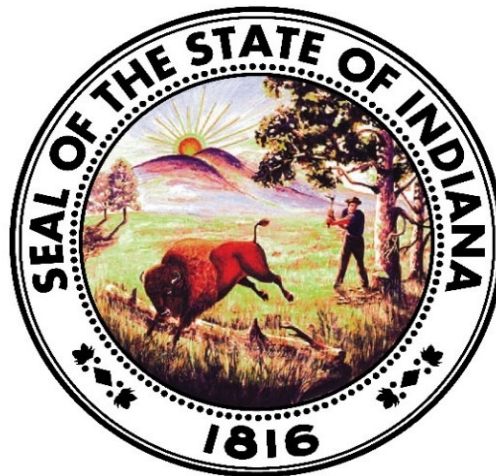


STATE BOARD OF ACCOUNTS
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FINANCIAL STATEMENT AND
FEDERAL COMPLIANCE AUDIT REPORT
OF
CARMEL CLAY SCHOOL CORPORATION
HAMILTON COUNTY, INDIANA
July 1, 2022 to June 30, 2023



FILED
10/08/2024



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To: The Officials of the Carmel Clay School Corporation
Carmel Clay School Corporation
Hamilton County, Indiana

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 Mazars, LLP, Independent Public Accountants, for the period July 1, 2022 to June 30, 2023. 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, 2023, 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 12 of the Single Audit Report.

In our opinion, Forvis Mazars, 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

Annual Financial Report

June 30, 2023

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, 2023, 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, 2023, 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 August 22, 2024, 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 Mazars, LLP

**Indianapolis, Indiana
August 22, 2024**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2023

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, 2023. Amounts are reported in thousands.

Financial Highlights

- The assets and deferred outflows of resources, \$509,416 and \$33,376, respectively, of the School Corporation exceeded its liabilities and deferred inflows of, \$324,117 and \$13,742, respectively, at the close of the most recent fiscal year by \$204,931 (net position).
- The School Corporation's total net position increased by \$24,816 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 \$125,358, an increase of \$30,330 in comparison to the prior year.
- At the end of the current fiscal year, the fund balance for the operations fund was \$3,091 which represented 9.65% of total operations fund expenditures (\$32,027), excluding transfers out.
- The School Corporation's total amount of bonds increased by \$37,694 during the current fiscal year. The net change was a result of \$56,340 in new debt, a net increase of \$1,206 in unamortized bond premiums and a total of \$20,255 in principal payments on existing bonds.
- Nondebt Long-Term Obligations increased \$16,259.

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 1-3 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 page 4-6 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 7-9 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 10-47 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 48-63 of this report.

Carmel Clay School Corporation

Management's Discussion and Analysis

June 30, 2023

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 64-77 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 \$204,931 at the close of the most recent fiscal year.

The largest portion, \$143,438 (69.99%), 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 \$37,893 18.49%, 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	
	2023	2022
Current and other assets	\$ 189,137	\$ 163,960
Capital assets	<u>320,278</u>	<u>285,269</u>
Total assets	<u>\$ 509,415</u>	<u>\$ 449,229</u>
Deferred outflow of resources	<u>\$ 33,376</u>	<u>\$ 29,515</u>
Long-term liabilities	\$ 295,983	\$ 241,702
Other liabilities	<u>28,134</u>	<u>20,311</u>
Total liabilities	<u>\$ 324,117</u>	<u>\$ 262,013</u>
Deferred inflow of resources	<u>\$ 13,742</u>	<u>\$ 36,614</u>
Net investment in capital assets	\$ 143,438	\$ 118,326
Restricted net position	37,893	42,302
Unrestricted net position	<u>23,600</u>	<u>19,488</u>
Total net position	<u>\$ 204,931</u>	<u>\$ 180,116</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, 2023

Governmental Activities

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

	Governmental Activities	
	2023	2022
Revenues:		
Program revenues		
Charges for services	7,938	7,026
Operating grants and contributions	21,194	29,145
General revenues:		
Property taxes	89,406	78,948
Other taxes	6,726	6,199
State aid	115,066	110,664
Other	23,702	11,965
Total revenues	<u>264,032</u>	<u>243,947</u>
Expenses:		
Instruction	114,133	114,372
Support services	72,333	66,816
Community services	11,322	10,647
Facilities acquisition	5,674	19,339
Nonprogrammed charges	30,472	16,897
Interest expense	<u>5,283</u>	<u>2,448</u>
Total expenses	<u>239,217</u>	<u>230,519</u>
Change in net position	24,816	13,428
Net Position, Beginning	<u>180,116</u>	<u>166,688</u>
Net Position, Ending	<u>\$ 204,932</u>	<u>\$ 180,116</u>

The School Corporation's net position from governmental activities, including the statement of net position increased by \$24,816 or 13.78% in 2023, over the net position of 2022. Notable changes in governmental activities revenues and expenses in 2023 compared to 2022 include the following:

- Program revenues (charge for services) increased in comparison to prior year by \$912 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) decreased by \$7,951, due to the receipt of ARPA funds in FY 22 that only had a small amount received in FY 23.
- Property tax revenues increased by \$10,458 in comparison to prior year due to the an increase in the tax rate.
- Other revenues increased by \$11,737 in comparison to prior year due to increase in prepaid food revenues.
- Nonprogrammed charges expenses increased by \$13,575 in comparison with the prior year due a difference in the posting of the Pre 96 TRF entry.

Carmel Clay School Corporation

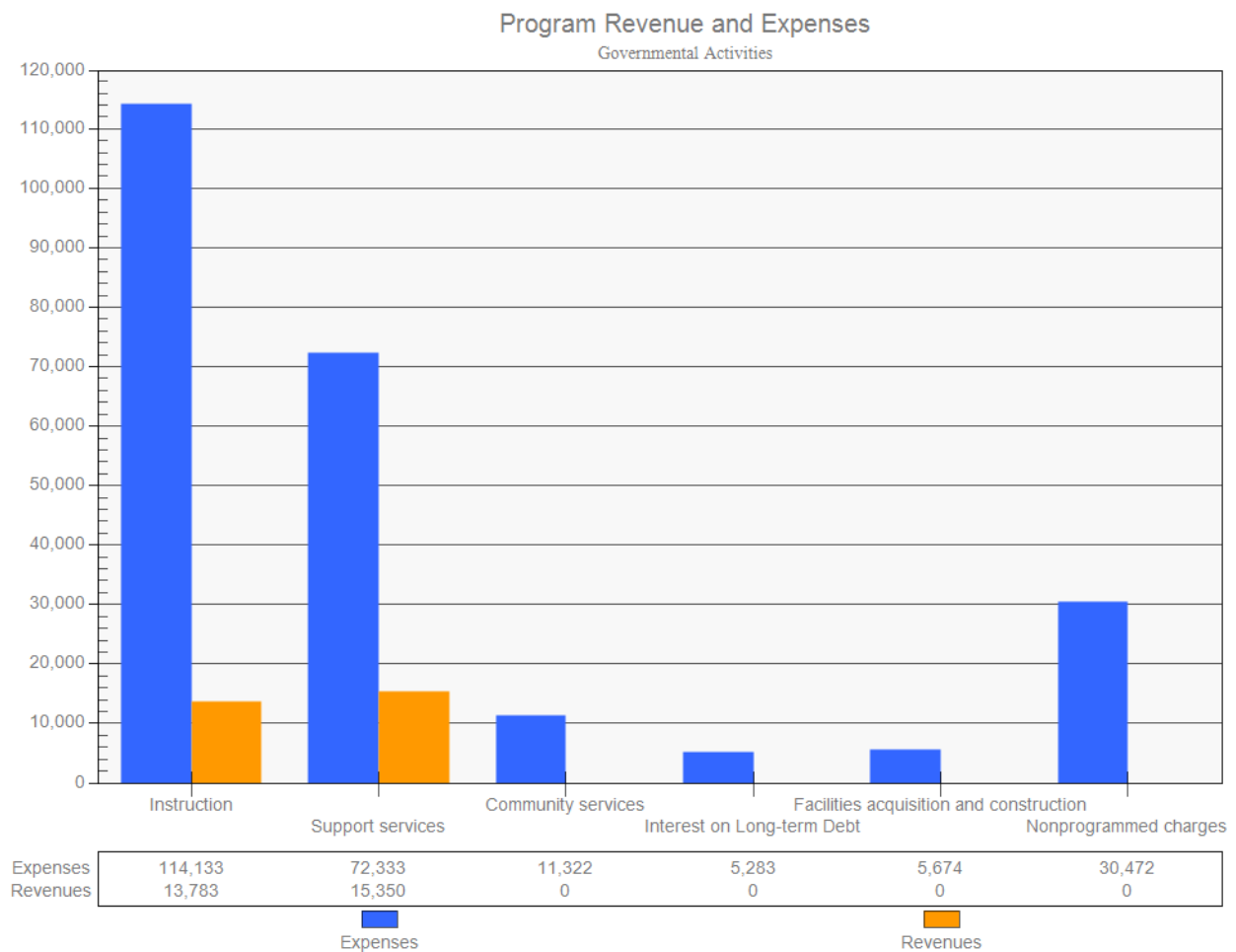
Management's Discussion and Analysis
June 30, 2023

- The School Corporation's overall cash and cash equivalents plus investments of \$71,783 and \$76,515, respectively, remained very strong in the current economic environment. The School Corporation's property tax rate for 2023 increased slightly to \$.8603 from \$.8602 for 2022, per \$100 of assessed value.

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.

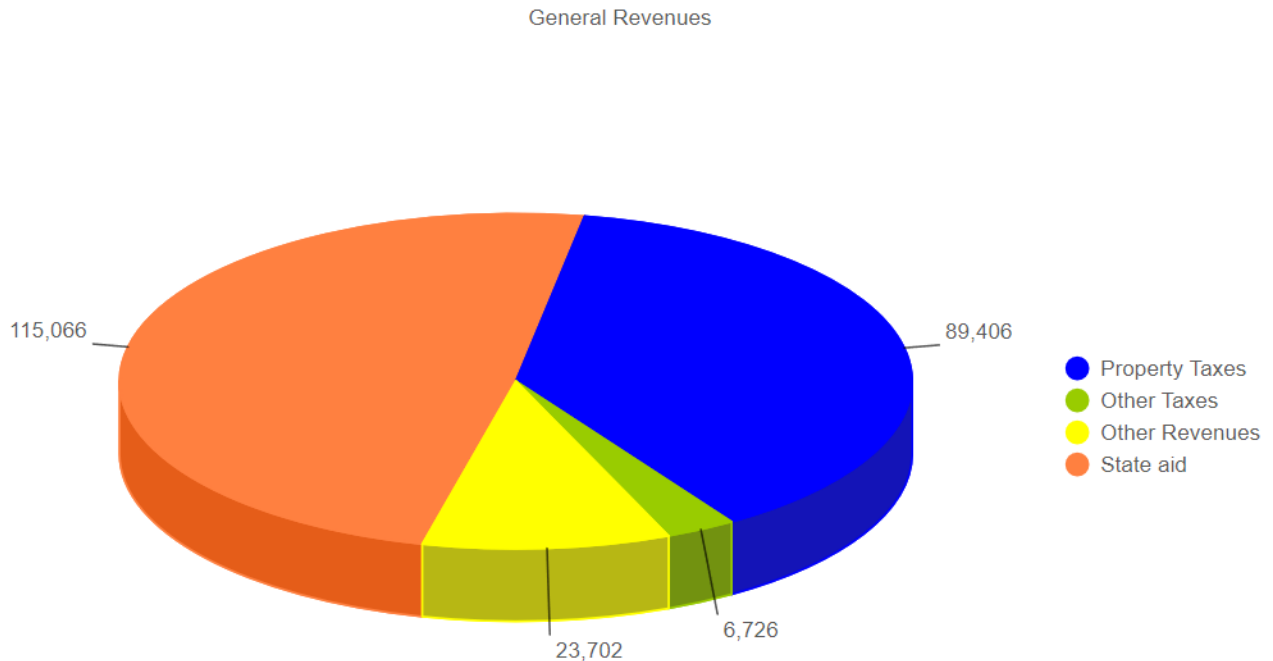
The following displays the Expenses and Program Revenues of the School Corporation's governmental activities.



Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2023

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, 2023

As of the end of the current fiscal year, the School Corporation's governmental funds reported combined ending fund balances of \$125,358 an increase of \$30,330 in comparison with the prior year. The fund balance has restricted fund balance of \$121,929, committed fund balance of \$4,254 and unassigned fund balance of \$(824) (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 \$3,091. As a measure of the operations fund's liquidity, it may be useful to compare total fund balance to total expenditures of \$32,027 excluding transfers. Total fund balance represents 9.65% of total operations fund expenditures.

The fund balance of the School Corporation's operations fund had an decrease of \$1,938 during the current fiscal year. Key factors in this increase are as follows:

- Expenses exceeded revenues by \$767 excluding other financing sources and uses.
- Other financing sources decreased by \$2,392 during the current fiscal year.
- Revenues increased by \$439 and expenditures increased by \$2,578 from 2022 to 2023.
- Revenue changes include an decrease in miscellaneous revenue of \$232 in 2023.
- Major expenditure changes include an increase in support services expenses of \$1,305.

The Education Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$3,696. The major source of revenue was state aid received from the state. Significant expenditures include instruction of \$97,148 and support services of \$19,227.

The Operating Referendum Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$2,014. The major source of revenues are property taxes. Significant expenditures include support services expenses of \$18,752.

The Debt Service Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$8,304. The major source of revenue is property taxes. Significant expenditures include transfers out of \$31,177, respectively.

The Building Corporation Construction Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$65,088. 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 \$15,040. The major source of revenues was from transfers from other funds. Significant expenditures were for facilities acquisition and construction of \$25,482.

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, 2023 amounts to \$320,278 (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, 2023

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

- The School had construction in progress expenditures totaling \$43,238 during fiscal year 2023. Some of the larger categories of expenses related to the construction in progress were \$32,537 for improvements and renovations to Carmel High School

The following table displays the School's capital assets.

	Governmental Funds	
	2023	2022
Land	\$ 10,657	\$ 10,657
Construction in progress	51,354	41,814
Buildings	402,837	369,139
Machinery and equipment	21,545	22,610
Subscription Asset	<u>919</u>	<u>-</u>
Total capital assets	487,312	444,220
Accumulated depreciation	<u>(167,034)</u>	<u>(158,951)</u>
Net capital assets	<u>\$ 320,278</u>	<u>\$ 285,269</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 \$270,762. Of this amount \$231,035 comprises general obligation debt payable in more than one year.

The remainder of the School Corporation's long-term obligations consist of \$277 of compensated absences, of subscription liabilities, \$22,142 of net pension liability, and \$17,257 of OPEB liability. The following table reflects the School Corporation's long-term obligations:

	Governmental Activities	
General obligation bonds	<u>\$ 255,575</u>	<u>\$ 218,285</u>
Subtotal	<u>255,575</u>	<u>218,285</u>
Subscription Liability	732	-
Compensated absences	277	261
Net pension liability	22,142	3,871
OPEB Liability	<u>17,256</u>	<u>19,285</u>
Subtotal	<u>40,407</u>	<u>23,417</u>
Less current portion	<u>(25,220)</u>	<u>(20,516)</u>
Total long-term obligations	<u>\$ 270,762</u>	<u>\$ 221,186</u>

Additional information on long-term obligations can be found in the notes to the financial statement on pages 24 to 26.

Carmel Clay School Corporation

Management's Discussion and Analysis
June 30, 2023

The School Corporation's total long-term obligations increased by \$49,576 during the current fiscal year. Debt increased during the year due to a \$56,340 bond issuances. There was a decrease in the OPEB liability of \$2,029 and an increase in net pension liability of \$ 18,271 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 2023 tax rates for the School Corporation increased from the 2022 value of \$.8602 to \$.8603 per \$100 in assessed value. Overall, the School Corporation's assessed value increased by about 12.77% from 2022 to 2023.
- 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 \$115,066 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 2023 budget year, the expected loss to the School due to the caps is \$3,267. For the 2021 budget year, the loss to the School was \$2,752. 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, 2023

	Governmental Activities
Assets and Deferred Outflows of Resources	
Assets	
Cash	\$ 29,996,497
Investments	4,042,314
Receivables (net):	
Taxes receivable	39,070,671
Intergovernmental receivable	385,022
Accounts	85,266
Interest	179,927
Prepaid	1,117,977
Restricted assets:	
Cash	41,786,661
Investments	72,472,863
Capital assets:	
Land and construction in progress	62,011,064
Other capital assets, net of depreciation	258,266,602
	<hr/>
Total assets	509,414,864
	<hr/>
Deferred Outflows of Resources	
Loss on refunding	415,727
OPEB related amounts	4,557,809
Pension related amounts	28,402,125
	<hr/>
Total deferred outflows of resources	33,375,661
	<hr/>

See notes to financial statements

Carmel Clay School Corporation

Statement of Net Position

June 30, 2023

	Governmental Activities
Liabilities, Deferred Inflows of Resources and Net Position	
Liabilities	
Accounts payable	\$ 13,476,471
Retainage payable	2,013,970
Accrued wages and payroll withholding	5,899,363
Interest payable	5,718,831
Claims payable	1,026,415
Noncurrent liabilities:	
Due within one year:	
Bonds payable	24,540,000
Subscription liability	403,353
Compensated absences	276,881
Due in more than one year:	
Bonds payable (net of premiums)	231,035,591
Subscription liability	328,371
Total OPEB liability	17,256,533
Net pension liability	22,141,521
Total liabilities	<u>324,117,300</u>
Deferred Inflows of Resources	
OPEB related amounts	4,034,424
Pension related amounts	<u>9,707,352</u>
Total deferred inflows of resources	<u>13,741,776</u>
Net Position	
Net investment in capital assets	142,706,685
Restricted for:	
Instruction	597,645
Support services	14,576,413
Capital projects	1,808,115
Debt service	20,911,001
Unrestricted	<u>24,331,590</u>
Total net position	<u>\$ 204,931,449</u>

See notes to financial statements

Carmel Clay School Corporation

Statement of Activities

Year Ended June 30, 2023

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	\$ 114,132,620	\$ 2,768,629	\$ 11,014,198	\$ (100,349,793)
Support services	72,333,033	5,169,630	10,180,006	(56,983,397)
Community services	11,322,086	-	-	(11,322,086)
Facilities acquisition and construction	5,674,221	-	-	(5,674,221)
Interest on long term debt	5,283,199	-	-	(5,283,199)
Nonprogrammed charges	<u>30,471,652</u>	-	-	<u>(30,471,652)</u>
Total governmental activities	<u>239,216,811</u>	<u>7,938,259</u>	<u>21,194,204</u>	<u>(210,084,348)</u>
General revenues:				
Property taxes				89,406,195
Other taxes				6,726,061
State aid				115,066,027
Grants and contributions not restricted to specific programs				49,295
Interest income				1,557,126
Miscellaneous				<u>22,095,286</u>
Total general revenues				<u>234,899,990</u>
Change in net position				24,815,642
Net Position, Beginning				<u>180,115,807</u>
Net Position, Ending				<u>\$ 204,931,449</u>

See notes to financial statements

Carmel Clay School Corporation

Balance Sheet -
Governmental Funds
Year Ended June 30, 2023

	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	\$ 5,919,504	\$ 4,178,159	\$ 2,437,033	\$ -	\$ -	\$ -	\$ 13,212,076	\$ 25,746,772
Investments	2,031,285	1,225,830	785,199	-	-	-	-	4,042,314
Receivables:								
Taxes	-	12,108,768	10,514,465	13,678,012	-	-	2,769,426	39,070,671
Intergovernmental	-	-	-	-	-	-	385,022	385,022
Accounts	-	-	-	-	-	-	85,266	85,266
Interest	-	60,749	-	-	84,145	27,743	7,290	179,927
Due from other funds	385,022	-	-	-	-	-	-	385,022
Restricted investments	-	-	-	-	57,847,230	14,625,633	-	72,472,863
Restricted cash	-	-	-	8,303,912	7,156,950	8,007,169	18,318,630	41,786,661
Total assets	\$ 8,335,811	\$ 17,573,506	\$ 13,736,697	\$ 21,981,924	\$ 65,088,325	\$ 22,660,545	\$ 34,777,710	184,154,518
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ 406,243	\$ 1,970,320	\$ 292,028	\$ -	\$ -	\$ 7,620,148	\$ 3,152,732	13,441,471
Accrued wages and payroll withholding	4,233,209	403,018	916,552	-	-	-	346,584	5,899,363
Due to other funds	-	-	-	-	-	-	385,022	385,022
Total liabilities	4,639,452	2,373,338	1,208,580	-	-	7,620,148	3,884,338	19,725,856
Deferred Inflows of Resources								
Unavailable revenues	-	12,108,768	10,514,465	13,678,012	-	-	2,769,426	39,070,671
Total deferred inflows of resources	-	12,108,768	10,514,465	13,678,012	-	-	2,769,426	39,070,671
Fund Balances								
Restricted		3,091,400	2,013,652	8,303,912	65,088,325	15,040,397	28,394,926	121,932,612
Committed	2,250,790	-	-	-	-	-	2,003,033	4,253,823
Unassigned (deficit)	1,445,569	-	-	-	-	-	(2,274,013)	(828,444)
Total fund balances	3,696,359	3,091,400	2,013,652	8,303,912	65,088,325	15,040,397	28,123,946	125,357,991
Total liabilities, deferred inflows of resources and fund balances	\$ 8,335,811	\$ 17,573,506	\$ 13,736,697	\$ 21,981,924	\$ 65,088,325	\$ 22,660,545	\$ 34,777,710	
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 3.								320,277,666
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								3,188,310
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								39,070,671
Prepaid expenses are not reported in the current period; therefore, not reported in the fund financial statements								1,117,977
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.								18,694,773
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.								523,385
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.								415,727
Other liabilities, compensated absences, retainage payable, and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the funds statements								(8,009,682)
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 3.								
Bonds payable							\$ (255,575,591)	
Subscription payable							(731,724)	
Net pension liability							(22,141,521)	
Total OPEB liability							(17,256,533)	
								(295,705,369)
Net Position of Governmental Activities								\$ 204,931,449

See notes to financial statements

Carmel Clay School Corporation

 Statement of Revenues, Expenditures and Changes in Fund Balances -
 Governmental Funds
 Year Ended June 30, 2023

