporation's financial position or results of operations.

The School Corporation has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The School Corporation has active construction projects as of June 30, 2022. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

<u>Project</u>	<u>Total Project Authorized</u>	<u>Expended to June 30, 2022</u>	<u>Remaining Commitments</u>
Governmental activities:			
CRM finishes and reno	\$ 660,180	\$ 630,541	\$ 29,639
ES Multi Sites Pro V	538,687	517,739	20,948
CCES wood athletic flooring	88,880	-	88,880
CHS Performing Arts Center Addition and Reno	1,291,775	1,243,174	48,601
New CES - general trades	10,148,210	-	10,148,210
New CES - roofing	1,718,330	1,700,656	17,674
New CES - wood athletic flooring	104,176	84,560	19,616
New CES - food service equipment	543,000	515,850	27,150
CCES - general site work	3,233,376	3,231,191	2,185
CCES - general trades construction	8,075,554	8,050,968	24,586
CCES - electrical	3,662,496	3,625,871	36,625
CHS HVAC Equipment	2,055,216	1,926,860	128,356
CLLS HVAC	595,709	161,947	433,762
Murray/Hartman Improvement - electrical	630,519	601,011	29,508
Murray/Hartman Improvement - general	1,635,774	1,476,644	159,130
Murray/Hartman Improvement - Utilities	2,156,593	2,042,558	114,035
Murray/Hartman Improvement - Concrete	433,295	406,645	26,650
Murray/Hartman Improvement - Masonry	260,000	247,878	12,122
Murray/Hartman Improvement	687,450	653,078	34,372
ESC A/R - general trades & contracting	1,655,147	1,624,505	30,642
ESC A/R flooring & tile	134,500	113,593	20,907
ESC A/R - painting	201,097	177,913	23,184
CHS Fieldhouse restrooms - site work	284,000	181,724	102,276
CHS PAC A/R- general trades contracting	3,923,795	1,678,338	2,245,457
CHS PAC A/R - masonry	1,582,249	547,347	1,034,902
CHS PAC A/R - structural steel	1,372,595	1,145,606	226,989
CHS PAC A/R - roofing	474,170	154,176	319,994
CHS PAC A/R - metal framing, drywall	2,744,041	1,342,851	1,401,190
CHS PAC A/R - frontage	300,071	120,213	179,858
CHS PAC A/R - flooring	440,290	402,528	37,762
CHS PAC A/R - Terrazzo	317,808	199,231	118,577
CHS PAC A/R - painting	174,000	103,885	70,115
CHS PAC A/R - casework	404,600	142,625	261,975
CHS PAC A/R - mechanical & plumbing	2,016,970	1,476,808	540,162
CHS PAC A/R - electrical	3,809,591	2,604,830	1,204,761
CHS Natatorium - general trades	20,401,000	1,716,825	18,684,175
CHS Natatorium - masonry	3,270,115	-	3,270,115
CHS Natatorium - structural steel	5,206,000	808,337	4,397,663
CHS Natatorium - roofing	1,998,900	132,030	1,866,870
CHS Natatorium - metal studs, drywall	3,994,000	-	3,994,000
CHS Natatorium - frontage	1,653,400	-	1,653,400
CHS Natatorium - painting	614,840	23,365	591,475
CHS Natatorium - flooring	396,670	-	396,670
CHS Natatorium - surfaces	927,300	-	927,300
CHS Natatorium - seating	53,077	-	53,077
CHS Natatorium - fire protection	359,260	-	359,260
CHS Natatorium - plumbing and HVAC	6,999,965	-	6,999,965
CHS Natatorium - electrical and technology	3,294,500	-	3,294,500
Total governmental activities	\$ 107,523,171	\$ 41,813,901	\$ 65,709,270

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The school corporation's single employer defined benefit OPEB plan provides all employees OPEB retiree health benefits, including medical prescription drug, dental and vision insurance, until Medicare eligibility once reaching age 50 with 15 years of experience. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Employees Covered by Benefit Terms

At June 30, 2022, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	78
Active plan members	<u>1,270</u>
	<u><u>1,348</u></u>

Total OPEB Liability

The School Corporation's total OPEB liability of \$19,284,617 was measured as of June 30, 2022, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs

The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% per year
Salary increases	Payroll growth is based on the INPRS PERF and TRF actuarial valuations as of June 30, 2019. Percentage increases range from 0% to 9.25% based on job classification and years of service
Healthcare cost trend rates	7.5% in 2023, trending down to 4.5% in 2029 and later.
Retirees' share of benefit-related costs	Retiree contributions are assumed to increase according to health care trend rates.

The discount rate of 4.09% was based on a range 20 year municipal bond indices of tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality Assumptions:

- Support staff: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Teacher & Administrators: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP-2021.
- Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at June 30, 2021	\$ 17,983,814
Changes for the year:	
Service cost	681,097
Interest	388,935
Differences between expected and actual experience	4,646,505
Changes in assumptions or other inputs	(2,595,203)
Benefit payments	<u>(1,820,531)</u>
Net changes	<u>1,300,803</u>
Balances at June 30, 2022	<u>\$ 19,284,617</u>

The School Corporation contributed \$1,820,531 into the plan for fiscal year 2022.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the School Corporation, as well as what the School Corporation's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09%) or 1-percentage-point higher (5.09%) than the current discount rate:

	<u>1% Decrease (3.09%)</u>	<u>Discount Rate (4.09%)</u>	<u>1% Increase (5.09%)</u>
Net OPEB liability	\$ 20,394,266	\$ 19,284,617	\$ 18,236,753

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the School Corporation, as well as what the School Corporation's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.5% decreasing to 3.5%) or 1-percentage-point higher (8.5% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease (6.5% Decreasing to 3.5%)</u>	<u>Healthcare Cost Trend Rates (7.5% Decreasing to 4.5%)</u>	<u>1% Increase (8.5% Decreasing to 5.5%)</u>
Net OPEB liability	\$ 17,904,704	\$ 19,284,617	\$ 20,867,315

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2022

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the School Corporation recognized OPEB expense of \$1,309,212. At June 30, 2022, the School Corporation reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,181,854	\$ 788,354
Changes of assumptions or other inputs	<u>973,199</u>	<u>2,335,683</u>
Total	<u>\$ 5,155,053</u>	<u>\$ 3,124,037</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years ending June 30:

2023	\$ 239,180
2024	239,180
2025	239,180
2026	239,180
2027	239,180
Thereafter	835,116

Subsequent Events

Bond Issuance

The School Corporation issued General Obligation Bonds in the amount of \$22,840,000 on December 15th, 2022. The bonds were issued for certain renovations and miscellaneous facility improvements at Carmel High School.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 94, *Public Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 99, *Omnibus*
- Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Carmel Clay School Corporation

