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August 10, 2022

Board of Directors
Hamilton Southeastern Schools
13485 Cumberland Road
Fishers, IN 46038

We have received the Financial and Single Audit Reports of Hamilton Southeastern Schools which were opined upon by FORVIS, LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2021. Per the *Independent Auditor's Report*, the financial statements present fairly the financial condition of Hamilton Southeastern Schools as of June 30, 2021, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Single Audit Report directly follows the Financial Statement Report and a Summary of Auditor's Results may be found on pages 9-10 of the Single Audit Report.

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

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**HAMILTON SOUTHEASTERN SCHOOLS
FINANCIAL STATEMENTS**

June 30, 2021

HAMILTON SOUTHEASTERN SCHOOLS

FINANCIAL STATEMENTS

June 30, 2021

CONTENTS

SCHEDULE OF OFFICIALS	1
INDEPENDENT AUDITORS REPORT	2
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements:	
Governmental Funds – Balance Sheet	6
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position.....	7
Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances	8
Reconciliation of the Governmental Funds - Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities	9
Statement of Fund Net Position- Proprietary Fund.....	10
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund.....	11
Statement of Cash Flows - Proprietary Fund.....	12
Notes to the Financial Statements	13
REQUIRED SUPPLEMENTARY INFORMATION	
Historical Pension Information:	
Schedule of Proportionate Share of the Net Pension Liability	43
Schedule of Contributions – Pension	44
Schedule of Employer’s Share of Nonemployer Contributing Entity Contributions.....	45
Historical OPEB Information:	
Changes in Total Other Postemployment Benefits Liability	46
Budgetary Comparison Schedules:	
Major Special Revenue Funds:	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual	47
OTHER SUPPLEMENTARY INFORMATION	
Combining Balance Sheet – Education Fund.....	50
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Education Fund.....	51
Combining Balance Sheet – Nonmajor Governmental Funds.....	52
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Governmental Funds.....	53
Combining Balance Sheet – Nonmajor Governmental Funds – Special Revenue.....	54
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Governmental Funds - Special Revenue.....	63

Combining Balance Sheet – Nonmajor Governmental Funds - Debt Service.....	72
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Governmental Funds - Debt Service.....	73
Combining Balance Sheet – Nonmajor Governmental Funds - Capital Projects.....	74
Combining Statement of Revenues, Expenditures and Changes In Fund Balances – Nonmajor Governmental Funds - Capital Projects.....	75

HAMILTON SOUTHEASTERN SCHOOLS
Schedule of Officials (Unaudited)
June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Cecilie Nunn Katy Dowling	01-01-20 to 07-18-21 07-19-21 to 06-30-22
Superintendent of Schools	Dr. Allen Bourff	07-01-17 to 06-30-22
President of the Board	Michelle Fullhart Janet Pritchett	07-24-19 to 12-31-20 01-01-21 to 12-31-22

Independent Auditor's Report

School Board
Hamilton Southeastern Schools
Fishers, Indiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Hamilton Southeastern Schools (the School Corporation), as of and for the year ended June 30, 2021, 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Hamilton Southeastern Schools, as of June 30, 2021, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2021, the School Corporation adopted Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

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 information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statement is not affected by this missing information.

Other 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 other information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other information has not been subjected to the audited procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated June 23, 2022, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

FORVIS, LLP

Indianapolis, Indiana
June 23, 2022

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Net Position
June 30, 2021

	Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 38,786,444
Cash and cash equivalents - restricted	67,016,500
Investments	1,897,611
Receivables, net	
Interest receivable	122,999
Taxes receivable	44,812,715
Intergovernmental receivable	589,531
Other receivables	2,090,804
Prepaid items	409,014
Nondepreciable capital assets	35,115,742
Other capital assets, net of depreciation	398,866,415
Total assets	589,707,775
Deferred Outflows of Resources	
Pensions	16,843,881
Debt refundings	1,428,108
Other post-employment benefits	630,393
Total deferred outflows of resources	18,902,382
Total assets and deferred outflows of resources	\$ 608,610,157
Liabilities	
Accounts payable	\$ 7,647,835
Accrued payroll and related benefits	13,635,403
Interest payable on bonds and leases	3,996,699
Unearned revenue	67,455
Self-insurance claims payable	3,066,437
Other liabilities	209,606
Retainage payable	270,793
Compensated absences	328,238
Long-term obligations, due within one year:	
Bonds payable	39,020,000
Capital leases payable	978,683
Bond anticipation notes payable	8,555,353
Pension obligation bonds payable	335,000
Long-term obligations, due in more than one year:	
Bonds payable	223,536,687
Capital leases payable	679,697
Pension obligation bonds payable	730,000
Net pension liability	14,545,141
Other post-employment benefits liabilities	5,529,629
Total liabilities	323,132,656
Deferred Inflows of Resources	
Pensions	17,244,751
Debt refundings	855,955
Other post-employment benefits	98,109
Total liabilities and deferred inflows of resources	341,331,471
Net Position	
Net investment in capital assets	189,017,964
Restricted for:	
Facility maintenance and capital needs	4,835,431
Debt service	27,807,813
Board and superintendent office	9,750,372
Grants	1,189,591
Unrestricted	34,677,515
Total net position	267,278,686
Total liabilities, deferred inflows of resources, and net position	\$ 608,610,157

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Activities
June 30, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and</u>
		<u>Charges for</u>	<u>Operating Grants</u>	<u>Capital Grants</u>	<u>Changes in Net Position</u>
		<u>Services</u>	<u>and Contributions</u>	<u>and Contributions</u>	<u>Primary Government</u>
					<u>Governmental</u>
					<u>Activities</u>
Primary Government:					
Governmental activities:					
Instruction	\$ 146,191,234	\$ 158,193	\$ 5,902,262	\$ -	\$ (140,130,779)
Support services	82,639,581	2,415,729	996,898	275,152	(78,951,802)
Operation of noninstructional services	6,237,850	493,969	3,668,487	-	(2,075,394)
Interest on debt	7,228,130	-	-	-	(7,228,130)
Nonprogrammed charges	4,849,957	-	-	-	(4,849,957)
Total governmental activities	<u>\$ 247,146,752</u>	<u>\$ 3,067,891</u>	<u>\$ 10,567,647</u>	<u>\$ 275,152</u>	<u>(233,236,062)</u>
General revenues:					
Taxes:					
Local Property Taxes					99,933,258
License Excise Tax					7,630,046
Commercial Vehicle Excise Tax					162,362
State basic aid					137,459,374
Gain (loss) on sale of capital assets					7,300
Investment earnings					1,064,431
Other general revenues					15,702,005
Total general revenues					<u>261,958,776</u>
Change in net position					28,722,714
Net position, beginning of year					235,291,264
Adoption of accounting principle					<u>3,264,708</u>
Net position, beginning of year (restated)					<u>238,555,972</u>
Net position, end of the year					<u>\$ 267,278,686</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Governmental Funds – Balance Sheet
June 30, 2021

	Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
	Operations	Education	Operating Referendum	Debt Service	Construction		
	Fund	Fund	Fund	Fund	Fund		
Assets							
Cash and investments	\$ 17,978,529	\$ 9,729,989	\$ -	\$ -	\$ -	\$ 8,084,233	\$ 35,792,751
Cash and investments - restricted	-	-	12,339,233	14,809,138	30,739,353	9,128,776	67,016,500
Receivables, net							
Interest receivable	-	118,027	-	-	-	4,972	122,999
Taxes receivable	15,969,717	-	8,554,798	15,051,713	-	5,236,487	44,812,715
Intergovernmental receivable	-	-	-	-	-	589,531	589,531
Interfund receivable	1,000,000	12,399,196	-	5,100,000	-	166,208	18,665,404
Other receivables	387,778	87,448	-	-	-	1,555,622	2,030,848
Prepaid items	383,649	-	8,200	-	-	17,165	409,014
Total assets	<u>\$ 35,719,673</u>	<u>\$ 22,334,660</u>	<u>\$ 20,902,231</u>	<u>\$ 34,960,851</u>	<u>\$ 30,739,353</u>	<u>\$ 24,782,994</u>	<u>\$ 169,439,762</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ 693,247	\$ 871,150	\$ 297,483	\$ -	\$ 4,764,464	\$ 1,021,491	\$ 7,647,835
Salaries and payroll deductions payable	756,530	12,339,083	163,933	-	-	375,857	13,635,403
Intergovernmental payable	81,099	70	127,445	-	-	992	209,606
Interfund payable	13,000,000	-	2,000,000	166,208	399,196	3,100,000	18,665,404
Unearned revenue	-	-	-	-	-	67,455	67,455
Total liabilities	<u>14,530,876</u>	<u>13,210,303</u>	<u>2,588,861</u>	<u>166,208</u>	<u>5,163,660</u>	<u>4,565,795</u>	<u>40,225,703</u>
Deferred Inflows of Resources							
Unavailable revenues	15,969,717	-	8,554,798	15,051,713	-	5,256,129	44,832,357
Fund balances							
Nonspendable	383,649	-	8,200	-	-	-	391,849
Restricted - Facility maintenance and capital needs	4,835,431	-	-	-	28,130,698	-	32,966,129
Restricted - Board and Superintendent	-	-	9,750,372	-	-	-	9,750,372
Restricted - Debt service	-	-	-	19,742,930	-	8,064,883	27,807,813
Restricted - Grant expenses	-	-	-	-	-	1,189,591	1,189,591
Committed	-	13,005,158	-	-	-	-	13,005,158
Assigned - Textbook program	-	-	-	-	-	3,355,045	3,355,045
Assigned - Instruction	-	-	-	-	-	3,621,355	3,621,355
Assigned - Other	-	-	-	-	-	89,634	89,634
Unassigned	-	(3,880,801)	-	-	(2,555,005)	(1,359,438)	(7,795,244)
Total fund balance	<u>5,219,080</u>	<u>9,124,357</u>	<u>9,758,572</u>	<u>19,742,930</u>	<u>25,575,693</u>	<u>14,961,070</u>	<u>84,381,702</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 35,719,673</u>	<u>\$ 22,334,660</u>	<u>\$ 20,902,231</u>	<u>\$ 34,960,851</u>	<u>\$ 30,739,353</u>	<u>\$ 24,782,994</u>	<u>\$ 169,439,762</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Reconciliation of the Governmental Funds
Balance Sheet to Statement of Net Position
June 30, 2021

Total fund balances - governmental funds	\$	84,381,702
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Capital assets, net of depreciation		433,982,157
Certain items related to gains and losses on refundings of debt are deferred and recognized in future periods.		
		572,153
Some assets and liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as assets or liabilities in governmental funds. These assets and liabilities consist of:		
Retainage payable	(270,793)	
Compensated absences	(328,238)	
Long-term debt, net	(273,835,420)	
Net pension liability	(14,545,141)	
Other post-employment obligations	(5,529,629)	
Total long-term liabilities	(294,509,221)	(294,509,221)
Interest on long-term liabilities is not accrued in governmental funds, but rather is recognized when due.		
		(3,996,699)
Certain tax receivable items are not available to pay for current period expenditures and therefore are unavailable in the governmental funds.		
		44,832,357
Certain items related to pension and other post-employment benefit liabilities measurements are deferred and recognized in future periods.		
Deferred outflows of resources	17,474,274	
Deferred inflows of resources	(17,342,860)	
	131,414	131,414
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		
		1,884,823
Total net position- governmental activities	\$	267,278,686

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year ended June 30, 2021

	Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
	Operations	Education	Operating Referendum	Debt Service	Construction		
	Fund	Fund	Fund	Fund	Fund		
Revenues							
Property taxes	\$ 29,503,738	\$ -	\$ 19,986,652	\$ 35,091,606	\$ -	\$ 12,248,200	\$ 96,830,196
Other taxes	2,664,042	-	1,419,335	2,835,549	-	873,482	7,792,408
State basic aid	-	137,053,416	-	-	-	2,142,671	139,196,087
Investment income	-	1,053,072	-	-	578	-	1,053,650
Federal sources	-	-	-	-	-	8,741,336	8,741,336
Other revenues	1,271,814	892,293	1,801	-	13,608	13,040,902	15,220,418
Total revenues	<u>33,439,594</u>	<u>138,998,781</u>	<u>21,407,788</u>	<u>37,927,155</u>	<u>14,186</u>	<u>37,046,591</u>	<u>281,565,230</u>
Expenditures							
Instruction	-	119,189,527	-	-	-	12,214,736	131,404,263
Support services	24,424,089	24,109,144	19,416,341	165,440	1,698,128	4,125,508	73,938,650
Operation of noninstructional services	282,528	-	-	-	-	5,949,273	6,231,801
Nonprogrammed charges	-	-	-	280	-	872,141	872,421
Capital outlays	4,234,572	2,297,849	-	23,263	14,191,819	372,191	21,119,694
Principal payments on debt	-	-	-	33,610,000	-	7,315,000	40,925,000
Capital lease payments	2,204,698	-	-	-	-	-	2,204,698
Interest on debt	72,124	-	-	5,002,985	-	6,015,202	11,090,311
Other debt services	-	-	-	1,070	280,699	17,050	298,819
Total expenditures	<u>31,218,011</u>	<u>145,596,520</u>	<u>19,416,341</u>	<u>38,803,038</u>	<u>16,170,646</u>	<u>36,881,101</u>	<u>288,085,657</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,221,583</u>	<u>(6,597,739)</u>	<u>1,991,447</u>	<u>(875,883)</u>	<u>(16,156,460)</u>	<u>165,490</u>	<u>(19,251,562)</u>
Other financing sources (uses)							
Proceeds from sales of assets	7,300	-	-	-	-	-	7,300
Issuance of bonds, par	-	-	-	-	29,425,000	-	29,425,000
Issuance of bonds, premium	-	-	-	-	822,945	-	822,945
Transfers in	1,318,830	3,293,653	-	38,949	-	97,682	4,749,114
Transfers out	(1,472,682)	-	-	-	(3,276,432)	-	(4,749,114)
Other financing sources (uses)	-	399,196	-	(166,208)	(305,081)	166,208	94,115
Total other financing sources (uses)	<u>(146,552)</u>	<u>3,692,849</u>	<u>-</u>	<u>(127,259)</u>	<u>26,666,432</u>	<u>263,890</u>	<u>30,349,360</u>
Net change in fund balances	2,075,031	(2,904,890)	1,991,447	(1,003,142)	10,509,972	429,380	11,097,798
Fund balances at beginning of year, as previously stated	3,144,049	12,029,247	7,767,125	20,746,072	15,065,721	11,266,982	70,019,196
Adoption of accounting principal	-	-	-	-	-	3,264,708	3,264,708
Fund balances at beginning of year (restated)	<u>3,144,049</u>	<u>12,029,247</u>	<u>7,767,125</u>	<u>20,746,072</u>	<u>15,065,721</u>	<u>14,531,690</u>	<u>73,283,904</u>
Fund balances at end of year	<u>\$ 5,219,080</u>	<u>\$ 9,124,357</u>	<u>\$ 9,758,572</u>	<u>\$ 19,742,930</u>	<u>\$ 25,575,693</u>	<u>\$ 14,961,070</u>	<u>\$ 84,381,702</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities
Year ended June 30, 2021

Net change in total fund balances		11,097,798
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report outlays for capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.		
Capital outlay resulting in assets	18,043,981	
Depreciation expense	<u>(13,917,650)</u>	
Capital outlays in excess of depreciation expense		4,126,331
The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Debt principal repayment	43,129,698	
Debt issuance	(31,443,113)	
Debt refunding transactions	(235,915)	
Debt premium issuance	<u>(822,945)</u>	
		10,627,725
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.		
Amortization of premiums and discounts		3,316,605
Some revenues were not collected as of the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. The change from fiscal year 2020 and 2019 consists of:		
Taxes	3,103,062	
Grant revenues	<u>19,642</u>	
		3,122,704
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.		
Change in deferred outflows of resources surrounding debt refundings	(172,576)	
Change in retainage payable	(270,793)	
Change in interest payable	718,152	
Change in OPEB liabilities and deferrals	(305,163)	
Change in pension asset, liability, and deferrals	592,718	
Change in compensated absences	<u>(163,753)</u>	
Total		398,585
Gross revenues and disbursements of the internal service fund were eliminated in order to avoid duplication of these amounts in the government wide financial statements. This resulted in an eliminating entry of \$27,126,485, which had no net effect on the government wide statement of activities		
		-
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The change in net position of the internal service funds is reported with governmental activities.		
		<u>(3,967,034)</u>
Change in net position of governmental activities		<u><u>28,722,714</u></u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Fund Net Position – Proprietary Fund
June 30, 2021

	Internal Service Fund <u>Self-Insurance Fund</u>
Assets	
Cash and cash equivalents	\$ 2,993,693
Investments	1,897,611
Receivables, net:	
Other receivables	59,956
Total assets	<u>\$ 4,951,260</u>
Liabilities	
Other current payables	<u>3,066,437</u>
Total liabilities	<u>3,066,437</u>
Net Position	
Unrestricted	<u>1,884,823</u>
Total net position	<u>1,884,823</u>
Total liabilities and net position	<u>\$ 4,951,260</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Revenue, Expenses, and Changes in Fund Net Position – Proprietary Fund
Year ended June 30, 2021

	Internal Service Fund <u>Self-Insurance Fund</u>
Operating revenue	
Other revenues	\$ 27,126,485
Total operating revenue	27,126,485
Operating expenses	
Nonprogrammed charges	31,104,301
Total operating expenses	31,104,301
Operating loss	(3,977,816)
Nonoperating revenue and expenses	
Investment income	10,782
Total nonoperating revenue (expenses)	10,782
Change in net position	(3,967,034)
Total net position, beginning of year	5,851,857
Total net position, end of year	\$ 1,884,823

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Cash Flows – Proprietary Fund
June 30, 2021

	Internal Service Fund <u>Self-Insurance Fund</u>
Cash flows from operating activities	
Cash collected for self-insurance claims	\$ 27,066,813
Claims paid	(30,729,288)
Net cash used by operating activities	(3,662,475)
Cash flows from investing activities	
Proceeds from sales and maturities of investments	3,963,415
Purchases of investments	(2,773,115)
Interest and dividends	10,781
Net cash provided (used) by investing activities	1,201,081
Net cash decrease in cash and cash equivalents	(2,461,394)
Cash and cash equivalents-beginning	5,455,087
Cash and cash equivalents-ending	\$ 2,993,693
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating loss	\$ (3,977,816)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Increase (decrease) in:	
Accounts receivable	(59,672)
Other liabilities	375,013
Net cash used by operating activities	\$ (3,662,475)

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HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: Hamilton Southeastern Schools (the “School Corporation”) was established under the laws of the State of Indiana. The School Corporation is comprised of three civil townships — Delaware, Fall Creek and Wayne Townships — all in southeastern Hamilton County. Included within the three civil townships are the incorporated City of Fishers and City of Noblesville and the unincorporated towns of Durbin and Clarksville. The School Corporation is bordered on the west by Carmel Clay Schools and on the north by Noblesville Schools and Hamilton Heights. Hamilton County is adjacent to Marion County and the City of Indianapolis on the South, Boone County on the west, Tipton County on the north and Madison County on the east. Total land area for the School Corporation is approximately 90 square miles.

