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STATE BOARD OF ACCOUNTS  
302 WEST WASHINGTON STREET  
ROOM E418  
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Telephone: (317) 232-2513  
Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

May 23, 2023

To: The Officials of the Evansville Vanderburgh School Corporation  
Evansville Vanderburgh School Corporation  
951 Walnut Street  
Evansville, IN 47713

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the Evansville Vanderburgh School Corporation. We have reviewed the audit report opined upon by FORVIS, LLP, Independent Public Accountants, for the period July 1, 2021 to June 30, 2022. Per the *Independent Auditor's Report*, the financial statement referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information of the School Corporation, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We call your attention to the finding in the report. The finding appears in the Single Audit Report on page 11, which is included after the Annual Financial Report. Please refer to the Schedule of Findings and Questioned Costs for further detail.

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

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

A handwritten signature in black ink that reads "Tammy R. White". The signature is written in a cursive style.

Tammy R. White, CPA  
Deputy State Examiner

**EVANSVILLE VANDERBURGH  
SCHOOL CORPORATION**

ANNUAL FINANCIAL REPORT

Year Ended June 30, 2022

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2022

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ANNUAL FINANCIAL REPORT  
For the Year Ended June 30, 2022

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600 N. Hurstbourne Parkway, Suite 350 / Louisville, KY 40222

P 502.581.0435 / F 502.581.0723

[forvis.com](http://forvis.com)

## Independent Auditor's Report

School Board  
Evansville Vanderburgh School Corporation  
Evansville, Indiana

### Report on the Audit of the Financial Statements

#### *Opinions*

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information of the School Corporation, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter*

As discussed in Note E to the financial statements, in 2022, the School Corporation adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and pension and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Corporation's basic financial statements. The combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

**FORVIS,LLP**

Evansville, Indiana  
March 31, 2023

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of Evansville Vanderburgh School Corporation, Indiana ("EVSC"), we offer readers of EVSC's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- Total assets and deferred outflows of EVSC exceeded its total liabilities and deferred inflows by \$194,150 (reported as net position). Of this amount \$(38,636) was reported as "unrestricted net position."
- As of the close of the current fiscal year, EVSC's governmental funds reported a combined ending fund balance of \$113,368.
- At the end of the current fiscal year, the fund balance for the Operations Fund was \$41,010 which represented 60.5% of total operations fund expenditures, excluding transfers out.
- EVSC's total bond and loan related debt as of June 30, 2022, is \$155,261.

### Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of EVSC that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of EVSC include instruction, support services, community services, and facilities acquisition and construction. In 2022, EVSC did not have any business-type activities.

The government-wide financial statements can be found on pages 13-15 of this report.

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

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

EVSC maintains over 50 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Education Fund, Debt Service, Operations Fund, and Exempt Debt Service/Referendum, which are considered to be major funds. Data for the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report. EVSC adopts an annual appropriated budget for its Operations, Education, and Debt Service funds. Budgetary comparison schedules have been provided for the major special revenue funds in the required supplementary information to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 16-18 of this report.

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

The basic proprietary fund financial statements can be found on pages 19-21 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those are not available to support EVSC's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

As of June 30, 2022, EVSC does not have any fiduciary funds.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-72 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning EVSC's budgets for its major funds as well as a reconciliation between the budget schedules and fund financial statements. Since EVSC budgets on a calendar year basis and reports on fiscal year ending June 30<sup>th</sup> basis, there is a timing exception. In addition, EVSC's progress in funding its obligation to provide pension and other post-employment benefits to certain employees is included as supplementary information. Required supplementary information can be found on pages 73-88 of this report.

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgets. Combining and individual fund statements and schedules can be found on pages 89-105 of this report.

### Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. For EVSC, total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$194,150 at the close of the most recent fiscal year.

By far the largest portion, \$125,172 (64.4%) of EVSC's net position reflects the investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding. EVSC uses these capital assets to provide services; consequently, these assets are not available for future spending. Although EVSC's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table reflects the condensed statement of EVSC's net position:

#### Evansville Vanderburgh School Corporation Net Position as of June 30,

	Governmental-Type Activities	
	2022	2021*
Current and Other Assets	\$ 164,488	\$ 124,606
Capital Assets	250,728	251,987
Total Assets	415,216	376,593
Deferred Outflow of Resources	38,122	24,381
Long-term Liabilities Outstanding	200,833	227,414
Other Liabilities	12,456	14,044
Total Liabilities	213,289	241,458
Deferred Inflow of Resources	45,899	18,632
Net Investment in Capital Assets	125,172	118,169
Restricted	107,614	81,101
Unrestricted	(38,636)	(58,386)
Total Net Position	\$ 194,150	\$ 140,884

\*The 2021 amounts were not restated for the impact of GASB 87

A portion of EVSC's net position, \$107,614 (55.4%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

At the end of the current fiscal year, EVSC reported a positive balance in net position for Net Investment in Capital Assets and Restricted Net Position. The remaining balance of unrestricted net position was (\$38,636). A negative balance for unrestricted net position is more common for units of government like EVSC that utilize pay as you go policies for long-term debt, pensions, and other post-employment benefits rather than accumulating assets in advance.

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

### Evansville Vanderburgh School Corporation – Changes in Net Position

	Governmental Activities	
	2022	2021*
Revenues:		
Program Revenues:		
Charges for Services	\$ 12,205	\$ 5,828
Operating Grants and Contributions	91,857	57,476
General Revenues:		
Taxes:		
Property	62,999	57,839
Other	7,342	6,486
State Aid	163,468	156,774
Other	19,805	9,792
	<u>357,676</u>	<u>294,195</u>
Total Revenues		
Expenses:		
Instruction	151,433	137,467
Support Services	104,255	95,847
Community Services	21,358	17,142
Facilities Acquisition and Construction	3,797	3,488
Interest on Long Term Debt	6,379	4,054
Nonprogrammed Charges	17,188	14,251
	<u>304,410</u>	<u>272,249</u>
Total Expenses		
Changes in Net Position	53,266	21,946
Net Position - beginning of year	140,884	115,891
Net Position - restatement	-	3,047
	<u>-</u>	<u>3,047</u>
Net Position - End of Year	<u>\$ 194,150</u>	<u>\$ 140,884</u>

\*The 2021 amounts were not restated for the impact of GASB 87

EVSC's net position from governmental activities was \$194,150 as of June 30, 2022. Notable governmental activities revenue and expense for the fiscal year ended June 30, 2022, included the following:

- Operating grants and contributions increased from \$57,476 to \$91,857 as a result of ESSER funding received during fiscal year 2022.

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

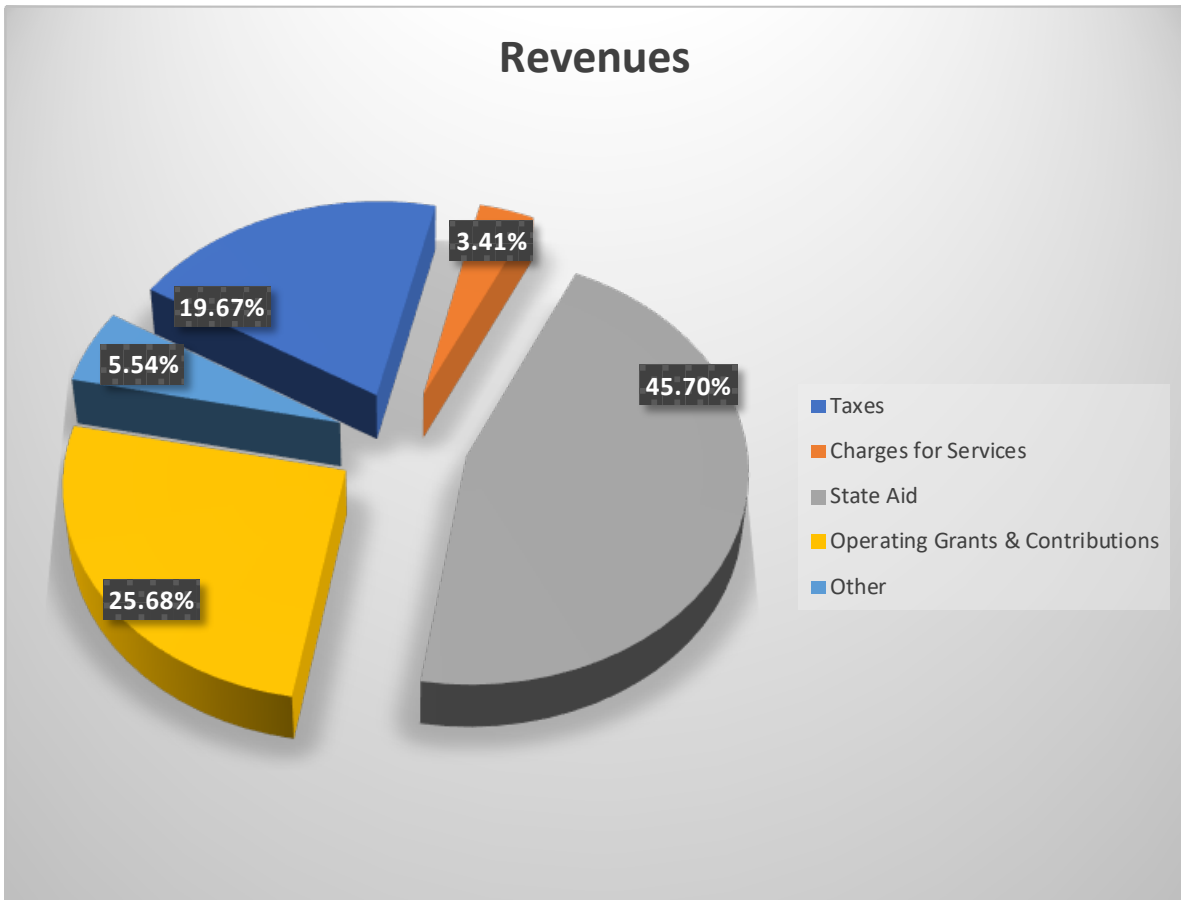
- Instruction related expenses increased from \$137,467 to \$151,433 because of an increase in educational programming.
- Expenses nonprogrammed charges increased from \$14,251 to \$17,188 due to increases in payments of medical claims from the self-insurance fund and depreciation expense.

EVSC's overall cash and cash equivalents are \$107,162. EVSC's property tax rate for 2022 is \$0.9900. The rate was \$0.9386 for 2021 (per \$100 of assessed value).

### Program Revenue and Expenses – Governmental Activities

State Aid was EVSC's major source of revenue supporting its activities. Other sources of revenue consisted primarily of grants and contributions not restricted to specific programs, investment income, and miscellaneous revenue.

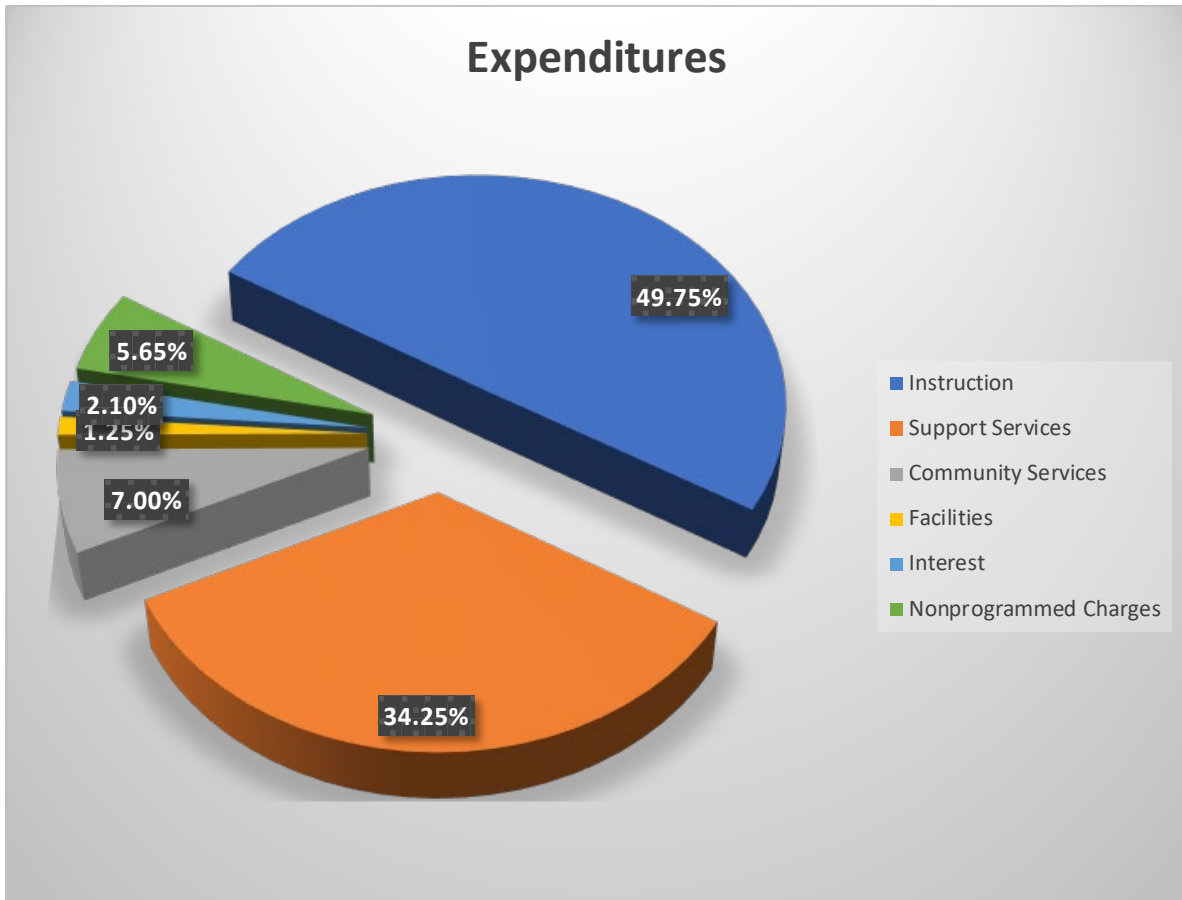
The following chart displays the Revenues by Source for EVSC's governmental activities:



# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Instruction was the major source of expenses for the fiscal year ended June 30, 2022. In addition to instruction, the school corporation incurred costs for support services, community service, facility acquisition and construction, interest on debt and other nonprogrammed charges. The following chart illustrates the fiscal year spending of the governmental funds.



### Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of EVSC's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing EVSC's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, EVSC's governmental funds reported combined ending fund balances of \$113,368. Fund balances are the differences between assets and liabilities in a governmental fund. EVSC implemented GASB 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The standard includes five classifications: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

Nonspendable fund balance includes amounts that are not in spendable form or amounts that are required to be maintained intact.

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation.

Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision-making authority.

Assigned fund balance applies to amounts that are intended for specific purposes as expressed by governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund.

Unassigned fund balances include all amounts not contained in other classifications for the general fund and deficit fund balances in any other governmental fund.

As of the end of the current fiscal year, EVSC's governmental funds reported combined ending fund balances of \$113,368. The fund balance has restricted fund balance of \$102,070 and committed fund balance of \$12,846.

The Operations Fund is the main operating fund of EVSC. The fund balance of EVSC's Operations Fund is \$41,010 as of June 30, 2022. Key factors are as follows:

- Expenditures exceeded revenues by \$17,202, excluding other financing sources and uses.
- Major sources of revenue include local sources of \$40,386 which includes property, excise and income taxes received.
- Major expenditures include support services of \$52,363 and debt repayment of \$6,649.

The Education Fund is a major fund for the current fiscal year. The fund balance for this major fund is \$12,937. The major source of revenue was state sources, consisting primarily of the state basic grant, in the amount of \$163,468. The expenditures include instruction of \$109,285, and support services of \$23,237.

The Debt Service Fund is reported as a major fund at June 30, 2022. The fund balance for this fund is \$970. The major source of revenue was local sources, consisting primarily of property taxes, in the amount of \$10,192. The majority of expenditures from this fund were related to payment of debt obligations in the amount of \$10,947.

The Exempt Debt Service/Referendum Fund was also reported as a major fund with a fund balance of \$8,659. The major source of revenue was local sources in the amount of \$15,903. This amount consists primarily of property taxes in the amount of \$14,403.

### **Budgetary Highlights**

The Evansville Vanderburgh School Board requested the business manager submit a budget that would allow for the continued operation of the school corporation. There were several assumptions used at the time of budget development, but when the actual budget information becomes available in January from the Department of Local Government Finance, EVSC adjusts the budget accordingly. The EVSC budget is prepared on a calendar year basis.

### **Capital and Lease Asset and Debt Administration**

**Capital and lease assets.** EVSC's investment in capital assets for its governmental activities as of June 30, 2022, are \$250,728 (net of accumulated depreciation and amortization). This investment in capital assets includes, land, construction in progress, buildings, lease assets, machinery, and equipment.

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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

- Additions of capital assets during 2022 included buildings of \$8,081, machinery, equipment, and vehicles of \$2,717 lease assets of \$1,655, and construction in progress of \$4,975.

The following table displays EVSC's capital assets.

### EVSC Capital and Lease Assets as of June 30,

Description	Governmental-Type Activities	
	2022	2021
Land	\$ 1,498	\$ 1,498
Buildings	598,265	590,182
Construction in Progress	2,523	4,457
Machinery and Equipment	29,057	29,233
Leased assets	241	-
<b>Total Capital and Lease Assets</b>	<b>631,584</b>	<b>625,370</b>
<b>Accumulated Depreciation/Amortization</b>	<b>(380,856)</b>	<b>(373,383)</b>
<b>Net Capital And Lease Assets</b>	<b>\$ 250,728</b>	<b>\$ 251,987</b>

**Long-term debt.** As of June 30, 2022, EVSC had outstanding long-term debt of \$200,833. The detail of EVSC's long-term debt is as follows:

### EVSC Long-term Debt as of June 30,

	Governmental-Type Activities	
	2022	2021
General Obligation	\$ 124,389	\$ 134,039
Premium/(Discount) on Bonds	2,502	3,124
Loan Payable	28,370	33,732
Finance Purchase	1,087	
Leases	123	-
Compensated Absences	5,710	7,014
Other Post Employment Benefits	29,013	25,815
Net Pension Liabilities	9,639	23,689
<b>Total</b>	<b>\$ 200,833</b>	<b>\$ 227,413</b>

Overall, EVSC's total long-term debt decreased during the current fiscal year.

EVSC maintains a long-term rating of "A+" on its outstanding general obligation bonds and building corporation first mortgage lease rental bonds (which are rated as a general obligation security) assigned by S&P Global Ratings. All ratings indicate high quality and strong capacity to pay EVSC's bonds.

Other Post Employment Benefits are actuarially determined as \$29,013 at June 30, 2022.

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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EVSC recognized a Net Pension Liability in 2022 of \$9,639, and a net pension asset of \$9,750. Additional information on the pension plans can be found in the notes to the financial statements included elsewhere in this report.

EVSC recognized a finance purchase liability in the amount of \$1,087.

Additional information of EVSC's long-term debt can be found in the Notes to the Financial Statements of this report.

### **Economic Factors and Next Year's Budget and Rates**

- The School Corporations assessed value increased by \$125 from \$7,164 in 2021 to \$7,289 in 2022. The School Corporation received an increase in growth quotient of 1.7% for assessed valuation. This increase will help support expenses for the operations fund.
- Property tax and the Basic Tuition Support is the School Corporations largest source of revenue. These funds are used for education expenses as well as operating expenses.
- State-wide property tax caps (based upon a percent of gross AV by property class) became effective in 2009. For the 2021 budget year, the loss to the School Corporation due to the caps is \$8,688. 2022 expected losses of revenue due to circuit breaker is \$9,484.

All the above factors were considered in preparing the School Corporations budget for the 2022 calendar year.

### **Request for Information**

This financial report is designed to provide a general overview of EVSC's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the EVSC Superintendent, 951 Walnut St., Evansville, IN 47713.

## **BASIC FINANCIAL STATEMENTS**

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## STATEMENT OF NET POSITION

June 30, 2022

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 107,162,190
Investments	21,662
Receivables (net):	
Taxes receivable	27,729,137
Intergovernmental receivable	3,267,745
Interest receivable	49,112
Leases	1,349,971
Prepays	284,707
Net pension asset	9,749,735
Restricted cash and cash equivalents	14,873,661
Capital assets:	
Land and construction in progress	4,020,803
Other capital assets, net of depreciation/amortization	246,707,150
Total Assets	<u>415,215,873</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Loss on refunding	379,926
OPEB related amounts	6,400,545
Pension related amounts	31,341,747
Total Deferred Outflows of Resources	<u>38,122,218</u>
 Total Assets and Deferred Outflows of Resources	 <u>\$ 453,338,091</u>

See notes to the financial statements

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities
<b>LIABILITIES</b>	
Accounts payable	\$ 1,858,509
Accrued wages and payroll withholdings	7,648,431
Interest payable	2,658,837
Claims payable	290,606
Noncurrent liabilities:	
Due within one year:	
Loans payable	7,911,450
Leases	122,638
Finance purchase	535,924
Bonds payable	14,430,000
Compensated absences	4,718,615
Due in more than one year:	
Loans payable	20,458,317
Finance purchase	551,678
Bond payable (net of unamortized premiums)	112,461,648
Compensated absences	991,410
Total OPEB Liability	29,012,841
Net pension liability	9,638,584
Total Liabilities	213,289,487
<b>DEFERRED INFLOWS OF RESOURCES</b>	
OPEB related amounts	614,078
Leases	1,349,971
Pension related amounts	43,934,507
Total Deferred Inflows of Resources	45,898,556
 Total Liabilities and Deferred Inflows of Resources	 259,188,043
<b>NET POSITION</b>	
Net investment in capital assets	125,172,200
Restricted for:	
Instruction	16,027,559
Support services	45,708,506
Building acquisition and construction	14,284,927
Pensions	9,749,735
Debt service	21,843,728
Unrestricted (deficit)	(38,636,607)
Total Net Position	194,150,048
 Total Liabilities, Deferred Inflows of Resources, and Net Position	 \$ 453,338,091

*See notes to the financial statements*

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2022

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
Instruction	\$ 151,432,983	\$ 1,749,804	\$ 72,276,599	\$ (77,406,580)
Support services	104,255,063	8,494,838	19,580,378	(76,179,847)
Community services	21,357,544	1,960,316	-	(19,397,228)
Facilities acquisition and construction	3,797,963	-	-	(3,797,963)
Interest on long term debt	6,378,610	-	-	(6,378,610)
Nonprogrammed charges	17,188,324	-	-	(17,188,324)
Total Primary Government	<u>304,410,487</u>	<u>12,204,958</u>	<u>91,856,977</u>	<u>(200,348,552)</u>
Total Primary Government	<u>\$ 304,410,487</u>	<u>\$ 12,204,958</u>	<u>\$ 91,856,977</u>	<u>(200,348,552)</u>
<b>General Revenues</b>				
Property taxes				62,998,858
Other taxes				7,342,450
State aid				163,467,796
Grants and contributions not restricted to specific programs				450,242
Investment income				394,930
Miscellaneous				<u>18,959,962</u>
Total General Revenues				<u>253,614,238</u>
			<b>Change in Net Position</b>	53,265,686
			NET POSITION - BEGINNING OF YEAR	140,884,362
			<b>NET POSITION - END OF YEAR</b>	<u>\$ 194,150,048</u>

See notes to the financial statements

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

BALANCE SHEET -  
GOVERNMENTAL FUNDS  
June 30, 2022

	Education Fund	Debt Service	Operations Fund	Exempt Debt Service/Referendum	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 17,922,593	\$ 970,207	\$ 39,490,648	\$ 8,658,697	\$ 37,620,496	\$ 104,662,641
Investments	-	-	-	-	21,662	21,662
Receivables:						
Taxes	-	4,720,385	15,823,064	7,185,688	-	27,729,137
Intergovernmental	-	-	-	-	3,267,745	3,267,745
Leases	-	-	-	-	1,349,971	1,349,971
Interest	-	-	12,053	-	37,059	49,112
Restricted cash and cash equivalents	-	-	-	-	14,873,661	14,873,661
Due from other funds	-	-	3,277,594	-	-	3,277,594
<b>Total Assets</b>	<b>\$ 17,922,593</b>	<b>\$ 5,690,592</b>	<b>\$ 58,603,359</b>	<b>\$ 15,844,385</b>	<b>\$ 57,170,594</b>	<b>\$ 155,231,523</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 38,888	\$ -	\$ 710,273	\$ -	\$ 1,109,348	\$ 1,858,509
Accrued wages and payroll withholding	4,946,678	-	1,059,675	-	1,642,078	7,648,431
Due to other funds	-	-	-	-	3,277,594	3,277,594
<b>Total Liabilities</b>	<b>4,985,566</b>	<b>-</b>	<b>1,769,948</b>	<b>-</b>	<b>6,029,020</b>	<b>12,784,534</b>
<b>Deferred Inflows of Resources:</b>						
Leases	-	-	-	-	1,349,971	1,349,971
Unavailable revenues	-	4,720,385	15,823,064	7,185,688	-	27,729,137
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>4,720,385</b>	<b>15,823,064</b>	<b>7,185,688</b>	<b>1,349,971</b>	<b>29,079,108</b>
<b>Fund Balances</b>						
Restricted	12,937,027	970,207	41,010,347	8,658,697	38,493,454	102,069,732
Committed	-	-	-	-	12,845,731	12,845,731
Unassigned (deficit)	-	-	-	-	(1,547,582)	(1,547,582)
<b>Total Fund Balances</b>	<b>12,937,027</b>	<b>970,207</b>	<b>41,010,347</b>	<b>8,658,697</b>	<b>49,791,603</b>	<b>113,367,881</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 17,922,593</b>	<b>\$ 5,690,592</b>	<b>\$ 58,603,359</b>	<b>\$ 15,844,385</b>	<b>\$ 57,170,594</b>	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital and leased assets used in governmental funds are not financial resources and, therefore, are not reported in the fund statements. See Note III.C.						\$ 250,727,953
Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position						2,208,943
Other liabilities, compensated absences and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the funds statements.						(5,710,024)
Compensated absences						(5,710,024)
Interest payable						(2,658,837)
Some receivables that are not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide statements.						27,729,137
Unavailable revenue						27,729,137
Deferred outflows and deferred inflows of resources related to pensions, bond refinancing, and other post employment benefits, do not relate to current financial resources and are not reported in the governmental funds.						
Deferred outflows - pension related						31,341,747
Deferred outflows - OPEB related						6,400,545
Deferred amount on refunding						379,926
Deferred inflows - pension related						(43,934,507)
Deferred inflows - OPEB related						(614,078)
Some assets, not received in the current period, and therefore, are not reported in the fund financial statements.						
Prepays						284,707
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the fund financial statements. See Note II.A.						
Loans payable						(28,369,767)
Leases payable						(122,638)
Finance purchase payable						(1,087,602)
Total OPEB Liability						(29,012,841)
Net pension asset						9,749,735
Net pension liability						(9,638,584)
Bonds payable						(126,891,648)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>						<b>\$ 194,150,048</b>