Required Supplementary Information
Budgetary Comparison Schedule - Non-GAAP Basis
Education Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 108,594,718	\$ 108,594,718	\$ 108,310,928	\$ (283,790)
Interest	65,000	65,000	2,601	(62,399)
Miscellaneous	1,329,261	1,329,261	1,427,109	97,848
Total revenues	<u>109,988,979</u>	<u>109,988,979</u>	<u>109,740,638</u>	<u>(248,341)</u>
Expenditures				
General government				
Instruction				
Personal services	85,503,053	85,344,397	91,342,399	(5,998,002)
Supplies	1,577,975	1,967,320	1,435,977	531,343
Other services and charges	1,796,626	1,809,666	1,826,477	(16,811)
Support services				
Personal services	18,684,374	18,681,464	12,826,741	5,854,723
Supplies	369,681	486,934	359,854	127,080
Other services and charges	1,024,757	1,005,557	974,703	30,854
Community services				
Personal services	-	-	68,024	(68,024)
Other services and charges	70,000	70,000	52,500	17,500
Total expenditures	<u>109,026,466</u>	<u>109,365,338</u>	<u>108,886,675</u>	<u>478,663</u>
Excess (deficiency) of revenues over (under) expenditures	<u>962,513</u>	<u>623,641</u>	<u>853,963</u>	<u>230,322</u>
Net change in fund balances	962,513	623,641	853,963	230,322
Fund Balance, Beginning	<u>13,314,884</u>	<u>13,314,884</u>	<u>13,314,884</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 14,277,397</u>	<u>\$ 13,938,525</u>	<u>\$ 14,168,847</u>	<u>\$ 230,322</u>

See notes to required supplementary information

Carmel Clay School Corporation

Required Supplementary Information

Budgetary Comparison Schedule - Non-GAAP Basis

Operations Fund

Year Ended June 30, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property tax	\$ 28,376,610	\$ 28,376,610	\$ 25,979,850	\$ (2,396,760)
Intergovernmental	2,632,433	2,295,685	2,473,157	177,472
Miscellaneous	902,977	902,977	4,242,641	3,339,664
Total revenues	<u>31,912,020</u>	<u>31,575,272</u>	<u>32,695,648</u>	<u>1,120,376</u>
Expenditures				
Support services				
Personal services	9,318,315	9,258,315	10,391,549	(1,133,234)
Supplies	6,338,028	6,892,255	6,212,573	679,682
Other services and charges	2,478,662	4,380,946	2,245,596	2,135,350
Capital outlays	2,210,900	2,210,900	2,210,830	70
Facilities acquisition and construction				
Personal services	1,654,926	1,654,926	1,674,954	(20,028)
Supplies	818,670	1,087,138	457,924	629,214
Other services and charges	50,000	50,000	32,584	17,416
Capital outlays	4,720,435	5,321,089	4,697,633	623,456
Total expenditures	<u>27,589,936</u>	<u>30,855,569</u>	<u>27,923,643</u>	<u>2,931,926</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,322,084</u>	<u>719,703</u>	<u>4,772,005</u>	<u>4,052,302</u>
Other Financing Sources (Uses)				
Transfers out	<u>-</u>	<u>-</u>	<u>(6,713,248)</u>	<u>6,713,248</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(6,713,248)</u>	<u>6,713,248</u>
Net change in fund balances	4,322,084	719,703	(1,941,243)	(2,660,946)
Fund Balance, Beginning	<u>5,877,524</u>	<u>5,877,524</u>	<u>5,877,524</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 10,199,608</u>	<u>\$ 6,597,227</u>	<u>\$ 3,936,281</u>	<u>\$ (2,660,946)</u>

See notes to required supplementary information

Carmel Clay School Corporation

Required Supplementary Information
 Budgetary Comparison Schedule - Non-GAAP Basis
 Operating Referendum Fund
 Year Ended June 30, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property tax	\$ 20,330,759	\$ 20,330,759	\$ 20,661,150	\$ 330,391
Intergovernmental	1,312,549	1,190,304	1,389,004	198,700
Miscellaneous	1,827,827	1,827,827	1,737,621	(90,206)
Total revenues	<u>23,471,135</u>	<u>23,348,890</u>	<u>23,787,775</u>	<u>438,885</u>
Expenditures				
General government				
Instruction				
Personal services	6,258,956	6,258,956	2,832,932	3,426,024
Support services				
Personal services	12,124,388	12,098,756	15,449,181	(3,350,425)
Supplies	2,548,770	2,568,015	2,625,422	(57,407)
Other services and charges	1,781,795	1,807,494	1,818,167	(10,673)
Capital outlays	79,550	139,918	60,368	79,550
Community services				
Personal services	1,863,002	1,863,002	1,815,382	47,620
Other services and charges	75,000	75,000	95,373	(20,373)
Total expenditures	<u>24,731,461</u>	<u>24,811,141</u>	<u>24,696,825</u>	<u>114,316</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,260,326)</u>	<u>(1,462,251)</u>	<u>(909,050)</u>	<u>553,201</u>
Other Financing Sources (Uses)				
Transfers out	<u>(300)</u>	<u>(300)</u>	<u>-</u>	<u>300</u>
Total other financing sources (uses)	<u>(300)</u>	<u>(300)</u>	<u>-</u>	<u>300</u>
Net change in fund balances	(1,260,626)	(1,462,551)	(909,050)	553,501
Fund Balance, Beginning	<u>(1,905,217)</u>	<u>(1,905,217)</u>	<u>(1,905,217)</u>	<u>-</u>
Fund Balance, Ending	<u><u>\$ (3,165,843)</u></u>	<u><u>\$ (3,367,768)</u></u>	<u><u>\$ (2,814,267)</u></u>	<u><u>\$ 553,501</u></u>

See notes to required supplementary information

Carmel Clay School Corporation

Required Supplementary Information

Budget/GAAP Reconciliation Education, Operations and Operating Referendum Fund

Year Ended June 30, 2022

The major differences between Budgetary (Non-GAAP) basis and GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP)
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP)

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

	<u>Education Fund</u>	<u>Operations Fund</u>	<u>Operating Referendum</u>
Net changes in fund balances (budgetary basis)	\$ 853,963	\$ (1,941,243)	\$ (909,050)
Adjustments:			
Net change in fund balance Jan-Jun 2021	2,675,298	1,144,244	(1,304,026)
Net change in fund balance Jan-Jun 2022	(2,121,474)	3,867,413	1,474,262
To adjust expenditures for accruals	<u>2,623,540</u>	<u>(477,677)</u>	<u>135,511</u>
Net change in fund balance (GAAP basis)	<u>\$ 4,031,327</u>	<u>\$ 2,592,737</u>	<u>\$ (603,303)</u>

See notes to required supplementary information

Carmel Clay School Corporation

Required Supplementary Information
Schedule of the School's Proportionate Share of the Net Pension Liability
Public Employees' Retirement Fund
Last 10 Fiscal Years*

Fiscal Year Ended **	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Actual Covered Member Payroll	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2022	0.29419 %	\$ 3,871,095	\$ 16,219,746	23.9 %	92.5 %
June 30, 2021	0.31318 %	9,459,271	16,907,422	55.9 %	81.4 %
June 30, 2020	0.31973 %	10,567,280	16,658,455	63.4 %	80.1 %
June 30, 2019	0.31985 %	10,865,449	16,320,581	66.6 %	78.9 %
June 30, 2018	0.32114 %	14,327,801	15,932,277	89.9 %	72.7 %
June 30, 2017	0.31517 %	14,303,816	15,104,811	94.7 %	71.2 %