A seven-member board of school trustees, elected to four-year staggered terms, governs the School Corporation. Administrative functions are carried out by a superintendent of schools, appointed by the board. A central office staff complements the leadership of the superintendent. The central office facilities are located near the population center of the School Corporation, easily accessible from Interstate 69 and Indiana State Highway 37— approximately five minutes from the Hamilton County seat of Noblesville and thirty minutes or less from the Indiana Department of Education Offices in the state capital, Indianapolis.

The School Corporation provides educational services for approximately 21,565 students ages pre-school through high school.

The accompanying financial statement presents the financial information for the School Corporation.

Blended Component Unit: The following component unit has been presented as a blended component unit. The Board of the component unit is made up of three community members and a representative from the School Corporation. There is either a financial benefit or burden relationship between the School Corporation and the component unit or management of the primary government has operational responsibility for the component unit or the component units provide services exclusively or almost exclusively to the primary government:

- Hamilton Southeastern Consolidated School Building Corporation (Building Corporation). The component unit is presented as a portion of debt service and construction funds (capital projects).

The component unit detailed above hold bonds currently outstanding in the amount of \$213,300,000. The component unit also holds bond anticipation notes currently outstanding in the amount of \$8,500,000. The School Corporation has entered into lease revenue arrangements with the Building Corporation to pay off the entirety of this debt as scheduled. The lease transactions have been eliminated for the reporting entity presentation of financial statements.

Related Parties: The School Corporation is supported by a number of parent teacher organizations and booster groups as well as an Educational Foundation. Each of these organizations are separate legal entities and have their own governing boards. The School Corporation does not control these groups but, does work closely with them to identify areas where they can support educational programs within the schools.

Government-Wide Financial Statements: The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the School Corporation. The effect of interfund activity has been removed from these statements. The School Corporation’s operating activities are all considered “governmental activities,” that is, activities normally supported by taxes and intergovernmental revenues. The School Corporation has no operating activities that would be considered “business type activities.”

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) amounts paid by the recipient of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Funds Financial Statements: Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the School Corporation's general governmental activities. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, deferred inflows of resources, deferred outflows of resources, fund balance, revenues, and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

Measurement Focus and Basis of Accounting: The government-wide financial statements, the internal service fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both "measurable and available." "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School Corporation considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims, and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Major Governmental Funds:

The School Corporation reports the following major governmental funds:

- *Operations Fund* – the Operations Fund is required by IC 20-40-18. It is used to account for receipt of the operation property tax levy and other excise and local income taxes. It is also used to pay expenses allocated to overhead and operational activities.
- *Education Fund* – the Education Fund is required by IC 20-40-2. It is used to account for all tuition receipts and disbursements related to student instruction and learning.

During the year, the School Corporation determined the Rainy Day fund did not meet the requirements of a special revenue fund and should be reported within the Education fund. As a result, the opening balance of the Education Fund includes the prior year balance of the Rainy Day fund of \$12,985,158.

- *Operating Referendum Fund* – accounts for receipt of operating referendum tax remittances and disbursements related to support and operation and maintenance services.
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HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- *Debt Service Fund* - accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.
- *Construction Fund* – accounts for construction projects and renovations financed through various bond issuances that are reported in capital projects type funds.

Other Fund Types:

Additionally, the School Corporation reports the following fund types:

- *Nonmajor Debt Service Funds* – Certain nonmajor funds account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.
- *Special Revenue Funds* – Various funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds, or Fiduciary Funds.
- *Capital Referendum Fund* – accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs associated with the capital referendum.
- *Internal Service Funds* – The self-insurance fund is a proprietary fund and accounts for the cost of purchased insurance, the operation and administration of the School Corporation's self-insurance programs, and the cost of administering and collecting the School Corporation's occupational premiums.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance:

Deposits and Investments: 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 School Corporation to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Nonparticipating certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost. Money market investments that mature within one year or less at the date of their acquisition are reported at amortized cost. Other money market investments are reported at fair value.

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

Restricted Assets: All restricted assets, as presented in the accompanying financial statements, are restricted due to debt service requirements, capital requirements and grantor intent.

Interfund Transactions and Balances: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund receivables/payables.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources: Deferred outflows of resources represent a consumption of net position that applies to future periods. Deferred inflows of resources represent an acquisition of net position that applies to future periods. These amounts will not be recognized as expense or revenue until the applicable period. The School Corporation's activities are related to recognition of changes in its defined benefit plan's net pension liability that will be amortized in future periods, recognition of changes in its other post-employment benefit plans that will be amortized in future periods and deferred amounts on debt refunding which will be recognized as interest expense over the life of the debt.

On the governmental fund financial statements, the School Corporation reports amounts that are measurable but not yet available as unavailable revenues.

Inventories and Prepaid Items: All material inventories would be recorded at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased. 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.

Property Tax Revenues: Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the School Corporation in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's lien date and assessed valuations are adjusted for various tax credits. Taxable property is assessed at 100 percent 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 which normally become delinquent if not paid by May 10 and November 10, respectively.

Capital Assets: Capital assets, which include land, land improvements, buildings, equipment, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the School Corporation as assets with an initial individual cost of \$5,000 or more and an estimated useful life of 5 years or more or improvements or renovations that extend the useful life of an asset more than 2 years. Such assets are recorded at cost at the date of acquisition if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Buses	12
Other Vehicles	10
Machinery and Equipment	5 - 25

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.

Long-Term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year of issuance.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the fund financial statements, governmental funds recognize bond premiums and discounts during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

- *Net investment in capital assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.
- *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.
- *Unrestricted net position* - All other net position that do not meet the definition 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, and then unrestricted resources as they are needed.

Pensions: The School Corporation has recorded a net pension liability and asset reflecting their proportionate share of the difference between the total pension liabilities and the fiduciary net positions of the Indiana Public Retirement System (INPRS) plans:

- Public Employee's Retirement Fund (PERF) Plan
- Teacher's Retirement Fund (TRF) Plan

Although the School Corporation participates in the TRF Pre-1996 Plan, this has not been included in the measurement of net pension liabilities and related deferred inflows and outflows of resources. The TRF Pre-1996 Plan is a liability of the State of Indiana, due to its status as a special funding situation. The School Corporation does not make contributions to the plan. The School Corporation records revenue and expense at the government wide level for the value of the School's Corporations proportionate share of pension expense.

For purposes of measuring the net pension liabilities, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of INPRS Plans and additions to/deductions from the INPRS Plans' fiduciary net position have been determined on the same basis as they are reported by the INPRS system. 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.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Post-Employment Benefits: For purposes of measuring the School Corporation's Post-Employment Benefits Other than Pensions ("OPEB") liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Compensated Absences: Only 260-day staff receive vacation days. Vacation days must be used within 13 months of when they are received, or they are lost. In all cases of separation from service (voluntary, involuntary, retirement) an employee's remaining balance of vacation days will be paid on the final paycheck. Unused sick days may accrue up to a maximum limit based on employee group. When an employee's accumulated sick leave exceeds two-thirds of the maximum at the end of the school year, the employee may elect to receive payment for up to a defined number based on their employee group. If an employee leaves the School Corporation, sick days are not eligible to be paid out.

Property Tax Abatements: Under the state statute, IC 6-1.1-12.1, Hamilton County, and cities and towns within Hamilton County, provide tax abatements for rehabilitation or redevelopment of real property in economic revitalization areas. The tax abatements under this statute are for real property tax and personal property tax. For Hamilton County's calendar year 2020, tax amounts of \$275,444 were abated. These abatements have a lesser impact on the School Corporation's collection of property taxes due to allocation to many underlying tax units.

Hamilton County - Real property	\$ 7,932
Hamilton County - Personal property	36,162
All Cities and Towns within Hamilton County - Real property	90,231
All Cities and Towns within Hamilton County - Personal property	<u>141,119</u>
	<u>\$ 275,444</u>

Commitments and Contingencies: In the ordinary course of business, a number of claims and lawsuits may arise from individuals seeking compensation for incidents occurring in the operation of the School Corporation. In addition, the School Corporation has been named as a defendant litigation relating to personnel and contractual matters. Management does not believe that the outcome of these claims will have a material adverse effect on the School Corporation's financial position. However, in the event of an unfavorable outcome in one or more of these matters, the impact could be material to the School Corporation's financial position or results of operations.

Eliminations and Reclassifications: In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

Use of Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and deferred outflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Pronouncements: In 2021, the School Corporation implemented GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. As a result of implementation, the School Corporation reports its prepaid lunch fund and all extra-curricular activity as governmental type funds. Additionally, all clearing account activity is reported as part of the Education or Operations funds. \$3,264,708 of funds previously reported as fiduciary activities are now reported within the governmental financial statements.

In 2021, the School Corporation implemented GASB Statement No. 88, *Certain Disclosures Related to Debt*, including Direct Borrowings and Direct Placements. The objective of this Statement is to improve the information that is disclosed in notes to governmental financial statements. The adoption of the standard impacted only the notes to the financial statements.

Subsequent Events: In July 2021, the School Corporation sold \$30.4 million in revenue bonds. The bonds will be used to construct a new elementary school in Wayne Township. Semiannual principal and interest payments are due beginning in July 2022. The bonds mature in January 2041.

In July 2021, the School Corporation entered into a three-year lease for school buses. Lease payments are due annually beginning in July 2022. Total principal payments over the life of the lease total \$3.1 million.

NOTE 2 - FUND BALANCES

The components of fund balance include the following line items:

	Operations Fund	Education Fund	Referendum Fund	Debt Service Fund	Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable fund balance:	\$ 383,649	\$ -	\$ 8,200	\$ -	\$ -	\$ -	\$ 391,849
Restricted fund balance:							
Facility maintenance and capital needs	4,835,431	-	-	-	28,130,698	-	32,966,129
Board and Superintendent	-	-	9,750,372	-	-	-	9,750,372
Debt service	-	-	-	19,742,930	-	8,064,883	27,807,813
Grant expenses	-	-	-	-	-	1,189,591	1,189,591
Total	4,835,431	-	9,750,372	19,742,930	28,130,698	9,254,474	71,713,905
Committed fund balance:	-	13,005,158	-	-	-	-	13,005,158
Assigned fund balance:							
Textbook program	-	-	-	-	-	3,355,045	3,355,045
Instruction	-	-	-	-	-	3,621,355	3,621,355
Other	-	-	-	-	-	89,634	89,634
	-	-	-	-	-	7,066,034	7,066,034
Unassigned fund balance:	-	(3,880,801)	-	-	(2,555,005)	(1,359,438)	(7,795,244)
	<u>\$ 5,219,080</u>	<u>\$ 9,124,357</u>	<u>\$ 9,758,572</u>	<u>\$ 19,742,930</u>	<u>\$ 25,575,693</u>	<u>\$ 14,961,070</u>	<u>\$ 84,381,702</u>

Fund Balance Classifications. Fund balances are divided into five classifications for the Governmental Fund financial statements based on Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* as follows:

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 2 - FUND BALANCES (Continued)

- Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must remain intact.
- Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.
- Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the primary government, the School Corporation Board is the highest level of decision making.

As of June 30, 2021, the Rainy Day fund, reported as part of the Education fund, was reported as committed for the purpose of funding various expenses, including health and property insurance premiums, utilities, equipment and bus purchases, land purchases, construction of facilities, textbooks, transportation, plant operation, technology, and expenses related to the general fund referendum. The Rainy Day fund also was committed to make up for shortfalls should there be a loss of interest income. The funds are not to be used for contract negotiations.

- Assigned fund balance represents amounts that are intended to be used by the primary government for specific purposes but do not meet the criteria to be classified as restricted or committed.
- Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Any negative fund balance in other funds would also be classified into this category.

If there is an expenditure incurred for purposes for which both restricted and unrestricted fund balance is available, the School Corporation will consider restricted fund balance to have been spent before unrestricted fund balance. Further, if there is an expenditure incurred for purposes for which committed, assigned, or unassigned fund balance classifications could be used, then the School Corporation will consider committed fund balance to be spent before assigned fund balance and consider assigned fund balance to be spent before unassigned fund balance.

A capital projects fund and certain Nonmajor special revenue funds had deficit fund balances at June 30, 2021.

NOTE 3 - DEPOSITS AND INVESTMENTS

Cash: The carrying amount of cash was \$89,116,981 at June 30, 2021, while the bank balances were \$93,679,714. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Money Market Accounts: As of June 30, 2021, the School Corporation holds \$16,685,963 in money market accounts. These have been reported under amortized cost.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Deposits: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 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 School Corporation does not have a deposit policy for custodial credit risk, as funds are only deposited into eligible state depositories.

Investments: State statute (IC 5-13-9) authorizes the School Corporation to 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 government units.

Accounting Principles Generally Accepted in the United States of America (GAAP) defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the School Corporation's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. GAAP establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

As of June 30, 2021, the School Corporation held the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Fixed Income	\$ 1,897,611	\$ -	\$ 1,897,611	\$ -
Total	<u>\$ 1,897,611</u>	<u>\$ -</u>	<u>\$ 1,897,611</u>	<u>\$ -</u>

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, an organization will not be able to recover the value of investments or collateral securities that are in possession of an outside party. At June 30, 2021, the School Corporation held investments with one institution in excess of FDIC limits. The institutions at which these securities are held participate in the Indiana Public Deposit Insurance Fund. Therefore, these funds would be insured by the State of Indiana.

Interest Rate Risk: Interest rate risk is the risk that changes in the interest rates will adversely affect the value of an investment. The School Corporation must follow state statute and limit the stated final maturities of the investments to no more than five years. The School Corporation does not have a formal investment policy for interest rate risk for investments but has elected to follow Indiana State statutes.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

	June 30, 2021 Balance
Due in less than one year	
United States Treasury Notes	\$ 277,201
Federal Home Loan Bank	1,292,799
Freddie Mac	202,460
	1,772,460
Due in one to two years	
Freddie Mac	125,151
	125,151
Total securities subject to interest rate risk	\$ 1,897,611

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School Corporation's investment holdings are not subject to credit risk as all are U.S. government obligations.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The School Corporation's investment holdings are not subject to this credit risk as all are U.S. government obligations.