	Education Fund	Operations Fund	Operating Referendum	Debt Service	Building Corporation Construction Fund	Construction Funds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues								
Property taxes	\$ -	\$ 27,086,485	\$ 22,906,027	\$ 28,949,824	\$ -	\$ -	\$ 5,276,505	\$ 84,218,841
Other taxes	-	2,522,663	1,485,564	2,389,428	-	-	328,406	6,726,061
Intergovernmental	117,388	-	-	-	-	-	15,212,316	15,329,704
State aid	115,066,027	-	-	-	-	-	-	115,066,027
Charges for services	792,399	-	1,610,434	-	-	-	5,535,426	7,938,259
On-behalf contributions	16,792,494	-	-	-	-	-	-	16,792,494
Other:								
Interest Income	74,322	73,671	8,277	-	679,251	647,119	74,486	1,557,126
Miscellaneous	481,589	1,577,233	267,351	-	172	19,306	19,397,634	21,743,285
Total revenues	<u>133,324,219</u>	<u>31,260,052</u>	<u>26,277,653</u>	<u>31,339,252</u>	<u>679,423</u>	<u>666,425</u>	<u>45,824,773</u>	<u>269,371,797</u>
Expenditures								
Current:								
Instruction	97,148,145	-	4,851,460	-	-	-	6,747,304	108,746,909
Support services	19,227,030	23,647,165	18,752,464	-	-	435,346	11,800,261	73,862,266
Community services	-	-	2,253,833	-	-	-	9,165,985	11,419,818
Capital outlays and facilities acquisition and construction	-	8,258,647	-	-	13,396,415	25,482,186	82,490	47,219,738
Nonprogrammed charges	-	-	-	1,250	222,411	-	16,600,605	16,824,266
Pre-96 pension expense	16,792,494	-	-	-	-	-	-	16,792,494
Debt service:								
Principal paid on debt	-	-	-	-	-	-	20,255,000	20,255,000
Principal paid on subscriptions	-	97,921	-	-	-	-	-	97,921
Interest on debt	-	22,677	-	-	-	-	5,527,870	5,550,547
Debt issuance costs	-	-	-	-	400,046	-	-	400,046
Total expenditures	<u>133,167,669</u>	<u>32,026,410</u>	<u>25,857,757</u>	<u>1,250</u>	<u>14,018,872</u>	<u>25,917,532</u>	<u>70,179,515</u>	<u>301,169,005</u>
Excess (deficiency) of revenues over (under) expenditures	<u>156,550</u>	<u>(766,358)</u>	<u>419,896</u>	<u>31,338,002</u>	<u>(13,339,449)</u>	<u>(25,251,107)</u>	<u>(24,354,742)</u>	<u>(31,797,208)</u>
Other Financing Sources (Uses)								
Debt proceeds	-	-	-	-	33,500,000	22,840,000	-	56,340,000
Premium on long-term debt	-	-	-	-	2,901,355	2,551,117	-	5,452,472
Subscription proceeds	-	334,532	-	-	-	-	-	334,532
Transfers in	-	11,144,220	-	-	-	5,067,268	40,076,996	56,288,484
Transfers out	-	(12,650,001)	-	(31,176,967)	(3,317,267)	(244,220)	(8,900,029)	(56,288,484)
Total other financing sources (uses)	-	<u>(1,171,249)</u>	-	<u>(31,176,967)</u>	<u>33,084,088</u>	<u>30,214,165</u>	<u>31,176,967</u>	<u>62,127,004</u>
Net change in fund balances	156,550	(1,937,607)	419,896	161,035	19,744,639	4,963,058	6,822,225	30,329,796
Fund Balances, Beginning	<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>
Fund Balances, Ending	<u>\$ 3,696,359</u>	<u>\$ 3,091,400</u>	<u>\$ 2,013,652</u>	<u>\$ 8,303,912</u>	<u>\$ 65,088,325</u>	<u>\$ 15,040,397</u>	<u>\$ 28,123,946</u>	<u>\$ 125,357,991</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, 2023

Net Change in Fund Balances, Total Governmental Funds \$ 30,329,796

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	44,017,207
Depreciation is reported in the government-wide statements	(9,503,101)

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, bonds	(56,340,000)
Premium on debt issued	(5,452,472)
Debt issued, subscriptions	(334,532)
Principal paid, bonds	20,255,000
Principal paid, subscriptions	97,921
Amortization of debt premium	4,246,836

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

Total OPEB liability	2,028,084
Net Pension Liability	(18,270,426)
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	(3,616,905)
Deferred outflows of resources related to pensions	4,820,383
Deferred inflow of resources related to pensions	23,783,088
Deferred outflows of resources related to OPEB	(597,244)
Deferred inflows of resources related to OPEB	(910,387)
Deferred amount on refunding	(362,583)
Change in retainage payable	(2,013,970)
Change in prepaid expenses	162,738
Change in compensated absences	(15,898)

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	5,187,354
--	-----------

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.

(3,392,238)

Change in Net Position of Governmental Activities \$ 24,815,642

Carmel Clay School Corporation

Statement of Net Position -

Proprietary Fund

June 30, 2023

	<u>Internal Service</u>
Assets	
Cash	\$ 4,249,725
Restricted cash and cash equivalents:	
Cash and cash equivalents	<u>4,249,725</u>
 Total assets	 <u>4,249,725</u>
Liabilities and Net Position	
Current Liabilities	
Accounts payable	35,000
Claims payable	<u>1,026,415</u>
 Total current liabilities	 <u>1,061,415</u>
Net Position	
Unrestricted	<u>3,188,310</u>
 Total net position	 <u>\$ 3,188,310</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, 2023

	<u>Internal Service</u>
Operating Revenues	
Charges for services	\$ 16,127,243
Other	<u>6,355,635</u>
Total operating revenues	<u>22,482,878</u>
Operating Expenses	
Health and dependent care costs	<u>25,875,116</u>
Total operating expenses	<u>25,875,116</u>
Operating loss	<u>(3,392,238)</u>
Nonoperating Revenues (Expenses)	
Transfers in	2,000,000
Transfers out	<u>(2,000,000)</u>
Total nonoperating revenues (expenses)	<u>-</u>
Income before contributions and transfers	<u>(3,392,238)</u>
Change in net position	(3,392,238)
Net Position, Beginning	<u>6,580,548</u>
Net Position, Ending	<u>\$ 3,188,310</u>

See notes to financial statements

Carmel Clay School Corporation

Statement of Cash Flows -

Proprietary Fund

Year Ended June 30, 2023

	<u>Internal Service</u>
Cash Flows From Operating Activities	
Received from employees	\$ 22,482,878
Payments for interfund services used	<u>(25,864,774)</u>
Net cash flows used in operating activities	<u>(3,381,896)</u>
Cash Flows From Non Capital and Related Financing Activities	
Transfers in	2,000,000
Transfers out	<u>(2,000,000)</u>
Net cash flows from noncapital and related financing activities	<u>-</u>
Net change in cash and cash equivalents	(3,381,896)
Cash, Beginning	<u>7,631,621</u>
Cash, Ending	<u>\$ 4,249,725</u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities	
Operating loss	\$ (3,392,238)
Changes in assets, deferred outflows, liabilities and deferred inflows:	
Claims payable	(14,823)
Accounts payable	<u>25,165</u>
Net cash flows used in operating activities	<u>\$ (3,381,896)</u>

See notes to financial statements

Carmel Clay School Corporation

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June 30, 2023

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Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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, 2023

Government-Wide and Fund Financial Statements

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement defines publicprivate and publicpublic partnership arrangements (PPPs) and an service concession arrangement (SCA). The new Statement provides accounting and financial reporting requirements for PPPs that either (1) meet the definition of an SCA or (2) are not within the scope of Statement 87, as amended (as clarified by this Statement). This Statement also defines availability payment arrangements (APAs) and provides guidance for accounting and financial reporting for APAs. This standard was implemented June 30, 2023, with no impact on the financial statements.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement establishes accounting and financial reporting requirements related to subscriptionbased information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a righthouse subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. This standard was implemented during fiscal year 2023. The financial impact on the financial statements as of July 1, 2022 was a subscription asset of \$495,113 and a subscription liability of \$495,113, with no impact on net position.

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.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

- 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.

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.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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.

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.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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.

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
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, 2023, are determined on the basis of current salary rates and include salary related payments.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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.

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.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

- 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.
- 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, 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, 2023

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, 2023, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Texbook Rental	\$ 1,956,008	Accounts payable
Early Childhood Grants	3,976	Reimbursable federal grant
Federal Part B 611 Funds	128,043	Reimbursable federal grant
Title I Grants	12,729	Reimbursable federal grant
Title II Grants	6,615	Reimbursable federal grant
Esser III	39,961	Reimbursable federal grant
SS ARP 611 Grant 2021	54,069	Reimbursable federal grant
SS ARP 619 Grant 2021	150	Reimbursable federal grant
3E Grant	5,274	Reimbursable federal grant
STEM Integration Grany FY 2023	63,271	Reimbursable federal grant
ARP HCY Grant	3,917	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	\$ 52,227,751	\$ 54,283,931	Custodial
US treasuries	64,923,652	64,923,651	Custodial, Interest Rate
Money markets	19,555,407	12,395,657	Custodial
Certificates of deposit	9,050,000	9,050,000	Custodial
Municipal Bonds	<u>2,541,525</u>	<u>2,541,525</u>	Credit Risk, Custodial, Concentration of Credit, Interest Rate
Total deposits and investments	<u>\$ 148,298,335</u>	<u>\$ 143,194,764</u>	

Reconciliation to financial statements

Per statement of net position:

Unrestricted cash and investments	\$ 34,038,811
Restricted cash and investments	<u>114,259,524</u>

Total deposits and investments \$ 148,298,335

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, 2023

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, 2023			
	Level 1	Level 2	Level 3	Total
Money markets	\$ 19,555,407	\$ -	\$ -	\$ 19,555,407
US treasuries	64,923,652	-	-	64,923,652
Municipal Bonds	-	2,541,525	-	2,541,525
Total	<u>\$ 84,479,059</u>	<u>\$ 2,541,525</u>	<u>\$ -</u>	<u>\$ 87,020,584</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.

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, 2023, the School Corporation's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)	
		Less than 1 Year	1-5 Years
US treasuries	\$ 64,923,652	\$ 42,369,106	\$ 22,554,546
Municipal Bonds	2,541,525	1,405,600	1,135,925
Total	<u>\$ 67,465,177</u>	<u>\$ 43,774,706</u>	<u>\$ 23,690,471</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, 2023

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 fiscal year	\$ 39,070,671
Total unavailable revenue for governmental funds	<u>\$ 39,070,671</u>

Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Adjustment</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>41,813,900</u>	<u>-</u>	<u>43,238,107</u>	<u>33,697,567</u>	<u>51,354,440</u>
Total capital assets not being depreciated	<u>52,470,524</u>	<u>-</u>	<u>43,238,107</u>	<u>33,697,567</u>	<u>62,011,064</u>
Capital assets being depreciated:					
Subscription Asset	-	495,113	334,532	-	829,645
Buildings	369,138,969	-	33,697,567	-	402,836,536
Machinery, equipment and vehicles	<u>22,609,645</u>	<u>-</u>	<u>444,568</u>	<u>1,508,851</u>	<u>21,545,362</u>
Total capital assets being depreciated	<u>391,748,614</u>	<u>495,113</u>	<u>34,476,667</u>	<u>1,508,851</u>	<u>425,211,543</u>
Total capital assets	<u>444,219,138</u>	<u>495,113</u>	<u>77,714,774</u>	<u>35,206,418</u>	<u>487,222,607</u>
Less accumulated depreciation for:					
Subscription asset	-	-	(81,881)	-	(81,881)
Buildings	(142,887,533)	-	(7,719,752)	-	(150,607,285)
Machinery, equipment and vehicles	<u>(16,063,158)</u>	<u>-</u>	<u>(1,701,468)</u>	<u>1,508,851</u>	<u>(16,255,775)</u>
Total accumulated depreciation	<u>(158,950,691)</u>	<u>-</u>	<u>(9,503,101)</u>	<u>1,508,851</u>	<u>(166,944,941)</u>
Net capital assets being depreciated	<u>232,797,923</u>	<u>495,113</u>	<u>24,973,566</u>	<u>-</u>	<u>258,266,602</u>
Total governmental activities capital assets, net of accumulated depreciation/amortization	<u>\$ 285,268,447</u>	<u>\$ 495,113</u>	<u>\$ 68,211,673</u>	<u>\$ 33,697,567</u>	<u>\$ 320,277,666</u>

Additional disclosures of the subscription assets are included in the Subscription Disclosure note. The beginning balances were adjusted due to adoption of GASB 96.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities	
Nonprogrammed charges	\$ <u>9,503,101</u>
Total governmental activities depreciation/amortization expense	\$ <u><u>9,503,101</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>
Education Fund	Nonmajor Governmental Funds	\$ <u>385,022</u>
Total, fund financial statements		385,022
Less government-wide eliminations		<u>(385,022)</u>
Total internal balances, government-wide statement of net position		<u><u>\$ -</u></u>

All amounts are due within one year.