Notes:

* Information presented for the years information is available

** The data provided in the schedule is based as of the measurement date of INPRS (PERF) net pension liability, which is one year prior to the School Corporation's fiscal year-end

Carmel Clay School Corporation

Schedule of the School's Proportionate Share of the Net Pension Liability

Schedule of School Contributions

Public Employees' Retirement Fund

Last 10 Fiscal Years*

<u>Fiscal Year Ended **</u>	<u>Statutorily Required Contribution Percentage</u>	<u>Actual Employer Contributions</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2022	11.20 %	\$ 1,991,452	\$ 17,780,823	11.20 %
June 30, 2021	11.20 %	1,807,015	16,219,746	11.14 %
June 30, 2020	11.20 %	1,878,642	16,907,422	11.11 %
June 30, 2019	11.20 %	1,861,728	16,658,455	11.18 %
June 30, 2018	11.20 %	1,820,711	16,320,581	11.16 %
June 30, 2017	11.20 %	1,777,038	15,932,277	11.15 %
June 30, 2016	11.20 %	1,682,633	15,104,811	11.14 %

Notes:

* Information presented for the years information is available

** The data provided in the schedule is based on the School Corporation's fiscal year-end

Carmel Clay School Corporation

Required Supplementary Information
Schedule of the School's Proportionate Share of the Net Pension Liability
Teachers' Retirement Fund
Last 10 Fiscal Years*

Fiscal Year Ended **	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2022	1.98024 %	\$ (9,303,009)	\$ 72,171,820	-12.9 %	106.20 %
June 30, 2021	1.91494 %	1,492,519	66,057,076	2.3 %	98.80 %
June 30, 2020	1.86336 %	(2,676,887)	60,748,277	-4.4 %	102.40 %
June 30, 2019	1.85544 %	2,057,905	58,307,332	3.5 %	98.00 %
June 30, 2018	1.75626 %	11,629,896	53,029,051	21.9 %	88.00 %
June 30, 2017	1.75046 %	13,662,697	50,519,854	27.0 %	84.90 %

Notes:

* Information presented for the years information is available

** The data provided in the schedule is based as of the measurement date of INPRS (TRF) net pension liability, which is one year prior to the School Corporation's fiscal year-end

Carmel Clay School Corporation

Schedule of the School's Proportionate Share of the Net Pension Liability

Schedule of School Contributions

Teachers' Retirement Fund

Last 10 Fiscal Years*

Fiscal Year Ended **	Statutorily Required Contribution Percentage	Actual Employer Contributions	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
June 30, 2022	5.50 %	\$ 4,081,598	74,210,872	5.50 %
June 30, 2021	5.50 %	3,931,116	72,171,820	5.45 %
June 30, 2020	5.50 %	3,612,972	66,057,076	5.47 %
June 30, 2019	7.50 %	4,555,772	60,748,277	7.50 %
June 30, 2018	7.50 %	4,373,052	58,307,332	7.50 %
June 30, 2017	7.50 %	3,977,181	53,029,051	7.50 %
June 30, 2016	7.50 %	3,781,152	50,519,854	7.48 %

Notes:

* Information presented for the years information is available

** The data provided in the schedule is based on the School Corporation's fiscal year-end

Carmel Clay School Corporation

Schedules of Required Supplementary Information

Schedule of Changes in Net OPEB Liability

Last 10 Years*

	Fiscal Year Ended		
	June 30, 2022	June 30, 2021	June 30, 2020
Total OPEB Liability			
Interest	\$ 388,935	\$ 505,533	\$ 657,004
Service cost	681,097	653,681	535,032
Changes in assumptions	(2,595,203)	450,527	875,398
Differences between expected and actual experience	4,646,505	(985,442)	-
Benefit payments	<u>(1,820,531)</u>	<u>(1,970,711)</u>	<u>(1,824,734)</u>
Net change in total pension liability	1,300,803	(1,346,412)	242,700
Total OPEB liability, beginning of year	<u>17,983,814</u>	<u>19,330,226</u>	<u>19,087,526</u>
Total OPEB liability, end of year (1)	<u>\$ 19,284,617</u>	<u>\$ 17,983,814</u>	<u>\$ 19,330,226</u>
Plan Fiduciary Net Position			
Contributions	\$ 1,820,531	\$ 1,970,711	\$ 1,824,734
Benefit payments	<u>(1,820,531)</u>	<u>(1,970,711)</u>	<u>(1,824,734)</u>
Net change in plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position, Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position, Ending (2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total OPEB liability	<u>\$ 19,284,617</u>	<u>\$ 17,983,814</u>	<u>\$ 19,330,226</u>

Notes to Schedule:

*Information presented for the years information is available

Carmel Clay School Corporation

Schedules of Required Supplementary Information

Schedule of Net OPEB Liability

Last 10 Years*

	Fiscal Year Ended		
	June 30, 2022	June 30, 2021	June 30, 2020
1. Total OPEB Liability	\$ 19,284,617	\$ 17,983,814	\$ 19,330,226
2. Plan Fiduciary Net Position	-	-	-
3. Net OPEB Liability	<u>\$ 19,284,617</u>	<u>\$ 17,983,814</u>	<u>\$ 19,330,226</u>
4. Plan Fiduciary Net Position as a Percentage of Total OPEB Liability = (2) / (1)	0 %	0 %	0 %
5. Covered Payroll	\$ 87,789,154	\$ 101,597,716	\$ 99,362,069
6. Total OPEB Liability as a Percentage of Covered Payroll = (3) / (5)	22 %	18 %	19 %

Notes to Schedule:

*Information presented for the years information is available

See notes to required supplementary information

Carmel Clay School Corporation

Schedule of Required Supplementary Information

Schedule of Employer Contributions

Last 10 Years*

OPEB Contributions	Fiscal Year Ended		
	June 30, 2022	June 30, 2021	June 30, 2020
Actuarially determined contribution	\$ -	\$ -	\$ -
Actual employer contributions	<u>1,820,531</u>	<u>1,970,711</u>	<u>1,824,734</u>
Contribution excess	<u>\$ 1,820,531</u>	<u>\$ 1,970,711</u>	<u>\$ 1,824,734</u>
Covered payroll	\$ 87,789,154	\$ 101,597,716	\$ 99,362,069
Contributions as a percentage of covered - employee payroll	2.07 %	1.94 %	1.84 %

Notes to schedule:

* Information presented for the years information is available

Carmel Clay School Corporation

Required Supplementary Information

Schedule of the Employers Share of Nonemployer Contributing Entity Contributions

Pre-96 Teacher Retirement Fund

Last 10 Fiscal Years*

<u>Fiscal Year Ended **</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Share of Non-Employer Contributing Entity Contributions</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2021	\$ -	\$ -	\$ 16,848,631	N/A	1.05411 %
June 30, 2020	-	-	10,001,494	N/A	1.02988 %
June 30, 2019	-	-	9,663,365	N/A	1.02377 %
June 30, 2018	-	-	9,663,911	N/A	1.04956 %

** The data provided in the schedule is based as of the measurement date of INPRS net pension liability

Notes:

Information presented for the years information is available

Carmel Clay School Corporation

Notes to Required Supplementary Information

June 30, 2022

1. Budgets and Budgetary Accounting

The School follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:

- A. The Chief Financial Officer submits to the School Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- B. The School advertises the budget prior to adoption and the School Board holds public hearings to obtain taxpayer comments.
- C. The budget is approved in September of each year by the School Board through passage of an ordinance.
- D. Copies of the budget ordinance and advertisements are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the Chief Financial Officer receives approval from the Indiana Department of Local Government Finance. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the School's expenditures budget. The School's maximum tax levy is restricted by Indiana Law, with certain adjustments and exceptions. If the advertised budget exceeds the spending and tax limits of the state control laws, an excess levy can be granted by the Indiana Department of Local Government Finance, upon appeal by the School.
- E. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by object classification for all funds except for the Education and Operations Funds, which is by object classification within each department. The School's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the School Board. Any revisions that alter the total appropriations for any fund must be approved by the School Board and in some instances, by the Indiana Department of Local Government Finance.
- F. Formal budgetary integration is required by the State Statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major funds:

- Education (including Rainy Day)
- Operations
- Debt Service
- Operating Referendum

Nonmajor fund:

- Referendum Fund – Exempt School Safety Operating

Carmel Clay School Corporation

Notes to Required Supplementary Information

June 30, 2022

2. Pension Plans

PERF Plan:

Actuarial cost method	Entry age normal (level percent of payroll)
Experience study date	Period of 5 years ended June 30, 2019
Investment rate of return	6.25%, includes inflation, and net of administrative and investment expenses
Asset valuation method	Five-year smoothing of gains and losses on the Fair Value of Assets subject to a 20% corridor.
Inflation	2.25%
Salary increases	2.50% to 4.25% based on age
Mortality	Pub 2010 Public Retirement Plans Mortality Table with fully generational improvements using SOA scale MP-2019

Change in Assumptions. The Interest Rate/Investment Return assumption changed from 6.75% to 6.25%. The inflation assumption changed from 2.25% to 2.00%. The Future Salary Scale assumption changed from 2.75% - 8.75% to 2.65% - 8.65%.

Plan Amendments. In 2021, HEA 1001-2021 granted a 1% COLA effective January 1, 2022.

Discount Rate. The discount rate used to measure the total pension liability was 6.25% as of the measurement date of June 30, 2021 and is equal to the long-term expected return on plan investments.

TRF Plan:

- a) The actuarial assumptions and methods used in the June 30, 2021 valuation of the Teachers' 1996 Defined Benefit Account were adopted by the INPRS Board in May 2021. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014, through June 30, 2019, and were first used in the June 30, 2020, valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

PRE 96 TRF plan:

- b) The actuarial assumptions and methods used in the June 30, 2021 valuation of the Teachers' Pre-1996 Defined Benefit Account were adopted by the INPRS Board in May 2021. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014, through June 30, 2019, and were first used in the June 30, 2020, valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

Carmel Clay School Corporation

Notes to Required Supplementary Information

June 30, 2022

3. OPEB Plan:

Cost method: Entry Age Normal Level % of Salary method
 Amortization method: N/A
 Assumptions:

Discount rate: 4.09% as of June 30, 2022 and 2.19% as of June 30, 2021
 Discount rate basis: Range of indices, where the range is given as the spread between the lowest and highest rate.
 Inflation rate: 2.25% per year
 Disability: None assumed

Mortality: Support Staff: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP – 2021
 Teachers and Administrators: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP - 2021
 Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021
 Active employees with current coverage:
 With ERI: 100%
 Without ERI: 30%
 Active employees with no coverage: 0%

Retirement rates: Annual retirement rates are based on INPRS PERF and TRF actuarial valuations as of June 30, 2021. Sample annual retirement rates are shown below:

General Employees

Age	<10 YOS	10 YOS	20 YOS	30 YOS
55	0.0%	0.0%	5.0%	14.0%
60	0.0%	0.0%	12.0%	12.0%
65	0.0%	30.0%	30.0%	30.0%
67+	0.0%	100.0%	100.0%	100.0%

Teachers/Administrators

Age	<10 YOS	10 YOS	20 YOS	30 YOS
55	0.0%	0.0%	5.0%	15.0%
60	0.0%	0.0%	15.0%	15.0%
65	0.0%	40.0%	40.0%	40.0%
70	0.0%	40.0%	40.0%	40.0%
75+	0.0%	100.0%	100.0%	100.0%

Turnover: Turnover assumptions are based on INPRS PERF and TRF actuarial valuations as of June 30, 2021. Sample rates by group are as shown below:

Carmel Clay School Corporation

Notes to Required Supplementary Information

June 30, 2022

General	
YOS	Unisex
0	18.00%
5	8.00%
10	6.50%
15	5.25%
20	4.00%
25+	3.00%

Teachers/Administrators		
YOS	Male	Female
0	15.00%	12.50%
2	11.00%	10.50%
4	8.00%	8.50%
6	6.00%	6.50%
8	4.50%	5.00%
10	3.75%	4.00%
12	3.25%	3.25%
14	2.75%	2.75%
16+	2.25%	2.25%

Spousal Coverage: Spousal age and coverage for current retirees is based on actual data

Per capita claims cost: Employees retiring with ERI are assumed to elect the Prime plan. Employees retiring without ERI are assumed to elect at retirement the same plan as their current active plan.

Age	Prime		Standard	
	Male	Female	Male	Female
< 55	\$ 11,700	\$ 13,500	\$ 11,500	\$ 13,200
55 - 59	\$ 15,900	\$ 15,400	\$ 15,600	\$ 15,100
60 - 64	\$ 20,800	\$ 18,800	\$ 20,400	\$ 18,500

Age	High Deductible \$3,000		High Deductible \$5,000	
	Male	Female	Male	Female
< 55	\$ 10,000	\$ 11,500	\$ 8,400	\$ 9,700
55 - 59	\$ 13,500	\$ 13,100	\$ 11,400	\$ 11,100
60 - 64	\$ 17,800	\$ 16,100	\$ 15,000	\$ 13,600

SUPPLEMENTARY INFORMATION

Carmel Clay School Corporation

Combining Balance Sheet - Nonmajor Governmental Funds

June 30, 2022

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
Assets			
Cash and investments	\$ 11,053,970	\$ -	\$ 11,053,970
Receivables:			
Taxes receivable	1,721,148	-	1,721,148
Accounts	129,734	-	129,734
Intergovernmental receivable	1,777,304	-	1,777,304
Restricted cash	<u>-</u>	<u>12,885,438</u>	<u>12,885,438</u>
Total assets	<u>\$ 14,682,156</u>	<u>\$ 12,885,438</u>	<u>\$ 27,567,594</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 2,485,488	\$ -	\$ 2,485,488
Accrued wages and payroll withholding	281,933	-	281,933
Due to other funds	<u>1,777,304</u>	<u>-</u>	<u>1,777,304</u>
Total liabilities	<u>4,544,725</u>	<u>-</u>	<u>4,544,725</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>1,721,148</u>	<u>-</u>	<u>1,721,148</u>
Total deferred inflows of resources	<u>1,721,148</u>	<u>-</u>	<u>1,721,148</u>
Fund Balances			
Restricted	7,450,285	12,885,438	20,335,723
Committed	1,805,413	-	1,805,413
Unassigned (deficit)	<u>(839,415)</u>	<u>-</u>	<u>(839,415)</u>
Total fund balances	<u>8,416,283</u>	<u>12,885,438</u>	<u>21,301,721</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 14,682,156</u>	<u>\$ 12,885,438</u>	<u>\$ 27,567,594</u>