NOTE 4 – RESTRICTED ASSETS

The School Corporation and the Building Corporation have cash and investments that are externally restricted for their use by either a tax levy, operating or capital referendum, or bond issuance related funds (debt service or construction proceeds) held by the School Corporation or held in trust for the Building Corporation as follows as June 30, 2021:

	Bond Funds (Proceeds)	Bond funds (Debt Service)	Tax Levy	Grants and Other	Building Corporation - Trust (Construction)	Building Corporation - Trust (Debt Service)	Total
Governmental Activities:							
Major Funds:							
Operating Referendum	\$ -	\$ -	\$12,339,233	\$ -	\$ -	\$ -	\$ 12,339,233
Debt Service	-	5,484,980	-	-	-	9,324,158	14,809,138
Bond Construction	29,237,230	-	-	-	1,502,123	-	30,739,353
Non-Major Funds:							
Debt Service	-	311,378	-	-	-	-	311,378
Referendum Debt	-	3,040,616	-	-	-	4,812,889	7,853,505
Grants	-	-	-	963,893	-	-	963,893
Totals	\$29,237,230	\$ 8,836,974	\$12,339,233	\$ 963,893	\$ 1,502,123	\$ 14,137,047	\$ 67,016,500

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 5 - ACCOUNTS RECEIVABLE

The School Corporation reports receivables for property taxes receivable, interest on investments, intergovernmental receivables, and operating activities. Property taxes represent an estimate of anticipated second distribution for the January 1, 2021 tax levy that will be collected in November and December 2021. Intergovernmental receivables are primarily state funding or grants. Intergovernmental receivables are primarily grants distributed from the Indiana Department of Education. Operating accounts receivable at June 30, 2021 consist of student receivables, nutrition claims receivable, and other receivables. Management has determined certain accounts to not be fully collectible and has thus recorded an allowance for uncollectible accounts. Receivables balances at June 30, 2021, include the following:

<u>Receivables Category</u>	June 30, 2021		
	Balance		
	Governmental Funds	Proprietary Funds	Total Receivables
Property taxes	\$ 44,812,715	\$ -	\$ 44,812,715
Interest on investments	122,999	-	122,999
Intergovernmental	589,531	-	589,531
			-
Student receivables	1,899,259	-	1,899,259
Other receivables	742,770	59,956	802,726
Total gross operating	48,167,274	59,956	48,227,230
Less allowance for uncollectible accounts	(611,181)	-	(611,181)
Total Receivables	\$ 47,556,093	\$ 59,956	\$ 47,616,049

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the School Corporation for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Nondepreciable capital assets				
Land	\$ 19,182,560	\$ 1,943,125	\$ -	\$ 21,125,685
Construction in Progress	4,014,663	13,981,184	4,005,790	13,990,057
Total nondepreciable capital assets	23,197,223	15,924,309	4,005,790	35,115,742
Other capital assets				
Buildings	641,150,798	4,005,790	-	645,156,588
Buses	26,929,154	-	969,029	25,960,125
Other Vehicles	612,440	-	-	612,440
Machinery and equipment	4,430,934	101,559	-	4,532,493
Capital Lease Assets	6,581,114	2,018,113	-	8,599,227
Total other capital assets	679,704,440	6,125,462	969,029	684,860,873
Less: Accumulated depreciation				
Buildings	249,730,171	11,138,543	-	260,868,714
Buses	18,471,406	1,629,246	969,029	19,131,623
Other Vehicles	348,609	38,058	-	386,667
Machinery and equipment	3,065,100	257,409	-	3,322,509
Capital Lease Assets	1,430,551	854,394	-	2,284,945
Total accumulated depreciation	273,045,837	13,917,650	969,029	285,994,458
Total other capital assets, net	406,658,603	(7,792,188)	-	398,866,415
Total governmental activity capital assets, net	\$ 429,855,826	\$ 8,132,121	\$ 4,005,790	\$ 433,982,157

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 6 - CAPITAL ASSETS (Continued)

Depreciation expense was recognized in the operating activities of the School Corporation as follows:

<u>Governmental Activities</u>	<u>Depreciation</u>
Instruction	\$ 11,996,482
Support services	1,921,168
Total depreciation expense - governmental activities	\$ 13,917,650

As of June 30, 2021, the School Corporation had \$37,118,782 of construction commitments related to building renovations outstanding.

NOTE 7 - LONG-TERM LIABILITIES

Changes in General Long-Term Liabilities: The following is the long-term liability activity for the School Corporation for the year ended June 30, 2021:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities:					
Direct Borrowings and Placements:					
<i>School Corporation</i>					
General obligation bonds payable	\$ 7,585,000	\$ -	\$ 340,000	\$ 7,245,000	\$ 350,000
	7,585,000	-	340,000	7,245,000	350,000
<i>Building Corporation</i>					
Revenue bonds payable	-	28,360,000	-	28,360,000	-
Bond anticipation notes payable	-	8,500,000	-	8,500,000	8,500,000
Bond anticipation notes premiums	-	65,960	10,607	55,353	55,353
	-	36,925,960	10,607	36,915,353	8,555,353
Total direct borrowings and placements	7,585,000	36,925,960	350,607	44,160,353	8,905,353
Other Debt:					
<i>School Corporation</i>					
General obligation bonds payable	24,785,000	20,925,000	16,540,000	29,170,000	18,595,000
Bond premiums	428,480	756,985	585,415	600,050	-
Pension obligation bonds payable	1,385,000	-	320,000	1,065,000	335,000
Capital leases payable	1,844,965	2,018,113	2,204,698	1,658,380	978,683
Compensated absences	164,485	438,062	274,309	328,238	186,737
Net pension liability - PERF	14,392,561	3,121,522	4,802,452	12,711,631	-
Net pension liability (asset) - TRF 1996	(3,360,173)	10,056,906	4,863,223	1,833,510	-
Other post-employment benefits liabilities	5,011,819	820,297	302,487	5,529,629	-
	44,652,137	38,136,885	29,892,584	52,896,438	20,095,420
<i>Building Corporation</i>					
Revenue bonds payable	236,155,000	-	51,215,000	184,940,000	20,075,000
Bond premiums	15,766,301	-	3,524,665	12,241,636	-
	251,921,301	-	54,739,665	197,181,636	20,075,000
Total other debt	296,573,438	38,136,885	84,632,249	250,078,074	40,170,420
Total	\$ 304,158,438	\$ 75,062,845	\$ 84,982,856	\$ 294,238,427	\$ 49,075,773

The debt service fund, capital referendum fund, and pension obligation debt service fund are typically used to liquidate the above liabilities.

During the year, the School Corporation issued \$8.5 million of bond anticipation notes. The bond anticipation notes closed on December 8, 2020 for the purpose of obtaining funds for use in a construction project at Deer Creek Elementary.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 7 – LONG-TERM LIABILITIES (Continued)

On June 15, 2021, the School Corporation issued \$28.36 million of revenue bonds for the purpose of the current refunding of the Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2011. At the time of issuance, the defeased bonds were outstanding in the amount of \$27.49 million. The transaction resulted in an accounting gain of approximately \$170,000. The accounting gain is reported as a deferred inflow on the Statement of Net Position and will be amortized over the life of the refunding bonds.

Bonds payable: The School Corporation's General obligation bonds and pension bonds are direct obligations and pledge the full faith and credit of the School Corporation. Bonds currently outstanding are as follows:

<u>Purpose</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
General Obligation Bonds of 2017B	12/31/2037	2.90	8,250,000	\$ 7,245,000
General Obligation Bonds of 2019	12/31/2023	2.00 - 3.00	17,400,000	3,035,000
General Obligation Bonds of 2020	12/31/2021	3.00	14,000,000	7,190,000
General Obligation Bonds of 2020B	12/31/2021	3.00	4,000,000	2,020,000
General Obligation Bonds of 2021	12/31/2022	3.00	16,925,000	16,925,000
HSE Amended Taxable General Obligation Pension Bonds of 2003	1/5/2024	4.51 - 5.31	3,197,498	1,065,000
Total				<u>\$ 37,480,000</u>

The Hamilton Southeastern Consolidated School Building Corporation revenue bonds are currently outstanding are as follows:

<u>Purpose</u>	<u>Maturity Date</u>	<u>Interest Rate (%)</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2012A	1/15/2025	2.25	31,695,000	\$ 9,940,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2012B	1/15/2026	1.89 - 5.00	28,660,000	12,680,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2014A	1/15/2034	3.00 - 5.00	21,365,000	19,150,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2014B	1/15/2034	3.00 - 5.00	21,835,000	19,315,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015A	1/15/2027	3.00 - 4.00	4,715,000	2,815,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015B	1/15/2028	3.00 - 5.00	14,745,000	9,310,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015C	1/15/2029	3.00 - 5.00	22,095,000	14,765,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015D	1/15/2024	3.00 - 5.00	35,750,000	7,940,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2015F	1/15/2034	4.00 - 5.00	22,010,000	19,530,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2015G	1/15/2034	4.00 - 5.00	18,055,000	16,150,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016	1/15/2027	3.00 - 5.00	34,085,000	25,740,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2017	1/15/2029	2.13 - 5.00	9,560,000	7,615,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2018	1/15/2039	4.00 - 5.00	20,705,000	19,990,000
Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2021	1/15/2031	1.67	28,360,000	28,360,000
Total				<u>\$ 213,300,000</u>

Annual debt service requirements to maturity for direct borrowings and direct placement bonds and bond anticipation notes are as follows for governmental activities:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 8,850,000	\$ 585,842	\$ 9,435,842
2023	2,835,000	660,646	3,495,646
2024	3,415,000	606,463	4,021,463
2025	3,480,000	544,600	4,024,600
2026	3,540,000	481,487	4,021,487
2027-2031	18,715,000	1,418,752	20,133,752
2032-2036	2,460,000	317,842	2,777,842
2037-2041	810,000	23,636	833,636
Total	<u>\$ 44,105,000</u>	<u>\$ 4,639,268</u>	<u>\$ 48,744,268</u>

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 7 – LONG-TERM LIABILITIES (Continued)

Annual debt service requirements to maturity for other bonds are as follows for governmental activities:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 39,005,000	\$ 8,913,496	\$ 47,918,496
2023	31,135,000	7,372,373	38,507,373
2024	21,405,000	6,354,701	27,759,701
2025	19,690,000	5,500,464	25,190,464
2026	19,105,000	4,627,677	23,732,677
2027-2031	52,820,000	13,610,389	66,430,389
2032-2036	28,005,000	3,856,950	31,861,950
2037-2041	4,010,000	305,750	4,315,750
Total	<u>\$ 215,175,000</u>	<u>\$ 50,541,800</u>	<u>\$ 265,716,800</u>

Upon default of the School Corporation's direct debt and the general obligation debt held by the School Corporation, the Registrar may file a claim with the Treasurer of the State of Indiana for any amount in default.

The other debt held by the Building Corporation requires the Building Corporation to surrender possession of property associated with each debt issuance to the Trustee in the event of a default. Additionally, in the event of default, the Trustee may request at least 25% of the principal amount of the bonds outstanding.

Capital leases: The School Corporation has entered into various lease agreements as lessee for school buses. Interest rates on capital leases range from 1.86% to 2.85%. These assets have an acquisition cost of \$8,599,227, accumulated depreciation of \$2,284,945 and a net book value of \$6,314,282. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 978,683	\$ 22,429	\$ 1,001,112
2023	679,697	7,273	686,969
Total	<u>\$ 1,658,380</u>	<u>\$ 29,702</u>	<u>\$ 1,688,082</u>

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 8 – INTERFUNDS AND TRANSFERS

Temporary loans are made between funds for cash flow purposes to cover operating expenses until property tax and student lunch payments are received. All temporary loans will be repaid on or before December 31, 2021. Individual fund interfund receivable and payable balances at June 30, 2021 were as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Activities:		
Major Funds:		
Operations	\$ 1,000,000	\$ 13,000,000
Debt Service	5,100,000	166,208
Education - Rainy Day	12,399,196	-
Operating Referendum	-	2,000,000
Construction	-	399,196
Non-Major Funds:		
Debt Service	-	100,000
Special Revenue	166,208	3,000,000
	<u>\$ 18,665,404</u>	<u>\$ 18,665,404</u>
Totals	<u>\$ 18,665,404</u>	<u>\$ 18,665,404</u>

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Education	Operations	\$ 750,000
Education	Operations	625,000
Nonmajor fund	Operations	97,682
Debt Service	Construction	38,949
Education	Construction	1,918,653
Operations	Construction	1,318,830
		<u>\$ 4,749,114</u>
Total		<u>\$ 4,749,114</u>

NOTE 9 - RISK MANAGEMENT

The School Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Self-insurance plan: The School Corporation has adopted a plan of self-insuring employee group medical, dental, and vision insurance. Expenses are recorded as incurred. Insurance policies limit the School Corporation's annual liability to \$1,000,000 per individual and the annual aggregate limit to \$2,000,000.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 9 - RISK MANAGEMENT (Continued)

The accrual represents the School Corporation's estimate of claims and fees that were incurred but unpaid as of the end of the year. At June 30, 2021, the School Corporation estimates this liability to be as follows:

	June 30, 2021	June 30, 2020
	Balance	Balance
Liability, beginning of year	\$ 2,691,424	\$ 1,746,906
Add: Current year claims incurred	31,104,301	30,411,617
Less: Payment of current year claims	(30,729,288)	(29,467,099)
Liability, end of year	\$ 3,066,437	\$ 2,691,424

NOTE 10 - PENSION PLANS

The School Corporation participates in three pension plans, which are administered by the Indiana Public Employees' Retirement System (INPRS).

Pension Plan Fiduciary Net Position: Detailed information about the pension plans' fiduciary net position is available in a stand-alone financial report of INPRS that includes financial statements and required supplementary information for the plans as a whole. These reports may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (888) 526-1687, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Public Employees' Retirement Fund

Plan Description: The School Corporation participates in the Public Employees' Retirement Fund (PERF), 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). The School Corporation does not participate in the My Choice plan. 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.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

Contributions: Members are required to 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 fiscal year 2021 is 11.2% 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. Contributions to the PERF plan from the School Corporation were \$2,357,830 for the fiscal year ended June 30, 2021.

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

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent 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 percent 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 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

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.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

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.

Financial Report: INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report is available online at <http://www.inprs.in.gov/>.

Teachers' Retirement Plan 1996 Account:

Plan Description: The Teachers' Retirement Fund (TRF) is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits. Membership in TRF is required for all legally qualified and regularly employed licensed teachers who serve in public schools of Indiana. State statute (IC 5-10.2) gives the School Corporation authority to contribute and governs most requirements of the system. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account.

For employees entering into TRF-covered employment after July 1, 2019, there are two choices of retirement plans: the TRF Hybrid Plan (Hybrid) and the TRF My Choice Retirement Savings Plan (My Choice). If employees do not make a choice, they will default to the Hybrid plan. Their choice, or default is irrevocable.

Contributions: Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 5.5 percent of covered payroll. No member contributions are required. For the fiscal year ended June 30, 2021, there were 1,377 School Corporation employees participating in TRF with annual pay equal to \$77,669,330.

Both the Hybrid and My Choice plans account consists of members' contributions, set by state statute at 3.0 percent of compensation, plus the interest credited to the member's account. The employer must pay the 3.0 percent contribution for those members enrolled in the My Choice Plan. However, the employer can choose to pay the 3.0 percent contribution for those members enrolled in the Hybrid Plan.

The annuity savings account consists of the member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The School Corporation has elected to make the contributions on behalf of the member. The School Corporation's contributions to both Teachers' Retirement Plans combined, including those made to the annuities on behalf of the members, for the fiscal year ended June 30, 2021, was \$7,270,978, \$4,163,302 of which was contributed to the defined benefit plan.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

Retirement Benefits: A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service, 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position. A member is entitled to an early retirement benefit at age 50 and minimum of 15 years of creditable service. The benefit is 44 percent at age 50, increasing five percent per year up to 89% at age 59.

The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of \$185 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board.

Disability and Survivor Benefits: An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$185 per month). Under certain conditions, active TRF members may qualify for a classroom disability benefit of at least \$125 per month. If death occurs while in active service, a spouse or dependent beneficiary of a member with a minimum of 15 years of creditable services receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If death occurs while receiving a benefit, a spouse or dependent receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100% Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Financial report: INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Teachers' Retirement Pre-1996 Account:

Plan Description: The Indiana State Teachers' Retirement Fund Pre-1996 Account (TRF Pre-1996) is a pay-as-you-go cost-sharing, multiple-employer defined benefit plan providing retirement, disability, and survivor benefits for teachers, administrators, and certain INPRS personnel hired before July 1, 1996. Membership in TRF Pre-1996 is closed to new entrants. TRF Pre-1996 is a component of the Teachers' Hybrid Plan. The Teachers' Hybrid Plan consists of two components: TRF Pre-1996, the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

This Plan's pension liabilities are the responsibility of the State of Indiana, so no net pension liability is recorded for the School Corporation's reporting entity. The State of Indiana assumes 100% of the net pension liability for the plan. The net pension liability and pension expense associated with the School Corporation was \$74,390,633 and \$3,889,618 as of, and for the year ended June 30, 2020 valuation date. The School Corporation's share of nonemployer contributing entity contributions made by the State of Indiana was approximately \$7,008,757 for the year ended June 30, 2021.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

Retirement Benefits: A member is entitled to a full retirement benefit 1) at age 65 with at least 10 years of creditable service, 2) at age 60 with at least 15 years of creditable service, 3) at age 55 if age and creditable service total at least 85, 4) at age 55 with 20 years of creditable service and active as an elected official in the TRF-covered position, or 5) at age 70 with 20 years of creditable service and still active in the TRF-covered position. A member is entitled to an early retirement benefit at age 50 and minimum of 15 years of creditable service. The benefit is 44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59. The lifetime annual benefit equals the years of creditable service multiplied by the average highest five-year annual salary multiplied by 1.1 percent (minimum of \$185 per month). The average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance. Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12-4 and administered by the INPRS Board. For the year ended June 30, 2020, postretirement benefits of \$30.6 million were issued to members as a 13th check.