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.

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>
Operations Fund	Construction Funds	\$ 244,220	Reimbursement
			Transfer to pay construction
Construction Funds	Operations Fund	1,750,001	expenses
Operations Fund	Nonmajor Governmental	8,900,000	Reimbursement
Operations Fund	Internal Service	2,000,000	Reimbursement
Internal Service	Operations Fund	2,000,000	Interfund loan
Nonmajor Governmental	Operations Fund	8,900,000	Reimbursement
Nonmajor Governmental	Nonmajor Governmental	29	Reimbursement
Construction Funds	Building Corporation	3,317,267	Reimbursement
Nonmajor Governmental	Debt Service Fund	<u>31,176,967</u>	Debt service payments
Total, fund financial statements		58,288,484	
Less government-wide eliminations		<u>(58,288,484)</u>	
Total transfers, government-wide statement of activities		<u><u>\$ -</u></u>	

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Restatement</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	\$ 195,090,000	\$ -	\$ 56,340,000	\$ 20,255,000	\$ 231,175,000	\$ 24,540,000
(Discounts)/premiums	<u>23,194,955</u>	<u>-</u>	<u>5,452,472</u>	<u>4,246,836</u>	<u>24,400,591</u>	<u>-</u>
Subtotal	<u>218,284,955</u>	<u>-</u>	<u>61,792,472</u>	<u>24,501,836</u>	<u>255,575,591</u>	<u>24,540,000</u>
Other liabilities:						
Vested compensated absences	260,983	-	276,881	260,983	276,881	276,881
Other postemployment benefits	19,284,617	-	1,396,640	3,424,724	17,256,533	-
Net pension obligation	3,871,095	-	34,698,966	16,428,540	22,141,521	-
Subscription liability	<u>-</u>	<u>495,113</u>	<u>334,532</u>	<u>97,921</u>	<u>731,724</u>	<u>403,353</u>
Total other liabilities	<u>23,416,695</u>	<u>495,113</u>	<u>36,707,019</u>	<u>20,212,168</u>	<u>40,406,659</u>	<u>680,234</u>
Total governmental activities long-term liabilities	<u>\$ 241,701,650</u>	<u>\$ 495,113</u>	<u>\$ 98,499,491</u>	<u>\$ 44,714,004</u>	<u>\$ 295,982,250</u>	<u>\$ 25,220,234</u>

Additional disclosures of the subscription liabilities are included in the Subscription Disclosure note.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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, 2023</u>
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2014	06/24/2014	01/15/2024	3% to 5%	\$ 19,955,000	\$ 2,645,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016A	10/20/2016	01/15/2024	2.98	47,695,000	11,165,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016B	10/20/2016	01/15/2025	2.85	47,690,000	11,385,000
First Mortgage Bonds, Series 2020	03/19/2020	01/15/2036	3.5 to 5	59,335,000	57,505,000
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	42,395,000
First Mortgage Bonds, Series 2023	06/08/2023	01/15/2032	5	33,500,000	33,500,000
General Obligation Bonds, Series 2019	04/18/2019	01/15/2025	2	22,415,000	9,830,000
General Obligation Bonds, Series 2021	03/11/2021	01/15/2027	2 to 3	20,100,000	18,245,000
General Obligation Bonds, Series 2022	12/15/2022	01/15/2031	5	22,840,000	<u>22,840,000</u>
Total governmental activities, general obligation debt					<u>\$ 231,175,000</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>
2024	\$ 24,540,000	\$ 9,826,806
2025	26,765,000	9,858,314
2026	24,995,000	7,901,675
2027	26,100,000	6,808,725
2028	23,715,000	5,674,725
2029-2033	88,810,000	11,665,713
2034-2038	<u>16,250,000</u>	<u>1,009,663</u>
Total	<u>\$ 231,175,000</u>	<u>\$ 52,745,621</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

Subscription Liabilities

Governmental Activities

Subscription Liabilities	Beginning Balance	Additions	Deductions	Ending Balance	Amounts Due Within One Year
CDW-G	\$ -	\$ 302,215	\$ -	\$ 302,215	\$ 302,215
Finalsite	359,142	-	35,836	323,306	38,758
CDW	-	16,277	-	16,277	16,277
CIH Aptek	-	16,040	16,040	-	-
Edmentum	135,971	-	46,045	89,926	46,103
Total	<u>\$ 495,113</u>	<u>\$ 334,532</u>	<u>\$ 97,921</u>	<u>\$ 731,724</u>	<u>\$ 403,353</u>

Future minimum subscription payments are as follows:

Years	Principal	Interest
2024	\$ 403,353	\$ 23,934
2025	91,327	19,054
2026	52,085	13,560
2027	56,775	10,278
2028	61,579	6,925
2029-2033	66,605	3,393
Total	<u>\$ 731,724</u>	<u>\$ 77,144</u>

Net Position/Fund Balances

Net position reported on the government wide statement of net position at June 30, 2023, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 10,656,624
Construction in progress	51,354,440
Other capital assets, net of accumulated depreciation	258,266,602
Less long-term debt outstanding	(256,307,315)
Plus unspent capital related debt proceeds	87,636,982
Plus deferred loss on refunding	415,727
Less capital assets included in accounts payable	(9,316,375)

Total net investment in capital assets \$ 142,706,685

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

Governmental Funds

Governmental fund balances reported on the fund financial statements at June 30, 2023, 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 597,645	\$ 597,645
Support services	-	3,091,400	2,013,652	-	-	-	9,471,361	14,576,413
Debt service	-	-	-	8,303,912	-	-	18,325,920	26,629,832
Capital projects	-	-	-	-	15,040,397	65,088,325	-	80,128,722
Subtotal	-	3,091,400	2,013,652	8,303,912	15,040,397	65,088,325	28,394,926	121,932,612
Committed to:								
Other	2,250,790	-	-	-	-	-	2,003,033	4,253,823
Subtotal	-	-	-	-	-	-	-	4,253,823
Unassigned (Deficit)	1,445,569	-	-	-	-	-	(2,274,013)	(828,444)
Total fund balances (deficit)	\$ 3,696,359	\$ 3,091,400	\$ 2,013,652	\$ 8,303,912	\$ 15,040,397	\$ 65,088,325	\$ 28,123,946	\$ 125,357,991

4. Other Information

Employees' Retirement System

Public Employees' Retirement Fund

The School Corporation participates in the Public Employees' Retirement Fund (PERF) and Teacher's Retirement Fund (TRF). The information for these funds are summarized below:

	Net Pension Liability/(Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
PERF	\$ 9,392,116	\$ 4,708,950	\$ 812,250	\$ 999,971
TRF	12,749,405	23,693,175	8,895,102	4,519,747
Total	\$ 22,141,521	\$ 28,402,125	\$ 9,707,352	\$ 5,519,718

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 2023 is 11.20% of annual covered payroll. The rate for 2023 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 \$1,973,040 for the fiscal year ended June 30, 2023, with a June 30, 2022 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.

Carmel Clay School Corporation

Notes to Financial Statements
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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, 2022, 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 (6.96)%.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

Net Pension Liability

At June 30, 2023, the School Corporation reported a Liability of \$9,392,116 for its proportionate share of the net pension Liability, based on the June 30, 2022 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, 2022 measurement date, the School Corporation's proportion was 0.29780%, which is an increase of .00361% from the prior year proportion of .29419%.

Deferred Outflows of Resources and Deferred Inflows of Resource

At June 30, 2023, the School Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions, based on the measurement date of June 30, 2022, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 202,528	\$ 35,719
Changes in assumptions	1,272,115	401,826
Net differences between projected and actual earnings on pension plan investments	1,159,086	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	102,181	374,705
Employer contributions subsequent to the measurement date	<u>1,973,040</u>	<u>-</u>
Total	<u>\$ 4,708,950</u>	<u>\$ 812,250</u>

\$1,973,040 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:

Years Ending June 30:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2024	\$ 214,656
2025	641,737
2026	(158,822)
2027	1,226,089

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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)	\$ 1,200,907
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(200,936)</u>
Total	<u>\$ 999,971</u>

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, 2022
Liabilities	June 30, 2021 - Member census data as of June 30, 2021 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2021 and June 30, 2022. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2021 to the June 30, 2022 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

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

Change in Assumptions

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

Changes in Actuarial Methods

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

Change in Plan Provisions

There were no changes to the plan provisions during the fiscal year.

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	7.7	15.0
Fixed Income, Ex Inflation-Linked	1.4	20.0
Fixed Income, Inflation-Linked	(0.3)	15.0
Commodities	0.9	10.0
Real Assets	3.7	10.0
Absolute Return	2.1	5.0
Risk Parity	3.8	20.0
Cash and Cash Overlay	(1.7)	N/A

Discount Rate

The discount rate used to measure the total pension liability was 6.25% as of the measurement date of June 30, 2022 and is equal to the long-term expected return on plan investments.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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

For the June 30, 2022 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:

	<u>1% Decrease to Discount Rate (5.25%)</u>	<u>Current Discount Rate (6.25%)</u>	<u>1% Increase to Discount Rate (7.25%)</u>
School Corporation's proportionate share of the net pension liability (asset)	\$ 15,866,715	\$ 9,392,116	\$ 3,991,821

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/INPRSAnnualReportBook_FY22.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.

Carmel Clay School Corporation

Notes to Financial Statements
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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) different 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 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 fiscal year 2022 was 5.50% and for fiscal year 2023 was 6.00% 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.

Carmel Clay School Corporation

Notes to Financial Statements
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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 \$4,607,064 for the year ended June 30, 2023.

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, 2023, the School reported a liability of \$12,749,405 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability 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, 2022, the School's proportion was 1.93627%, a decrease of 0.04397% from 1.98024% as of June 30, 2021 .

For the measurement date, year ended June 30, 2022, the School recognized pension expense of \$4,519,747 for the TRF Fund. A breakdown of the pension expense is shown below:

Pension Expense	
Proportionate share of plan pension expense	\$ 4,712,203
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>(192,456)</u>
Total	<u>\$ 4,519,747</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

At June 30, 2023, the School reported deferred inflows of resources and deferred outflows of resources related to pensions from the following services:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,928,366	\$ 2,596,324
Changes in assumptions	10,581,864	4,397,215
Net differences between projected and actual earnings on pension plan investments	4,051,061	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	524,820	1,901,563
Employer contributions subsequent to the measurement date	<u>4,607,064</u>	<u>-</u>
Total	<u>\$ 23,693,175</u>	<u>\$ 8,895,102</u>

\$4,607,064 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>
2024	\$ 856,604
2025	989,503
2026	(4,813)
2027	4,595,588
2028	585,909
Thereafter	3,168,217

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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, 2022 valuation of the Teachers' 1996 Defined Benefit Account were adopted by the INPRS Board in April 2022. 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 June 2022.

Changes in Assumption

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

Changes in Actuarial Methods

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

Changes in Plan Provisions

There were no changes to the plan provisions during the fiscal year.

Carmel Clay School Corporation

Notes to Financial Statements

June 30, 2023

Long-Term Return Expectation

For the measurement date of June 30, 2022, 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	7.7	15.0
Fixed Income, Ex Inflation-Linked	1.4	20.0
Fixed Income, Inflation-Linked	(0.3)	15.0
Commodities	0.9	10.0
Real Assets	3.7	10.0
Absolute Return	2.1	5.0
Risk Parity	3.8	20.0
Cash and Cash Overlay	(1.7)	N/A

Discount Rate

The discount rate used to measure the total pension liability was 6.25% as of the measurement date of June 30, 2022 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, 2023

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

For the June 30, 2022 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	\$40,588,289	\$12,749,405	\$(9,729,522)

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/INPRSAnnualReportBook_FY22.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 \$96,894,139, as of the June 30, 2022 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, 2023

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) different 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, 2023

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 \$5,913,795 for the Pre-96 TRF Fund. No amounts were recognized for deferred outflows of resources and deferred inflows of resources. The school also recognized \$16,792,494 of on-behalf contributions as revenue and a corresponding pre-96 pension expense for the same amount.