Carmel Clay School Corporation

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2022

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
Revenues			
Property taxes	\$ 3,869,243	\$ -	\$ 3,869,243
Other taxes	252,514	-	252,514
Intergovernmental	16,912,496	-	16,912,496
Charges for services	4,627,920	-	4,627,920
Other:			
Interest Income	515	261	776
Miscellaneous	<u>8,931,033</u>	<u>5,559</u>	<u>8,936,592</u>
Total revenues	<u>34,593,721</u>	<u>5,820</u>	<u>34,599,541</u>
Expenditures			
Current:			
Instruction	6,042,762	-	6,042,762
Support services	13,300,652	-	13,300,652
Community services	8,851,509	-	8,851,509
Capital outlays and facilities acquisition and construction	86,957	-	86,957
Nonprogrammed charges	6,804,929	6,300	6,811,229
Debt service:			
Principal paid on debt	-	16,180,000	16,180,000
Interest on debt	<u>-</u>	<u>2,974,207</u>	<u>2,974,207</u>
Total expenditures	<u>35,086,809</u>	<u>19,160,507</u>	<u>54,247,316</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(493,088)</u>	<u>(19,154,687)</u>	<u>(19,647,775)</u>
Other Financing Sources			
Transfer in	78,305	23,461,644	23,539,949
Transfer out	<u>(1,411,841)</u>	<u>-</u>	<u>(1,411,841)</u>
Total other financing sources	<u>(1,333,536)</u>	<u>23,461,644</u>	<u>22,128,108</u>
Net change in fund balance	(1,826,624)	4,306,957	2,480,333
Fund Balance, Beginning	<u>10,242,907</u>	<u>8,578,481</u>	<u>18,821,388</u>
Fund Balance, Ending	<u>\$ 8,416,283</u>	<u>\$ 12,885,438</u>	<u>\$ 21,301,721</u>

Carmel Clay School Corporation

Combining Balance Sheet
 Nonmajor Governmental Funds - Special Revenue
 June 30, 2022

	<u>Safety Referendum</u>	<u>Food Service</u>	<u>Textbook Rental</u>	<u>Extra Curricular Accounts</u>	<u>Levy Excess</u>	<u>Eric Clark Center</u>	<u>Washington DC Trip</u>
Assets							
Cash and investments	\$ 590,060	\$ 6,652,485	\$ 1,150,893	\$ 1,805,413	\$ 1,205	\$ 127,399	\$ -
Receivables:							
Taxes receivable	1,721,148	-	-	-	-	-	-
Accounts	-	-	129,734	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 2,311,208</u>	<u>\$ 6,652,485</u>	<u>\$ 1,280,627</u>	<u>\$ 1,805,413</u>	<u>\$ 1,205</u>	<u>\$ 127,399</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 758,826	\$ 16,979	\$ 1,567,189	\$ -	\$ -	\$ 8,342	\$ -
Accrued wages and payroll withholding	93,105	12,370	4,436	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>851,931</u>	<u>29,349</u>	<u>1,571,625</u>	<u>-</u>	<u>-</u>	<u>8,342</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue	<u>1,721,148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>1,721,148</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	-	6,623,136	-	-	1,205	119,057	-
Committed	-	-	-	1,805,413	-	-	-
Unassigned (deficit)	<u>(261,871)</u>	<u>-</u>	<u>(290,998)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>(261,871)</u>	<u>6,623,136</u>	<u>(290,998)</u>	<u>1,805,413</u>	<u>1,205</u>	<u>119,057</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,311,208</u>	<u>\$ 6,652,485</u>	<u>\$ 1,280,627</u>	<u>\$ 1,805,413</u>	<u>\$ 1,205</u>	<u>\$ 127,399</u>	<u>\$ -</u>

Carmel Clay School Corporation

Combining Balance Sheet
 Nonmajor Governmental Funds - Special Revenue
 June 30, 2022

	<u>Career and Technical Performance</u>	<u>Performance Based Awards</u>	<u>Connectivity</u>	<u>Project Lead the Way FY19</u>	<u>Alternative Education Fund</u>	<u>Donations</u>	<u>Early Childhood Grants</u>
Assets							
Cash and investments	\$ -	\$ -	\$ 12,760	\$ 2,400	\$ 2,871	\$ 365,617	\$ -
Receivables:							
Taxes receivable	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	27,170
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,760</u>	<u>\$ 2,400</u>	<u>\$ 2,871</u>	<u>\$ 365,617</u>	<u>\$ 27,170</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ 2,850	\$ -	\$ 2,139	\$ -
Accrued wages and payroll withholding	-	-	-	-	-	-	941
Due to other funds	-	-	-	-	-	-	27,170
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,850</u>	<u>-</u>	<u>2,139</u>	<u>28,111</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	-	-	12,760	-	2,871	363,478	-
Committed	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	(450)	-	-	(941)
Total fund balances	<u>-</u>	<u>-</u>	<u>12,760</u>	<u>(450)</u>	<u>2,871</u>	<u>363,478</u>	<u>(941)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,760</u>	<u>\$ 2,400</u>	<u>\$ 2,871</u>	<u>\$ 365,617</u>	<u>\$ 27,170</u>

Carmel Clay School Corporation

Combining Balance Sheet
 Nonmajor Governmental Funds - Special Revenue
 June 30, 2022

	Early Intervention	Federal Part B 611 Funds	Formative Assessment	High Ability Grants	Non-English Speaking	Secured School Safety Grants	Special Education
Assets							
Cash and investments	\$ -	\$ -	\$ 24,235	\$ 60,518	\$ 182,479	\$ -	\$ -
Receivables:							
Taxes receivable	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Intergovernmental receivable	-	160,748	-	-	-	14,399	2,809
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
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Carmel Clay School Corporation

Combining Balance Sheet
 Nonmajor Governmental Funds - Special Revenue
 June 30, 2022