See notes to the financial statements

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2022

	Education Fund	Debt Service	Operations Fund	Exempt Debt Service/ Referendum	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ -	\$ 10,191,949	\$ 35,715,079	\$ 14,402,799	\$ -	\$ 60,309,827
Other taxes	-	1,171,415	4,670,454	1,500,581	-	7,342,450
Intergovernmental	363,632	-	-	-	61,186,977	61,550,609
State aid	163,467,796	-	-	-	-	163,467,796
Charges for services	1,026,321	-	3,456,936	-	4,046,898	8,530,155
Other						
Interest income	-	-	106,236	-	288,694	394,930
Miscellaneous	299,335	10,930	6,610,941	-	10,986,300	17,907,506
Total Revenues	<u>165,157,084</u>	<u>11,374,294</u>	<u>50,559,646</u>	<u>15,903,380</u>	<u>76,508,869</u>	<u>319,503,273</u>
<b>EXPENDITURES</b>						
Current:						
Instruction	109,284,667	-	-	-	16,539,202	125,823,869
Support services	23,237,233	-	52,362,585	-	31,663,453	107,263,271
Community services	-	-	6,764,603	-	15,434,244	22,198,847
Facilities acquisition and construction	-	-	1,984,851	-	10,635,983	12,620,834
Nonprogrammed charges	-	-	-	-	6,659,497	6,659,497
Debt service:						
Principal paid on bonds	-	6,065,000	-	-	10,085,000	16,150,000
Principal paid on leases	-	-	-	-	118,835	118,835
Principal on loans	-	4,882,121	6,243,625	-	46,204	11,171,950
Principal paid on finance purchases	-	-	-	-	567,898	567,898
Bond issuance costs	-	24,375	-	-	-	24,375
Interest on debt	-	966,879	405,712	-	5,864,711	7,237,302
Total Expenditures	<u>132,521,900</u>	<u>11,938,375</u>	<u>67,761,376</u>	<u>-</u>	<u>97,615,027</u>	<u>309,836,678</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>32,635,184</u>	<u>(564,081)</u>	<u>(17,201,730)</u>	<u>15,903,380</u>	<u>(21,106,158)</u>	<u>9,666,595</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Bond proceeds	-	-	-	-	6,500,000	6,500,000
Premium on bond issuance	-	253,134	-	-	-	253,134
Loan proceeds	-	-	2,686,320	-	3,816,557	6,502,877
Finance purchase proceeds	-	-	-	-	1,655,500	1,655,500
Transfers in	-	93,332	22,000,000	-	18,408,410	40,501,742
Transfers out	<u>(23,500,000)</u>	<u>(1,898,994)</u>	<u>-</u>	<u>(14,497,500)</u>	<u>(605,248)</u>	<u>(40,501,742)</u>
Total Other Financing Sources (Uses)	<u>(23,500,000)</u>	<u>(1,552,528)</u>	<u>24,686,320</u>	<u>(14,497,500)</u>	<u>29,775,219</u>	<u>14,911,511</u>
<b>Net Change in Fund Balances</b>	9,135,184	(2,116,609)	7,484,590	1,405,880	8,669,061	24,578,106
FUND BALANCES - BEGINNING OF YEAR	<u>3,801,843</u>	<u>3,086,816</u>	<u>33,525,757</u>	<u>7,252,817</u>	<u>41,122,542</u>	<u>88,789,775</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 12,937,027</u>	<u>\$ 970,207</u>	<u>\$ 41,010,347</u>	<u>\$ 8,658,697</u>	<u>\$ 49,791,603</u>	<u>\$ 113,367,881</u>

See notes to the financial statements

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2022

Net change in fund balances - total governmental funds	\$ 24,578,108
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.	
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	8,781,202
Loss on disposal of assets	(80,993)
Depreciation/amortization is reported in the government-wide statements	(10,200,308)
Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	
Unavailable revenues (net)	2,689,031
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Debt issued - bonds	(6,500,000)
Debt issued - loans	(6,502,877)
Finance purchase proceeds	(1,655,500)
Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of net activities and are reported as interest expense.	
Amortization of debt premium	874,566
Premiums on new debt	(253,134)
Changes in net pension liability and net OPEB liability are reported in the government wide statement of activities	
Total OPEB liability	(3,197,496)
Net pension asset	9,749,735
Net pension liability	14,050,377
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	1,304,361
Prepaid expenses	(217,466)
Deferred outflows - pension related	11,551,780
Deferred outflows - OPEB related	2,279,321
Amortization of loss on refunding	(90,364)
Accrued interest on debt	(20,707)
Some revenues reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as revenue in the funds	
Deferred inflows - pension related	(25,758,595)
Deferred inflows - OPEB related	(158,234)
Principal paid on debt	
Bonds	16,150,000
Loans	11,821,950
Leases	118,835
Finance purchases	567,898
Internal Service Funds are used by management to change the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	
	<u>3,384,196</u>
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 53,265,686</b>

*See notes to the financial statements*

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

STATEMENT OF NET POSITION -  
PROPRIETARY FUND  
June 30, 2022

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	<u>Internal Service</u>
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 2,499,549
Total Current Assets	<u>2,499,549</u>
Total Assets	<u>2,499,549</u>
<b>LIABILITIES AND NET POSITION</b>	
Claims payable	<u>290,606</u>
Total Liabilities	<u>290,606</u>
<b>NET POSITION</b>	
Net position:	
Unrestricted	<u>2,208,943</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 2,208,943</u></u>

See notes to the financial statements

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUND Year Ended June 30, 2022

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	<u>Internal Service</u>
<b>OPERATING REVENUES</b>	
Charges for services	\$ <u>35,375,478</u>
Total Operating Revenues	<u>35,375,478</u>
<b>OPERATING EXPENSES</b>	
Insurance claims and expense	<u>31,991,282</u>
Total Operating Expenses	<u>31,991,282</u>
<b>Operating Income</b>	3,384,196
NET POSITION (DEFICIT) - BEGINNING OF YEAR	<u>(1,175,253)</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 2,208,943</u></u>

See notes to the financial statements

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

STATEMENT OF CASH FLOWS -  
PROPRIETARY FUND  
Year Ended June 30, 2022

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	Internal Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Received from customers	\$ 35,375,478
Paid to vendors	<u>(34,481,589)</u>
Net Cash Flows From Operating Activities	<u>893,889</u>
<b>Net Change in Cash and Cash Equivalents</b>	893,889
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,605,660</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,499,549</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating Income	\$ 3,384,196
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities	
Claims payable	<u>(2,490,307)</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ 893,889</u>

See notes to the financial statements

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## INDEX TO NOTES TO FINANCIAL STATEMENTS June 30, 2022

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# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The Evansville-Vanderburgh School Corporation (primary government) was established under the laws of the State of Indiana. The primary government operates under a Board of School Trustees form of government and provides education services.

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

#### ***A. REPORTING ENTITY***

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

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### **A. REPORTING ENTITY (cont.)**

##### ***Blended Component Unit***

The Evansville-Vanderburgh School Building Corporation is a blended component unit of the School Corporation. The Evansville-Vanderburgh School Building Corporation was created for the purpose of financing School buildings and improvements. Although it is legally separate from the primary government, the Building Corporation is reported as if it were a part of the primary government because it provided services entirely or almost entirely to the primary government. To exclude the financial statements of this component unit would render the School Corporation's financial statements incomplete or misleading. The Building Corporation is included as two debt service funds and one capital project fund (to account for the retirement of debt). The Building Corporation does not issue separate financial statements.

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

In June of 2017, the GASB issued Statement No. 87, *Leases*. This Statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under the Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about the School Corporation's leasing activities. This standard was implemented June 30, 2022.

##### ***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

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

##### ***Fund Financial Statements***

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

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements (cont.)***

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

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

Separate financial statements are provided for governmental funds and internal service funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School Corporation reports the following major governmental funds:

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

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

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

Exempt Debt Service/Referendum Fund - accounts for all financial resources for the payment of bonds that were approved by taxpayers and are exempt from circuit breaker credits.

The School Corporation reports the following nonmajor governmental fund types:

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

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

Capital Projects Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements (cont.)***

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

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

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

##### ***Government-Wide Financial Statements***

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

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

##### ***Fund Financial Statements***

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

Property taxes are recognized as revenues in the year when services financed by the levy are being provided.

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)***

##### ***Fund Financial Statements (cont.)***

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

##### ***Use of Estimates***

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

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE***

##### ***1. Deposits and Investments***

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

The School Corporation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statute (IC 5-13-9) authorizes the 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.

##### ***2. Restricted Assets***

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

See Note III. A. for further information.

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE (cont.)***

##### **3. Receivables**

Property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the County is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the preceding year's January 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the primary government prior to December 31 of the year collected.

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

##### **4. Capital and lease Assets**

###### ***Government-Wide Statements***

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE (cont.)***

##### **4. Capital Assets (cont.)**

###### ***Government-Wide Statements (cont.)***

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

Buildings and building improvements	40 Years
Machinery and equipment	10 Years
Vehicles	10 Years
Works of art	10 Years
Historic treasures	10 Years

Lease assets are typically amortized over the lease term.

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

###### ***Fund Financial Statements***

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

##### **5. Deferred Outflows of Resources**

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

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE (cont.)***

##### **6. *Compensated Absences***

###### ***Certified Employees***

Teachers hired prior to July 1, 2004, whom are at least 50 years of age by December 31st of the calendar year preceding retirement, and have at least 10 consecutive years of service, will be paid out all remaining sick days at \$70 per day upon retirement. This amount will be deposited into their 401a.

###### ***Classified Employees***

Classified Employees' leave balances are paid out upon retirement at various rates and maximums, based on years of service, age at retirement, job classification, and start date with the school corporation.

###### ***Food Service Employees***

Food service employees, whom are at least 50 years of age and have served at least 10 years of consecutive service for the School Corporation will be paid out for a maximum of 215 days, ranging from 40% to 70% of a day's pay.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2022, are determined on the basis of current salary rates and include salary related payments. Compensated absences for governmental activities typically have been liquidated from the Education Fund and Operations Fund.

##### **7. *Long-Term Obligations***

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

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

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE (cont.)***

##### **8. Leases**

The School Corporation is a lessor because it leases capital assets to other entities. As a lessor, the School Corporation reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The School Corporation continues to report and depreciate the capital assets being leased as capital assets of the primary government.

The School Corporation is a lessee because it leases capital assets from other entities. As a lessee, the School Corporation reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the School Corporation recognizes lease proceeds and capital outlay at initiation of the lease, and the outflow of resources for the lease liability as a debt service payment.

##### **9. Deferred Inflows of Resources**

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

##### **10. Net Position/Fund Balance**

###### ***Government-Wide Statements***

Net position is displayed in three components:

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

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE (cont.)***

##### ***Fund Statements***

Fund balance and governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by: 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the School Corporation Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the School Corporation Board that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The School Corporation Board has, by resolution, adopted a financial policy authorizing the Director of Finance to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Unassigned fund balance includes negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

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

See Note III. F. for further information.

#### ***10. Postemployment Benefits Other Than Pensions (OPEB)***

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### *D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE (cont.)*

#### **11. 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.

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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#### A. DEFICIT BALANCES

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

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

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
SEC Schools 18	\$ 13,588	Reimbursable grants
Title II Funds	48,283	Reimbursable grants
McKinney-Vento	2,874	Reimbursable grants
Special Education Funds	214,396	Reimbursable grants
Title IV, Part A	7,246	Reimbursable grants
Perkins	3,659	Reimbursable grants
Cohort 8 yr 1	5,117	Reimbursable grants
School Improvement Grants	8,126	Reimbursable grants
Full Service 1	11,700	Reimbursable grants
Esser III	284,519	Reimbursable grants
Esser II	465,890	Reimbursable grants
CARES Act	701	Reimbursable grants
ESSER/SI/CAZE	12,450	Reimbursable grants
Daycare Scholarship	1,407	Reimbursable grants
Title I	407,589	Reimbursable grants
ARP	52,380	Reimbursable grants
Perkins 22-23	7,657	Reimbursable grants

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE III - DETAILED NOTES ON ALL FUNDS

#### A. DEPOSITS AND INVESTMENTS

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Checking accounts	\$ 67,490,821	\$ 68,145,137	Custodial credit risk
Local government investment pool	31,026,000	31,042,624	Custodial credit risk
Certificates of deposit	80,186	80,186	Custodial credit risk
Money market accounts	<u>23,460,506</u>	<u>23,460,506</u>	Custodial credit risk
Total Deposits and Investments	<u>\$122,057,513</u>	<u>\$122,728,453</u>	
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$107,183,852		
Restricted cash and investments	<u>14,873,661</u>		
Total Deposits and Investments	<u>\$122,057,513</u>		

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

#### ***Custodial Credit Risk***

##### **Deposits**

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

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

##### **Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

#### ***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 policy for credit risk is to stay in compliance with Indiana Code.

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### A. DEPOSITS AND INVESTMENTS (cont.)

See Note I.D. for further information on deposit and investment policies.