Disability and Survivor Benefits: An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$185 per month). Under certain conditions, active TRF members may qualify for a classroom disability benefit of at least \$125 per month. If death occurs while in active service, a spouse or dependent beneficiary of a member with a minimum of 15 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. If death occurs while receiving a benefit, a spouse or dependent receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100% Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

Contributions: According to statute, the TRF Pre-1996 fund is funded primarily by appropriations from the state general fund and lottery proceeds. No member or employer contributions are required. TRF Pre-1996 Account members contribute three percent of covered payroll to their annuity savings account, which is not used to fund the defined benefit pension. The employer may elect to make the contributions on behalf of the member. In addition, members may elect to make additional voluntary contributions, under certain criteria, of up to ten percent of their compensation into their annuity savings accounts. The School Corporation has elected to make three percent contributions on behalf of their participating employees. For the fiscal year ended June 30, 2021, the School Corporation showed 264 employees participating in the Teachers' Retirement Fund Pre-1996 Account with annual payroll equal to \$9,485,490.

Financial Report: INPRS issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, IN 46204, by calling (844) 464-6777, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2021, the School Corporation reported a net pension liability of \$12,711,631 million for PERF and a net pension liability of \$1,833,510 million for TRF, for their proportionate share of the multiple employer cost-sharing defined benefit plans. The School Corporation's proportionate share of the net pension liability and asset was based on the School Corporation's wages as a proportion of total wages.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

	<u>PERF</u>	<u>TRF-1996</u>	<u>Aggregate</u>
Measurement Date	June 30, 2020	June 30, 2020	
Proportionate Share	0.0042086	0.0235244	
Net Pension Liability/(Asset)	\$ 12,711,631	\$ 1,833,510	\$ 14,545,141
Deferred Outflow of Resources	\$ 4,287,064	\$ 12,556,817	\$ 16,843,881
Deferred Inflow of Resources	\$ 3,222,532	\$ 14,022,219	\$ 17,244,751
Pension Expense	\$ 1,353,312	\$ 4,678,866	\$ 6,032,178

The PERF proportionate share in the previous year was 0.0043547 and TRF-1996 was 0.0233899.

Deferred inflows or outflows of resources resulting from the differences between projected and actual investment earnings on Plan investments are amortized over a 5-year period. A change in an employer's proportionate share represents the change as of the current year measurement date versus the prior year measurement date and is amortized over the average expected remaining service lives of the plan. The difference between an employer's contributions and the employer's proportionate share of the collective contributions is amortized over the average expected remaining service lives of the plan.

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

	<u>PERF</u>		<u>TRF 1996</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 225,214	\$ 170,670	\$ 1,237,955	\$ 4,106,533
Net Difference Between Projected and Actual Investments Earnings on Pension Plan Investments	1,087,910	-	2,919,773	-
Change of Assumptions	-	2,648,573	3,548,703	6,901,857
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	616,110	403,289	687,084	3,013,829
	<u>1,929,234</u>	<u>3,222,532</u>	<u>8,393,515</u>	<u>14,022,219</u>
Contributions Subsequent to the Measurement Date	2,357,830	-	4,163,302	-
Total	<u>\$ 4,287,064</u>	<u>\$ 3,222,532</u>	<u>\$ 12,556,817</u>	<u>\$ 14,022,219</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

	<u>PERF</u>	<u>TRF 1996</u>
<u>Fiscal Year</u>		
2021	\$ (944,938)	\$ (741,271)
2022	(490,632)	(486,194)
2023	(319,846)	100,242
2024	462,118	261,705
2025	-	(946,323)
Thereafter	-	(3,816,863)
	<u>\$ (1,293,298)</u>	<u>\$ (5,628,704)</u>

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

The long-term return expectation for the defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the 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 for each asset class. 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. The target allocation and best estimates of geometric real rates of return for each major asset class is summarized in the following table. The real rates of return are the same for all three pension plans.

	<u>Long Term Expected Rate of Return</u>	<u>Target Asset Allocation</u>
Public Equity	4.4%	22.0%
Private Equity	7.6%	14.0%
Fixed Income - Ex Inflation-Linked	1.9%	20.0%
Fixed Income - Inflation-Linked	0.5%	7.0%
Commodities	1.6%	8.0%
Real Estate	5.8%	7.0%
Absolute Return	2.9%	10.0%
Risk Parity	5.5%	12.0%

Significant Actuarial Assumptions: The total pension liability is determined by INPRS actuaries in accordance with GASB No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

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

Description	PERF	TRF 1996 Account
Valuation Date: Assets	June 30, 2020	
Liabilities	June 30, 2020	
Actuarial Cost Method (Accounting)	Entry Age Normal - Level Percent of Payroll	
Actuarial Assumptions:		
Experience Study Date	Period of 5 years ended June 30, 2019	
Investment Rate of Return (Accounting)	6.75%	
Cost of Living Increases (COLA) or "Ad Hoc" COLA	2020-2021 - 13th check	
Future Salary Increases, including Inflation	2.75%-8.75%	2.75%-12.00%
Inflation	2.25%	
Mortality-Healthy	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.	
Mortality-Disabled	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.	

Discount Rate: Total pension liability for each defined benefit pension plan was calculated using the discount rates described in the sensitivity table below. The discount rate utilized in the TRF pre-1996 account was 6.75%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State (the non-employer contributing entity) would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75% percent for 2021). Based on those assumptions, each defined benefit pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 10 - PENSION PLANS (Continued)

Sensitivity: The following presents the School Corporation's share of the net pension liability (asset) calculated using the discount rate of 6.75% percent for 2021, as well as what the School Corporation's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%), or one percentage point higher (7.75%) than the current rate:

Pre-Funded Defined Benefit

PERF			TRF 1996		
1% Decrease (5.75)%	Current Discount Rate (6.75)%	1% Increase (7.75)%	1% Decrease (5.75)%	Current Discount Rate (6.75)%	1% Increase (7.75)%
\$ 20,724,283	\$ 12,711,631	\$ 6,000,385	\$ 28,030,889	\$ 1,833,510	\$ (19,351,611)

Investment Valuation and Benefit Payment Policies: The following information applies for the 2021 reporting year.

- The pooled and non-pooled investments are reported at fair value by INPRS. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- Short-term investments consist primarily of cash, money market funds, certificates of deposits and fixed income instruments with maturities of less than one year. Short-term investments are reported at cost, which approximates fair value or, for fixed income instruments, valued using similar methodologies as other fixed income securities described below.
- Fixed income securities consist primarily of the U.S. government, U.S. government-sponsored agencies, publicly traded debt and commingled investment debt instruments. Equity securities consist primarily of domestic and international stocks in addition to commingled equity instruments. Fixed income and equity securities are generally valued based on published market prices and quotations from national security exchanges and securities pricing services. Securities that are not traded on a national security exchange are valued using modeling techniques that include market observable inputs required to develop a fair value. Commingled funds are valued using the net asset value (NAV) of the entity.
- Additionally, valuation techniques will vary by investment type and involve a certain degree of expert judgment. Alternative investments, such as investments in private equity or real estate, are generally considered to be illiquid long-term investments. Due to the inherent uncertainty that exists in the valuation of alternative investments, the realized value upon the sale of an asset may differ from the fair value.
- Derivative instruments are marked to market daily with changes in fair value recognized as part of investments and investment income.
- Pension, disability, special death benefits, and distributions of contributions and interest are recognized when due and payable to members or beneficiaries. Benefits are paid once the retirement or survivor applications have been processed and approved. Distributions of contributions and interest are distributions from inactive, non-vested members' ASAs. These distributions may be requested by members or auto-distributed by the fund when certain criteria are met.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2021

NOTE 11 - DEFINED CONTRIBUTION PLANS

The School Corporation provides a 403(b)-retirement plan for all employees and matches up to a maximum of 5% of their salary. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation who has the authority under which benefits, and contribution requirements are established or can be amended. The School Corporation made contributions of \$4,987,895 to the plan during the year under audit.

The School Corporation previously provided a 401(a) plan for sick day conversion for certified staff and administrators. Those accounts vest at the earlier of completion of 15 years in the School Corporation or the combination of age plus public school teaching years equal to 80. The School Corporation now uses a 457(b) plan for this purpose and no longer makes contributions to 401(a) accounts. All monies from 401(a) accounts of certified staff and administrators who leave the corporation prior to becoming vested is placed into a school district forfeiture account. Monies available in the school district 401(a) forfeiture account are equally distributed among active 401(a) participants by August 1st each year. Information regarding the benefits can be obtained by contacting the School Corporation who has the authority under which benefits, and contribution requirements are established or can be amended. The School Corporation did not make contributions to the plan during the year under audit.

The School Corporation provides a 457(b) plan for employee salary deferrals over the 403(b)-plan maximum. This account is immediately vested. The School Corporation also provides a 457(b) plan for sick day conversion for certified staff and administrators. This account vests at the earlier of completion of 15 years in the School Corporation or the combination of age plus public school teaching years equal to 80. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation who has the authority under which benefits, and contribution requirements are established or can be amended. The School Corporation made contributions of \$133,151 to the plan during the year under audit.

The School Corporation provides a VEBA (voluntary employees' beneficiary association) trust account for certified staff and administrators for retirement health care expenses. Once a teacher retires with 15 years at the School Corporation or age and all public school teaching years equal to 80, they will be entitled to use funds from the VEBA account to pay health care expenses. In the past, the Board contributed 1.50% of the gross salary to the VEBA account but, those contributions are currently suspended. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation who has the authority under which benefits, and contribution requirements are established or can be amended. The School Corporation made contributions of \$34,319 to the plan during the year under audit.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

Hamilton Southeastern Schools Retiree Health Insurance Benefits

Plan Description: The Plan allows for teachers and administrators hired prior to the 2001-2002 school year who retire and have either 15 years of service with the School Corporation or the sum of age and public school years of service of at least 80 to be eligible for retiree health benefits until they are eligible for Medicare, but in no event for more than six years. During the fiscal year ended June 30, 2021, the Plan contained 1,389 active employees and 42 retirees.

Benefits Provided: The same benefits are available to retirees as active employees. Health plans are self-insured through Anthem. The monthly premium rates effective on January 1, 2021 for the new plans are shown below.

Plan	Employee	Employee and Spouse
Plan 1 (2021)	\$ 730.73	\$ 1,756.76
Plan 2 (2021)	\$ 508.19	\$ 1,221.74
Plan 3 (2021)	\$ 383.64	\$ 920.72

Retiree health care coverage converts to COBRA for surviving spouses upon death of the member (retired or active).

Contributions: For teachers and administrators hired prior to August 13, 2001, the School Corporation pays an \$850 annual stipend deposited to a VEBA account until Medicare eligible, but in no event for more than six years. Teachers and administrators hired on or after August 13, 2001 are not eligible for a subsidy. During the year, the School Corporation contributed \$204,412 to the Plan.

Retirees are required to pay the cost of coverage not covered by the School Corporation's explicit subsidy.

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

The OPEB liability measured at July 1, 2020 (measurement date) is as follows:

	Total OPEB Liability
Balance at July 1, 2020	\$ 5,011,819
Service cost	284,056
Interest	182,543
Changes in assumptions	353,698
Differences between expected and actual experience	(110,373)
Benefit payments	(192,114)
Net change in total OPEB liability	517,810
 Balance at June 30, 2021	 \$ 5,529,629

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

Activity during the year included the following:

	Plan Fiduciary Net Position
Balance at July 1, 2020	\$ -
Employer contributions	192,114
Benefit payments	(192,114)
Net change in fiduciary net position	-
 Balance at June 30, 2021	 \$ -

OPEB expense for the year ended June 30, 2021 is as follows:

Service cost	\$ 284,056
Interest	182,543
Current period recognition of deferred outflows/(inflows) of resources:	
Differences between expected and actual experience	(12,264)
Changes in assumptions	55,240
 Total OPEB Expense	 \$ 509,575

Deferred outflows and inflows of resources for the year ended June 30, 2021 is as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>As of fiscal year ended June 30, 2021</u>		
Differences between expected and actual experience	\$ -	\$ 98,109
Changes in assumptions	425,981	-
Contributions subsequent to the measurement date	204,412	-
 Total	 \$ 630,393	 \$ 98,109

Amortization of deferred outflows/(inflows) of resources are as follows:

	Amortization of Deferred Outflows / (Inflows)	
Fiscal Year		
2022	\$	42,976
2023		42,976
2024		42,976
2025		42,976
2026		42,976
Thereafter		112,992
	\$	327,872

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions:

Description	OPEB Plan
Measurement Date	July 1, 2020
Actuarial Valuation Date	July 1, 2019. Liabilities are actuarially rolled forward to the July 1, 2020 measurement date on a "no loss / no gain" basis. Liabilities as of July 1, 2020 are based on the actuarial valuation date of July 1, 2019 with no adjustments to get to the July 1, 2019 measurement date.
Discount Rate	2.66% as of July 1, 2020 and 3.51% as of July 1, 2019 for accounting disclosure purposes.
Payroll Growth	Payroll growth rates include a general wage inflation of 2.25%. Merit increases are based on the District's July 2020 Experience Study.
Inflation Rate	2.25% per year
Employer Funding Policy	Pay-as-you-go cash basis
Cost Method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: - Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and - Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.
Health Care Coverage Election Rate	Active employees with current coverage: 35% Active employees with no coverage: 0%
Subsidy Election Rate	Active employees eligible for \$850 subsidy (regardless of coverage): 100%
Spousal Coverage	Spousal age and coverage for current retirees is based on actual data.
Mortality	Teachers: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP- 2019 Administrators: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019 Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019
Disability	None
Turnover Rate	Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rates represent the probability of termination in the next 12 months. Annual turnover rates are based on the District's July 2020 Experience Study.
Retirement Rate	Annual turnover rates are based on the District's July 2020 Experience Study.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2021

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity: The following presents the Net OPEB liability as of June 30, 2021, calculated using the discount rate assumed and what it would be using a 1% higher and 1% lower discount rate.

**Discount Rate Sensitivity -
Liability at June 30, 2021**

OPEB Liability		
1% Decrease (1.66)%	Current Discount Rate (2.66)%	1% Increase (3.66)%
\$ 5,963,283	\$ 5,529,629	\$ 5,115,187

The following presents the Net OPEB liability as of June 30, 2021, using the health care trend rates assumed and what it would be using 1% higher and 1% lower health care trend rates.

**Health Care Trend Rate Sensitivity -
Liability at June 30, 2021**

OPEB Liability		
1% Decrease (6.50)%	Current Rate (7.50)%	1% Increase (8.50)%
\$ 4,814,651	\$ 5,529,629	\$ 6,373,697

NOTE 13 – COVID-19 IMPACT

In December 2019, a novel strain of coronavirus surfaced and spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. In response to the pandemic and in compliance with various state and local ordinances, the School Corporation moved instruction to online instruction in the spring of 2020. The School Corporation began the 2020/2021 school year with classes being held 100% virtually and gradually brought students back into school buildings for in-person instruction in stages based on guidance from local and state health officials. The 2021/2022 school year is back to in-person instruction.

The operations and business results of the School Corporation could be materially adversely affected in the future. In addition, significant estimates as disclosed in Note 1, such as fair values of investments, may be materially adversely impacted by national, state and local events designed to contain the coronavirus.

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Schedule of Proportionate Share of the
Net Pension Liability
June 30, 2021

	PERF						
	2021	2020	2019	2018	2017	2016	2015
School Corporation's proportion of the net pension liability	\$ 12,711,631	\$ 14,392,561	\$ 14,292,388	\$ 17,288,035	\$ 18,661,176	\$ 16,046,419	\$ 10,148,034
School Corporation's proportionate share of the net pension liability	0.0042086	0.0043547	0.0042073	0.0038749	0.0041118	0.0039398	0.0038616
School Corporation's covered payroll	\$ 22,275,762	\$ 22,686,640	\$ 20,992,081	\$ 20,347,532	\$ 19,705,731	\$ 18,870,752	\$ 18,853,363
School Corporation's proportionate share of the net pension liability as a percentage of its covered payroll	57%	63%	68%	85%	95%	85%	54%
Plan fiduciary net position as a percentage of the total pension liability	81%	80%	79%	77%	75%	77%	84%
	TRF						
	2021	2020	2019	2018	2017	2016	2015
School Corporation's proportion of the net pension liability (asset)	\$ 1,833,510	\$ (3,360,173)	\$ 2,553,504	\$ 15,173,046	\$ 16,461,877	\$ 10,820,019	\$ 1,018,197
School Corporation's proportionate share of the net pension liability	0.0235244	0.0233899	0.0230228	0.0229132	0.0210909	0.0205478	0.0214128
School Corporation's covered payroll	\$ 81,281,847	\$ 76,121,871	\$ 69,260,237	\$ 82,303,054	\$ 60,749,707	\$ 56,320,802	\$ 55,414,591
School Corporation's proportionate share of the net pension liability as a percentage of its covered payroll	2%	-4%	4%	18%	27%	19%	2%
Plan fiduciary net position as a percentage of the total pension liability	99%	102%	98%	90%	88%	91%	99%

Changes of assumptions: An assumption study was performed in February of 2020 resulting in an update to the following assumptions:

- o General wage inflation increased from 2.50% to 2.75%
- o Mortality changed from the RP-2014 (with MP-2014 improvement removed) Total Data Set mortality table projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report to the Pub-2010 General Amount-Weighted Mortality projected with MP-2019 (generational)
- o Retirement, Termination and Disability rates were adjusted to reflect recent experience

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Corporation is presenting information for those years for which information is available.