	<u>Title I Grants</u>	<u>Title II Grants</u>	<u>Title III Grants</u>	<u>Title IV Grants</u>	<u>IMAC 2020-21 IN Medicaid Adm Clm</u>	<u>CARES-Educ Stab Rel 18003 20-21</u>	<u>ESSER II</u>
Assets							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 74,635	\$ -	\$ -
Receivables:							
Taxes receivable	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Intergovernmental receivable	<u>28,683</u>	<u>30,261</u>	<u>9,681</u>	<u>-</u>	<u>-</u>	<u>70,563</u>	<u>37,562</u>
Total assets	<u>\$ 28,683</u>	<u>\$ 30,261</u>	<u>\$ 9,681</u>	<u>\$ -</u>	<u>\$ 74,635</u>	<u>\$ 70,563</u>	<u>\$ 37,562</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ 3,001	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and payroll withholding	10,304	-	4,810	-	-	-	43,264
Due to other funds	<u>28,683</u>	<u>30,261</u>	<u>9,681</u>	<u>-</u>	<u>-</u>	<u>70,563</u>	<u>37,562</u>
Total liabilities	<u>38,987</u>	<u>33,262</u>	<u>14,491</u>	<u>-</u>	<u>-</u>	<u>70,563</u>	<u>80,826</u>
Deferred Inflows of Resources							
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	-	-	-	-	74,635	-	-
Committed	-	-	-	-	-	-	-
Unassigned (deficit)	<u>(10,304)</u>	<u>(3,001)</u>	<u>(4,810)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(43,264)</u>
Total fund balances	<u>(10,304)</u>	<u>(3,001)</u>	<u>(4,810)</u>	<u>-</u>	<u>74,635</u>	<u>-</u>	<u>(43,264)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 28,683</u>	<u>\$ 30,261</u>	<u>\$ 9,681</u>	<u>\$ -</u>	<u>\$ 74,635</u>	<u>\$ 70,563</u>	<u>\$ 37,562</u>

Carmel Clay School Corporation

Combining Balance Sheet
 Nonmajor Governmental Funds - Special Revenue
 June 30, 2022

	ESSER III	Scholarships	SS ARP 611 Grant 2021	SS ARP 619 Grant 2021	***HSG Covid DR4515	Total Special Revenue Nonmajor Funds
Assets						
Cash and investments	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 11,053,970
Receivables:						
Taxes receivable	-	-	-	-	-	1,721,148
Accounts	-	-	-	-	-	129,734
Intergovernmental receivable	1,324,763	-	16,084	54,581	-	1,777,304
Total assets	<u>\$ 1,324,763</u>	<u>\$ 1,000</u>	<u>\$ 16,084</u>	<u>\$ 54,581</u>	<u>\$ -</u>	<u>\$ 14,682,156</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ 1,000	\$ 53,536	\$ -	\$ -	\$ 2,485,488
Accrued wages and payroll withholding	-	-	-	-	-	281,933
Due to other funds	1,324,763	-	16,084	54,581	-	1,777,304
Total liabilities	<u>1,324,763</u>	<u>1,000</u>	<u>69,620</u>	<u>54,581</u>	<u>-</u>	<u>4,544,725</u>
Deferred Inflows of Resources						
Unavailable revenue	-	-	-	-	-	1,721,148
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,721,148</u>
Fund Balances						
Restricted	-	-	-	-	-	7,450,285
Committed	-	-	-	-	-	1,805,413
Unassigned (deficit)	-	-	(53,536)	-	-	(839,415)
Total fund balances	<u>-</u>	<u>-</u>	<u>(53,536)</u>	<u>-</u>	<u>-</u>	<u>8,416,283</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,324,763</u>	<u>\$ 1,000</u>	<u>\$ 16,084</u>	<u>\$ 54,581</u>	<u>\$ -</u>	<u>\$ 14,682,156</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2022

	Safety	Food	Textbook	Extra	Levy	Eric Clark	Washington
	Referendum	Service	Rental	Curricular	Excess	Center	DC Trip
Revenues							
Property taxes	\$ 3,869,243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	252,514	-	-	-	-	-	-
Intergovernmental	-	9,068,560	-	-	-	-	-
Charges for services	-	2,697,362	1,930,558	-	-	-	-
Other:							
Interest income	-	515	-	-	-	-	-
Miscellaneous	-	5,505,608	156,073	3,027,459	-	69,000	28,600
Total revenues	<u>4,121,757</u>	<u>17,272,045</u>	<u>2,086,631</u>	<u>3,027,459</u>	<u>-</u>	<u>69,000</u>	<u>28,600</u>
Expenditures							
Current:							
Instruction	29,987	-	-	1,138,193	-	-	-
Support services	6,852,364	156,563	4,418,018	280,195	-	-	-
Community services	-	8,821,722	-	-	-	-	29,787
Capital outlays and facilities acquisition and construction	-	-	-	-	-	86,957	-
Nonprogrammed charges	-	5,515,373	-	1,288,556	-	-	-
Total expenditures	<u>6,882,351</u>	<u>14,493,658</u>	<u>4,418,018</u>	<u>2,706,944</u>	<u>-</u>	<u>86,957</u>	<u>29,787</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,760,594)</u>	<u>2,778,387</u>	<u>(2,331,387)</u>	<u>320,515</u>	<u>-</u>	<u>(17,957)</u>	<u>(1,187)</u>
Other Financing Sources							
Transfer in	32,163	-	43,156	-	-	-	2,986
Transfer out	-	-	-	-	-	-	-
Total other financing sources	<u>32,163</u>	<u>-</u>	<u>43,156</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,986</u>
Net change in fund balance	(2,728,431)	2,778,387	(2,288,231)	320,515	-	(17,957)	1,799
Fund Balance (Deficit), Beginning	<u>2,466,560</u>	<u>3,844,749</u>	<u>1,997,233</u>	<u>1,484,898</u>	<u>1,205</u>	<u>137,014</u>	<u>(1,799)</u>
Fund Balance (Deficit), Ending	<u>\$ (261,871)</u>	<u>\$ 6,623,136</u>	<u>\$ (290,998)</u>	<u>\$ 1,805,413</u>	<u>\$ 1,205</u>	<u>\$ 119,057</u>	<u>\$ -</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2022

	Career and Technical Performance	Performance Based Awards	Connectivity	Project Lead the Way FY19	Alternative Education Fund	Donations	Early Childhood Grants
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
Intergovernmental	-	601,878	12,760	-	-	107,623	54,938
Charges for services	-	-	-	-	-	-	-
Other:							
Interest income	-	-	-	-	-	-	-
Miscellaneous	-	-	-	6,100	-	137,193	-
Total revenues	-	601,878	12,760	6,100	-	244,816	54,938
Expenditures							
Current:							
Instruction	4,322	601,878	-	6,550	69	85,187	55,879
Support services	-	-	17,767	-	-	68,327	-
Community services	-	-	-	-	-	-	-
Capital outlays and facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total expenditures	4,322	601,878	17,767	6,550	69	153,514	55,879
Excess (deficiency) of revenues over (under) expenditures	(4,322)	-	(5,007)	(450)	(69)	91,302	(941)
Other Financing Sources							
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Net change in fund balance	(4,322)	-	(5,007)	(450)	(69)	91,302	(941)
Fund Balance (Deficit), Beginning	4,322	-	17,767	-	2,940	272,176	-
Fund Balance (Deficit), Ending	\$ -	\$ -	\$ 12,760	\$ (450)	\$ 2,871	\$ 363,478	\$ (941)

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds - Special Revenue
 Year Ended June 30, 2022