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, 2022 valuation of the Teachers' Pre-1996 Defined Benefit Account were adopted by the INPRS Board in April 2022. 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 June 2022.

Changes in Assumption

There were no changes in assumptions during the fiscal year.

Changes in Actuarial Methods

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

Changes in Plan Provisions

There were no changes to the plan provisions during the fiscal year.

Discount Rate

The discount rate used to measure the total pension liability was 6.25%, based on the June 30, 2022 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.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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, 2022 through June 30, 2023.

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 \$40,766 to the 401(a) retirement plan during July 1, 2022 through June 30, 2023. 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 \$689,302 to the 401(a) retirement plan July 1, 2022 through June 30, 2023.

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 \$51,133 to the 401(a) retirement plan July 1, 2022 through June 30, 2023.

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 \$413,362 to the 401(a) retirement plan July 1, 2022 through June 30, 2023.

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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 \$839,665 to the VEBA plan July 1, 2022 through June 30, 2023.

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	\$ 836,619	\$ 1,041,238
Current year claims and changes in estimates	16,490,280	13,335,948
Claim payments	<u>(16,285,661)</u>	<u>(13,350,771)</u>
Unpaid claims, ending	<u>\$ 1,041,238</u>	<u>\$ 1,026,415</u>

Carmel Clay School Corporation

Notes to Financial Statements

June 30, 2023

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, 2023. 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, 2023

<u>Project</u>	<u>Total Project Authorized</u>	<u>Expended to June 30, 2023</u>	<u>Remaining Commitments</u>
Governmental activities:			
CLLC HVAC	\$ 595,709	499,328	96,381
CHS PAC A/R, general trades contracting	1,871,244	1,766,671	104,573
CHS PAC A/R, masonry	2,541,878	2,541,878	-
CHS PAC A/R, structural steel	1,432,462	1,384,409	48,053
CHS PAC A/R, roofing	474,170	394,155	80,015
CHS PAC A/R, metal framing & drywall	3,147,070	3,048,386	98,684
CHS PAC A/R, frontage	307,434	297,959	9,475
CHS PAC A/R, flooring	493,932	444,146	49,786
CHS PAC A/R, terrazzo	317,808	256,148	61,660
CHS PAC A/R, painting	230,026	203,828	26,198
CHS PAC A/R, casework	373,481	365,224	8,257
CHS PAC A/R, mechanical & plumbing	2,072,432	2,030,157	42,275
CHS PAC A/R, electrical	3,896,450	3,794,457	101,993
CHS Natatorium, general trades / pool	20,508,078	9,601,513	10,906,565
CHS Natatorium, masonry	3,270,115	1,112,791	2,157,324
CHS Natatorium, structural steel	5,206,000	4,935,886	270,114
CHS Natatorium, roofing	1,998,900	1,164,743	834,157
CHS Natatorium, metal studs, drywall & acoustic	3,994,000	771,370	3,222,630
CHS Natatorium, frontage	1,653,400	427,620	1,225,780
CHS Natatorium, painting	614,840	73,534	541,306
CHS Natatorium, flooring	396,670	178,035	218,635
CHS Natatorium, surfaces	927,300	-	927,300
CHS Natatorium, seating	53,897	-	53,897
CHS Natatorium, fire protection	370,968	341,240	29,728
CHS Natatorium, plumbing & HVAC	6,993,000	4,818,429	2,174,571
CHS Natatorium, electrical & technology	3,294,500	587,204	2,707,296
CHS PAC, re-roofing	233,333	225,995	7,338
WCE Playground	1,800,000	344,778	1,455,222
GAC, metal building	3,250,000	2,064,750	1,185,250
GAC, general trades	4,853,000	1,049,550	3,803,450
GAC, fire suppression	198,555	12,370	186,185
GAC, masonry	1,155,000	27,700	1,127,300
CLLC Interior Finishes	294,200	257,720	36,480
GAC, glass & glazing	475,000	87,337	387,663
GAC, walls & ceilings	599,800	19,000	580,800
GAC, plumbing	1,618,000	65,290	1,552,710
GAC, synthetic turf	710,580	29,000	681,580
CHS Stadiums synth turf	1,903,450	964,320	939,130
GAC, electric	1,285,000	201,933	1,083,067
CHS Stad suppo bldg elect	521,750	-	521,750
CHS Stadium supp bldg general constr	4,270,000	-	4,270,000
Walk-in freezer and cooler	190,047	95,023	95,024
CTE, SRE, FDE SRO offices	162,130	158,462	3,668
2021 CCLC, Replace HVAC	62,344	48,748	13,596
CHS Natatorium, Engineer	2,988,851	1,897,920	1,090,931
CHS Football Stadium, Engineering Services	583,281	515,844	67,437
Greyhound Activity Center, Engineer	538,000	454,072	83,928
CHS Natatorium, Construction Mgmt	2,047,135	967,097	1,080,038
CHS Football Stadium, Construction Managemel	406,205	59,251	346,954
Greyhound Activity Center, Construction Mgmt	609,307	88,876	520,431
Cherry Tree Elementary, Engineering	1,812,500	271,875	1,540,625
CHS General, Engineer	816,667	158,108	658,559
CHS Polytech, Engineer	687,500	226,875	460,625
CHS Freshman Center, Engineer	312,500	23,438	289,062
	<u>\$ 101,419,899</u>	<u>\$ 51,354,443</u>	<u>\$ 50,065,456</u>
Total governmental activities	<u>\$ 101,419,899</u>	<u>\$ 51,354,443</u>	<u>\$ 50,065,456</u>

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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, 2023, 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 \$17,256,533 was measured as of June 30, 2023, 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	2.65% per year
Salary increases	Payroll growth is based on the INPRS PERF and TRF actuarial valuations as of June 30, 2021. Percentage increases range from 0% to 9.25% based on job classification and years of service
Healthcare cost trend rates	7.0% in 2024, 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 4.13% 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, 2023

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at June 30, 2022	\$ 19,284,617
Changes for the year:	
Service cost	622,868
Interest	773,772
Differences between expected and actual experience	(1,388,354)
Changes in assumptions or other inputs	(38,654)
Benefit payments	<u>(1,997,716)</u>
Net changes	<u>(2,028,084)</u>
Balances at June 30, 2023	<u>\$ 17,256,533</u>

The School Corporation contributed \$1,997,716 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 (3.13%) or 1-percentage-point higher (5.13%) than the current discount rate:

	<u>1% Decrease (3.13%)</u>	<u>Discount Rate (4.13%)</u>	<u>1% Increase (5.13%)</u>
Net OPEB liability	\$ 18,248,589	\$ 17,256,533	\$ 16,319,321

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 (6.0% decreasing to 3.5%) or 1-percentage-point higher (8.0% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>1% Decrease (6.0% Decreasing to 3.5%)</u>	<u>Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)</u>	<u>1% Increase (8.0% Decreasing to 5.5%)</u>
Net OPEB liability	\$ 15,840,436	\$ 17,256,533	\$ 18,887,038

Carmel Clay School Corporation

Notes to Financial Statements
June 30, 2023

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

For the year ended June 30, 2023, the School Corporation recognized OPEB expense of \$1,477,263. At June 30, 2023, 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	\$ 3,717,203	\$ 1,923,902
Changes of assumptions or other inputs	<u>840,606</u>	<u>2,110,522</u>
Total	<u>\$ 4,557,809</u>	<u>\$ 4,034,424</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:

2024	\$ 80,623
2025	80,623
2026	80,623
2027	80,623
2028	80,623
Thereafter	120,270

Effect of New Accounting Standards on Future Period Financial Statements

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

- 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

Budgetary Comparison Schedule - Non-GAAP Basis -

Education Fund

Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Budgetary Basis Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 114,423,298	\$ 114,423,298	\$ 112,548,924	\$ (1,874,374)
Interest	2,000	2,000	25,161	23,161
Miscellaneous	1,351,000	1,351,000	1,421,185	70,185
Total revenues	<u>115,776,298</u>	<u>115,776,298</u>	<u>113,995,270</u>	<u>(1,781,028)</u>
Expenditures				
General government				
Instruction				
Personal services	93,291,841	93,140,489	94,140,857	(1,000,368)
Supplies	1,484,910	1,921,012	1,465,300	455,712
Other services and charges	1,993,361	2,012,867	1,566,833	446,034
Support services				
Personal services	16,885,200	16,885,200	16,658,144	227,056
Supplies	377,449	537,915	438,251	99,664
Other services and charges	1,207,159	1,190,060	1,123,141	66,919
Total expenditures	<u>115,239,920</u>	<u>115,687,543</u>	<u>115,392,526</u>	<u>295,017</u>
Excess (deficiency) of revenues over (under) expenditures	<u>536,378</u>	<u>88,755</u>	<u>(1,397,256)</u>	<u>(1,486,011)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	5,426	5,426
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,426</u>	<u>5,426</u>
Net change in fund balances	536,378	88,755	(1,391,830)	(1,480,585)
Fund Balance, Beginning	<u>14,168,847</u>	<u>14,168,847</u>	<u>14,168,847</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 14,705,225</u>	<u>\$ 14,257,602</u>	<u>\$ 12,777,017</u>	<u>\$ (1,480,585)</u>

See notes to required supplementary information

Carmel Clay School Corporation

Budgetary Comparison Schedule - Non-GAAP Basis -

Operations Fund

Year Ended June 30, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property tax	\$ 29,595,307	\$ 29,595,307	\$ 26,738,921	\$ (2,856,386)
Intergovernmental	2,667,157	2,261,689	2,515,684	253,995
Miscellaneous	800,600	846,600	1,831,612	985,012
Total revenues	33,063,064	32,703,596	31,086,217	(1,617,379)
Expenditures				
General government				
Support services				
Personal services	10,230,043	10,226,043	10,109,794	116,249
Supplies	8,585,831	9,471,096	10,209,682	(738,586)
Other services and charges	3,168,534	3,907,735	2,422,827	1,484,908
Capital outlays	2,260,400	2,260,400	444,567	1,815,833
Facilities acquisition and construction				
Personal services	1,583,212	1,583,212	1,746,114	(162,902)
Supplies	818,670	1,097,694	377,961	719,733
Other services and charges	50,000	50,000	-	50,000
Capital outlays	4,720,435	5,252,312	5,053,243	199,069
Total expenditures	31,417,125	33,848,492	30,364,188	3,484,304
Excess (deficiency) of revenues over (under) expenditures	1,645,939	(1,144,896)	722,029	1,866,925
Other Financing Sources (Uses)				
Transfers in	-	-	2,145,011	2,145,011
Transfers out	-	-	(247,205)	(247,205)
Total other financing sources (uses)	-	-	1,897,806	1,897,806
Net change in fund balances	1,645,939	(1,144,896)	2,619,835	3,764,731
Fund Balance, Beginning	3,936,281	3,936,281	3,936,281	-
Fund Balance, Ending	\$ 5,582,220	\$ 2,791,385	\$ 6,556,116	\$ 3,764,731