#### B. RECEIVABLES

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

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *unavailable revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
Taxes Receivable	<u>\$ 27,729,137</u>
Total Unavailable Revenue for Governmental Funds	<u><u>\$ 27,729,137</u></u>

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**C. CAPITAL AND LEASE ASSETS**

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

	<u>Beginning Balance Restated</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
Capital and Lease assets not being depreciated/amortized				
Land	\$ 1,497,900	\$ -	\$ -	\$ 1,497,900
Construction in progress	<u>4,457,401</u>	<u>4,975,472</u>	<u>6,909,970</u>	<u>2,522,903</u>
Total Capital and lease Assets Not Being Depreciated/Amortized	<u>5,955,301</u>	<u>4,975,472</u>	<u>6,909,970</u>	<u>4,020,803</u>
Capital and Lease assets being depreciated/amortized				
Buildings	590,182,062	8,081,462	-	598,263,524
Machinery, equipment, and vehicles	29,232,687	2,717,121	2,891,829	29,057,979
Lease assets	<u>241,473</u>	<u>-</u>	<u>-</u>	<u>241,473</u>
Total Capital and Lease Assets Being Depreciated/Amortized	<u>619,656,222</u>	<u>10,798,583</u>	<u>2,891,829</u>	<u>627,562,976</u>
Total Capital and lease Assets	<u>625,611,523</u>	<u>15,774,055</u>	<u>9,801,799</u>	<u>631,583,779</u>
Less: Accumulated depreciation/amortization for				
Buildings	(352,977,725)	(7,949,487)	-	(360,927,212)
Machinery, equipment, and vehicles	(20,405,743)	(2,131,986)	2,727,950	(19,809,779)
lease assets	<u>-</u>	<u>(118,835)</u>	<u>-</u>	<u>(118,835)</u>
Total Accumulated Depreciation/Amortization	<u>(373,383,468)</u>	<u>(10,200,308)</u>	<u>2,727,950</u>	<u>(380,855,826)</u>
Net Capital and Lease Assets Being Depreciated/Amortized	<u>246,272,754</u>	<u>598,275</u>	<u>163,879</u>	<u>246,707,150</u>
Total Governmental Activities Capita and Lease Assets, Net of Accumulated Depreciation/Amortization	<u>\$ 252,228,055</u>	<u>\$ 5,573,747</u>	<u>\$ 7,073,849</u>	<u>\$ 250,727,953</u>

Depreciation/amortization expense was charged to functions as follows:

<b>Governmental Activities</b>	
Nonprogrammed charges	<u>\$ 10,200,308</u>
Total Governmental Activities Depreciation/Amortization Expense	<u>\$ 10,200,308</u>

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS***

***Interfund Receivables/Payables***

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

Receivable Fund	Payable Fund	Amount
Operations Fund	Nonmajor Governmental Funds	\$ 3,277,594
Total - Fund Financial Statements		3,277,594
Less: Government-wide eliminations		<u>(3,277,594)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u><u>\$ -</u></u>

All amounts are due within one year.

The principal purpose of these interfunds is to cover negative cash balances at year end.

***Transfers***

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Debt service fund	Nonmajor governmental funds	\$ 93,332	For debt service
Operations fund	Education fund	22,000,000	For support of operations fund
Nonmajor governmental funds	Education fund	1,500,000	To support operations
Nonmajor governmental funds	Debt service fund	1,898,994	For building corporation debt service
Nonmajor governmental funds	Exempt debt service/referendum	14,497,500	For building corporation debt service
Nonmajor governmental funds	Nonmajor governmental funds	<u>511,916</u>	To support operations
Total - Fund Financial Statements		40,501,742	
Less: Government-wide eliminations		<u>(40,501,742)</u>	
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ -</u></u>	

Generally, transfers are used to: (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) move balances from the Education fund to the Operations fund as allowed by statute.

**EVANSVILLE-VANDEBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***E. LONG-TERM OBLIGATIONS***

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

	Beginning Balance, Restated	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 134,039,000	\$ 6,500,000	\$ 16,150,000	\$ 124,389,000	\$ 14,430,000
Loans payable	33,731,713	6,502,877	11,864,823	28,369,767	7,911,450
Financed purchase	-	1,655,000	567,898	1,087,102	535,924
(Discouts)/Premiums	<u>3,124,080</u>	<u>391,206</u>	<u>1,012,638</u>	<u>2,502,648</u>	<u>-</u>
Sub-totals	<u>170,894,793</u>	<u>15,049,083</u>	<u>29,595,359</u>	<u>156,348,517</u>	<u>22,877,374</u>
Other Liabilities					
Compensated absences	7,014,388	-	1,304,363	5,710,025	4,718,615
Leases	241,473	-	118,835	122,638	122,638
Total OPEB liabilities	25,815,345	4,705,132	1,507,636	29,012,841	-
Net pension liability	<u>23,688,961</u>	<u>19,996,717</u>	<u>34,047,094</u>	<u>9,638,584</u>	<u>-</u>
Total Other Liabilities	<u>56,760,167</u>	<u>24,701,849</u>	<u>36,977,928</u>	<u>44,484,088</u>	<u>4,841,253</u>
Total Governmental Activities Long- Term Liabilities	<u>\$ 227,654,960</u>	<u>\$ 39,750,932</u>	<u>\$ 66,573,287</u>	<u>\$ 200,832,605</u>	<u>\$ 27,718,627</u>

**EVANSVILLE-VANDEBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**E. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt**

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

**Governmental Activities**

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance as of June 30, 2022</u>
2018 General Obligation Bonds	11/6/18	1/15/22	2.5% to 3%	\$ 5,000,000	\$ 1,165,000
2019 General Obligation Bonds	11/6/19	1/15/25	4.% to 5.%	7,100,000	5,430,000
2020 General Obligation Bonds	10/22/20	1/15/25	4%	6,625,000	6,020,000
2021 General Obligation Bonds	10/27/21	1/15/26	2%	6,500,000	5,910,000
2010 Lease Rental, Series B	2/4/10	1/15/30	2.35% to 6.35%	59,785,000	56,745,000
2010 Lease Rental, Series C	2/4/10	1/16/25	1.90%	10,000,000	2,710,000
2010 Lease Rental, Series D	12/15/10	7/15/31	4% to 6.10%	7,918,862	4,649,000
2010 Lease Rental, Series E	12/15/10	1/15/30	4.25% to 6.10%	28,080,000	19,260,000
First Mortgage Refunding Bonds, Series 2019	6/13/19	1/15/29	3% to 4%	28,320,000	<u>22,500,000</u>
Total Governmental Activities - General Obligation Debt					<u><u>\$ 124,389,000</u></u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 14,430,000	\$ 5,711,525
2024	17,910,000	5,329,184
2025	18,480,000	4,518,801
2026	15,270,000	3,733,063
2027	13,005,000	2,990,205
2028-2032	<u>45,294,000</u>	<u>14,882,424</u>
Totals	<u><u>\$ 124,389,000</u></u>	<u><u>\$ 37,165,202</u></u>

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***E. LONG-TERM OBLIGATIONS*** (cont.)

***Loans Payable***

Loans Payable at June 30, 2022 consist of the following:

Governmental Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance June 30, 2022
Common school loan A2888	6/16/17	7/1/22	0%	\$ 751,000	\$ 75,100
Common school loan A2905	11/21/17	7/1/22	0%	1,999,999	200,000
Common school loan A2940	6/7/18	7/1/23	0%	1,999,999	600,000
Common school loan A2983	6/7/18	7/1/23	0%	513,895	154,168
Common school loan B0005	8/9/18	1/1/24	0%	1,999,999	800,000
Common school loan B0043	10/30/18	1/1/24	0%	1,999,999	800,000
Common school loan B0085	3/22/19	7/1/24	0%	768,000	384,000
Common school loan B0098	11/26/19	7/1/24	0%	1,999,999	1,000,000
Common school loan B0183	6/16/20	7/1/25	0%	739,100	517,370
Common school loan B0192	8/7/20	7/1/25	0%	1,742,872	1,399,999
Common school loan B0142	8/25/20	7/1/25	1%	1,991,990	1,399,999
Common school loan S0001	10/3/18	1/1/25	0%	450,000	270,000
Common school loan B0227	11/25/20	1/1/26	1%	1,999,999	1,599,999
Common school loan B0264	4/27/21	7/1/26	1%	748,926	674,033
Common school loan B0275	9/8/21	7/1/26	1%	1,999,999	1,800,000
Common school loan B0299	6/16/21	7/1/26	1%	1,999,999	1,999,999
Common school loan B0326	10/29/21	7/1/26	1%	828,000	745,200
Common school loan B0335	3/4/22	7/1/27	1%	1,294,731	1,294,731
Common school loan B0359	6/16/22	7/1/28	1%	68,805	68,804
Energy savings loan	10/26/10	7/15/27	0%	10,200,000	3,635,955
First financial bank	11/21/17	7/15/33	0%	3,422,500	2,906,251
Bosse Field Renovations	4/16/20	1/15/39	2.30%	3,794,610	3,357,839
Operations tax anticipation warrant	1/30/20	12/31/20	0%	9,302,167	<u>2,686,320</u>
Total Governmental Activities Loans Payable					<u>\$ 28,369,767</u>

**EVANSVILLE-VANDEBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***E. LONG-TERM OBLIGATIONS*** (cont.)

***General Obligation Debt***

Debt service requirements to maturity are as follows:

<u>School Years Ending June 30,</u>	<u>Governmental Activities Loans Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 7,911,450	\$ 376,358
2024	5,496,645	439,686
2025	4,197,739	346,866
2026	3,376,830	263,804
2027	2,166,812	190,534
2028-2032	3,066,680	463,778
2033-2037	1,737,599	140,958
2038-2039	<u>416,012</u>	<u>10,907</u>
 Totals	 <u>\$ 28,369,767</u>	 <u>\$ 2,232,891</u>

Financed Purchase

The School Corporation entered into an agreement with a maturity of April 1, 2024. The financed purchases of equipment with annual payments of \$567,898 and interest at 2.94% with maturities of \$535,923 and \$551,678 principal and \$31,974 and \$16,219 interest in 2023 and 2024, respectively.

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**E. LONG-TERM OBLIGATIONS (cont.)**

**Lease Disclosures**

**Lessee - Lease Liabilities**

**Governmental Activities**

<u>Lease Liabilities Description</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance June 30, 2022</u>
Lenovo	5/16/2019	6/30/2022	3.00%	\$ 241,473	\$ 122,638
Total governmental activities lease liabilities					\$ 122,638

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 122,638	\$ 3,782	\$ 126,420
Total	\$ 122,638	\$ 3,782	\$ 126,420

**Lessor - Lease Receivables**

**Governmental Activities and Misc/Donations (nonmajor fund)**

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance June 30, 2022</u>
New Cingular Wireless - Land lease	7-1-2021	6-30-2038	2.00%	\$ 1,091,838
Otters - Bosse Field Land	7-1-2021	6-30-2029	2.00%	258,133
Total governmental activities and Misc/Donations (non major fund)				\$ 1,349,971

The School Corporation recognized \$63,160 of lease revenue during the fiscal year.

The School Corporation recognized \$34,440 of interest revenue during the fiscal year.

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. NET POSITION/FUND BALANCES**

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

**Governmental Activities**

Net Investment in Capital Assets	
Land	\$ 1,497,900
Construction in progress	2,522,903
Other capital assets, net of accumulated depreciation	246,707,150
Less: Long-term debt outstanding	(131,459,727)
Plus: Unspent bond proceeds	6,294,372
Plus: Unamortized loss on refunding	379,923
Less: Capital related accounts payable	<u>(770,321)</u>
 Total Net Investment in Capital Assets	 <u>\$ 125,172,200</u>

**Governmental Funds**

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

	<u>Education Fund</u>	<u>Debt Service Fund</u>	<u>Operations Fund</u>	<u>Exempt Debt Service/Refere ndum</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>Fund Balances</b>						
<b>Restricted for:</b>						
Instruction	\$ 12,937,027	\$ -	\$ -	\$ -	\$ 4,545,796	\$ 17,482,823
Support Services	-	-	41,010,347	-	4,789,070	45,799,417
Debt Service	-	970,207	-	8,658,697	14,873,661	24,502,565
Facilities acquisition and construction	-	-	-	-	14,284,927	14,284,927
Sub-total	<u>12,937,027</u>	<u>970,207</u>	<u>41,010,347</u>	<u>8,658,697</u>	<u>38,493,454</u>	<u>102,069,732</u>
<b>Committed to:</b>						
Support Services	-	-	-	-	4,671,769	4,671,769
Community Services	-	-	-	-	5,804,034	5,804,034
Nonprogrammed charges	-	-	-	-	2,369,928	2,369,928
Sub-total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,845,731</u>	<u>12,845,731</u>
<b>Unassigned (deficit):</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,547,582)</u>	<u>(1,547,582)</u>
 <b>Total Fund Balances (Deficit)</b>	 <u>\$ 12,937,027</u>	 <u>\$ 970,207</u>	 <u>\$41,010,347</u>	 <u>\$ 8,658,697</u>	 <u>\$49,791,603</u>	 <u>\$113,367,881</u>

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE IV - OTHER INFORMATION**

**A. EMPLOYEES' RETIREMENT SYSTEM**

**Public Employees' Retirement Fund**

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

	<u>Net Pension Liability(Asset)</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
PERF	\$ 9,638,584	\$ 10,353,460	\$ 15,259,243	\$ 555,375
TRF	<u>(9,749,735)</u>	<u>20,988,287</u>	<u>28,675,264</u>	<u>65,330</u>
Total	<u>\$ (111,151)</u>	<u>\$ 31,341,747</u>	<u>\$ 43,934,507</u>	<u>\$ 620,705</u>

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

**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 supplements the defined benefit at retirement.

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### *A. EMPLOYEES' RETIREMENT SYSTEM (cont.)*

##### *Public Employees' Retirement Fund (cont.)*

**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 calendar year 2021 is 11.20% percent 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 \$4,854,994 the fiscal year ended June 30, 2022.