	Early Intervention	Federal Part B 611 Funds	Formative Assessment	High Ability Grants	Non-English Speaking	Secured School Safety Grants	Special Education
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
Intergovernmental	49,974	3,227,655	181,797	134,084	274,744	112,379	5,801
Charges for services	-	-	-	-	-	-	-
Other:							
Interest income	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>49,974</u>	<u>3,227,655</u>	<u>181,797</u>	<u>134,084</u>	<u>274,744</u>	<u>112,379</u>	<u>5,801</u>
Expenditures							
Current:							
Instruction	58,072	2,528,294	-	46,916	7,269	-	5,558
Support services	-	689,379	166,602	52,605	204,550	158,087	-
Community services	-	-	-	-	-	-	-
Capital outlays and facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total expenditures	<u>58,072</u>	<u>3,217,673</u>	<u>166,602</u>	<u>99,521</u>	<u>211,819</u>	<u>158,087</u>	<u>5,558</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,098)</u>	<u>9,982</u>	<u>15,195</u>	<u>34,563</u>	<u>62,925</u>	<u>(45,708)</u>	<u>243</u>
Other Financing Sources							
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(8,098)	9,982	15,195	34,563	62,925	(45,708)	243
Fund Balance (Deficit), Beginning	<u>8,098</u>	<u>(134,514)</u>	<u>9,040</u>	<u>20,955</u>	<u>110,465</u>	<u>-</u>	<u>(243)</u>
Fund Balance (Deficit), Ending	<u>\$ -</u>	<u>\$ (124,532)</u>	<u>\$ 24,235</u>	<u>\$ 55,518</u>	<u>\$ 173,390</u>	<u>\$ (45,708)</u>	<u>\$ -</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2022

	IMAC 2020-						
	Title I	Title II	Title III	Title IV	21 IN Medicaid	CARES-Educ Stab Rel	
	Grants	Grants	Grants	Grants	Adm Clm	18003 20-21	ESSER II
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
Intergovernmental	210,937	231,769	79,751	3,961	60,367	70,563	738,422
Charges for services	-	-	-	-	-	-	-
Other:							
Interest income	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>210,937</u>	<u>231,769</u>	<u>79,751</u>	<u>3,961</u>	<u>60,367</u>	<u>70,563</u>	<u>738,422</u>
Expenditures							
Current:							
Instruction	219,866	-	79,713	657	-	70,563	781,686
Support services	-	229,070	-	3,000	-	-	-
Community services	-	-	-	-	-	-	-
Capital outlays and facilities acquisition and construction	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Total expenditures	<u>219,866</u>	<u>229,070</u>	<u>79,713</u>	<u>3,657</u>	<u>-</u>	<u>70,563</u>	<u>781,686</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,929)</u>	<u>2,699</u>	<u>38</u>	<u>304</u>	<u>60,367</u>	<u>-</u>	<u>(43,264)</u>
Other Financing Sources							
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(8,929)	2,699	38	304	60,367	-	(43,264)
Fund Balance (Deficit), Beginning	<u>(1,375)</u>	<u>(5,700)</u>	<u>(4,848)</u>	<u>(304)</u>	<u>14,268</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit), Ending	<u>\$ (10,304)</u>	<u>\$ (3,001)</u>	<u>\$ (4,810)</u>	<u>\$ -</u>	<u>\$ 74,635</u>	<u>\$ -</u>	<u>\$ (43,264)</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue

Year Ended June 30, 2022

	<u>ESSER III</u>	<u>Scholarships</u>	<u>SS ARP 611 Grant 2021</u>	<u>SS ARP 619 Grant 2021</u>	<u>***HSG Covid DR4515</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,869,243
Other taxes	-	-	-	-	-	252,514
Intergovernmental	1,425,000	-	117,874	54,581	87,078	16,912,496
Charges for services	-	-	-	-	-	4,627,920
Other:						
Interest income	-	-	-	-	-	515
Miscellaneous	-	1,000	-	-	-	8,931,033
Total revenues	<u>1,425,000</u>	<u>1,000</u>	<u>117,874</u>	<u>54,581</u>	<u>87,078</u>	<u>34,593,721</u>
Expenditures						
Current:						
Instruction	96,112	-	171,410	54,581	-	6,042,762
Support services	4,125	-	-	-	-	13,300,652
Community services	-	-	-	-	-	8,851,509
Capital outlays and facilities acquisition and construction	-	-	-	-	-	86,957
Nonprogrammed charges	-	1,000	-	-	-	6,804,929
Total expenditures	<u>100,237</u>	<u>1,000</u>	<u>171,410</u>	<u>54,581</u>	<u>-</u>	<u>35,086,809</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,324,763</u>	<u>-</u>	<u>(53,536)</u>	<u>-</u>	<u>87,078</u>	<u>(493,088)</u>
Other Financing Sources						
Transfer in	-	-	-	-	-	78,305
Transfer out	<u>(1,324,763)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(87,078)</u>	<u>(1,411,841)</u>
Total other financing sources	<u>(1,324,763)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(87,078)</u>	<u>(1,333,536)</u>
Net change in fund balance	-	-	(53,536)	-	-	(1,826,624)
Fund Balance (Deficit), Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,242,907</u>
Fund Balance (Deficit), Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,536)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,416,283</u>

Carmel Clay School Corporation

Combining Balance Sheet

Nonmajor Governmental Funds - Debt Service Fund

June 30, 2022

	<u>Building Corporation</u>
Assets	
Restricted cash	\$ <u>12,885,438</u>
Total assets	\$ <u><u>12,885,438</u></u>
Liabilities and Fund Balances	
Total liabilities	\$ <u>-</u>
Fund Balances	
Restricted	<u>12,885,438</u>
Total fund balances	<u>12,885,438</u>
Total liabilities and fund balances	\$ <u><u>12,885,438</u></u>

Carmel Clay School Corporation

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds - Debt Service Fund

Year Ended June 30, 2022

	<u>Building Corporation</u>
Revenues	
Other:	
Interest income	\$ 261
Miscellaneous	<u>5,559</u>
Total revenues	<u>5,820</u>
Expenditures	
Current:	
Nonprogrammed charges	6,300
Debt service:	
Principal paid on debt	16,180,000
Interest on debt	<u>2,974,207</u>
Total expenditures	<u>19,160,507</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,154,687)</u>
Other Financing Sources	
Transfer in	<u>23,461,644</u>
Total other financing sources	<u>23,461,644</u>
Net change in fund balance	4,306,957
Fund Balance, Beginning	<u>8,578,481</u>
Fund Balance, Ending	<u>\$ 12,885,438</u>

**Carmel Clay School
Corporation**

Single Audit Report

June 30, 2022



Carmel Clay School Corporation

June 30, 2022

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Carmel Clay School Corporation