See notes to required supplementary information

Carmel Clay School Corporation

Budgetary Comparison Schedule - Non-GAAP Basis -

Operating Referendum Fund

Year Ended June 30, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property tax	\$ 21,243,993	\$ 21,243,993	\$ 21,415,056	\$ 171,063
Intergovernmental	1,396,865	1,199,433	1,425,955	226,522
Miscellaneous	2,080,000	2,080,000	1,926,882	(153,118)
Total revenues	24,720,858	24,523,426	24,767,893	244,467
Expenditures				
General government				
Instruction				
Personal services	5,828,234	5,828,234	4,234,505	1,593,729
Support services				
Personal services	14,060,146	14,057,846	14,409,996	(352,150)
Supplies	998,894	1,010,319	1,055,955	(45,636)
Other services and charges	1,103,496	1,098,984	1,636,151	(537,167)
Capital outlays	79,550	77,550	-	77,550
Community services				
Personal services	1,911,438	1,911,438	2,006,417	(94,979)
Other services and charges	145,000	145,000	176,665	(31,665)
Total expenditures	24,126,758	24,129,371	23,519,689	609,682
Excess (deficiency) of revenues over (under) expenditures	594,100	394,055	1,248,204	854,149
Other Financing Sources (Uses)				
Transfers in	-	-	176,453	176,453
Transfers out	(300)	(300)	-	300
Total other financing sources (uses)	(300)	(300)	176,453	176,753
Net change in fund balances	593,800	393,755	1,424,657	1,030,902
Fund Balance, Beginning	(2,814,267)	(2,814,267)	(2,814,267)	-
Fund Balance, Ending	\$ (2,220,467)	\$ (2,420,512)	\$ (1,389,610)	\$ 1,030,902

See notes to required supplementary information

Carmel Clay School Corporation

Budget/GAAP Reconciliation Education, Operations and Operating Referendum Fund
Year Ended June 30, 2023

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

- a. Revenues are recorded when received in cash (budgetary) as apposed 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)	\$ (1,391,830)	\$ 2,619,835	\$ 1,424,657
Adjustments:			
Net change in fund balance Jan-Jun 2022	2,121,474	(3,867,413)	(1,474,262)
Net change in fund balance Jan-Jun 2023	(466,099)	(129,464)	812,104
To adjust revenues for accruals	15,631	73,671	8,277
To adjust expenditures for accruals	(122,626)	(634,235)	(350,880)
Net change in fund balance (GAAP basis)	<u>\$ 156,550</u>	<u>\$ (1,937,607)</u>	<u>\$ 419,896</u>

See notes to required supplementary information

Carmel Clay School Corporation

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, 2023	0.29780 %	\$ 9,392,116	\$ 17,138,675	54.8 %	82.5 %
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, 2023	11.20 %	\$ 1,973,040	\$ 17,616,429	11.20 %
June 30, 2022	11.20 %	1,991,452	17,780,823	11.20 %
June 30, 2021	11.20 %	1,878,141	16,219,746	11.58 %
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

Schedule of the School's Proportionate Share of the Net Pension Liability -
Teachers' 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>Actual Covered Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</u>
June 30, 2023	1.93627 %	\$ 12,749,405	\$ 75,979,291	16.8 %	91.90 %
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*

<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, 2023	6.00 %	\$ 4,607,064	76,784,400	6.00 %
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, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total OPEB Liability				
Interest	\$ 773,772	\$ 388,935	\$ 505,533	\$ 657,004
Service cost	622,868	681,097	653,681	535,032
Changes in assumptions	(38,654)	(2,595,203)	450,527	875,398
Differences between expected and actual experience	(1,388,354)	4,646,505	(985,442)	-
Benefit payments	<u>(1,997,716)</u>	<u>(1,820,531)</u>	<u>(1,970,711)</u>	<u>(1,824,734)</u>
Net change in total pension liability	(2,028,084)	1,300,803	(1,346,412)	242,700
Total OPEB liability, beginning of year	<u>19,284,617</u>	<u>17,983,814</u>	<u>19,330,226</u>	<u>19,087,526</u>
Total OPEB liability, end of year (1)	<u>\$ 17,256,533</u>	<u>\$ 19,284,617</u>	<u>\$ 17,983,814</u>	<u>\$ 19,330,226</u>
Plan Fiduciary Net Position				
Contributions	\$ 1,997,716	\$ 1,820,531	\$ 1,970,711	\$ 1,824,734
Benefit payments	<u>(1,997,716)</u>	<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>	<u>-</u>
Plan Fiduciary Net Position, Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position, Ending (2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total OPEB liability	<u>\$ 17,256,533</u>	<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, 2023	June 30, 2022	June 30, 2021	June 30, 2020
1. Total OPEB Liability	\$ 17,256,533	\$ 19,284,617	\$ 17,983,814	\$ 19,330,226
2. Plan Fiduciary Net Position	-	-	-	-
3. Net OPEB Liability	<u>\$ 17,256,533</u>	<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 %	0 %
5. Covered Payroll	\$ 84,173,684	\$ 87,789,154	\$ 101,597,716	\$ 99,362,069
6. Total OPEB Liability as a Percentage of Covered Payroll = (3) / (5)	21 %	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, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -
Actual employer contributions	<u>1,997,716</u>	<u>1,820,531</u>	<u>1,970,711</u>	<u>1,824,734</u>
Contribution excess	<u>\$ 1,997,716</u>	<u>\$ 1,820,531</u>	<u>\$ 1,970,711</u>	<u>\$ 1,824,734</u>
Covered payroll	\$ 84,173,684	\$ 87,789,154	\$ 101,597,716	\$ 99,362,069
Contributions as a percentage of covered - employee payroll	2.37 %	2.07 %	1.94 %	1.84 %

Notes to Schedule:

* Information presented for the years information is available

Carmel Clay School Corporation

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, 2022	\$ -	\$ -	\$ 16,792,494	N/A	1.08310 %
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, 2023

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, 2023

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	2.00%
Salary increases	2.65% to 8.65% based on age
Mortality	Pub 2010 Public Retirement Plans Mortality Table with fully generational improvements using SOA scale MP-2019

Change in Assumptions: There were no changes to the assumptions during the fiscal year.

Changes in Actuarial Methods: There were no changes to the actuarial methods during the fiscal year.

Plan Amendments: There were no changes to the plan provisions during the fiscal year.

TRF Plan:

- a) The actuarial assumptions and methods used in the June 30, 2022 valuation of the Teachers' 1996 Defined Benefit Account were adopted by the INPRS Board in April 2022. 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 June 2022.

Change in Assumptions: There were no changes to the assumptions during the fiscal year.

Changes in Plan Provisions: There were no changes to the plan provisions during the fiscal year.

PRE 96 TRF plan:

- b) The actuarial assumptions and methods used in the June 30, 2022 valuation of the Teachers' Pre-1996 Defined Benefit Account were adopted by the INPRS Board in April 2022. 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 June 2022.

Change in Assumptions: There were no changes to the assumptions during the fiscal year.

Changes in Plan Provisions: There were no changes to the plan provisions during the fiscal year.

Carmel Clay School Corporation

Notes to Required Supplementary Information

June 30, 2023

3. OPEB Plan:

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

Discount rate: 4.13% as of June 30, 2023 and 4.09% as of June 30, 2022
 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: Non 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%

Carmel Clay School Corporation

Notes to Required Supplementary Information

June 30, 2023

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:

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, 2023

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
Assets			
Cash and investments	\$ 13,212,076	\$ -	\$ 13,212,076
Receivables:			
Taxes receivable	2,769,426	-	2,769,426
Accounts	85,266	-	85,266
Intergovernmental receivable	385,022	-	385,022
Interest Receivable	-	7,290	7,290
Restricted cash	-	18,318,630	18,318,630
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 16,451,790</u>	<u>\$ 18,325,920</u>	<u>\$ 34,777,710</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 3,152,732	\$ -	\$ 3,152,732
Accrued wages and payroll withholding	346,584	-	346,584
Due to other funds	385,022	-	385,022
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>3,884,338</u>	<u>-</u>	<u>3,884,338</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>2,769,426</u>	<u>-</u>	<u>2,769,426</u>
Total deferred inflows of resources	<u>2,769,426</u>	<u>-</u>	<u>2,769,426</u>
Fund Balances			
Restricted	10,069,006	18,325,920	28,394,926
Committed	2,003,033	-	2,003,033
Unassigned (deficit)	<u>(2,274,013)</u>	<u>-</u>	<u>(2,274,013)</u>
Total fund balances	<u>9,798,026</u>	<u>18,325,920</u>	<u>28,123,946</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 16,451,790</u>	<u>\$ 18,325,920</u>	<u>\$ 34,777,710</u>

Carmel Clay School Corporation

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -

Nonmajor Governmental Funds

Year Ended June 30, 2023

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
Revenues			
Property taxes	\$ 5,276,505	\$ -	\$ 5,276,505
Other taxes	328,406	-	328,406
Intergovernmental	15,212,316	-	15,212,316
Charges for services	5,535,426	-	5,535,426
Other:			
Interest Income	17,801	56,685	74,486
Miscellaneous	<u>19,397,634</u>	<u>-</u>	<u>19,397,634</u>
Total revenues	<u>45,768,088</u>	<u>56,685</u>	<u>45,824,773</u>
Expenditures			
Current:			
Instruction	6,747,304	-	6,747,304
Support services	11,800,261	-	11,800,261
Community services	9,165,985	-	9,165,985
Capital outlays and facilities acquisition and construction	82,490	-	82,490
Nonprogrammed charges	16,590,305	10,300	16,600,605
Debt service:			
Principal paid on debt	-	20,255,000	20,255,000
Interest on debt	<u>-</u>	<u>5,527,870</u>	<u>5,527,870</u>
Total expenditures	<u>44,386,345</u>	<u>25,793,170</u>	<u>70,179,515</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,381,743</u>	<u>(25,736,485)</u>	<u>(24,354,742)</u>
Other Financing Sources			
Transfer in	8,900,029	31,176,967	40,076,996
Transfer out	<u>(8,900,029)</u>	<u>-</u>	<u>(8,900,029)</u>
Total other financing sources	<u>-</u>	<u>31,176,967</u>	<u>31,176,967</u>
Net change in fund balance	1,381,743	5,440,482	6,822,225
Fund Balance, Beginning	<u>8,416,283</u>	<u>12,885,438</u>	<u>21,301,721</u>
Fund Balance, Ending	<u>\$ 9,798,026</u>	<u>\$ 18,325,920</u>	<u>\$ 28,123,946</u>

Carmel Clay School Corporation

Combining Balance Sheet -
 Nonmajor Governmental Funds - Special Revenue Funds
 June 30, 2023

	Safety Referendum	Food Service	Textbook Rental	Extra Curricular Accounts	Levy Excess	Eric Clark Center	Washington DC Trip
Assets							
Cash and investments	\$ 275,424	\$ 9,267,600	\$ 679,292	\$ 2,003,033	\$ 1,205	\$ 108,493	\$ 1,245
Receivables:							
Taxes receivable	2,769,426	-	-	-	-	-	-
Accounts	-	-	85,266	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-
Total assets	<u>\$ 3,044,850</u>	<u>\$ 9,267,600</u>	<u>\$ 764,558</u>	<u>\$ 2,003,033</u>	<u>\$ 1,205</u>	<u>\$ 108,493</u>	<u>\$ 1,245</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 98,214	\$ 149,967	\$ 2,717,981	\$ -	\$ -	\$ 2,926	\$ -
Accrued wages and payroll withholding	111,134	26,088	2,585	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	<u>209,348</u>	<u>176,055</u>	<u>2,720,566</u>	<u>-</u>	<u>-</u>	<u>2,926</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue	<u>2,769,426</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>2,769,426</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	66,076	9,091,545	-	-	1,205	105,567	1,245
Committed	-	-	-	2,003,033	-	-	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>(1,956,008)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>66,076</u>	<u>9,091,545</u>	<u>(1,956,008)</u>	<u>2,003,033</u>	<u>1,205</u>	<u>105,567</u>	<u>1,245</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,044,850</u>	<u>\$ 9,267,600</u>	<u>\$ 764,558</u>	<u>\$ 2,003,033</u>	<u>\$ 1,205</u>	<u>\$ 108,493</u>	<u>\$ 1,245</u>