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

Indiana Public Retirement System  
1 N Capital Street, Suite 001  
Indianapolis, IN 46204  
ph. (888) 526-1687

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### **Public Employees' Retirement Fund (cont.)**

**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 nonvested member who terminates employment prior to retirement may withdraw his/her DC Account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 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.

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM** (cont.)

##### **Public Employees' Retirement Fund** (cont.)

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

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

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

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Public Employees' Retirement Fund (cont.)**

**Net Pension Liability**

At June 30, 2022, the School Corporation reported a Liability of \$9,638,584 for its proportionate share of the net pension Liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School Corporation's proportion of the total was measured on the ratio of the wages reported by employers relative to the collective wages of the plan. This basis of allocation measures the proportionate relationship of an employer to all employers and is consistent with the manner in which contributions to the pension plan are determined. The plan does not have a special funding situation, as there is not a nonemployer contributing entity legally responsible for making contributions that are used to provide pension benefits to members of the pension plan. At June 30, 2022, the School Corporation's proportion was 0.73250%, an increase of .00305% from .72945% as of June 30, 2021. The net pension liability as of June 30, 2022 is calculated as set forth in the following table:

	PERF Plan Totals
Net pension liability - beginning	\$ 22,032,266
Differences between projected and actual experience	42,677
Net difference between projected and actual investment	(14,400,427)
Change of assumptions	7,273,866
Changes in proportion and differences between employer contributions and proportionate share of contributions	(254,609)
Pension expense	(555,375)
Contributions	<u>(4,499,814)</u>
Net Pension Liability - ending	<u>\$ 9,638,584</u>

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### *Public Employees' Retirement Fund* (cont.)

**Deferred Outflows of Resources and Deferred Inflows of Resources.** At June 30, 2022, the School Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 329,667	\$ 192,454
Changes in assumptions	4,848,271	2,165,008
Net differences between projected and actual earnings on pension plan investments	-	12,514,820
Changes in proportion and differences between employer contributions and proportionate share of contributions	320,528	386,961
Employer contributions subsequent to the measurement date	4,854,994	-
Totals	\$ 10,353,460	\$ 15,259,243

\$4,854,994 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2023	\$ (2,570,000)
2024	(2,302,799)
2025	(1,310,640)
2026	(3,577,339)

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### *A. EMPLOYEES' RETIREMENT SYSTEM* (cont.)

#### *Public Employees' Retirement Fund* (cont.)

**Pension Expense.** The School Corporation recognized pension expense for the following proportionate share of pension expense:

Pension Expense	
Proportionate share of plan pension expense	\$ (832,173)
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>276,798</u>
Total	<u><u>\$ (555,375)</u></u>

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

#### Public Employees' Retirement Fund (cont.)

#### Key Methods and Assumptions

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

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

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

#### Public Employees' Retirement Fund (cont.)

##### Change in Assumptions

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

##### Changes in Actuarial Methods

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

##### Plan Amendments

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

##### Long-Term Return Expectation

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

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

**EVANSVILLE-VANDEBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Public Employees' Retirement Fund (cont.)**

**Discount Rate**

The discount rate used to measure the total pension liability was 6.25% as of the measurement date of June 30, 2021 and is equal to the long-term expected return on plan investments. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

	<b>1% Decrease to Discount Rate (5.25%)</b>	<b>Current Discount Rate (6.25%)</b>	<b>1% Increase to Discount Rate (7.25%)</b>
School Corporation's proportionate share of the net pension liability (asset)	\$25,209,124	\$9,638,584	\$(3,349,306)

**Pension Plan Fiduciary Net Position**

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

[https://www.in.gov/inprs/files/2021ActuarialReport\\_PERF.pdf](https://www.in.gov/inprs/files/2021ActuarialReport_PERF.pdf)  
[https://www.in.gov/inprs/files/INPRSConsolidatedAR\\_FY21.pdf](https://www.in.gov/inprs/files/INPRSConsolidatedAR_FY21.pdf)

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### **Teacher's Retirement Fund**

**Plan Description.** Teacher's 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 the public schools of Indiana, teachers employed by the state at state institutions, and certain INPRS personnel. Faculty members and professional employees at Ball State University and Vincennes University have the option of selecting membership in the Fund or an alternate University plan not administered by INPRS. Membership in Teacher's Retirement Fund '96 Defined Benefit (TRF '96 DB) plan is optional for teachers employed by charter schools, employees and officials of the Indiana State Board of Education who were Indiana licensed teachers before their employment with the Board, and teachers employed by special management teams as defined under IC 20-31. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, 35 IAC 14, and other Indiana pension law. TRF '96 DB is a component of the Teachers' Hybrid Plan.

**Retirement Benefits - Defined-Benefit Pension.** The TRF Plan retirement benefit consists of the sum of the defined pension benefit provided by the employer contributions plus the amount credited to the member's DC Account.

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

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

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

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### ***Teacher's Retirement Plan (cont.)***

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.

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

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

***Contributions.*** Members are required to contribute 3% of their annual covered salary. The School Corporation is required to contribute at an actuarially determined rate; the rate for fiscal year 2019 was 7.50% of annual covered payroll. The contribution requirements of plan members and the primary government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana. Contributions to the TRF plan from the School Corporation were \$4,427,788 for the year ended June 30, 2022.

**EVANSVILLE-VANDERBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Teacher's Retirement Plan (cont.)**

**Pension Liability (Asset), Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For purposes of measuring the net pension liability(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Indiana Public Retirement System (INPRS) and additions to/deductions from INPRS's fiduciary net position have been determined on the same basis as they are reported by INPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. At June 30, 2022, the School reported an asset of \$9,749,735 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021 and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The School's proportion of the net pension liability was based on the School's reported wages as a proportion of total collective reported wages for all employers. At June 30, 2022, the School's proportion was 2.07533 percent, a decrease of .05025% from 2.12558% as of June 30, 2021. The net pension liability (asset) as of June 30, 2022 is calculated as set forth in the following table:

	TRF Plan Totals
Net pension liability beginning	\$ 1,656,693
Differences between projected and actual experience	2,185,931
Net difference between projected and actual investment	(19,966,403)
Change of assumptions	10,428,915
Changes in proportion and differences between employer contributions and proportionate share of contributions	(53,585)
Pension expense	65,330
Contributions	(4,066,616)
Net pension liability (asset) ending	\$ (9,749,735)

For the year ended June 30, 2022, the School Corporation recognized pension expense of \$65,330 for the TRF Fund. A breakdown of the pension expense is shown below:

Pension Expense	
Proportionate share of plan pension expense	\$ 252,997
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	(187,667)
Total	\$ 65,330

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### *Teacher's Retirement Plan* (cont.)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,796,780	\$ 3,202,792
Changes in assumptions	12,800,054	5,400,928
Net differences between projected and actual earnings on pension plan investments	-	17,328,200
Changes in proportion and differences between employer contributions and proportionate share of contributions	963,665	2,743,344
Employer contributions subsequent to the measurement date	4,427,788	-
Totals	\$ 20,988,287	\$ 28,675,264

\$4,427,788 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2023	\$ (4,055,405)
2024	(3,538,050)
2025	(3,395,606)
2026	(4,461,332)
2027	469,459
Thereafter	2,866,168

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

#### *Teacher's Retirement Plan* (cont.)

##### Actuarial Assumptions

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

The actuarial assumptions used in the June 30, 2022 valuation of the Teachers' 1996 Defined Benefit Account were adopted by the INPRS Board in June 2020. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014 through June 30, 2019 and were first used in the June 30, 2020 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

##### Changes in Assumption

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

##### Changes in Actuarial Methods

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

##### Changes in Plan Provisions

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### *Teacher's Retirement Plan* (cont.)

##### Long Term Return Expectation

For the measurement date of June 30, 2022, the long-term return expectation has been determined by using a building-block approach and assumes a time horizon, as defined by INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established and the long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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

##### Discount Rate

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

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**EVANSVILLE-VANDEBURGH SCHOOL CORPORATION**

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

**NOTE IV - OTHER INFORMATION (cont.)**

**A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

**Teacher's Retirement Plan (cont.)**

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

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

	<b>1% Decrease to Discount Rate (5.25%)</b>	<b>Current Discount Rate (6.25%)</b>	<b>1% Increase to Discount Rate (7.25%)</b>
School Corporation's proportionate share of the net pension (asset) liability	\$18,031,728	\$(9,749,735)	\$(32,155,747)

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

[http://www.in.gov/inprs/files/2019\\_INPRSCAFRBook.pdf](http://www.in.gov/inprs/files/2019_INPRSCAFRBook.pdf)

**Teachers' Pre-96 Retirement Fund**

Plan Description. The School Corporation participates in the Teachers' Pre-1996 Defined Benefit Account, a pay-as-you-go, cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits for teachers, administrators and certain INPRS employees. Administration of the account is generally in accordance with IC 5-10.2, IC 5-10.4, and 35 IAC 14. TRF Pre-'96 DB is the employer-funded defined benefit component of the Teachers' Hybrid Plan, and the Teachers' Hybrid Members Defined Contribution Account (see Defined Contribution Funds section) is the other component. Membership in TRF Pre-96 is closed to new entrants in accordance with GASB Cod.P20.178(b).

The state of Indiana assumes 100% of the net pension liability for the plan. The net pension liability associated with Evansville Vanderburgh School Corporation is \$251,795,970, as of the June 30, 2021 valuation date.

The School Corporation's share of nonemployer contributing entity contributions made by the State of Indiana was \$43,446,550 for the year ended June 30, 2021.

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### *Teachers' Pre-96 Retirement Fund* (cont.)

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

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 or creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) difference groups. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

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

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89 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.'

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### **Teachers' Pre-96 Retirement Fund (cont.)**

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

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

**Contributions** The Pre-96 TRF Plan is funded 100% from the State of Indiana through contributions as required by statute.

##### **Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Indiana Public Retirement System (INPRS) and additions to/deductions from INPRS's fiduciary net position have been determined on the same basis as they are reported by INPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Revenue was recognized for the contributions made by the State on behalf of the School Corporation in accordance with GASB Cod. P20.182(j). Investments are reported at fair value. At June 30, 2022, the net pension liability is assumed by the State of Indiana and the School Corporation does not report any liability for the pension liability.

For the year ended June 30, 2022, the School Corporation recognized pension expense of \$30,756,608 for the Pe-96 TRF Fund. No amounts were recognized for deferred outflows of resources and deferred inflows of resources.

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### *A. EMPLOYEES' RETIREMENT SYSTEM* (cont.)

##### *Teachers' Pre-96 Retirement Fund* (cont.)

For the year ended June 30, 2022, the School Corporation recognized \$30,756,608 of employer's share of pension expense, as revenue on the financial statements.

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### *Teachers' Pre-96 Retirement Fund* (cont.)

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

##### **Changes in Assumption**

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

##### **Changes in Actuarial Methods**

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

##### **Changes in Plan Provisions**

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

##### **Discount Rate**

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

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

##### **Defined Contribution Plans**

The School Corporation provides a 403(b)-retirement plan for all employees and matches up to a maximum of 3% of their salary for eligible groups. 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 ongoing contributions of \$1,108,149 to the plan during the year under audit.

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

The School Corporation also provided a 401(a) plan for certified staff and administrators. Those accounts vest based on the employee's hire date. For pre-7/1/04 hires at 50 years of age by December 31st of the year preceding retirement, with a minimum of 10 consecutive years of service with EVSC, and retirement notification by February 1st. This group was also entitled to a sick day buyout per CBA annually at the end of each academic year and upon retirement for the remainder of the balance of days. For post-7/1/04 hires, a 1% ongoing contribution was given and vesting occurred after 5 consecutive years of EVSC service. 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 made ongoing contributions of \$656,304 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. Those accounts vest based on the employee's hire date. For pre-7/1/04 hires at 55 years of age by June 30th of the year in which they retire, with a minimum of 17 creditable years of service, and retirement notification by February 1st. For post-7/1/04 hires, a 1% ongoing contribution was given and vesting occurred after 5 consecutive years of EVSC service. Once vesting is met they will be entitled to use funds from the VEBA account to pay health care expenses. In the past, the Board contributed a lump sum to the VEBA account for pre 7/1/04 hires 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 \$977,529 to the plan during the year under audit.