Measurement date: Actuarial valuation reports from the prior plan fiscal year.

Benefit changes: There were no changes to the plan that impacted pension benefits during the fiscal year.

Plan amendments: There were no changes to the plan that impacted pension benefits during the fiscal year.

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Schedule of Contributions - Pension
June 30, 2021

	PERF						
	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 2,357,830	\$ 2,545,098	\$ 2,537,512	\$ 2,348,157	\$ 2,276,053	\$ 2,204,563	\$ 2,047,891
Contributions in relation to the statutorily required contribution	2,357,830	2,545,098	2,537,512	2,348,157	2,276,053	2,204,563	2,047,891
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The School Corporation's contributions as a percentage of statutorily required contribution for pension	100%	100%	100%	100%	100%	100%	100%
School Corporation's covered payroll	\$ 21,052,044	\$ 22,275,762	\$ 22,686,640	\$ 20,992,081	\$ 20,347,532	\$ 19,705,731	\$ 18,870,752
Contributions as a percentage of covered payroll	11%	11%	11%	11%	11%	11%	11%
	TRF						
	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 4,163,302	\$ 4,352,196	\$ 5,561,617	\$ 5,426,194	\$ 5,233,598	\$ 4,418,816	\$ 4,077,089
Contributions in relation to the statutorily required contribution	4,163,302	4,352,196	5,561,617	5,426,194	5,233,598	4,418,816	4,077,089
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The School Corporation's contributions as a percentage of statutorily required contribution for pension	100%	100%	100%	100%	100%	100%	100%
School Corporation's covered payroll	\$ 77,669,330	\$ 81,281,847	\$ 76,121,871	\$ 69,260,237	\$ 82,203,054	\$ 60,749,707	\$ 56,320,802
Contributions as a percentage of covered payroll	5%	5%	7%	8%	6%	7%	7%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Corporation is presenting information for those years for which information is available.

Valuation date: Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which the contributions are reported.

Actuarial cost method: Entry age normal (Level Percent of Payroll)

Amortization method: Level dollar

Remaining amortization period: 21.9 years, closed - PRF

Remaining amortization period: 30 years, closed - TRF

Asset valuation method: 5 year smoothing of gains and losses on the market value of assets subject to a 20% corridor.

Inflation: 2.25%

Salary increases: 2.75% - 8.75% - PRF

Salary increases: 2.75% - 12% - TRF

Investment rate of return: 6.75%

Mortality: Pub-2010 General Amount-Weighted Mortality projected with MP-2019 (generational)

Other information:

The INPRS Board sets, at its discretion, the State's employer contribution rate upon considering the results of the actuarial valuation and other analysis as appropriate. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/20 was 7.26% and 4.45% for PRF and TRF, respectively. However, the INPRS Board approved a State employer contribution rate of 11.2% and 5.5% for PRF and TRF, respectively. The actual dollar amount of the State's contributions depends on the actual payroll for the fiscal year.

Member census data as of June 30, 2019 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2019 and June 30, 2020. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2021.

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Schedule of Employer's Share of Nonemployer Contributing Entity Contributions
June 30, 2021

<u>Year Ended</u>	<u>Employer Share of Nonemployer Contributing Entity Contributions</u>
June 30, 2021	\$ 7,008,757
June 30, 2020	6,054,647
June 30, 2019	5,954,968

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Corporation is presenting information for those years for which information is available.

The data provided in this schedule is based as of the measurement date of the net pension liability.

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Changes in Total Other Postemployment Benefits Liability
June 30, 2021

Fiscal year ending June 30,	2021	2020
Total OPEB liability;		
Service cost	\$ 284,056	\$ 255,215
Interest on the total OPEB liability	182,543	184,731
Difference between expected and actual experience	(110,373)	-
Changes of assumptions	353,698	143,463
Benefit payments, including refunds of employee contributions	(192,114)	(177,844)
Net change in total OPEB liability	517,810	405,565
	Total OPEB liability - beginning	4,606,254
	Total OPEB liability - ending	<u>\$ 5,529,629</u>
		<u>\$ 5,011,819</u>
 Plan fiduciary net position;		
Employer contributions	\$ 192,114	\$ 177,884
Benefit payments, including refunds of employee contributions	(192,114)	(177,884)
Net change in plan fiduciary net position	-	-
	Plan fiduciary net position - beginning	-
	Plan fiduciary net position - ending	<u>\$ -</u>
		<u>\$ -</u>
	Total OPEB liability - ending	<u>\$ 5,529,629</u>
		<u>\$ 5,011,819</u>
 Plan fiduciary net position as a percentage of total OPEB liability	0.0%	0.0%
Covered payroll	\$ 83,414,462	\$ 81,578,936
Total OPEB liability as a percentage of covered payroll	7%	6%

Valuation date: July 1, 2019

Actuarial cost method: Entry age normal level % of salary method

Inflation: 2.25% per year

Salary increases: Payroll growth rates include a general wage inflation of 2.25%. Merit increases are based on the District's July 2020 Experience Study.

Investment rate of return:

Mortality:

Teachers: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP-2019

Administrators: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019

** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the School Corporation is presenting information for those years for which information is available.

HAMILTON SOUTHEASTERN SCHOOLS
 Required Supplementary Information
 Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
 Year ended June 30, 2021

	Education Fund			Variance from final budget over (under)
	Original Budget	Final Budget	Actual	
Revenues				
State basic aid	138,053,021	138,053,021	137,224,728	(828,293)
Investment income	1,500,000	1,500,000	1,002,357	(497,643)
Other revenues	1,000,000	1,000,000	966,363	(33,637)
Total revenues	<u>140,553,021</u>	<u>140,553,021</u>	<u>139,193,448</u>	<u>1,359,573</u>
Expenditures				
Instruction	116,960,931	116,960,931	116,639,507	(321,424)
Support services	25,324,457	25,324,457	25,065,646	(258,811)
Total expenditures	<u>142,285,388</u>	<u>142,285,388</u>	<u>141,705,153</u>	<u>(580,236)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,732,367)</u>	<u>(1,732,367)</u>	<u>(2,511,704)</u>	<u>(779,337)</u>
Other financing sources (uses)				
Transfers in	1,250,000	1,250,000	1,250,000	-
Total other financing sources (uses)	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>-</u>
Net change in fund balances	<u>\$ (482,367)</u>	<u>\$ (482,367)</u>	<u>\$ (1,261,704)</u>	<u>\$ (779,337)</u>
Fund balances at beginning of year			<u>12,937,272</u>	
Fund balances at end of year			<u>\$ 11,675,568</u>	

The above schedule is prepared on a budgetary cash basis for the most recent calendar year end (2020) based on State of Indiana law.

HAMILTON SOUTHEASTERN SCHOOLS
 Required Supplementary Information
 Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
 Year ended June 30, 2021

	Referendum Fund			Variance from final budget over (under)
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 19,548,936	\$ 19,548,936	\$ 19,411,272	\$ (137,664)
Other taxes	1,151,164	1,151,164	1,375,747	224,583
Other revenues	-	-	2,054	2,054
Total revenues	<u>20,700,100</u>	<u>20,700,100</u>	<u>20,789,073</u>	<u>88,973</u>
Expenditures				
Support services	20,987,975	20,987,975	19,038,767	(1,949,209)
Capital outlays	50,000	50,000	-	(50,000)
Nonprogrammed charges	-	-	3,600,000	3,600,000
Total expenditures	<u>21,037,975</u>	<u>21,037,975</u>	<u>22,638,767</u>	<u>1,600,791</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(337,875)</u>	<u>(337,875)</u>	<u>(1,849,693)</u>	<u>(1,511,818)</u>
Other financing sources (uses)	-	-	3,600,000	3,600,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>3,600,000</u>	<u>3,600,000</u>
Net change in fund balances	<u>\$ (337,875)</u>	<u>\$ (337,875)</u>	<u>\$ 1,750,307</u>	<u>\$ 2,088,182</u>
Fund balances at beginning of year			<u>6,289,383</u>	
Fund balances at end of year			<u>\$ 8,039,690</u>	

The above schedule is prepared on a budgetary cash basis for the most recent calendar year end (2020) based on State of Indiana law.

HAMILTON SOUTHEASTERN SCHOOLS
 Required Supplementary Information
 Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
 Year ended June 30, 2021

	Operations Fund			Variance from final budget over (under)
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 32,792,116	\$ 32,792,116	\$ 29,051,829	\$ (3,740,287)
Other taxes	2,208,232	2,208,232	2,599,708	391,476
Proceeds from sales of assets	-	-	7,300	7,300
Other revenues	2,150,000	2,150,000	880,901	(1,269,099)
Total revenues	<u>37,150,348</u>	<u>37,150,348</u>	<u>32,539,739</u>	<u>(4,610,609)</u>
Expenditures				
Support services	30,192,388	30,192,388	27,577,411	(2,614,977)
Operation of noninstructional services	286,500	286,500	281,083	(5,418)
Capital outlays	6,086,898	6,086,898	4,953,200	(1,133,698)
Nonprogrammed charges	-	-	12,400,000	12,400,000
Total expenditures	<u>36,565,786</u>	<u>36,565,786</u>	<u>45,211,694</u>	<u>8,645,907</u>
Excess (deficiency) of revenues over (under) expenditures	<u>584,562</u>	<u>584,562</u>	<u>(12,671,955)</u>	<u>(13,256,517)</u>
Other financing sources (uses)				
Other financing sources (uses)	-	-	11,400,000	11,400,000
Transfers out	-	-	1,347,682	1,347,682
Transfers in	1,250,000	1,250,000	-	(1,250,000)
Total other financing sources (uses)	<u>1,250,000</u>	<u>1,250,000</u>	<u>12,747,682</u>	<u>11,497,682</u>
Net change in fund balances	<u>\$ 1,834,562</u>	<u>\$ 1,834,562</u>	<u>\$ 75,727</u>	<u>\$ (1,758,835)</u>
Fund balances at beginning of year			<u>5,782,991</u>	
Fund balances at end of year			<u>\$ 5,858,718</u>	

The above schedule is prepared on a budgetary cash basis for the most recent calendar year end (2020) based on State of Indiana law.

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Balance Sheet
 Education Fund
 June 30, 2021

	<u>Education Sub-Fund</u>	<u>Rainy Day Fund</u>	<u>Total Education Fund</u>
Assets			
Cash and investments	\$ 9,124,027	\$ 605,962	\$ 9,729,989
Receivables, net			
Interest receivable	118,027	-	118,027
Interfund receivable	-	12,399,196	12,399,196
Other receivables	87,448	-	87,448
Total assets	<u>\$ 9,329,502</u>	<u>\$13,005,158</u>	<u>\$ 22,334,660</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities			
Accounts payable	\$ 871,150	\$ -	\$ 871,150
Salaries and payroll deductions payable	12,339,083	-	12,339,083
Intergovernmental payable	70	-	70
Total liabilities	<u>13,210,303</u>	<u>-</u>	<u>13,210,303</u>
Deferred Inflows of Resources			
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances			
Committed	-	13,005,158	13,005,158
Unassigned	<u>(3,880,801)</u>	<u>-</u>	<u>(3,880,801)</u>
Total fund balance	<u>(3,880,801)</u>	<u>13,005,158</u>	<u>9,124,357</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 9,329,502</u>	<u>\$13,005,158</u>	<u>\$ 22,334,660</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Education Fund
Year ended June 30, 2021

	<u>Education Sub-Fund</u>	<u>Rainy Day Fund</u>	<u>Total Education Fund</u>
Revenues			
State basic aid	\$ 137,053,416	-	\$ 137,053,416
Investment income	1,053,072	-	1,053,072
Other revenues	892,293	-	892,293
Total revenues	<u>138,998,781</u>	<u>-</u>	<u>138,998,781</u>
Expenditures			
Instruction	119,189,527	-	119,189,527
Support services	24,109,144	-	24,109,144
Nonprogrammed charges	-	-	-
Capital outlays	-	2,297,849	2,297,849
Total expenditures	<u>143,298,671</u>	<u>2,297,849</u>	<u>145,596,520</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,299,890)</u>	<u>(2,297,849)</u>	<u>(6,597,739)</u>
Other financing sources (uses)			
Transfers in	1,375,000	1,918,653	3,293,653
Other financing sources (uses)	-	399,196	399,196
Total other financing sources (uses)	<u>1,375,000</u>	<u>2,317,849</u>	<u>3,692,849</u>
Net change in fund balances	(2,924,890)	20,000	(2,904,890)
Fund balances at beginning of year, as previously stated	(955,911)	12,985,158	12,029,247
Adoption of accounting principal	-	-	-
Fund balances at beginning of year (restated)	<u>(955,911)</u>	<u>12,985,158</u>	<u>12,029,247</u>
Fund balances at end of year	<u>\$ (3,880,801)</u>	<u>\$ 13,005,158</u>	<u>\$ 9,124,357</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	<u>Special Revenue</u> <u>Funds</u>	<u>Debt Service</u> <u>Funds</u>	<u>Capital Projects</u> <u>Funds</u>	<u>Total Nonmajor</u> <u>Governmental</u> <u>Funds</u>
Assets				
Cash and investments	\$ 8,084,233	\$ -	\$ -	\$ 8,084,233
Cash and investments - restricted	963,893	311,378	7,853,505	9,128,776
Receivables, net	-	-	-	-
Interest receivable	4,972	-	-	4,972
Taxes receivable	-	149,244	5,087,243	5,236,487
Intergovernmental receivable	589,531	-	-	589,531
Interfund receivable	166,208	-	-	166,208
Other receivables	1,555,622	-	-	1,555,622
Prepaid items	17,165	-	-	17,165
Total assets	<u>\$ 11,381,624</u>	<u>\$ 460,622</u>	<u>\$ 12,940,748</u>	<u>\$ 24,782,994</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities				
Accounts payable	\$ 1,021,491	\$ -	\$ -	\$ 1,021,491
Salaries and payroll deductions payable	375,857	-	-	375,857
Intergovernmental payable	992	-	-	992
Interfund payable	3,000,000	100,000	-	3,100,000
Unearned revenue	67,455	-	-	67,455
Total liabilities	<u>4,465,795</u>	<u>100,000</u>	<u>-</u>	<u>4,565,795</u>
Deferred Inflows of Resources				
Unavailable revenues	19,642	149,244	5,087,243	5,256,129
Fund balances				
Nonspendable	-	-	-	-
Restricted - Facility maintenance and capital needs	-	-	-	-
Restricted - Board and Superintendent	-	-	-	-
Restricted - Debt service	-	211,378	7,853,505	8,064,883
Restricted - Grant expenses	1,189,591	-	-	1,189,591
Committed	-	-	-	-
Assigned - Textbook program	3,355,045	-	-	3,355,045
Assigned - Instruction	3,621,355	-	-	3,621,355
Assigned - Other	89,634	-	-	89,634
Unassigned	(1,359,438)	-	-	(1,359,438)
Total fund balance	<u>6,896,187</u>	<u>211,378</u>	<u>7,853,505</u>	<u>14,961,070</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 11,381,624</u>	<u>\$ 460,622</u>	<u>\$ 12,940,748</u>	<u>\$ 24,782,994</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year ended June 30, 2021