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Federal Grantor	Pass-Through Grantor	Pass-Through Identifying Number	Program Title	Federal Assistance Listing Number	2022 Total Federal Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster:					
	Indiana Department of Education	n/a	School Breakfast Program	10.553	\$ 945,842
	Indiana Department of Education	n/a	National School Lunch Program (NSLP)	10.555	7,953,135
	Indiana Department of Education	n/a	National School Lunch Program (NSLP) - Commodities	10.555	761,377
					<u>8,714,512</u>
Total Child Nutrition Cluster					<u>9,660,354</u>
Total U.S. Department of Agriculture					<u>9,660,354</u>
U.S. Department of Education					
	Indiana Department of Education	S010A200014	Title I Grants to Local Education Agencies	84.010	3,695
	Indiana Department of Education	S010A210014	Title I Grants to Local Education Agencies	84.010	207,242
					<u>210,937</u>
Special Education Cluster:					
	Indiana Department of Education	19611-100-PN01	Special Education-Grants to States (IDEA, Part B)	84.027	35,488
	Indiana Department of Education	HO27A1900-84	Special Education-Grants to States (IDEA, Part B)	84.027	87,765
	Indiana Department of Education	HO27A1900-84	Special Education-Grants to States (IDEA, Part B)	84.027	576,303
	Indiana Department of Education	HO27A1900-84	Special Education-Grants to States (IDEA, Part B)	84.027	2,528,099
	Indiana Department of Education	HO27A2100-84	COVID-19 American Rescue Plan IDEA Award	84.027	117,874
					<u>3,345,529</u>
	Indiana Department of Education	H173A180104	Special Education Preschool	84.173	60,739
	Indiana Department of Education	H173X210104	COVID-19 American Rescue Plan IDEA Award	84.173	54,581
					<u>115,320</u>
Total Special Education Cluster					<u>3,460,849</u>
	Indiana Department of Education	S365A200014	English Language Acquisition State Grants	84.365	44,256
	Indiana Department of Education	S365A210014	English Language Acquisition State Grants	84.365	35,495
					<u>79,751</u>
	Indiana Department of Education	S367A190013	Supporting Effective Instruction State Grants	84.367	100,326
	Indiana Department of Education	S367A200013	Supporting Effective Instruction State Grants	84.367	131,444
					<u>231,770</u>
	Indiana Department of Education	S424A200015	Student Support and Academic Enrichment Program	84.424	3,961
					<u>3,961</u>
	Indiana Department of Education	S425D200013	COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	70,563
	Indiana Department of Education	S425D210013	COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	738,422
	Indiana Department of Education	S425D220013	COVID-19 American Rescue Plan-Elementary and Secondary School Emergency Relief Fund (ARP ESSER)	84.425U	1,425,000
					<u>2,233,985</u>
Total U.S. Department of Education					<u>6,221,253</u>
U.S. Department of Homeland Security					
	Indiana Department of Homeland Security	PA-05-IN-4515-PW-0000176	Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	87,078
Total U.S. Department of Homeland Security					<u>87,078</u>
Total Federal Expenditures					<u>\$ 15,968,685</u>

See Notes to Schedule of Expenditures of Federal Awards

Carmel Clay School Corporation
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Carmel Clay Schools (CCS) under programs of the federal government for the year ended June 30, 2022. The accompanying notes are an integral part of this Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of CCS, it is not intended to and does not present the financial position, changes in net position or cash flows of CCS.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

CCS has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Federal Loan Programs

CCS had no federal loans that they were administering as of June 30, 2022, and CCS did not pass-through any federal funds to subrecipients.

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*

Independent Auditor's Report

School Board
Carmel Clay School Corporation
Carmel, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Carmel Clay School Corporation (School Corporation), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Corporation's basic financial statements, and have issued our report thereon dated July 17, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings questioned costs as item 2022-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School Corporation's financial statements are free from 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*.

School Corporation's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School Corporation's response to the finding identified in our audit and described in the accompanying schedule of findings questioned costs. The School Corporation's response was not subjected to the other auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on the response.

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 School Corporation'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 School Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS,LLP

Indianapolis, Indiana
July 17, 2023

Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance, and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

School Board
Carmel Clay School Corporation
Carmel, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Carmel Clay School Corporation's (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School Corporation's major federal programs for the year ended June 30, 2022. The School Corporation'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, Carmel Clay School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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 the School Corporation 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 School Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School Corporation'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 School Corporation's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation'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 School Corporation'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 School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the School Corporation, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise School Corporation’s basic financial statements. We have issued our report thereon dated July 17, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance 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. The information has been subjected to the auditing procedures applied in the audit of the 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 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.

FORVIS,LLP

Indianapolis, Indiana
July 17, 2023

Carmel Clay Schools
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:

Material weakness(es)? Yes No

Significant deficiency(ies)? Yes None reported

3. Noncompliance material to the financial statements noted?

Yes No

Federal Awards

4. Internal control over major federal awards programs:

Material weakness(es)? Yes No

Significant deficiency(ies)? Yes None reported

5. Type of auditor's report on compliance for the major federal award programs:

Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?

Yes No

Carmel Clay Schools
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2022

7. Identification of major programs:

Cluster/Program	Assistance Listing Numbers	Opinion Issued
Child Nutrition Cluster	10.553 & 10.555	Unmodified
COVID-19 Elementary and Secondary School Emergency Relief Fund & American Rescue Plan-Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425D & 84.425U	Unmodified

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.

9. Auditee qualified as a low-risk auditee? Yes No

Carmel Clay Schools
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2022

Section II – Financial Statements Findings

Reference Number	Finding
2022-001	<p>Criteria or Specific Requirement: Management is responsible for establishing and maintaining effective internal controls over financial reporting.</p> <p>Control activities are the actions and tools established through policies and procedures to detect, prevent or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.</p> <p>Condition: The School Corporation’s internal control environment over financial reporting did not timely detect certain adjustments related to the financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP).</p> <p>Context: The School Corporation’s internal controls over preparing full accrual financial statements in accordance with GAAP did not timely detect certain adjustments to capital assets (approximately \$700,000) and accounts payable balances (approximately \$2 million) as of June 30, 2022.</p> <p>Effect: Misstatements in the financial statements.</p> <p>Cause: The School Corporation’s internal control environment continues to be improved and adjusted but did not identify these adjustments in a timely manner.</p> <p>Recommendation: The School Corporation should continue refining an effective process to accurately and timely report all balances and transactions related to preparing GAAP financial statements.</p> <p>Views of Responsible Officials and Planned Corrective Action: The School Corporation recognizes and agrees that specific breakdowns in internal control led to certain misstatements in the annual report and that these misstatements were subsequently corrected. The School Corporation continues to refine its processes over preparing annual GAAP financial statements.</p>

Carmel Clay Schools
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2022

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

Carmel Clay Schools
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

Reference Number	Summary of Finding	Status
2021-001	<p>Internal controls over financial reporting related restatements</p> <p>The School Corporation’s internal control environment over financial reporting did not timely detect certain adjustments related to the previous fiscal year that were needed to prevent the opening net position and fund balance for 2020 from being misstated.</p>	Not fully resolved – see finding 2022-001
2021-002	<p>Internal controls over extracurricular activities</p> <p>The School Corporation’s internal control environment over processing certain transactions related to extracurricular activities did not timely detect certain misappropriations that occurred in previous years.</p>	Resolved



CARMEL CLAY SCHOOLS
TOGETHER WE ACHIEVE

📍 5201 East Main Street
Carmel, IN 46033

📞 317.844.9961

🌐 www.ccs.k12.in.us

CORRECTIVE ACTION PLAN

FINDING 2022-001

Contact Person Responsible for Corrective Action: Kara Kollros
Contact Phone Number: 317-844-9961

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan:

Carmel Clay Schools has adjusted its internal controls subsequent to the finding referenced above. We continue to learn and refine our process for preparing annual GAAP financial statements.

Anticipated Completion Date: 5/1/23

Kara J. Kollros
Director of Finance
Carmel Clay Schools
June 14, 2023