#### **B. RISK MANAGEMENT AND SELF INSURANCE**

The School Corporation may be 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; and natural disasters. These risks can be mitigated through the purchase of insurance, establishment of a self insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the School Corporation to set aside money for claim settlements. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### ***B. RISK MANAGEMENT AND SELF INSURANCE (cont.)***

##### ***Self Insurance***

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

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

##### ***Claims Liability***

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid claims - Beginning of Year	\$ 2,415,597	\$ 2,780,913
Current year claims and changes in estimates	35,070,890	32,462,512
Claim payments	<u>(34,705,574)</u>	<u>(34,952,819)</u>
Unpaid Claims - End of Year	<u>\$ 2,780,913</u>	<u>\$ 290,606</u>

#### ***C. COMMITMENTS AND CONTINGENCIES***

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

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

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

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **C. COMMITMENTS AND CONTINGENCIES (cont.)**

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

#### **D. OTHER POSTEMPLOYMENT BENEFITS**

##### **General Information about the OPEB Plan**

**Plan description.** The School Corporation's single employer defined benefit OPEB plan provides OPEB medical, dental, and vision insurance coverage until age 65 or eligible for Medicare as follows:

- Teachers and Administrators: Age 55 with a minimum of 17 years of service
- Secretaries: Age 57 with a minimum of 18 years of service
- Custodian/Maintenance: Eligible at the earlier of age 56 with 10 years of service or PERF rule of 85
- Food and Nutrition: Age 50 with a minimum of 10 years of service
- Nurses: Age 60 with a minimum of 18 years of service
- Bus Drivers: Age 60 with a minimum of 20 years of service
- Individual Contract: Age 55 with a minimum of 20 years of service

The same benefits are available to retirees as active employees. All health plans are self-insured through the School Corporation. Retirees contribute the full retiree rates, with the exception of the following:

- The School Corporation contributes \$100 toward the monthly premium rate for secretaries
- If certain criteria is met, the district contributes \$100 toward the monthly premium for custodian/maintenance employees
- The School Corporation contributes \$50 toward the monthly premium rate for nurses

No assets were accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Because the OPEB plan is operated on a pay-as-you-go basis, the employer contributions consisted of the benefit payments made during the year of \$1,507,636.

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

Retiree Participants	105
Active Participants	<u>2,303</u>
Total Participants	<u><u>2,408</u></u>

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

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### NOTE IV - OTHER INFORMATION (cont.)

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#### *D. OTHER POSTEMPLOYMENT BENEFITS* (cont.)

##### **Total OPEB Liability**

The School Corporation's total OPEB liability of \$29,012,841 was measured as of January 1, 2022 for the fiscal year ending June 30, 2022, and was determined by an actuarial valuation as of that date.

**Actuarial assumptions and other inputs.** The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% per year
Salary increases	General and teacher employees include a general wage inflation of 2.25% Merit increases range from 0.00% to 9.25%, dependent on years of service and employee type
Healthcare cost trend rates	7.5% in 2022 trending down to 4.5% in 2029 and beyond
Retirees' share of benefit-related costs	Retirees contribute the full retiree rates, excluding the individuals defined in the explicit subsidy section.

The discount rate was 2.25% based on 20 year municipal bond indices.

Under GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the Measurement Date must be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). For the current valuation, the discount rate was selected from a range of indices from Bond Buyer GO 20-Bond Municipal Bond Index, S&P Municipal Bond 20-Year High Grade Rate Index, and Fidelity 20-Year GO Municipal Bond Index.

##### **Mortality Assumptions:**

- Healthy Teacher and Administrator retirees: SOA Pub-2010 Teacher Headcount-Weighted Mortality Table fully generational using Scale MP-2021
- Healthy General retirees: SOA Pub-2010 General Headcount-Weighted Mortality Table fully generational using Scale MP-2021
- Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount-Weighted Mortality Table fully generational using Scale MP-2021

No experience study was conducted for the actuarial valuation.

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE IV - OTHER INFORMATION (cont.)

#### **D. OTHER POSTEMPLOYMENT BENEFITS** (cont.)

##### **Changes in the Total OPEB Liability**

	Total OPEB Liability
Balances at June 30, 2021	<u>\$ 25,815,345</u>
Changes for the year:	
Service cost	1,390,289
Interest	560,863
Differences between expected and actual experience	2,996,096
Changes in assumptions or other inputs	(242,116)
Benefit payments	<u>(1,507,636)</u>
Net changes	<u>3,197,496</u>
Balances at June 30, 2022	<u><u>\$ 29,012,841</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.12% at the beginning of the year and 2.25% at the end of the year.

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the School Corporation, as well as what the School Corporation's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current discount rate:

	1% Decrease (1.25%)	Discount Rate (2.25%)	1% Increase (3.25%)
Total OPEB liability	\$ 32,488,114	\$ 29,012,841	\$ 26,071,384

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

	1% Decrease (6.5% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.5% Decreasing to 4.5%)	1% Increase (8.5% Decreasing to 5.5%)
Total OPEB liability	\$ 25,271,793	\$ 29,012,841	\$ 33,626,552

# EVANSVILLE-VANDEBURGH SCHOOL CORPORATION

## NOTES TO FINANCIAL STATEMENTS June 30, 2022

### NOTE IV - OTHER INFORMATION (cont.)

#### *D. OTHER POSTEMPLOYMENT BENEFITS (cont.)*

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

For the year ended June 30, 2022, the School Corporation recognized OPEB expense of \$692,261. At June 30, 2022, the School Corporation reported \$6,400,545 for deferred outflows and \$614,078 for deferred inflows related to OPEB. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,663,196	\$ 398,864
Changes of assumptions or other inputs	2,924,163	215,214
Contributions subsequent to the measurement date	813,186	-
Total	\$ 6,400,545	\$ 614,078

	Year Ended June 30,	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2023		\$ 692,261
2024		692,261
2025		692,261
2026		692,261
2027		692,261
Thereafter		1,511,976

#### ***E. SUBSEQUENT EVENT***

***Bond Issuance.*** The School Corporation issued \$6,500,000 of General Obligation Bonds in November 2022. The bonds will have a final maturity of January 15, 2028.

# EVANSVILLE-VANDERBURGH SCHOOL CORPORATION

NOTES TO FINANCIAL STATEMENTS  
June 30, 2022

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## **NOTE IV - OTHER INFORMATION** (cont.)

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### ***F. EFFECT OF NEW ACCOUNTING STANDARDS ON FUTURE PERIOD FINANCIAL STATEMENTS***

- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*

The School Corporation is currently evaluating the effects, if any, these standards will have on its financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - NON-GAAP BUDGETARY BASIS  
 EDUCATION FUND  
 For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 162,770,386	\$ 161,820,386	\$ 160,147,784	\$ (1,672,602)
Miscellaneous	-	950,000	1,005,743	55,743
Unbudgeted	-	-	509,786	509,786
<b>Total Revenues</b>	<b>162,770,386</b>	<b>162,770,386</b>	<b>161,663,313</b>	<b>(1,107,073)</b>
Expenditures:				
General government:				
Instruction				
Personal services	113,268,578	113,296,315	107,434,199	5,862,116
Supplies	341,823	841,081	729,551	111,530
Other services and charges	1,091,468	1,326,028	1,051,845	274,183
Support services				
Personal services	23,889,699	23,886,750	21,988,316	1,898,434
Supplies	366,309	488,224	307,239	180,985
Other services and charges	1,070,581	1,097,252	269,321	827,931
Capital outlays	2,000	2,714	-	2,714
<b>Total Expenditures</b>	<b>140,030,458</b>	<b>140,938,364</b>	<b>131,780,471</b>	<b>9,157,893</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>22,739,928</u>	<u>21,832,022</u>	<u>29,882,842</u>	<u>8,050,820</u>
Other financing sources (uses):				
Transfers out	-	-	(23,500,000)	(23,500,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(23,500,000)</b>	<b>(23,500,000)</b>
<b>Net Changes in Fund Balances</b>	<b>22,739,928</b>	<b>21,832,022</b>	<b>6,382,842</b>	<b>(15,449,180)</b>
Fund Balance - Beginning	<u>19,534,850</u>	<u>19,534,850</u>	<u>19,534,850</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 42,274,778</u>	<u>\$ 41,366,872</u>	<u>\$ 25,917,692</u>	<u>\$ (15,449,180)</u>

See notes to required supplementary information

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

REQUIRED SUPPLEMENTARY INFORMATION  
 BUDGETARY COMPARISON SCHEDULE - NON-GAAP BUDGETARY BASIS  
 OPERATIONS FUND  
 For the Year Ended June 30, 2022

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Property	\$ 43,355,479	\$ 57,665,338	\$ 36,207,982	\$ (21,457,356)
Intergovernmental	3,870,568	3,767,042	4,407,188	640,146
Interest	800,000	800,000	70,443	(729,557)
Miscellaneous	11,669,819	11,669,819	4,852,306	(6,817,513)
Unbudgeted	-	(450,000.00)	8,133,000	8,583,000
Total Revenues	<u>59,695,866</u>	<u>73,452,199</u>	<u>53,670,919</u>	<u>(19,781,280)</u>
Expenditures:				
General government:				
Support services				
Personal services	28,291,357	29,986,650	28,653,488	1,333,162
Supplies	3,629,520	10,663,805	9,160,748	1,503,057
Other services and charges	17,278,652	10,861,298	11,445,227	(583,929)
Capital outlays	10,683,000	4,240,214	34,396	4,205,818
Community services				
Personal services	4,112,484	4,199,602	3,690,492	509,110
Supplies	320,250	285,286	243,258	42,028
Other services and charges	1,159,950	1,173,340	1,084,433	88,907
Facilities acquisition and instruction				
Personal services	1,000,000	1,000,000	866,660	133,340
Supplies	-	939,932	736,927	203,005
Other services and charges	2,154,000	3,634,248	3,204,223	430,025
Capital outlays	18,391,722	-	-	-
Non-program				
Other services and charges	-	-	5,202,457	(5,202,457)
Total Expenditures	<u>87,020,935</u>	<u>66,984,375</u>	<u>64,322,309</u>	<u>2,662,066</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,325,069)</u>	<u>6,467,824</u>	<u>(10,651,390)</u>	<u>(17,119,214)</u>
Other Financing Sources (Uses):				
Transfers in	22,000,000	-	23,077,885	23,077,885
Transfers out	-	-	(1,500,000)	(1,500,000)
Total Other Financing Sources (Uses)	<u>22,000,000</u>	<u>-</u>	<u>21,577,885</u>	<u>21,577,885</u>
Net Changes in Fund Balances	<u>(5,325,069)</u>	<u>6,467,824</u>	<u>10,926,495</u>	<u>4,458,671</u>
Fund Balance - Beginning	<u>28,055,221</u>	<u>28,055,221</u>	<u>28,055,221</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 22,730,152</u>	<u>\$ 34,523,045</u>	<u>\$ 38,981,716</u>	<u>\$ 4,458,671</u>

See notes to required supplementary information

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET/GAAP RECONCILIATION  
EDUCATION AND OPERATIONS FUND  
For the Year Ended June 30, 2022

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

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

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

	Education Fund	Operations Fund
Net changes in fund balances (budgetary basis)	\$ 6,382,842	\$ 10,926,495
Adjustments:		
Net change in Rainy Day fund balance	-	500,000
Net change in fund balance Jan-Jun 2020	2,420,713	(11,740,708)
Net change in fund balance Jan-Jun 2021	709,826	8,647,498
To adjust revenues for accruals	-	531,069
To adjust expenditures for accruals	(378,197)	(1,379,764)
Net Change in Fund Balance (GAAP Basis)	<u>\$ 9,135,184</u>	<u>\$ 7,484,590</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 Public Employees' Retirement Fund  
 Last 10 Fiscal Years\*

<u>Fiscal Year Ended *</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total Payroll</u>
June 30, 2022	0.73250%	\$ 9,638,584	\$ 40,385,674	23.9%	92.5%
June 30, 2021	0.72945%	22,032,266	39,379,977	55.9%	81.4%
June 30, 2020	0.74775%	24,713,614	38,958,267	63.4%	80.1%
June 30, 2019	0.71950%	24,441,741	36,712,879	66.6%	78.9%
June 30, 2018	0.70109%	31,279,435	34,782,267	89.9%	72.7%
June 30, 2017	0.70090%	31,809,958	33,591,430	94.7%	71.2%
June 30, 2016	0.66803%	27,208,208	31,997,221	85.0%	73.3%
June 30, 2015	0.66917%	17,585,353	32,670,683	53.8%	81.1%
June 30, 2014	0.68174%	23,350,134	32,731,653	71.3%	74.3%

Notes:

\* Information presented for the years information is available.

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF SCHOOL CONTRIBUTIONS Public Employees' Retirement Fund Last 10 Fiscal Years\*

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<u>Fiscal Year Ended *</u>	<u>Statutorily Required Contribution Percentage</u>	<u>Actual Employer Contributions</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2022	11.20%	\$ 4,854,994	\$ 40,385,674	12.02%
June 30, 2021	11.20%	4,501,487	40,400,299	11.14%
June 30, 2020	11.20%	4,395,541	39,379,977	11.16%
June 30, 2019	11.20%	4,353,370	38,958,267	11.17%
June 30, 2018	11.20%	4,097,183	36,712,879	11.16%
June 30, 2017	11.20%	3,875,059	34,782,267	11.14%
June 30, 2016	11.20%	3,735,130	33,591,430	11.12%
June 30, 2015	11.20%	3,551,208	31,997,221	11.10%
June 30, 2014	11.20%	3,362,434	32,670,683	10.29%

Notes:

\* Information presented for the years information is available.

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE SCHOOL'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 Teachers' Retirement Fund  
 Last 10 Fiscal Years\*

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<u>Fiscal Year Ended *</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>
June 30, 2022	2.07533%	\$ (9,749,735)	\$ 75,637,302	-12.9%
June 30, 2021	2.12558%	1,656,693	73,323,306	2.3%
June 30, 2020	2.19537%	(3,153,850)	71,572,120	-4.4%
June 30, 2019	2.11948%	2,350,757	66,604,296	3.5%
June 30, 2018	2.03999%	13,508,747	61,596,019	21.9%
June 30, 2017	2.01985%	15,765,341	58,179,240	27.1%
June 30, 2016	1.95238%	10,280,803	53,511,037	19.2%
June 30, 2015	1.87290%	890,580	48,469,205	1.8%
June 30, 2014	1.60491%	5,046,986	39,111,274	12.9%

Notes:

\* Information presented for the years information is available.