	<u>Special Revenue</u> <u>Funds</u>	<u>Debt Service</u> <u>Funds</u>	<u>Capital Projects</u> <u>Funds</u>	<u>Total Nonmajor</u> <u>Governmental</u> <u>Funds</u>
Revenues				
Property taxes	\$ -	\$ 361,178	\$ 11,887,022	\$ 12,248,200
Other taxes	-	29,369	844,113	873,482
State basic aid	2,142,671	-	-	2,142,671
Investment income	-	-	-	-
Federal sources	8,741,336	-	-	8,741,336
Other revenues	13,040,902	-	-	13,040,902
Total revenues	<u>23,924,909</u>	<u>390,547</u>	<u>12,731,135</u>	<u>37,046,591</u>
	-	-	-	-
Expenditures				
Instruction	12,214,736	-	-	12,214,736
Support services	4,125,508	-	-	4,125,508
Operation of noninstructional services	5,949,273	-	-	5,949,273
Nonprogrammed charges	872,141	-	-	872,141
Capital outlays	372,191	-	-	372,191
Principal payments on debt	-	320,000	6,995,000	7,315,000
Capital lease payments	-	-	-	-
Interest on debt	-	69,219	5,945,983	6,015,202
Other debt services	-	-	17,050	17,050
Total expenditures	<u>23,533,849</u>	<u>389,219</u>	<u>12,958,033</u>	<u>36,881,101</u>
	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>391,060</u>	<u>1,328</u>	<u>(226,898)</u>	<u>165,490</u>
	-	-	-	-
Other financing sources (uses)				
Proceeds from sales of assets	-	-	-	-
Issuance of bonds, par	-	-	-	-
Issuance of bonds, premium	-	-	-	-
Transfers in	97,682	-	-	97,682
Transfers out	-	-	-	-
Other financing sources (uses)	166,208	-	-	166,208
Total other financing sources (uses)	<u>263,890</u>	<u>-</u>	<u>-</u>	<u>263,890</u>
	-	-	-	-
Net change in fund balances	654,950	1,328	(226,898)	429,380
	-	-	-	-
Fund balances at beginning of year, as previously stated	2,976,529	210,050	8,080,403	11,266,982
Adoption of accounting principal	3,264,708	-	-	3,264,708
Fund balances at beginning of year (restated)	<u>6,241,237</u>	<u>210,050</u>	<u>8,080,403</u>	<u>14,531,690</u>
	-	-	-	-
Fund balances at end of year	<u>\$ 6,896,187</u>	<u>\$ 211,378</u>	<u>\$ 7,853,505</u>	<u>\$ 14,961,070</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Food Services</u> <u>Fund</u>	<u>Textbook Rental</u> <u>Fund</u>	<u>Tax Levy</u> <u>Excess</u> <u>Fund</u>	<u>Coca-Cola</u> <u>Fund</u>	<u>Gifts & Donations</u> <u>Fund</u>	<u>High Ability 2019-20</u> <u>Fund</u>	<u>High Ability 2020-21</u> <u>Fund</u>
Assets							
Cash and investments	\$ 1,698,624	\$ 2,005,813	\$ 62,240	\$ 28,395	\$ -	\$ -	\$ 21,693
Cash and investments - restricted	-	-	-	-	896,428	-	-
Receivables, net							
Interest receivable	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-
Interfund receivable	-	166,208	-	-	-	-	-
Other receivables	44,074	1,243,033	-	-	-	-	-
Prepaid items	17,165	-	-	-	-	-	-
Total assets	<u>\$ 1,759,863</u>	<u>\$ 3,415,054</u>	<u>\$ 62,240</u>	<u>\$ 28,395</u>	<u>\$ 896,428</u>	<u>\$ -</u>	<u>\$ 21,693</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ 18,112	\$ 60,009	\$ -	\$ 1,001	\$ 11,446	\$ -	\$ 25
Salaries and payroll deductions payable	8,627	-	-	-	-	-	4,126
Intergovernmental payable	-	-	-	-	992	-	-
Interfund payable	3,000,000	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>3,026,739</u>	<u>60,009</u>	<u>-</u>	<u>1,001</u>	<u>12,438</u>	<u>-</u>	<u>4,151</u>
Deferred Inflows of Resources							
Unavailable revenues	-	-	-	-	-	-	-
Fund balances							
Restricted - Grant expenses	-	-	-	-	883,990	-	17,542
Assigned - Textbook program	-	3,355,045	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-
Assigned - Other	-	-	62,240	27,394	-	-	-
Unassigned	(1,266,876)	-	-	-	-	-	-
Total fund balance	<u>(1,266,876)</u>	<u>3,355,045</u>	<u>62,240</u>	<u>27,394</u>	<u>883,990</u>	<u>-</u>	<u>17,542</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,759,863</u>	<u>\$ 3,415,054</u>	<u>\$ 62,240</u>	<u>\$ 28,395</u>	<u>\$ 896,428</u>	<u>\$ -</u>	<u>\$ 21,693</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Formative Assessment Fund</u>	<u>Step Ahead IRead Fund</u>	<u>Secured Schools Safety Fund</u>	<u>STEM Acceleration Grant 2020 Fund</u>	<u>State Alternative Education Fund</u>	<u>Early Intervention Grant Fund</u>	<u>Lilly Foundation Grant Fund</u>
Assets							
Cash and investments	\$ 21,201	\$ 903	\$ -	\$ (51)	\$ -	\$ 2,204	\$ -
Cash and investments - restricted	-	-	-	-	-	-	67,465
Receivables, net							
Interest receivable	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	37,930	-	-	-
Interfund receivable	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>\$ 21,201</u>	<u>\$ 903</u>	<u>\$ -</u>	<u>\$ 37,879</u>	<u>\$ -</u>	<u>\$ 2,204</u>	<u>\$ 67,465</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10
Salaries and payroll deductions payable	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	67,455
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,465</u>
Deferred Inflows of Resources							
Unavailable revenues	-	-	-	-	-	-	-
Fund balances							
Restricted - Grant expenses	21,201	903	-	37,879	-	2,204	-
Assigned - Textbook program	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-
Assigned - Other	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	<u>21,201</u>	<u>903</u>	<u>-</u>	<u>37,879</u>	<u>-</u>	<u>2,204</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 21,201</u>	<u>\$ 903</u>	<u>\$ -</u>	<u>\$ 37,879</u>	<u>\$ -</u>	<u>\$ 2,204</u>	<u>\$ 67,465</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Balance Sheet
 Nonmajor Governmental Funds – Special Revenue
 Year ended June 30, 2021