Carmel Clay School Corporation

Combining Balance Sheet -
 Nonmajor Governmental Funds - Special Revenue Funds
 June 30, 2023

	Performance Based Awards	Connectivity	Project Lead the Way FY19	Alternative Education Fund	Donations	Early Childhood Grants
Assets						
Cash and investments	\$ -	\$ 91,131	\$ 2,850	\$ 10,404	\$ 438,059	\$ -
Receivables:						
Taxes receivable	-	-	-	-	-	-
Accounts	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	7,619
Total assets	<u>\$ -</u>	<u>\$ 91,131</u>	<u>\$ 2,850</u>	<u>\$ 10,404</u>	<u>\$ 438,059</u>	<u>\$ 7,619</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,547	\$ -
Accrued wages and payroll withholding	-	-	-	-	-	3,976
Due to other funds	-	-	-	-	-	7,619
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,547</u>	<u>11,595</u>
Deferred Inflows of Resources						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Restricted	-	91,131	2,850	10,404	436,512	-
Committed	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	(3,976)
Total fund balances	<u>-</u>	<u>91,131</u>	<u>2,850</u>	<u>10,404</u>	<u>436,512</u>	<u>(3,976)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 91,131</u>	<u>\$ 2,850</u>	<u>\$ 10,404</u>	<u>\$ 438,059</u>	<u>\$ 7,619</u>

Carmel Clay School Corporation

Combining Balance Sheet -
 Nonmajor Governmental Funds - Special Revenue Funds
 June 30, 2023

	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	\$ 35,160	\$ -	\$ 48,621	\$ 44,666	\$ 137,222	\$ -	\$ -
Receivables:							
Taxes receivable	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Intergovernmental receivable	-	152,891	-	-	-	94,060	-
Total assets	<u>\$ 35,160</u>	<u>\$ 152,891</u>	<u>\$ 48,621</u>	<u>\$ 44,666</u>	<u>\$ 137,222</u>	<u>\$ 94,060</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 20,425	\$ 239	\$ 8,424	\$ 833	\$ 32,484	\$ -	\$ -
Accrued wages and payroll withholding	-	127,804	-	3,472	3,472	-	-
Due to other funds	-	152,891	-	-	-	94,060	-
Total liabilities	<u>20,425</u>	<u>280,934</u>	<u>8,424</u>	<u>4,305</u>	<u>35,956</u>	<u>94,060</u>	<u>-</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	14,735	-	40,197	40,361	101,266	-	-
Committed	-	-	-	-	-	-	-
Unassigned (deficit)	-	(128,043)	-	-	-	-	-
Total fund balances	<u>14,735</u>	<u>(128,043)</u>	<u>40,197</u>	<u>40,361</u>	<u>101,266</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 35,160</u>	<u>\$ 152,891</u>	<u>\$ 48,621</u>	<u>\$ 44,666</u>	<u>\$ 137,222</u>	<u>\$ 94,060</u>	<u>\$ -</u>

Carmel Clay School Corporation

Combining Balance Sheet -
 Nonmajor Governmental Funds - Special Revenue Funds
 June 30, 2023

	IMAC 2020-						
					21 IN	CARES-Educ	
	Title I	Title II	Title III	Title IV	Medicaid	Stab Rel	
	Grants	Grants	Grants	Grants	Adm Clm	18003 20-21	ESSER II
Assets							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 67,671	\$ -	\$ -
Receivables:							
Taxes receivable	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Intergovernmental receivable	9,970	9,815	11,238	-	-	-	-
Total assets	<u>\$ 9,970</u>	<u>\$ 9,815</u>	<u>\$ 11,238</u>	<u>\$ -</u>	<u>\$ 67,671</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ 80	\$ -	\$ -	\$ 1,759	\$ -	\$ -
Accrued wages and payroll withholding	12,729	6,535	-	-	-	-	-
Due to other funds	9,970	9,815	11,238	-	-	-	-
Total liabilities	<u>22,699</u>	<u>16,430</u>	<u>11,238</u>	<u>-</u>	<u>1,759</u>	<u>-</u>	<u>-</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	-	-	-	-	65,912	-	-
Committed	-	-	-	-	-	-	-
Unassigned (deficit)	(12,729)	(6,615)	-	-	-	-	-
Total fund balances	<u>(12,729)</u>	<u>(6,615)</u>	<u>-</u>	<u>-</u>	<u>65,912</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,970</u>	<u>\$ 9,815</u>	<u>\$ 11,238</u>	<u>\$ -</u>	<u>\$ 67,671</u>	<u>\$ -</u>	<u>\$ -</u>

Carmel Clay School Corporation

Combining Balance Sheet -
 Nonmajor Governmental Funds - Special Revenue Funds
 June 30, 2023

	ESSER III	Scholarships	SS ARP 611 Grant 2021	SS ARP 619 Grant 2021	3E Grant	ARP HCY Grant	STEM Integration Grant FY 2023	Total Special Revenue Nonmajor Funds
Assets								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,212,076
Receivables:								
Taxes receivable	-	-	-	-	-	-	-	2,769,426
Accounts	-	-	-	-	-	-	-	85,266
Intergovernmental receivable	34,994	-	15,815	122	19,580	8,067	20,851	385,022
Total assets	<u>\$ 34,994</u>	<u>\$ -</u>	<u>\$ 15,815</u>	<u>\$ 122</u>	<u>\$ 19,580</u>	<u>\$ 8,067</u>	<u>\$ 20,851</u>	<u>\$ 16,451,790</u>
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ -	\$ -	\$ 50,665	\$ -	\$ -	\$ 3,917	\$ 63,271	\$ 3,152,732
Accrued wages and payroll withholding	39,961	-	3,404	150	5,274	-	-	346,584
Due to other funds	34,994	-	15,815	122	19,580	8,067	20,851	385,022
Total liabilities	<u>74,955</u>	<u>-</u>	<u>69,884</u>	<u>272</u>	<u>24,854</u>	<u>11,984</u>	<u>84,122</u>	<u>3,884,338</u>
Deferred Inflows of Resources								
Unavailable revenue	-	-	-	-	-	-	-	2,769,426
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,769,426</u>
Fund Balances								
Restricted	-	-	-	-	-	-	-	10,069,006
Committed	-	-	-	-	-	-	-	2,003,033
Unassigned (deficit)	(39,961)	-	(54,069)	(150)	(5,274)	(3,917)	(63,271)	(2,274,013)
Total fund balances	<u>(39,961)</u>	<u>-</u>	<u>(54,069)</u>	<u>(150)</u>	<u>(5,274)</u>	<u>(3,917)</u>	<u>(63,271)</u>	<u>9,798,026</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 34,994</u>	<u>\$ -</u>	<u>\$ 15,815</u>	<u>\$ 122</u>	<u>\$ 19,580</u>	<u>\$ 8,067</u>	<u>\$ 20,851</u>	<u>\$ 16,451,790</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Special Revenue Funds
 Year Ended June 30, 2023

	Safety Referendum	Food Service	Textbook Rental	Extra Curricular Accounts	Levy Excess	Eric Clark Center	Washington DC Trip
Revenues							
Property taxes	\$ 5,276,505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	328,406	-	-	-	-	-	-
Intergovernmental	-	8,136,983	-	-	-	-	-
Charges for services	-	3,552,661	1,982,765	-	-	-	-
Other:							
Interest income	-	17,801	-	-	-	-	-
Miscellaneous	-	14,844,201	156,202	4,083,325	-	69,000	24,500
Total revenues	<u>5,604,911</u>	<u>26,551,646</u>	<u>2,138,967</u>	<u>4,083,325</u>	<u>-</u>	<u>69,000</u>	<u>24,500</u>
Expenditures							
Current:							
Instruction	15,732	-	-	1,529,142	-	-	-
Support services	5,261,232	314,552	3,803,948	394,586	-	-	-
Community services	-	9,142,357	-	-	-	-	23,255
Capital outlays and facilities acquisition and construction	-	-	-	-	-	82,490	-
Nonprogrammed charges	-	14,626,328	-	1,961,977	-	-	-
Total expenditures	<u>5,276,964</u>	<u>24,083,237</u>	<u>3,803,948</u>	<u>3,885,705</u>	<u>-</u>	<u>82,490</u>	<u>23,255</u>
Excess (deficiency) of revenues over (under) expenditures	<u>327,947</u>	<u>2,468,409</u>	<u>(1,664,981)</u>	<u>197,620</u>	<u>-</u>	<u>(13,490)</u>	<u>1,245</u>
Other Financing Sources							
Transfer in	-	8,900,000	-	-	-	-	-
Transfer out	-	(8,900,000)	(29)	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>(29)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	327,947	2,468,409	(1,665,010)	197,620	-	(13,490)	1,245
Fund Balance (Deficit), Beginning	<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>
Fund Balance (Deficit), Ending	<u>\$ 66,076</u>	<u>\$ 9,091,545</u>	<u>\$ (1,956,008)</u>	<u>\$ 2,003,033</u>	<u>\$ 1,205</u>	<u>\$ 105,567</u>	<u>\$ 1,245</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Special Revenue Funds
 Year Ended June 30, 2023

	Performance Based Awards		Project Lead the Way FY19	Alternative Education Fund	Donations	Early Childhood Grants	Early Intervention	Federal Part B 611 Funds
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-
Intergovernmental	595,726	91,131	-	13,125	31,006	108,984	42,287	3,138,688
Charges for services	-	-	-	-	-	-	-	-
Other:								
Interest income	-	-	-	-	-	-	-	-
Miscellaneous	-	-	4,000	-	213,779	-	-	-
Total revenues	595,726	91,131	4,000	13,125	244,785	108,984	42,287	3,138,688
Expenditures								
Current:								
Instruction	595,726	-	700	5,592	99,137	112,019	27,552	2,301,956
Support services	-	12,760	-	-	72,270	-	-	840,243
Community services	-	-	-	-	373	-	-	-
Capital outlays and facilities acquisition and construction	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Total expenditures	595,726	12,760	700	5,592	171,780	112,019	27,552	3,142,199
Excess (deficiency) of revenues over (under) expenditures	-	78,371	3,300	7,533	73,005	(3,035)	14,735	(3,511)
Other Financing Sources								
Transfer in	-	-	-	-	29	-	-	-
Transfer out	-	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	29	-	-	-
Net change in fund balance	-	78,371	3,300	7,533	73,034	(3,035)	14,735	(3,511)
Fund Balance (Deficit), Beginning	-	12,760	(450)	2,871	363,478	(941)	-	(124,532)
Fund Balance (Deficit), Ending	\$ -	\$ 91,131	\$ 2,850	\$ 10,404	\$ 436,512	\$ (3,976)	\$ 14,735	\$ (128,043)

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Special Revenue Funds
 Year Ended June 30, 2023

	Formative Assessment	High Ability Grants	Non-English Speaking	Secured School Safety Grants	Special Education	Title I Grants
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental	203,685	99,805	249,537	177,661	1,410	367,916
Charges for services	-	-	-	-	-	-
Other:						
Interest income	-	-	-	-	-	-
Miscellaneous	-	-	-	627	-	-
Total revenues	<u>203,685</u>	<u>99,805</u>	<u>249,537</u>	<u>178,288</u>	<u>1,410</u>	<u>367,916</u>
Expenditures						
Current:						
Instruction	-	37,384	72,537	-	1,410	291,793
Support services	187,723	77,578	249,124	132,580	-	78,548
Community services	-	-	-	-	-	-
Capital outlays and facilities acquisition and construction	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-
Total expenditures	<u>187,723</u>	<u>114,962</u>	<u>321,661</u>	<u>132,580</u>	<u>1,410</u>	<u>370,341</u>
Excess (deficiency) of revenues over (under) expenditures	<u>15,962</u>	<u>(15,157)</u>	<u>(72,124)</u>	<u>45,708</u>	<u>-</u>	<u>(2,425)</u>
Other Financing Sources						
Transfer in	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	15,962	(15,157)	(72,124)	45,708	-	(2,425)
Fund Balance (Deficit), Beginning	<u>24,235</u>	<u>55,518</u>	<u>173,390</u>	<u>(45,708)</u>	<u>-</u>	<u>(10,304)</u>
Fund Balance (Deficit), Ending	<u>\$ 40,197</u>	<u>\$ 40,361</u>	<u>\$ 101,266</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,729)</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Special Revenue Funds
 Year Ended June 30, 2023