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF SCHOOL CONTRIBUTIONS  
 Teachers' Retirement Fund  
 Last 10 Fiscal Years\*

<u>Fiscal Year Ended *</u>	<u>Statutorily Required Contribution Percentage</u>	<u>Actual Employer Contributions</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2022	6.00%	\$ 4,427,788	\$ 75,637,302	5.85%
June 30, 2021	5.50%	4,244,743	75,629,835	5.61%
June 30, 2020	5.50%	4,055,477	73,323,306	5.53%
June 30, 2019	7.50%	5,367,882	71,572,120	7.50%
June 30, 2018	7.50%	4,995,357	66,604,296	7.50%
June 30, 2017	7.50%	4,619,718	61,596,019	7.50%
June 30, 2016	7.50%	4,363,417	58,179,240	7.50%
June 30, 2015	7.50%	4,012,668	53,511,037	7.50%
June 30, 2014	7.50%	3,637,059	48,469,205	7.50%

Notes:

\* Information presented for the years information is available.

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY  
 Last 10 Years\*

<b>TOTAL OPEB LIABILITY</b>	Fiscal Year Ended June 30,		
	2020	2021	2022
TOTAL OPEB LIABILITY			
Interest	\$ 896,266	\$ 780,456	\$ 560,863
Service cost	900,428	1,112,076	1,390,289
Changes in assumptions	1,606,812	2,382,372	(242,116)
Differences between expected and actual experience	-	(512,824)	2,996,096
Benefit payments	<u>(1,423,801)</u>	<u>(1,537,706)</u>	<u>(1,507,636)</u>
Net change in total OPEB liability	1,979,705	2,224,374	3,197,496
 Total OPEB liability - beginning of year	 <u>21,611,266</u>	 <u>23,590,971</u>	 <u>25,815,345</u>
Total OPEB liability - end of year (1)	<u>\$23,590,971</u>	<u>\$25,815,345</u>	<u>\$29,012,841</u>
 PLAN FIDUCIARY NET POSITION			
Contributions	\$ 1,423,801	\$ 1,537,706	\$ 1,507,636
Benefit payments	<u>(1,423,801)</u>	<u>(1,537,706)</u>	<u>(1,507,636)</u>
Net change in Plan Fiduciary Net Position	<u>-</u>	<u>-</u>	<u>-</u>
 Plan fiduciary net position - beginning of year	 <u>-</u>	 <u>-</u>	 <u>-</u>
Plan fiduciary net position - end of year (2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Net OPEB Liability	 <u>\$23,590,971</u>	 <u>\$25,815,345</u>	 <u>\$29,012,841</u>

Notes to Schedule:

\*Information presented for the years information is available

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF TOTAL OPEB LIABILITY  
 Last 10 Years\*

	Fiscal Year Ended June 30,		
	2020	2021	2022
1. Total OPEB Liability	\$ 23,590,971	\$ 25,815,345	\$ 29,012,841
3. Net OPEB Liability	\$ 23,590,971	\$ 25,815,345	\$ 29,012,841
4. Plan Fiduciary Net Position as a Percentage of Total OPEB Liability = (2) / (1)	0%	0%	0%
5. Covered Payroll	\$ 104,400,512	\$ 106,749,524	\$ 90,626,892
6. Total OPEB Liability as a Percentage of Covered Payroll = (3) / (5)	22.6%	24.2%	32.0%

Notes to Schedule:

\*Information presented for the years information is available

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 Last 10 Years\*

	Fiscal Year Ended June 30,		
	2020	2021	2022
<b>OPEB Contributions</b>			
Actuarially determined contribution**	\$ -	\$ -	\$ -
Actual employer contributions	<u>1,423,801</u>	<u>1,537,706</u>	<u>1,507,636</u>
Contribution excess	<u>\$ (1,423,801)</u>	<u>\$ (1,537,706)</u>	<u>\$ (1,507,636)</u>
Covered payroll	\$ 104,400,512	\$ 106,749,524	\$ 90,626,892
Contributions as a percentage of covered - employee payroll	1.36%	1.44%	1.66%

Notes to schedule:

\* Information presented for the years information is available

\*\*Not Available

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYERS SHARE OF NONEMPLOYER CONTRIBUTING ENTITY CONTRIBUTIONS  
Pre-96 Teacher Retirement Fund  
Last 10 Fiscal Years\*

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<u>Fiscal Year Ended **</u>	<u>Employer Share of the Non-Employer Contributing Entity Contributions</u>
June 30, 2021	\$ 43,446,550
June 30, 2020	26,505,591
June 30, 2019	25,761,202
June 30, 2018	25,149,267

Notes:

\* Information presented for the years information is available.

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

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION, INDIANA

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION June 30, 2022

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### NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

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The Evansville Vanderburgh School Corporation, Indiana (the "School Corporation") follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:

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

Major fund:	Education Fund
	Operations Fund (including Rainy Day)
	Debt Service
	Exempt Debt Service/Referendum

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION June 30, 2022

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### NOTE 2 – PENSION PLANS

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#### PERF Plan:

Actuarial cost method	Entry age normal (level percent of payroll)
Experience study date	Period of 5 years ended June 30, 2019
Investment rate of return	6.25%, net of investment expense, including inflation
Asset valuation method	Fair market value adjusted for a 5-year phase-in of asset gains and losses.
Inflation	2.25%
Salary increases	2.65% to 8.65% based on age
Mortality	Pub 2010 Public Retirement Plans Mortality Table with fully generational improvements using SOA scale MP-2019

#### *Change in Assumptions:*

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

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

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

#### **TRF Plan:**

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

#### *Changes in Assumptions:*

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

*Changes in Plan Provisions:* HEA1001-2001 granted a 1% COLA effective January 1, 2022.

#### **PRE 96 TRF plan:**

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

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2022

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### NOTE 2 – PENSION PLANS (cont.)

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*Changes in Assumptions:*

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

*Changes in Plan Provisions:* HEA1001-2001 granted a 1% COLA effective January 1, 2022.

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### NOTE 3 – OPEB PLAN

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Cost method	Entry Age Normal Level % of Salary method
Amortization method	N/A
Assumptions:	
Discount rate	2.25% as of January 1, 2022; 2.12% as of January 1, 2021
Discount rate basis	Range of indices for Bond Buyer GO 20 Bond Municipal Bond Index, S&P Municipal Bond 20-Year High Grade Rate, Fidelity 20-Year GO Municipal and Bond Index Rage.
Inflation rate	2.25% per annum
Investment return	Not applicable since the plan is not currently prefunded
Disability	None assumed

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2022

### NOTE 3 – OPEB PLAN (cont.)

Mortality and mortality improvement

Healthy Teacher and Administrator retirees: SOA Pub-2010 Teacher Headcount-Weight Mortality Table fully generational using scale MP-2021

Healthy General retirees: SOA Pub-2010 General Headcount-Weighted Mortality Table fully generational using scale MP-2021

Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount-Weighted Mortality Table fully generational using Scale MP-2021

Health care coverage election rate

Active employees with current coverage: 45%  
 Active employees with no coverage: 0%  
 Inactive employees with current coverage: 100%  
 Inactive employees with no coverage: 0%

Retirement rates

General employee retirement rates are based on those used in the Public Employees Retirement Fund (PERF) actuarial valuation as of June 30, 2020. Teacher and Administrator retirement rates are based on the Teachers' Retirement Fund 1996 actuarial valuation as of June 30, 2020.

#### General Employees

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

#### Teachers/Administrators

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

# EVANSVILLE VANDERBURGH SCHOOL CORPORATION

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2022

### NOTE 3 – OPEB PLAN (cont.)

Termination: Rates represent the probability of termination in the next 12 months.

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

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

Spouse: Retiree health care coverage converts to COBRA for surviving spouse upon death of the member (retired or active)

Per capita claims cost: Varies by age, status and plan; representative rates follow:

Age	Health Sync1		Helath Sync 2	
	Male	Female	Male	Female
< 55	\$12,100	\$13,900	\$10,900	\$12,500
55 - 59	\$16,300	\$15,800	\$14,800	\$14,300
60 - 64	\$21,500	\$19,400	\$19,400	\$17,500

Age	Health Sync 3		Health Sync 4	
	Male	Female	Male	Female
< 55	\$10,400	\$12,000	\$ 9,300	\$10,700
55 - 59	\$14,100	\$13,600	\$12,600	\$12,200
60 - 64	\$18,500	\$16,700	\$16,600	\$15,000

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

## **SUPPLEMENTARY INFORMATION**

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 22,890,400	\$ -	\$ 14,730,096	\$ 37,620,496
Investments	21,662	-	-	21,662
Receivables:				
Intergovernmental receivable	3,267,745	-	-	3,267,745
Leases	1,349,971	-	-	1,349,971
Interest	37,059	-	-	37,059
Restricted cash and cash equivalents	<u>-</u>	<u>14,873,661</u>	<u>-</u>	<u>14,873,661</u>
 Total Assets	 <u>\$ 27,566,837</u>	 <u>\$ 14,873,661</u>	 <u>\$ 14,730,096</u>	 <u>\$ 57,170,594</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 664,179	\$ -	\$ 445,169	\$ 1,109,348
Accrued wages and payroll withholding	1,642,078	-	-	1,642,078
Advances from other funds	<u>3,277,594</u>	<u>-</u>	<u>-</u>	<u>3,277,594</u>
Total Liabilities	<u>5,583,851</u>	<u>-</u>	<u>445,169</u>	<u>6,029,020</u>
 Deferred Inflows of Resources:				
Leases	<u>1,349,971</u>	<u>-</u>	<u>-</u>	<u>1,349,971</u>
Total Deferred Inflows of Resources	<u>1,349,971</u>	<u>-</u>	<u>-</u>	<u>1,349,971</u>
 Fund balances:				
Restricted	9,334,866	14,873,661	14,284,927	38,493,454
Committed	12,845,731	-	-	12,845,731
Unassigned (deficit)	<u>(1,547,582)</u>	<u>-</u>	<u>-</u>	<u>(1,547,582)</u>
Total Fund Balances	<u>20,633,015</u>	<u>14,873,661</u>	<u>14,284,927</u>	<u>49,791,603</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 27,566,837</u>	 <u>\$ 14,873,661</u>	 <u>\$ 14,730,096</u>	 <u>\$ 57,170,594</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Funds
<b>REVENUES</b>				
Intergovernmental	\$ 59,649,287	\$ 1,537,690	\$ -	\$ 61,186,977
Charges for services	4,046,898	-	-	4,046,898
Other				
Interest income	281,182	3,109	4,403	288,694
Miscellaneous	10,986,300	-	-	10,986,300
Total Revenues	<u>74,963,667</u>	<u>1,540,799</u>	<u>4,403</u>	<u>76,508,869</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	16,539,202	-	-	16,539,202
Support services	29,800,531	-	1,862,922	31,663,453
Community services	15,434,244	-	-	15,434,244
Facilities acquisition and construction	5,175,313	-	5,460,670	10,635,983
Nonprogrammed charges	6,659,497	-	-	6,659,497
Debt service:				
Principal paid on debt	-	10,085,000	-	10,085,000
Principal paid on loans	46,204	-	-	46,204
Principal paid on leases	118,835	-	-	118,835
Principal paid on finance purchases	567,898	-	-	567,898
Interest on debt	9,744	5,854,654	313	5,864,711
Total Expenditures	<u>74,351,468</u>	<u>15,939,654</u>	<u>7,323,905</u>	<u>97,615,027</u>
Excess (Deficiency) of Revenues (Under) Expenditures	<u>612,199</u>	<u>(14,398,855)</u>	<u>(7,319,502)</u>	<u>(21,106,158)</u>
<b>OTHER FINANCING SOURCES</b>				
Debt proceeds	-	-	6,500,000	6,500,000
Common school loan proceeds	3,816,557	-	-	3,816,557
Lease proceeds	-	-	-	-
Finance purchase proceeds	1,655,500	-	-	1,655,500
Transfer in	2,091,910	16,316,500	-	18,408,410
Transfer out	(511,916)	(93,332)	-	(605,248)
Total Other Financing Sources	<u>7,052,051</u>	<u>16,223,168</u>	<u>6,500,000</u>	<u>29,775,219</u>
Net Change in Fund Balance	<u>7,664,250</u>	<u>1,824,313</u>	<u>(819,502)</u>	<u>8,669,061</u>
FUND BALANCE - BEGINNIG OF YEAR	<u>12,968,765</u>	<u>13,049,348</u>	<u>15,104,429</u>	<u>41,122,542</u>
FUND BALANCE - END OF YEAR	<u>\$ 20,633,015</u>	<u>\$ 14,873,661</u>	<u>\$ 14,284,927</u>	<u>\$ 49,791,603</u>



**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2022

	Early Intervention 17-18	Lily Counseling	NESP 17-18	High Ability Grants	Tag Grant	Title I 17-18	Title II Funds	McKinney- Vento
<b>ASSETS</b>								
Cash and cash equivalents	\$ 31,113	\$ 22,435	\$ 99,061	\$ 52,282	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables								
Intergovernmental receivable	-	-	-	-	-	-	84,182	2,252
Leases	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 31,113</u>	<u>\$ 22,435</u>	<u>\$ 99,061</u>	<u>\$ 52,282</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,182</u>	<u>\$ 2,252</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,398	\$ -
Accrued wages and payroll withholding	-	7,938	10,730	2,455	-	-	38,885	2,874
Due to another fund	-	-	-	-	-	-	84,182	2,252
Total Liabilities	<u>-</u>	<u>7,938</u>	<u>10,730</u>	<u>2,455</u>	<u>-</u>	<u>-</u>	<u>132,465</u>	<u>5,126</u>
Deferred Inflows of Resources:								
Leases	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Restricted	31,113	14,497	88,331	49,827	-	-	-	-
Committed	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	(48,283)	(2,874)
Total Fund Balances	<u>31,113</u>	<u>14,497</u>	<u>88,331</u>	<u>49,827</u>	<u>-</u>	<u>-</u>	<u>(48,283)</u>	<u>(2,874)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 31,113</u>	<u>\$ 22,435</u>	<u>\$ 99,061</u>	<u>\$ 52,282</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 84,182</u>	<u>\$ 2,252</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2022