	<u>Non English</u> <u>Speaking FY21</u> <u>Fund</u>	<u>Non English</u> <u>Speaking FY21</u> <u>Fund</u>	<u>Career/</u> <u>Technical Perform</u> <u>Fund</u>	<u>IN Schl</u> <u>Incent Awards</u> <u>Fund</u>	<u>State Connectivity</u> <u>Grant (E-Rate)</u> <u>Fund</u>	<u>Title I 2020-2021</u> <u>Fund</u>	<u>Title I 2019-2020</u> <u>Fund</u>	<u>Federal</u> <u>Preschool 2017-18</u> <u>Fund</u>
Assets								
Cash and investments	\$ -	\$ 163,140	\$ 15,499	\$ -	\$ 121,409	\$ (10,472)	\$ -	\$ -
Cash and investments - restricted	-	-	-	-	-	-	-	-
Receivables, net								
Interest receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	41,923	-	-
Interfund receivable	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	248,752	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 163,140</u>	<u>\$ 15,499</u>	<u>\$ -</u>	<u>\$ 370,161</u>	<u>\$ 31,451</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ -	\$ 748	\$ -	\$ -	\$ -	\$ 257	\$ -	\$ -
Salaries and payroll deductions payable	-	6,350	-	2,893	-	26,314	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>7,098</u>	<u>-</u>	<u>2,893</u>	<u>-</u>	<u>26,571</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources								
Unavailable revenues	-	-	-	-	-	-	-	-
Fund balances								
Restricted - Grant expenses	-	156,042	15,499	-	370,161	4,880	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-	-
Assigned - Other	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(2,893)	-	-	-	-
Total fund balance	<u>-</u>	<u>156,042</u>	<u>15,499</u>	<u>(2,893)</u>	<u>370,161</u>	<u>4,880</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ 163,140</u>	<u>\$ 15,499</u>	<u>\$ -</u>	<u>\$ 370,161</u>	<u>\$ 31,451</u>	<u>\$ -</u>	<u>\$ -</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Federal</u> <u>Preschool 2020-21</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 17-18</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 2018-19</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 2019-20</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 2020-21</u> <u>Fund</u>	<u>Title IV</u> <u>2019-2021</u> <u>Fund</u>	<u>Title IV</u> <u>Innovation 2020-21</u> <u>Fund</u>
Assets							
Cash and investments	\$ -	\$ -	\$ -	\$ (37,327)	\$ (335,236)	\$ -	\$ -
Cash and investments - restricted	-	-	-	-	-	-	-
Receivables, net							
Interest receivable	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	56,155	334,563	-	-
Interfund receivable	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,828</u>	<u>\$ (673)</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ 39	\$ -	\$ -	\$ 30,371	\$ 8,654	\$ -	\$ -
Salaries and payroll deductions payable	8,490	-	-	-	313,500	-	-
Intergovernmental payable	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>8,529</u>	<u>-</u>	<u>-</u>	<u>30,371</u>	<u>322,154</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenues	-	-	-	3,654	-	-	-
Fund balances							
Restricted - Grant expenses	-	-	-	-	(322,827)	-	-
Assigned - Textbook program	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-
Assigned - Other	-	-	-	-	-	-	-
Unassigned	(8,529)	-	-	(15,197)	-	-	-
Total fund balance	<u>(8,529)</u>	<u>-</u>	<u>-</u>	<u>(15,197)</u>	<u>(322,827)</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,828</u>	<u>\$ (673)</u>	<u>\$ -</u>	<u>\$ -</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Title II</u> <u>Part A 2019-2021</u> <u>Fund</u>	<u>Title II</u> <u>Part A 2020-2022</u> <u>Fund</u>	<u>Title II</u> <u>Mini-Grants 2020-21</u> <u>Fund</u>	<u>Title II</u> <u>2017-2019</u> <u>Fund</u>	<u>Title II</u> <u>2018-2020</u> <u>Fund</u>	<u>Title III</u> <u>2019-2021</u> <u>Fund</u>	<u>Title III</u> <u>2020-2022</u> <u>Fund</u>	<u>Immigrant</u> <u>Influx '20-'22</u> <u>Fund</u>
Assets								
Cash and investments	\$ (13,758)	\$ (982)	\$ (1,000)	\$ -	\$ -	\$ -	\$ (7,274)	\$ (18,029)
Cash and investments - restricted	-	-	-	-	-	-	-	-
Receivables, net								
Interest receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	43,267	982	-	-	-	-	11,825	18,080
Interfund receivable	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Total assets	<u>\$ 29,509</u>	<u>\$ -</u>	<u>\$ (1,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,551</u>	<u>\$ 51</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ 26,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 435	\$ 51
Salaries and payroll deductions payable	-	-	-	-	-	-	5,557	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>26,149</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,992</u>	<u>51</u>
Deferred Inflows of Resources								
Unavailable revenues	5,250	-	-	-	-	-	-	51
Fund balances								
Restricted - Grant expenses	-	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-	-
Assigned - Other	-	-	-	-	-	-	-	-
Unassigned	(1,890)	-	(1,000)	-	-	-	(1,441)	(51)
Total fund balance	<u>(1,890)</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,441)</u>	<u>(51)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 29,509</u>	<u>\$ -</u>	<u>\$ (1,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,551</u>	<u>\$ 51</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Immigrant</u> <u>Influx '19-'21</u> <u>Fund</u>	<u>Title III</u> <u>2017-2019</u> <u>Fund</u>	<u>Title III</u> <u>2018-2020</u> <u>Fund</u>	<u>ESSER II</u> <u>Fund</u>	<u>Fed Stimulus 18003</u> <u>Educ Stabilization Re</u> <u>Fund</u>	<u>Project Aware</u> <u>Fund</u>	<u>Prepaid</u> <u>Lunch Accounts</u> <u>Fund</u>	<u>Brooks</u> <u>Elementary</u> <u>Fund</u>
Assets								
Cash and investments	\$ (14,880)	\$ -	\$ -	\$ (10,522)	\$ -	\$ (385)	\$ 684,265	\$ 115,341
Cash and investments - restricted	-	-	-	-	-	-	-	-
Receivables, net								
Interest receivable	-	-	-	-	-	-	-	182
Intergovernmental receivable	14,910	-	-	27,311	-	2,585	-	-
Interfund receivable	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	844
Prepaid items	-	-	-	-	-	-	-	-
Total assets	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,789</u>	<u>\$ -</u>	<u>\$ 2,200</u>	<u>\$ 684,265</u>	<u>\$ 116,367</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ 132	\$ -	\$ -	\$ 10,555	\$ -	\$ 83	\$ 741,271	\$ 7,480
Salaries and payroll deductions payable	-	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>132</u>	<u>-</u>	<u>-</u>	<u>10,555</u>	<u>-</u>	<u>83</u>	<u>741,271</u>	<u>7,480</u>
Deferred Inflows of Resources								
Unavailable revenues	<u>132</u>	<u>-</u>	<u>-</u>	<u>10,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances								
Restricted - Grant expenses	-	-	-	-	-	2,117	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-	108,887
Assigned - Other	-	-	-	-	-	-	-	-
Unassigned	<u>(234)</u>	<u>-</u>	<u>-</u>	<u>(4,321)</u>	<u>-</u>	<u>-</u>	<u>(57,006)</u>	<u>-</u>
Total fund balance	<u>(234)</u>	<u>-</u>	<u>-</u>	<u>(4,321)</u>	<u>-</u>	<u>2,117</u>	<u>(57,006)</u>	<u>108,887</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,789</u>	<u>\$ -</u>	<u>\$ 2,200</u>	<u>\$ 684,265</u>	<u>\$ 116,367</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Cumberland Road</u> <u>Elementary</u> <u>Fund</u>	<u>Durbin</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Intermediate</u> <u>Fund</u>	<u>Fall Creek</u> <u>Junior High</u> <u>Fund</u>	<u>Fishers</u> <u>Elementary</u> <u>Fund</u>	<u>Fishers</u> <u>Junior High</u> <u>Fund</u>	<u>Fishers</u> <u>High</u> <u>Fund</u>
Assets								
Cash and investments	\$ 20,499	\$ 15,947	\$ 38,231	\$ 105,796	\$ 176,220	\$ 19,995	\$ 170,755	\$ 836,522
Cash and investments - restricted	-	-	-	-	-	-	-	-
Receivables, net								
Interest receivable	26	20	50	148	225	30	227	1,225
Intergovernmental receivable	-	-	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-	-
Other receivables	1,411	1,506	681	732	-	1,028	765	-
Prepaid items	-	-	-	-	-	-	-	-
Total assets	<u>\$ 21,936</u>	<u>\$ 17,473</u>	<u>\$ 38,962</u>	<u>\$ 106,676</u>	<u>\$ 176,445</u>	<u>\$ 21,053</u>	<u>\$ 171,747</u>	<u>\$ 837,747</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ 104	\$ 276	\$ 3,077	\$ -	\$ -	\$ 1,385	\$ 4,191	\$ 42,056
Salaries and payroll deductions payable	-	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>104</u>	<u>276</u>	<u>3,077</u>	<u>-</u>	<u>-</u>	<u>1,385</u>	<u>4,191</u>	<u>42,056</u>
Deferred Inflows of Resources								
Unavailable revenues	-	-	-	-	-	-	-	-
Fund balances								
Restricted - Grant expenses	-	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-
Assigned - Instruction	21,832	17,197	35,885	106,676	176,445	19,668	167,556	795,691
Assigned - Other	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>21,832</u>	<u>17,197</u>	<u>35,885</u>	<u>106,676</u>	<u>176,445</u>	<u>19,668</u>	<u>167,556</u>	<u>795,691</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 21,936</u>	<u>\$ 17,473</u>	<u>\$ 38,962</u>	<u>\$ 106,676</u>	<u>\$ 176,445</u>	<u>\$ 21,053</u>	<u>\$ 171,747</u>	<u>\$ 837,747</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Geist Elementary Fund</u>	<u>Hamilton Southeastern High Fund</u>	<u>Hamilton Southeastern Junior High Fund</u>	<u>Harrison Parkway Elementary Fund</u>	<u>Hoosier Road Elementary Fund</u>	<u>Lantern Road Elementary Fund</u>	<u>New Britton Elementary Fund</u>
Assets							
Cash and investments	\$ 34,245	\$ 1,465,790	\$ 117,432	\$ 68,186	\$ 56,971	\$ 32,003	\$ 11,845
Cash and investments - restricted	-	-	-	-	-	-	-
Receivables, net							
Interest receivable	42	1,865	159	87	72	41	16
Intergovernmental receivable	-	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-
Other receivables	42	5,453	-	187	1,127	2,105	-
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>\$ 34,329</u>	<u>\$ 1,473,108</u>	<u>\$ 117,591</u>	<u>\$ 68,460</u>	<u>\$ 58,170</u>	<u>\$ 34,149</u>	<u>\$ 11,861</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ 361	\$ 27,895	\$ 1,641	\$ 619	\$ 245	\$ 677	\$ 2,071
Salaries and payroll deductions payable	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>361</u>	<u>27,895</u>	<u>1,641</u>	<u>619</u>	<u>245</u>	<u>677</u>	<u>2,071</u>
Deferred Inflows of Resources							
Unavailable revenues	-	-	-	-	-	-	-
Fund balances							
Restricted - Grant expenses	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-
Assigned - Instruction	33,968	1,445,213	115,950	67,841	57,925	33,472	9,790
Assigned - Other	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	<u>33,968</u>	<u>1,445,213</u>	<u>115,950</u>	<u>67,841</u>	<u>57,925</u>	<u>33,472</u>	<u>9,790</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 34,329</u>	<u>\$ 1,473,108</u>	<u>\$ 117,591</u>	<u>\$ 68,460</u>	<u>\$ 58,170</u>	<u>\$ 34,149</u>	<u>\$ 11,861</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Riverside</u> <u>Intermediate</u> <u>Fund</u>	<u>Riverside</u> <u>Junior High</u> <u>Fund</u>	<u>Sand Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Sand Creek</u> <u>Intermediate</u> <u>Fund</u>	<u>Thorpe Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Southeastern</u> <u>Elementary</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Special Revenue</u> <u>Funds</u>
Assets							
Cash and investments	\$ 63,655	\$ 152,009	\$ 29,784	\$ 133,710	\$ 33,201	\$ 10,626	\$ 8,084,233
Cash and investments - restricted	-	-	-	-	-	-	963,893
Receivables, net							
Interest receivable	95	194	39	168	42	19	4,972
Intergovernmental receivable	-	-	-	-	-	-	589,531
Interfund receivable	-	-	-	-	-	-	166,208
Other receivables	1,141	1,292	751	631	67	-	1,555,622
Prepaid items	-	-	-	-	-	-	17,165
Total assets	<u>\$ 64,891</u>	<u>\$ 153,495</u>	<u>\$ 30,574</u>	<u>\$ 134,509</u>	<u>\$ 33,310</u>	<u>\$ 10,645</u>	<u>\$ 11,381,624</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ 454	\$ 9,114	\$ 1,263	\$ 7,980	\$ 420	\$ 834	\$ 1,021,491
Salaries and payroll deductions payable	-	-	-	-	-	-	375,857
Intergovernmental payable	-	-	-	-	-	-	992
Interfund payable	-	-	-	-	-	-	3,000,000
Unearned revenue	-	-	-	-	-	-	67,455
Total liabilities	<u>454</u>	<u>9,114</u>	<u>1,263</u>	<u>7,980</u>	<u>420</u>	<u>834</u>	<u>4,465,795</u>
Deferred Inflows of Resources							
Unavailable revenues	-	-	-	-	-	-	19,642
Fund balances							
Restricted - Grant expenses	-	-	-	-	-	-	1,189,591
Assigned - Textbook program	-	-	-	-	-	-	3,355,045
Assigned - Instruction	64,437	144,381	29,311	126,529	32,890	9,811	3,621,355
Assigned - Other	-	-	-	-	-	-	89,634
Unassigned	-	-	-	-	-	-	(1,359,438)
Total fund balance	<u>64,437</u>	<u>144,381</u>	<u>29,311</u>	<u>126,529</u>	<u>32,890</u>	<u>9,811</u>	<u>6,896,187</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 64,891</u>	<u>\$ 153,495</u>	<u>\$ 30,574</u>	<u>\$ 134,509</u>	<u>\$ 33,310</u>	<u>\$ 10,645</u>	<u>\$ 11,381,624</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Food Services</u>	<u>Textbook Rental</u>	<u>Tax Levy</u> <u>Excess</u>	<u>Coca-Cola</u>	<u>Gifts & Donations</u>	<u>High Ability 2019-20</u>	<u>High Ability 2020-21</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
State basic aid	165,354	267,078	-	-	-	-	134,970
Investment income	-	-	-	-	-	-	-
Federal sources	3,794,301	-	-	-	-	-	-
Other revenues	1,398,631	2,580,425	-	135,000	558,413	13,671	-
Total revenues	<u>5,358,286</u>	<u>2,847,503</u>	<u>-</u>	<u>135,000</u>	<u>558,413</u>	<u>13,671</u>	<u>134,970</u>
Expenditures							
Instruction	-	-	-	7,069	25,821	10,912	68,743
Support services	105,531	1,694,859	-	87,455	245,593	150	39,381
Operation of noninstructional services	5,847,275	-	-	32,500	69,146	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Capital outlays	4,641	-	-	-	367,550	-	-
Principal payments on debt	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-
Total expenditures	<u>5,957,447</u>	<u>1,694,859</u>	<u>-</u>	<u>127,024</u>	<u>708,110</u>	<u>11,062</u>	<u>108,124</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(599,161)</u>	<u>1,152,644</u>	<u>-</u>	<u>7,976</u>	<u>(149,697)</u>	<u>2,609</u>	<u>26,846</u>
Other financing sources (uses)							
Proceeds from sales of assets	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other financing sources (uses)	-	166,208	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>166,208</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(599,161)	1,318,852	-	7,976	(149,697)	2,609	26,846
Fund balances at beginning of year, as previously stated	(667,715)	2,036,193	62,240	19,418	1,033,687	(2,609)	(9,304)
Adoption of accounting principal	-	-	-	-	-	-	-
Fund balances at beginning of year (restated)	<u>(667,715)</u>	<u>2,036,193</u>	<u>62,240</u>	<u>19,418</u>	<u>1,033,687</u>	<u>(2,609)</u>	<u>(9,304)</u>
Fund balances at end of year	<u>\$ (1,266,876)</u>	<u>\$ 3,355,045</u>	<u>\$ 62,240</u>	<u>\$ 27,394</u>	<u>\$ 883,990</u>	<u>\$ -</u>	<u>\$ 17,542</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Formative Assessment Fund</u>	<u>Step Ahead IRead Fund</u>	<u>Secured Schools Safety Fund</u>	<u>STEM Acceleration Grant 2020 Fund</u>	<u>State Alternative Education Fund</u>	<u>Early Intervention Grant Fund</u>	<u>Lilly Foundation Grant Fund</u>
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
State basic aid	226,097	-	100,000	38,383	-	59,788	-
Investment income	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	420,498
Total revenues	<u>226,097</u>	<u>-</u>	<u>100,000</u>	<u>38,383</u>	<u>-</u>	<u>59,788</u>	<u>420,498</u>
Expenditures							
Instruction	204,896	-	-	-	33,321	57,585	-
Support services	-	-	50,000	505	-	-	409,371
Operation of noninstructional services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Principal payments on debt	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-
Total expenditures	<u>204,896</u>	<u>-</u>	<u>50,000</u>	<u>505</u>	<u>33,321</u>	<u>57,585</u>	<u>409,371</u>
Excess (deficiency) of revenues over (under) expenditures	<u>21,201</u>	<u>-</u>	<u>50,000</u>	<u>37,878</u>	<u>(33,321)</u>	<u>2,203</u>	<u>11,127</u>
Other financing sources (uses)							
Proceeds from sales of assets	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	21,201	-	50,000	37,878	(33,321)	2,203	11,127
Fund balances at beginning of year, as previously stated	-	903	(50,000)	1	33,321	1	(11,127)
Adoption of accounting principal	-	-	-	-	-	-	-
Fund balances at beginning of year (restated)	<u>-</u>	<u>903</u>	<u>(50,000)</u>	<u>1</u>	<u>33,321</u>	<u>1</u>	<u>(11,127)</u>
Fund balances at end of year	<u>\$ 21,201</u>	<u>\$ 903</u>	<u>\$ -</u>	<u>\$ 37,879</u>	<u>\$ -</u>	<u>\$ 2,204</u>	<u>\$ -</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Non English</u> <u>Speaking FY20</u> <u>Fund</u>	<u>Non English</u> <u>Speaking FY21</u> <u>Fund</u>	<u>Career/</u> <u>Technical Perform</u> <u>Fund</u>	<u>IN Schi</u> <u>Incent Awards</u> <u>Fund</u>	<u>State Connectivity</u> <u>Grant (E-Rate)</u> <u>Fund</u>	<u>Title I 2020-2021</u> <u>Fund</u>	<u>Title I 2019-2020</u> <u>Fund</u>
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
State basic aid	-	326,923	-	800,350	23,728	-	-
Investment income	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	319,524	19,698
Other revenues	104,445	-	-	-	248,752	-	-
Total revenues	<u>104,445</u>	<u>326,923</u>	<u>-</u>	<u>800,350</u>	<u>272,480</u>	<u>319,524</u>	<u>19,698</u>
Expenditures							
Instruction	73,162	170,880	-	724,247	-	306,153	22,280
Support services	14,756	-	-	79,022	-	-	-
Operation of noninstructional services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Principal payments on debt	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-
Total expenditures	<u>87,918</u>	<u>170,880</u>	<u>-</u>	<u>803,269</u>	<u>-</u>	<u>306,153</u>	<u>22,280</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,527</u>	<u>156,043</u>	<u>-</u>	<u>(2,919)</u>	<u>272,480</u>	<u>13,371</u>	<u>(2,582)</u>
Other financing sources (uses)							
Proceeds from sales of assets	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-
Transfers in	-	-	-	-	97,682	-	-
Transfers out	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>97,682</u>	<u>-</u>	<u>-</u>
Net change in fund balances	16,527	156,043	-	(2,919)	370,162	13,371	(2,582)
Fund balances at beginning of year, as previously stated	(16,527)	(1)	15,499	26	(1)	(8,491)	2,582
Adoption of accounting principal	-	-	-	-	-	-	-
Fund balances at beginning of year (restated)	<u>(16,527)</u>	<u>(1)</u>	<u>15,499</u>	<u>26</u>	<u>(1)</u>	<u>(8,491)</u>	<u>2,582</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 156,042</u>	<u>\$ 15,499</u>	<u>\$ (2,893)</u>	<u>\$ 370,161</u>	<u>\$ 4,880</u>	<u>\$ -</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Federal</u> <u>Preschool 2017-18</u> <u>Fund</u>	<u>Federal</u> <u>Preschool 2020-21</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 17-18</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 2018-19</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 2019-20</u> <u>Fund</u>	<u>Federal Special</u> <u>Education Part B 2020-21</u> <u>Fund</u>	<u>Title IV</u> <u>2019-2021</u> <u>Fund</u>
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
State basic aid	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Federal sources	-	92,230	-	18,392	183,723	3,310,030	27,026
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>-</u>	<u>92,230</u>	<u>-</u>	<u>18,392</u>	<u>183,723</u>	<u>3,310,030</u>	<u>27,026</u>
Expenditures							
Instruction	-	100,761	-	6,576	95,494	2,776,648	-
Support services	-	-	-	-	19,993	852,346	27,026
Operation of noninstructional services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Principal payments on debt	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>100,761</u>	<u>-</u>	<u>6,576</u>	<u>115,487</u>	<u>3,628,994</u>	<u>27,026</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(8,531)</u>	<u>-</u>	<u>11,816</u>	<u>68,236</u>	<u>(318,964)</u>	<u>-</u>
Other financing sources (uses)							
Proceeds from sales of assets	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(8,531)</u>	<u>-</u>	<u>11,816</u>	<u>68,236</u>	<u>(318,964)</u>	<u>-</u>
Fund balances at beginning of year, as previously stated	-	2	-	(11,816)	(83,433)	(3,863)	-
Adoption of accounting principal	-	-	-	-	-	-	-
Fund balances at beginning of year (restated)	<u>-</u>	<u>2</u>	<u>-</u>	<u>(11,816)</u>	<u>(83,433)</u>	<u>(3,863)</u>	<u>-</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ (8,529)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,197)</u>	<u>\$ (322,827)</u>	<u>\$ -</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds – Special Revenue
 Year ended June 30, 2021

	<u>Title IV</u> <u>Innovation 2020-21</u> <u>Fund</u>	<u>Title II</u> <u>Part A 2019-2021</u> <u>Fund</u>	<u>Title II</u> <u>Part A 2020-2022</u> <u>Fund</u>	<u>Title II</u> <u>Mini-Grants 2020-21</u> <u>Fund</u>	<u>Title II</u> <u>2017-2019</u> <u>Fund</u>	<u>Title II</u> <u>2018-2020</u> <u>Fund</u>	<u>Title III</u> <u>2019-2021</u> <u>Fund</u>	<u>Title III</u> <u>2020-2022</u> <u>Fund</u>
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-
State basic aid	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Federal sources	13,681	72,608	7,197	6,170	-	13,052	24,742	61,485
Other revenues	-	-	-	-	-	-	-	-
Total revenues	<u>13,681</u>	<u>72,608</u>	<u>7,197</u>	<u>6,170</u>	<u>-</u>	<u>13,052</u>	<u>24,742</u>	<u>61,485</u>
Expenditures								
Instruction	10,181	-	-	999	-	-	15,157	58,771
Support services	3,500	74,497	7,197	6,170	-	13,052	4,946	4,154
Operation of noninstructional services	-	-	-	-	-	-	352	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Principal payments on debt	-	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-	-
Total expenditures	<u>13,681</u>	<u>74,497</u>	<u>7,197</u>	<u>7,169</u>	<u>-</u>	<u>13,052</u>	<u>20,455</u>	<u>62,925</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1,889)</u>	<u>-</u>	<u>(999)</u>	<u>-</u>	<u>-</u>	<u>4,287</u>	<u>(1,440)</u>
Other financing sources (uses)								
Proceeds from sales of assets	-	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(1,889)	-	(999)	-	-	4,287	(1,440)
Fund balances at beginning of year, as previously stated	-	(1)	-	(1)	-	-	(4,287)	(1)
Adoption of accounting principal	-	-	-	-	-	-	-	-
Fund balances at beginning of year (restated)	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>(4,287)</u>	<u>(1)</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ (1,890)</u>	<u>\$ -</u>	<u>\$ (1,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,441)</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>Immigrant</u> <u>Influx '20-22</u> <u>Fund</u>	<u>Immigrant</u> <u>Influx '19-21</u> <u>Fund</u>	<u>Title III</u> <u>2017-2019</u> <u>Fund</u>	<u>Title III</u> <u>2018-2020</u> <u>Fund</u>	<u>ESSER II</u> <u>Fund</u>	<u>Fed Stimulus 18003</u> <u>Educ Stabilization Re</u> <u>Fund</u>	<u>Project Aware</u> <u>Fund</u>	<u>Prepaid</u> <u>Lunch Accounts</u> <u>Fund</u>
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-
State basic aid	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Federal sources	18,029	20,720	-	8,174	327,639	358,564	44,351	-
Other revenues	-	-	-	-	-	-	-	92,202
Total revenues	<u>18,029</u>	<u>20,720</u>	<u>-</u>	<u>8,174</u>	<u>327,639</u>	<u>358,564</u>	<u>44,351</u>	<u>92,202</u>
Expenditures								
Instruction	-	-	-	6,800	331,960	51,119	-	-
Support services	18,080	20,956	-	695	-	304,040	42,233	-
Operation of noninstructional services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	872,141
Capital outlays	-	-	-	-	-	-	-	-
Principal payments on debt	-	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-	-
Total expenditures	<u>18,080</u>	<u>20,956</u>	<u>-</u>	<u>7,495</u>	<u>331,960</u>	<u>355,159</u>	<u>42,233</u>	<u>872,141</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(51)</u>	<u>(236)</u>	<u>-</u>	<u>679</u>	<u>(4,321)</u>	<u>3,405</u>	<u>2,118</u>	<u>(779,939)</u>
Other financing sources (uses)								
Proceeds from sales of assets	-	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(51)	(236)	-	679	(4,321)	3,405	2,118	(779,939)
Fund balances at beginning of year, as previously stated	-	2	-	(679)	-	(3,405)	(1)	-
Adoption of accounting principal	-	-	-	-	-	-	-	722,933
Fund balances at beginning of year (restated)	<u>-</u>	<u>2</u>	<u>-</u>	<u>(679)</u>	<u>-</u>	<u>(3,405)</u>	<u>(1)</u>	<u>722,933</u>
Fund balances at end of year	<u>\$ (51)</u>	<u>\$ (234)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,321)</u>	<u>\$ -</u>	<u>\$ 2,117</u>	<u>\$ (57,006)</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds – Special Revenue
 Year ended June 30, 2021