	IMAC 2020- 21 IN CARES-Educ							
	Title II	Title III	Title IV	IMAC 2020- 21 IN Medicaid	CARES-Educ Stab Rel			
	Grants	Grants	Grants	Adm Clm	18003 20-21	ESSER II	ESSER III	Scholarships
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-
Intergovernmental	220,822	97,050	34,689	49,295	54,696	249,953	606,372	-
Charges for services	-	-	-	-	-	-	-	-
Other:								
Interest income	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	2,000
Total revenues	<u>220,822</u>	<u>97,050</u>	<u>34,689</u>	<u>49,295</u>	<u>54,696</u>	<u>249,953</u>	<u>606,372</u>	<u>2,000</u>
Expenditures								
Current:								
Instruction	-	91,692	23,686	58,018	54,696	206,689	646,333	-
Support services	224,436	548	11,003	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Capital outlays and facilities acquisition and construction	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	2,000
Total expenditures	<u>224,436</u>	<u>92,240</u>	<u>34,689</u>	<u>58,018</u>	<u>54,696</u>	<u>206,689</u>	<u>646,333</u>	<u>2,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,614)</u>	<u>4,810</u>	<u>-</u>	<u>(8,723)</u>	<u>-</u>	<u>43,264</u>	<u>(39,961)</u>	<u>-</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>	<u>-</u>
Net change in fund balance	(3,614)	4,810	-	(8,723)	-	43,264	(39,961)	-
Fund Balance (Deficit), Beginning	<u>(3,001)</u>	<u>(4,810)</u>	<u>-</u>	<u>74,635</u>	<u>-</u>	<u>(43,264)</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit), Ending	<u>\$ (6,615)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (39,961)</u>	<u>\$ -</u>

Carmel Clay School Corporation

Combining Statement of Revenues Expenditures and Changes in Fund Balances -
 Nonmajor Governmental Funds - Special Revenue Funds
 Year Ended June 30, 2023

	SS ARP 611	SS ARP 619		ARP HCY	STEM	Total
	Grant 2021	Grant 2021	3E Grant	Grant	Integration	Nonmajor
					Grant FY	Special
					2023	Revenue
						Funds
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,276,505
Other taxes	-	-	-	-	-	328,406
Intergovernmental	482,610	4,505	82,438	35,513	36,429	15,212,316
Charges for services	-	-	-	-	-	5,535,426
Other:						
Interest income	-	-	-	-	-	17,801
Miscellaneous	-	-	-	-	-	19,397,634
Total revenues	482,610	4,505	82,438	35,513	36,429	45,768,088
Expenditures						
Current:						
Instruction	483,143	4,655	87,712	-	-	6,747,304
Support services	-	-	-	39,430	99,700	11,800,261
Community services	-	-	-	-	-	9,165,985
Capital outlays and facilities acquisition and construction	-	-	-	-	-	82,490
Nonprogrammed charges	-	-	-	-	-	16,590,305
Total expenditures	483,143	4,655	87,712	39,430	99,700	44,386,345
Excess (deficiency) of revenues over (under) expenditures	(533)	(150)	(5,274)	(3,917)	(63,271)	1,381,743
Other Financing Sources						
Transfer in	-	-	-	-	-	8,900,029
Transfer out	-	-	-	-	-	(8,900,029)
Total other financing sources	-	-	-	-	-	-
Net change in fund balance	(533)	(150)	(5,274)	(3,917)	(63,271)	1,381,743
Fund Balance (Deficit), Beginning	(53,536)	-	-	-	-	8,416,283
Fund Balance (Deficit), Ending	\$ (54,069)	\$ (150)	\$ (5,274)	\$ (3,917)	\$ (63,271)	\$ 9,798,026

Carmel Clay School Corporation

Combining Balance Sheet -
Nonmajor Governmental Funds - Debt Service Funds
June 30, 2023

	<u>Building Corporation</u>	<u>GO Bonds - Debt Service</u>	<u>Total Debt Service Funds</u>
Assets			
Restricted cash	\$ 13,681,413	\$ 4,637,217	\$ 18,318,630
Receivables:			
Interest receivable	<u>7,290</u>	<u>-</u>	<u>7,290</u>
Total assets	<u>\$ 13,688,703</u>	<u>\$ 4,637,217</u>	<u>\$ 18,325,920</u>
Fund Balances			
Nonspendable	\$ -	\$ -	\$ -
Restricted	<u>13,688,703</u>	<u>4,637,217</u>	<u>18,325,920</u>
Total fund balances	<u>\$ 13,688,703</u>	<u>\$ 4,637,217</u>	<u>\$ 18,325,920</u>

Carmel Clay School Corporation

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds - Debt Service Funds
Year Ended June 30, 2023


	<u>Building Corporation</u>	<u>GO Bonds - Debt Service</u>	<u>Total Debt Service Funds</u>
Revenues			
Other:			
Interest income	\$ 56,685	\$ -	\$ 56,685
Expenditures			
Current:			
Nonprogrammed charges	10,300	-	10,300
Debt service:			
Principal paid on debt	16,685,000	3,570,000	20,255,000
Interest on debt	<u>5,126,120</u>	<u>401,750</u>	<u>5,527,870</u>
Total expenditures	<u>21,821,420</u>	<u>3,971,750</u>	<u>25,793,170</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,764,735)</u>	<u>(3,971,750)</u>	<u>(25,736,485)</u>
Other Financing Sources			
Transfer in	<u>22,568,000</u>	<u>8,608,967</u>	<u>31,176,967</u>
Total other financing sources	<u>22,568,000</u>	<u>8,608,967</u>	<u>31,176,967</u>
Net change in fund balance	<u>803,265</u>	<u>4,637,217</u>	<u>5,440,482</u>
Fund Balance, Beginning	<u>12,885,438</u>	<u>-</u>	<u>12,885,438</u>
Fund Balance, Ending	<u>\$ 13,688,703</u>	<u>\$ 4,637,217</u>	<u>\$ 18,325,920</u>



Carmel Clay School Corporation

Single Audit Report

June 30, 2023



Carmel Clay School Corporation
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June 30, 2023

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**Carmel Clay School Corporation
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023**

Federal Grantor	Pass-Through Grantor	Pass-Through Identifying Number	Program Title	Federal Assistance Listing Number	2023 Total Federal Expenditures	
U.S. Department of Agriculture						
	Child Nutrition Cluster:					
	Indiana Department of Education	FY 2022	School Breakfast Program	10.553	\$ 370,395	
	Indiana Department of Education	FY 2022	National School Lunch Program (NSLP)	10.555	3,921,039	
	Indiana Department of Education	FY 2022	National School Lunch Program (NSLP) - Commodities	10.555	565,730	
					<u>4,857,164</u>	
	Total Child Nutrition Cluster					<u>4,857,164</u>
				Total U.S. Department of Agriculture	<u>4,857,164</u>	
U.S. Department of Education						
	Indiana Department of Education	S010A210014	Title I Grants to Local Education Agencies	84.010	117,362	
	Indiana Department of Education	S010A220014	Title I Grants to Local Education Agencies	84.010	250,554	
					<u>367,916</u>	
	Special Education Cluster:					
	Indiana Department of Education	HO27A1900-84	Special Education-Grants to States (IDEA, Part B)	84.027	13,596	
	Indiana Department of Education	HO27A1900-84	Special Education-Grants to States (IDEA, Part B)	84.027	661,859	
	Indiana Department of Education	HO27A1900-84	Special Education-Grants to States (IDEA, Part B)	84.027	2,463,233	
	Indiana Department of Education	HO27X2100-84	COVID-19 American Rescue Plan IDEA Award	84.027	482,610	
					<u>3,621,298</u>	
	Indiana Department of Education	H173A180104	Special Education Preschool	84.173	110,394	
	Indiana Department of Education	H173X210104	COVID-19 American Rescue Plan IDEA Award	84.173	4,504	
					<u>114,898</u>	
	Total Special Education Cluster					<u>3,736,196</u>
	Indiana Department of Education	S365A210014	English Language Acquisition State Grants	84.365	46,254	
	Indiana Department of Education	S365A220014	English Language Acquisition State Grants	84.365	50,796	
					<u>97,050</u>	
	Indiana Department of Education	S367A200013	Supporting Effective Instruction State Grants	84.367	88,820	
	Indiana Department of Education	S367A210013	Supporting Effective Instruction State Grants	84.367	132,001	
					<u>220,821</u>	
	Indiana Department of Education	S424A200015	Student Support and Academic Enrichment Program	84.424	34,690	
					<u>34,690</u>	
	Hamilton County Economic Development Corp	7000S425U210013	COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	82,438	
	Indiana Department of Education	7000S425W210015	COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	35,513	
	Indiana Department of Education	S425D210013	COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	304,648	
	Indiana Department of Education	S425U210013	COVID-19 American Rescue Plan-Elementary and Secondary School Emergency Relief Fund (ARP ESSER)	84.425U	606,372	
					<u>1,028,971</u>	
				Total U.S. Department of Education	<u>5,485,644</u>	
U.S. Department of Health and Human Services						
	PCG Education	SFY 2022-23	Medical Assistance Program (Medicaid Cluster)	93.778	56,260	
					<u>56,260</u>	
				Total U.S. Department of Homeland Security	<u>56,260</u>	
				Total Federal Expenditures	<u>\$ 10,399,068</u>	

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, 2023. 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, 2023, 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 Carmel Clay School Corporation (School Corporation), as of and for the year ended June 30, 2023, 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 August 22, 2024.

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 certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-01, that we consider to be a significant deficiency.

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 findings identified in our audit and described in the accompanying schedule of findings and 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

**Indianapolis, Indiana
August 22, 2024**

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, 2023. 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, the 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, 2023.

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, 2023, and the related notes to the financial statements, which collectively comprise the School Corporation’s basic financial statements. We have issued our report thereon dated August 22, 2024, 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 Mazars, LLP

**Indianapolis, Indiana
August 22, 2024**

**Carmel Clay School Corporation
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023**

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 School Corporation
 Schedule of Findings and Questioned Costs (Continued)
 Year Ended June 30, 2023**

7. Identification of major programs:

Cluster/Program	Assistance Listing Numbers	Opinion Issued
Special Education Cluster	84.027 & 84.173	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 School Corporation
 Schedule of Findings and Questioned Costs (Continued)
 Year Ended June 30, 2023**

Section II – Financial Statements Findings

Reference Number	Finding
2023-001	<p>Criteria or Specific Requirement: Management is responsible for establishing and maintaining effective internal controls over financial reporting.</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 \$5 million) related to expenditures incurred in prior years that were incorrectly not capitalized in accordance with the School Corporation’s capital asset policies.</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 after being identified by the School Corporation. The School Corporation continues to refine its processes over preparing annual GAAP financial statements.</p>

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

**Carmel Clay School Corporation
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023**

Reference Number	Summary of Finding	Status
2022-001	Internal Controls Over Financial Reporting The School Corporation's internal control environment over financial reporting did not timely detect certain adjustments related to preparing financial statements in accordance with GAAP.	Not fully resolved – see finding 2023-001



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 2023-001

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: 10/1/23

Kara J. Kollros
Director of Finance
Carmel Clay Schools
August 21, 2024