	<u>Brooks</u> <u>Elementary</u> <u>Fund</u>	<u>Cumberland Road</u> <u>Elementary</u> <u>Fund</u>	<u>Durbin</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Intermediate</u> <u>Fund</u>	<u>Fall Creek</u> <u>Junior High</u> <u>Fund</u>	<u>Fishers</u> <u>Elementary</u> <u>Fund</u>	<u>Fishers</u> <u>Junior High</u> <u>Fund</u>
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-
State basic aid	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other revenues	274,315	110,117	60,787	116,031	190,634	311,810	89,599	258,623
Total revenues	<u>274,315</u>	<u>110,117</u>	<u>60,787</u>	<u>116,031</u>	<u>190,634</u>	<u>311,810</u>	<u>89,599</u>	<u>258,623</u>
Expenditures								
Instruction	267,098	110,235	62,156	127,337	184,684	286,502	94,317	274,115
Support services	-	-	-	-	-	-	-	-
Operation of noninstructional services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Principal payments on debt	-	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-	-
Total expenditures	<u>267,098</u>	<u>110,235</u>	<u>62,156</u>	<u>127,337</u>	<u>184,684</u>	<u>286,502</u>	<u>94,317</u>	<u>274,115</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,217</u>	<u>(118)</u>	<u>(1,369)</u>	<u>(11,306)</u>	<u>5,950</u>	<u>25,308</u>	<u>(4,718)</u>	<u>(15,492)</u>
Other financing sources (uses)								
Proceeds from sales of assets	-	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,217	(118)	(1,369)	(11,306)	5,950	25,308	(4,718)	(15,492)
Fund balances at beginning of year, as previously stated	(7,303)	1,828	(727)	1,584	19,335	22,514	703	48,657
Adoption of accounting principal	108,973	20,122	19,293	45,607	81,391	128,623	23,683	134,391
Fund balances at beginning of year (restated)	<u>101,670</u>	<u>21,950</u>	<u>18,566</u>	<u>47,191</u>	<u>100,726</u>	<u>151,137</u>	<u>24,386</u>	<u>183,048</u>
Fund balances at end of year	<u>\$ 108,887</u>	<u>\$ 21,832</u>	<u>\$ 17,197</u>	<u>\$ 35,885</u>	<u>\$ 106,676</u>	<u>\$ 176,445</u>	<u>\$ 19,668</u>	<u>\$ 167,556</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds – Special Revenue
 Year ended June 30, 2021

	<u>Fishers High Fund</u>	<u>Geist Elementary Fund</u>	<u>Hamilton Southeastern High Fund</u>	<u>Hamilton Southeastern Junior High Fund</u>	<u>Harrison Parkway Elementary Fund</u>	<u>Hoosier Road Elementary Fund</u>	<u>Lantern Road Elementary Fund</u>
Revenues							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
State basic aid	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Other revenues	1,853,820	154,108	2,086,113	329,249	113,658	140,106	123,892
Total revenues	<u>1,853,820</u>	<u>154,108</u>	<u>2,086,113</u>	<u>329,249</u>	<u>113,658</u>	<u>140,106</u>	<u>123,892</u>
Expenditures							
Instruction	1,730,942	154,223	1,754,447	350,870	107,298	138,142	127,039
Support services	-	-	-	-	-	-	-
Operation of noninstructional services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Principal payments on debt	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-
Total expenditures	<u>1,730,942</u>	<u>154,223</u>	<u>1,754,447</u>	<u>350,870</u>	<u>107,298</u>	<u>138,142</u>	<u>127,039</u>
Excess (deficiency) of revenues over (under) expenditures	<u>122,878</u>	<u>(115)</u>	<u>331,666</u>	<u>(21,621)</u>	<u>6,360</u>	<u>1,964</u>	<u>(3,147)</u>
Other financing sources (uses)							
Proceeds from sales of assets	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	122,878	(115)	331,666	(21,621)	6,360	1,964	(3,147)
Fund balances at beginning of year, as previously stated	213,924	1,918	261,768	19,321	(140)	7,683	669
Adoption of accounting principal	458,889	32,165	851,779	118,250	61,621	48,278	35,950
Fund balances at beginning of year (restated)	<u>672,813</u>	<u>34,083</u>	<u>1,113,547</u>	<u>137,571</u>	<u>61,481</u>	<u>55,961</u>	<u>36,619</u>
Fund balances at end of year	<u>\$ 795,691</u>	<u>\$ 33,968</u>	<u>\$ 1,445,213</u>	<u>\$ 115,950</u>	<u>\$ 67,841</u>	<u>\$ 57,925</u>	<u>\$ 33,472</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
Year ended June 30, 2021

	<u>New Britton</u> <u>Elementary</u> <u>Fund</u>	<u>Riverside</u> <u>Intermediate</u> <u>Fund</u>	<u>Riverside</u> <u>Junior High</u> <u>Fund</u>	<u>Sand Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Sand Creek</u> <u>Intermediate</u> <u>Fund</u>	<u>Thorpe Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Southeastern</u> <u>Elementary</u> <u>Fund</u>	<u>Total Nonmajor</u> <u>Special Revenue</u> <u>Funds</u>
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-
State basic aid	-	-	-	-	-	-	-	2,142,671
Investment income	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	8,741,336
Other revenues	127,250	204,713	324,143	133,537	186,227	121,757	178,376	13,040,902
Total revenues	<u>127,250</u>	<u>204,713</u>	<u>324,143</u>	<u>133,537</u>	<u>186,227</u>	<u>121,757</u>	<u>178,376</u>	<u>23,924,909</u>
Expenditures								
Instruction	137,318	208,278	303,208	132,404	202,128	133,875	168,585	12,214,736
Support services	-	-	-	-	-	-	-	4,125,508
Operation of noninstructional services	-	-	-	-	-	-	-	5,949,273
Nonprogrammed charges	-	-	-	-	-	-	-	872,141
Capital outlays	-	-	-	-	-	-	-	372,191
Principal payments on debt	-	-	-	-	-	-	-	-
Capital lease payments	-	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-	-
Other debt services	-	-	-	-	-	-	-	-
Total expenditures	<u>137,318</u>	<u>208,278</u>	<u>303,208</u>	<u>132,404</u>	<u>202,128</u>	<u>133,875</u>	<u>168,585</u>	<u>23,533,849</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,068)</u>	<u>(3,565)</u>	<u>20,935</u>	<u>1,133</u>	<u>(15,901)</u>	<u>(12,118)</u>	<u>9,791</u>	<u>391,060</u>
Other financing sources (uses)								
Proceeds from sales of assets	-	-	-	-	-	-	-	-
Issuance of bonds, par	-	-	-	-	-	-	-	-
Issuance of bonds, premium	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	97,682
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	166,208
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,890</u>
Net change in fund balances	(10,068)	(3,565)	20,935	1,133	(15,901)	(12,118)	9,791	654,950
Fund balances at beginning of year, as previously stated	1,995	11,993	28,539	449	9,980	1,206	20	2,976,529
Adoption of accounting principal	17,863	56,009	94,907	27,729	132,450	43,802	-	3,264,708
Fund balances at beginning of year (restated)	<u>19,858</u>	<u>68,002</u>	<u>123,446</u>	<u>28,178</u>	<u>142,430</u>	<u>45,008</u>	<u>20</u>	<u>6,241,237</u>
Fund balances at end of year	<u>\$ 9,790</u>	<u>\$ 64,437</u>	<u>\$ 144,381</u>	<u>\$ 29,311</u>	<u>\$ 126,529</u>	<u>\$ 32,890</u>	<u>\$ 9,811</u>	<u>\$ 6,896,187</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Balance Sheet
 Nonmajor Governmental Funds – Debt Service
 June 30, 2021

	<u>Taxable Pension Bonds</u> <u>Fund</u>
Assets	
Cash and investments	\$ -
Cash and investments - restricted	311,378
Receivables, net	-
Interest receivable	-
Taxes receivable	149,244
Intergovernmental receivable	-
Interfund receivable	-
Other receivables	-
Prepaid items	-
Total assets	\$ 460,622
Liabilities, Deferred Inflows of Resources, and Fund Balance	
Liabilities	
Accounts payable	\$ -
Salaries and payroll deductions payable	-
Intergovernmental payable	-
Interfund payable	100,000
Unearned revenue	-
Total liabilities	100,000
Deferred Inflows of Resources	
Unavailable revenues	149,244
Fund balances	
Nonspendable	-
Restricted - Facility maintenance and capital needs	-
Restricted - Board and Superintendent	-
Restricted - Debt service	211,378
Restricted - Grant expenses	-
Committed	-
Assigned - Textbook program	-
Assigned - Instruction	-
Assigned - Other	-
Unassigned	-
Total fund balance	211,378
Total liabilities, deferred inflows of resources and fund balance	\$ 460,622

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenue, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds – Debt Service
 Year ended June 30, 2021

	<u>Taxable Pension Bonds</u> <u>Fund</u>
Revenues	
Property taxes	\$ 361,178
Other taxes	29,369
State basic aid	-
Investment income	-
Federal sources	-
Other revenues	-
Total revenues	390,547
Expenditures	
Instruction	-
Support services	-
Operation of noninstructional services	-
Nonprogrammed charges	-
Capital outlays	-
Principal payments on debt	320,000
Capital lease payments	-
Interest on debt	69,219
Other debt services	-
Total expenditures	389,219
Excess (deficiency) of revenues over (under) expenditures	1,328
Other financing sources (uses)	
Proceeds from sales of assets	-
Issuance of bonds, par	-
Issuance of bonds, premium	-
Transfers in	-
Transfers out	-
Other financing sources (uses)	-
Total other financing sources (uses)	-
Net change in fund balances	1,328
Fund balances at beginning of year, as previously stated	210,050
Adoption of accounting principle	-
Fund balances at beginning of year (restated)	210,050
Fund balances at end of year	\$ 211,378

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Balance Sheet
 Nonmajor Governmental Funds – Capital Projects
 June 30, 2021

		<u>Capital Referendum Fund</u>
Assets		
Cash and investments	\$	-
Cash and investments - restricted		7,853,505
Receivables, net		-
Interest receivable		-
Taxes receivable		5,087,243
Intergovernmental receivable		-
Interfund receivable		-
Other receivables		-
Prepaid items		-
Total assets	<u>\$</u>	<u>12,940,748</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance		
Liabilities		
Accounts payable	\$	-
Salaries and payroll deductions payable		-
Intergovernmental payable		-
Interfund payable		-
Unearned revenue		-
Total liabilities		<u>-</u>
Deferred Inflows of Resources		
Unavailable revenues		<u>5,087,243</u>
Fund balances		
Nonspendable		-
Restricted - Facility maintenance and capital needs		-
Restricted - Board and Superintendent		-
Restricted - Debt service		7,853,505
Restricted - Grant expenses		-
Committed		-
Assigned - Textbook program		-
Assigned - Instruction		-
Assigned - Other		-
Unassigned		-
Total fund balance		<u>7,853,505</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$</u>	<u>12,940,748</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenue, Expenditures and Changes in Fund Balance
 Nonmajor Governmental Funds – Capital Projects
 Year ended June 30, 2021

	<u>Capital Referendum</u> <u>Fund</u>
Revenues	
Property taxes	11,887,022
Other taxes	844,113
State basic aid	-
Investment income	-
Federal sources	-
Other revenues	-
Total revenues	12,731,135
Expenditures	
Instruction	-
Support services	-
Operation of noninstructional services	-
Nonprogrammed charges	-
Capital outlays	-
Principal payments on debt	6,995,000
Capital lease payments	-
Interest on debt	5,945,983
Other debt services	17,050
Total expenditures	12,958,033
Excess (deficiency) of revenues over (under) expenditures	(226,898)
Other financing sources (uses)	
Proceeds from sales of assets	-
Issuance of bonds, par	-
Issuance of bonds, premium	-
Transfers in	-
Transfers out	-
Other financing sources (uses)	-
Total other financing sources (uses)	-
Net change in fund balances	(226,898)
Fund balances at beginning of year, as previously stated	8,080,403
Adoption of accounting principle	-
Fund balances at beginning of year (restated)	8,080,403
Fund balances at end of year	\$ 7,853,505

Hamilton Southeastern Schools

Single Audit Report

For the Year Ended June 30, 2021

Hamilton Southeastern Schools

June 30, 2021

Contents

Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> - Independent Auditor's Report.....	3
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 Uniform Guidance - Independent Auditor's Report.....	5
Schedule of Findings and Questioned Costs.....	8
HSE Prepared Documents:	
Summary Schedule of Prior Audit Findings.....	12

Hamilton Southeastern Schools

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Grantor	Pass-Through Grantor	Pass-Through Identifying Number	Program Title	Federal Assistance Listing Number	2021 Total Federal Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster:					
	Indiana Department of Education	3005	School Breakfast Program	10.553	\$ 366,621
	Indiana Department of Education	3005	National School Lunch Fund	10.555	3,427,680
	Indiana Department of Education	3005	National School Lunch Fund - Commodities	10.555	785,803
					<u>4,213,483</u>
	Total Child Nutrition Cluster				<u>4,580,104</u>
				Total U.S. Department of Agriculture	<u>4,580,104</u>
U.S. Department of Education					
	Indiana Department of Education	S010A200014	Title I Grants to Local Education Agencies	84.010	298,545
	Indiana Department of Education	S010A190014	Title I Grants to Local Education Agencies	84.010	(7,879)
					<u>290,666</u>
Special Education Cluster:					
	Indiana Department of Education	19611-099-PN01	Special Education Part B	84.027	11,931
	Indiana Department of Education	20611-101-PN01	Special Education Part B	84.027	(64,197)
	Indiana Department of Education	61611-101-PN01	Special Education Part B	84.027	3,645,266
					<u>3,593,000</u>
	Indiana Department of Education	216619-101-PN01	Special Education Preschool	84.173	92,230
	Total Special Education Cluster				<u>3,685,230</u>
	Indiana Department of Education	S365A190014	English Language Acquisition State Grants	84.365	164,980
	Indiana Department of Education	S365A180014	English Language Acquisition State Grants	84.365	(6,115)
					<u>158,865</u>
	Indiana Department of Education	700-S367A190013	Supporting Effective Instruction State Grants	84.367	98,521
	Indiana Department of Education	S367A20013	Supporting Effective Instruction State Grants	84.367	8,178
	Indiana Department of Education	S367A180013	Supporting Effective Instruction State Grants	84.367	7,170
	Indiana Department of Education	700-S367A180013	Supporting Effective Instruction State Grants	84.367	13,051
					<u>126,920</u>
	Indiana Department of Education	S424A190015	Student Support and Academic Enrichment Program	84.424	27,026
	Indiana Department of Education	S424A200015	Student Support and Academic Enrichment Program	84.424	13,681
					<u>40,707</u>
	Indiana Department of Education	S425D200013	COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	696,725
				Total U.S. Department of Education	<u>4,999,113</u>
U.S. Department of Health and Human Services					
	Indiana Department of Education	5H79SM080975-03	Substance Abuse and Mental Health Services Projects	93.243	44,781
				Total U.S. Department of Health and Human Services	<u>44,781</u>
				Total Federal Expenditures	<u>\$ 9,623,998</u>

See Notes to Schedule of Expenditures of Federal Awards

Hamilton Southeastern Schools
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Notes to Schedule

1. The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Hamilton Southeastern Schools (HSE) under programs of the federal government for the year ended June 30, 2021. 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 HSE, it is not intended to and does not present the financial position, changes in net position or cash flows of HSE.
2. Expenditures reported on the Schedule are reported on the accrual 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. HSE has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. HSE had no federal loans that they were administering as of June 30, 2021, and HSE 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
Hamilton Southeastern Schools
Fishers, Indiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Hamilton Southeastern Schools (Schools Corporation) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which comprise the School Corporation's basic financial statements, and have issued our report thereon dated June 23, 2022, which contained an emphasis of matter paragraph for adoption of a new accounting standard, as well as an other matter paragraph for management's omission of the management's discussion and analysis.61F

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hamilton Southeastern Schools 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. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

Purpose of this Report

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

FORVIS,LLP

Indianapolis, Indiana
June 23, 2022



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**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
Hamilton Southeastern Schools
Fishers, Indiana

Report on Compliance for Each Major Federal Program

We have audited Hamilton Southeastern Schools' (School Corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of School Corporation's major federal programs for the year ended June 30, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of School Corporation's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about School Corporation's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of School Corporation's compliance.

Opinion on Each Major Federal Program

In our opinion, the School Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the School Corporation is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School Corporation's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School Corporation's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Federal Awards Required by 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, 2021, and the related notes to the financial statements, which collectively comprise the School Corporation's basic financial statements. We issued our report thereon dated June 23, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements, and included an emphasis of matter paragraph for adoption of a new accounting standards and a restatement of prior year 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 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS,LLP

Indianapolis, Indiana
June 23, 2022

Hamilton Southeastern Schools
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Summary of Auditor's Results

Financial Statements

1. The 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. The independent auditor's report on internal control over financial reporting disclosed:
Significant deficiency(ies)? Yes None reported
Material weakness(es)? Yes No

3. Noncompliance considered material to the financial statements was disclosed by the audit? Yes No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:
Significant deficiency(ies)? Yes None reported
Material weakness(es)? Yes No

5. The opinions expressed in the independent auditor's report on compliance for major federal awards were:
 Unmodified Qualified Adverse Disclaimer

Hamilton Southeastern Schools
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2021

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)? Yes No

7. The School Corporation's major programs were:

Cluster/Program	Federal Assistance Listing Number	Opinion Issued
Special Education Cluster	84.027 & 84.173	Unmodified
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	Unmodified

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

9. The School Corporation qualified as a low-risk auditee? Yes No

Hamilton Southeastern Schools
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2021

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding
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No matters are reportable.

Hamilton Southeastern Schools
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2021

Findings Required to be Reported by *Uniform Guidance*

Reference Number	Finding
	No matters are reportable.

Hamilton Southeastern Schools
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2021

Reference Number	Summary of Finding	Status
	No matters are reportable.	