	Special Education Funds	Title IV, Part A	Perkins	Medicaid/ Federal/ Riley	Medicaid/ Federal/ Bass	Cohort 8 Yr 1	YMCA Cohort 7 Yr.4	Title III (new)
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 18,441	\$ 499,355	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables								
Intergovernmental receivable	419,756	22,539	167,356	-	-	52,555	-	1,507
Leases	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Assets	<u>\$ 419,756</u>	<u>\$ 22,539</u>	<u>\$ 167,356</u>	<u>\$ 18,441</u>	<u>\$ 499,355</u>	<u>\$ 52,555</u>	<u>\$ -</u>	<u>\$ 1,507</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and payroll withholding	214,396	7,246	3,659	-	536	5,117	-	-
Due to another fund	419,756	22,539	167,356	-	-	52,555	-	1,507
Total Liabilities	<u>634,152</u>	<u>29,785</u>	<u>171,015</u>	<u>-</u>	<u>536</u>	<u>57,672</u>	<u>-</u>	<u>1,507</u>
Deferred Inflows of Resources:								
Leases	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Restricted	-	-	-	-	-	-	-	-
Committed	-	-	-	18,441	498,819	-	-	-
Unassigned (deficit)	(214,396)	(7,246)	(3,659)	-	-	(5,117)	-	-
Total Fund Balances	<u>(214,396)</u>	<u>(7,246)</u>	<u>(3,659)</u>	<u>18,441</u>	<u>498,819</u>	<u>(5,117)</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 419,756</u>	<u>\$ 22,539</u>	<u>\$ 167,356</u>	<u>\$ 18,441</u>	<u>\$ 499,355</u>	<u>\$ 52,555</u>	<u>\$ -</u>	<u>\$ 1,507</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2022

	School Improvement Grants	PBIS-SW Behavior	Misc/Donations	CSF #1	STEM PRIME Math	State Connectivity	E-Learning LC	1003g- Cedar Hall
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ 185,308	\$ 1,921,460	\$ 238,753	\$ -	\$ 7,043	\$ 19,653	\$ -
Investments	-	-	-	-	-	-	-	-
Receivables								
Intergovernmental receivable	19,913	-	-	238,753	-	-	-	-
Leases	-	-	1,349,971	-	-	-	-	-
Interest	-	-	32,930	-	-	-	-	-
Total Assets	<u>\$ 19,913</u>	<u>\$ 185,308</u>	<u>\$ 3,304,361</u>	<u>\$ 477,506</u>	<u>\$ -</u>	<u>\$ 7,043</u>	<u>\$ 19,653</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ 701	\$ -	\$ 278	\$ 211,138	\$ -	\$ -	\$ -	\$ -
Accrued wages and payroll withholding	7,425	831	22,225	-	-	-	6,928	-
Due to another fund	19,913	-	-	238,753	-	-	-	-
Total Liabilities	<u>28,039</u>	<u>831</u>	<u>22,503</u>	<u>449,891</u>	<u>-</u>	<u>-</u>	<u>6,928</u>	<u>-</u>
Deferred Inflows of Resources:								
Leases	-	-	1,349,971	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,349,971</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Restricted	-	184,477	-	27,615	-	7,043	12,725	-
Committed	-	-	1,931,887	-	-	-	-	-
Unassigned (deficit)	(8,126)	-	-	-	-	-	-	-
Total Fund Balances	<u>(8,126)</u>	<u>184,477</u>	<u>1,931,887</u>	<u>27,615</u>	<u>-</u>	<u>7,043</u>	<u>12,725</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 19,913</u>	<u>\$ 185,308</u>	<u>\$ 3,304,361</u>	<u>\$ 477,506</u>	<u>\$ -</u>	<u>\$ 7,043</u>	<u>\$ 19,653</u>	<u>\$ -</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2022

	Full Service 1	YMCA C9 Yr 2	ESSER III	ESSER II	GEERF	CARES Act	Early Stabilization	Stabilization Daycare
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,087,424	\$ 631,215
Investments	-	-	-	-	-	-	-	-
Receivables								
Intergovernmental receivable	-	4,763	842,706	647,628	5,396	6,890	-	-
Leases	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 4,763</u>	<u>\$ 842,706</u>	<u>\$ 647,628</u>	<u>\$ 5,396</u>	<u>\$ 6,890</u>	<u>\$ 4,087,424</u>	<u>\$ 631,215</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ 1,955	\$ -	\$ 45,000	\$ 27,450	\$ -	\$ -	\$ 235,837	\$ 12,966
Accrued wages and payroll withholding	9,745	-	239,519	438,440	-	701	29,773	2,108
Due to another fund	-	4,763	842,706	647,628	5,396	6,890	-	-
Total Liabilities	<u>11,700</u>	<u>4,763</u>	<u>1,127,225</u>	<u>1,113,518</u>	<u>5,396</u>	<u>7,591</u>	<u>265,610</u>	<u>15,074</u>
Deferred Inflows of Resources:								
Leases	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:								
Restricted	-	-	-	-	-	-	3,821,814	616,141
Committed	-	-	-	-	-	-	-	-
Unassigned (deficit)	<u>(11,700)</u>	<u>-</u>	<u>(284,519)</u>	<u>(465,890)</u>	<u>-</u>	<u>(701)</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>(11,700)</u>	<u>-</u>	<u>(284,519)</u>	<u>(465,890)</u>	<u>-</u>	<u>(701)</u>	<u>3,821,814</u>	<u>616,141</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 4,763</u>	<u>\$ 842,706</u>	<u>\$ 647,628</u>	<u>\$ 5,396</u>	<u>\$ 6,890</u>	<u>\$ 4,087,424</u>	<u>\$ 631,215</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
June 30, 2022

	ESSER/SI/C AZE	Daycare Scholarship	Project Aware 20- 21	Title I	ARP	Perkins 22-23	Extra Curricular Accounts	Total Special Revenue Funds
<b>ASSETS</b>								
Cash and cash equivalents	\$ -	\$ 7,840	\$ -	\$ -	\$ -	\$ -	\$ 4,102,607	\$ 22,890,400
Investments	-	-	-	-	-	-	21,662	21,662
Receivables								
Intergovernmental receivable	19,937	-	7,049	661,255	63,308	-	-	3,267,745
Leases	-	-	-	-	-	-	-	1,349,971
Interest	-	-	-	-	-	-	-	37,059
<b>Total Assets</b>	<b>\$ 19,937</b>	<b>\$ 7,840</b>	<b>\$ 7,049</b>	<b>\$ 661,255</b>	<b>\$ 63,308</b>	<b>\$ -</b>	<b>\$ 4,124,269</b>	<b>\$ 27,566,837</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ 2,456	\$ -	\$ 287	\$ -	\$ 664,179
Accrued wages and payroll withholding	12,450	9,247	-	405,133	52,380	7,370	-	1,642,078
Due to another fund	19,937	-	7,049	661,255	63,308	-	-	3,277,594
Total Liabilities	<u>32,387</u>	<u>9,247</u>	<u>7,049</u>	<u>1,068,844</u>	<u>115,688</u>	<u>7,657</u>	<u>-</u>	<u>5,583,851</u>
Deferred Inflows of Resources:								
Leases	-	-	-	-	-	-	-	1,349,971
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,349,971</u>
Fund balances:								
Restricted	-	-	-	-	-	-	-	9,334,866
Committed	-	-	-	-	-	-	4,124,269	12,845,731
Unassigned (deficit)	(12,450)	(1,407)	-	(407,589)	(52,380)	(7,657)	-	(1,547,582)
Total Fund Balances	<u>(12,450)</u>	<u>(1,407)</u>	<u>-</u>	<u>(407,589)</u>	<u>(52,380)</u>	<u>(7,657)</u>	<u>4,124,269</u>	<u>20,633,015</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 19,937</b>	<b>\$ 7,840</b>	<b>\$ 7,049</b>	<b>\$ 661,255</b>	<b>\$ 63,308</b>	<b>\$ -</b>	<b>\$ 4,124,269</b>	<b>\$ 27,566,837</b>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
Year Ended June 30, 2022

	Investments for Tax Levy Funds	Post Retirement/ Severance Bond	School Lunch	Textbook Rental	Workman's Comp	Formative Assessment	State Medicaid	SEC Schools 18	Alternative Education	Early Intervention 17- 18
<b>REVENUES</b>										
Intergovernmental	\$ -	\$ -	\$ 15,135,045	\$ 867,403	\$ -	\$ 266,599	\$ 123,882	\$ 121,544	\$ 283,875	\$ 69,366
Charges for services	-	-	988,672	695,273	-	-	-	-	-	-
Other										
Interest income	-	-	5,723	2,407	205,715	-	-	-	-	-
Miscellaneous	-	-	2,061,427	300,478	-	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>18,190,867</b>	<b>1,865,561</b>	<b>205,715</b>	<b>266,599</b>	<b>123,882</b>	<b>121,544</b>	<b>283,875</b>	<b>69,366</b>
<b>EXPENDITURES</b>										
Current:										
Instruction	-	-	-	-	-	-	-	-	-	-
Support services	-	926,331	100,032	1,082,801	-	258,916	120,937	106,267	300,634	56,161
Community services	-	-	13,906,559	-	-	-	-	-	-	-
Facilities acquisition and construction	-	-	1,285,943	1,632,477	-	-	-	-	-	-
Nonprogrammed charges	-	-	1,221,078	-	-	-	-	-	-	-
Debt service:										
Principal paid on leases	-	-	-	118,835	-	-	-	-	-	-
Principal paid on loans	-	-	-	46,204	-	-	-	-	-	-
Principal paid on finance purchases	-	-	-	560,000	-	-	-	-	-	-
Interest on debt	-	-	-	9,744	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>926,331</b>	<b>16,513,612</b>	<b>3,450,061</b>	<b>-</b>	<b>258,916</b>	<b>120,937</b>	<b>106,267</b>	<b>300,634</b>	<b>56,161</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(926,331)	1,677,255	(1,584,500)	205,715	7,683	2,945	15,277	(16,759)	13,205
<b>OTHER FINANCING SOURCES/ (USES)</b>										
Common school loan proceeds	-	-	-	-	-	-	-	-	-	-
Lease proceeds	-	-	-	-	-	-	-	-	-	-
Finance purchase proceeds	-	-	-	1,632,477	-	-	-	-	-	-
Transfer in	-	1,500,000	511,916	79,994	-	-	-	-	-	-
Transfer out	-	-	(511,916)	-	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>1,500,000</b>	<b>-</b>	<b>1,712,471</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	-	573,669	1,677,255	127,971	205,715	7,683	2,945	15,277	(16,759)	13,205
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	-	2,709,411	2,194,893	962,392	2,164,213	-	19,612	(28,865)	124,600	17,908
FUND BALANCE (DEFICIT) - END OF YEAR	\$ -	\$ 3,283,080	\$ 3,872,147	\$ 1,090,362	\$ 2,369,928	\$ 7,683	\$ 22,557	\$ (13,588)	\$ 107,841	\$ 31,113

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
Year Ended June 30, 2022

	Lily Counseling	NESP 17-18	High Ability Grants	Tag Grant	Title I 17-18	Title II Funds	McKinney- Vento	Special Education Funds	Title IV, Part A	Perkins
<b>REVENUES</b>										
Intergovernmental	\$ -	\$ 318,133	\$ 145,901	\$ 799,939	\$ 1,329,899	\$ 963,860	\$ 85,884	\$ 6,544,759	\$ 440,529	\$ 594,682
Charges for services	-	-	-	-	-	-	-	-	-	-
Other										
Interest income	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	84,182	2,252	419,756	22,539	167,356
Total Revenues	-	318,133	145,901	799,939	1,329,899	1,048,042	88,136	6,964,515	463,068	762,038
<b>EXPENDITURES</b>										
Current:										
Instruction	-	205,867	-	799,939	368,596	28,020	65,885	1,388,227	68,747	444,541
Support services	355,388	76,527	126,461	-	608,435	950,586	-	5,180,925	336,572	126,918
Community services	-	11,578	-	-	17,211	-	12,586	-	-	-
Facilities acquisition and construction	-	3,240	-	-	2,400	-	10,000	-	40,991	69,767
Nonprogrammed charges	-	-	-	-	144,712	85,330	-	390,669	17,465	-
Debt service:										
Principal paid on leases	-	-	-	-	-	-	-	-	-	-
Principal paid on loans	-	-	-	-	-	-	-	-	-	-
Principal paid on finance purchases	-	-	-	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-	-	-	-
Total Expenditures	355,388	297,212	126,461	799,939	1,141,354	1,063,936	88,471	6,959,821	463,775	641,226
Excess (Deficiency) of Revenues Over (Under) Expenditures	(355,388)	20,921	19,440	-	188,545	(15,894)	(335)	4,694	(707)	120,812
<b>OTHER FINANCING SOURCES/ (USES)</b>										
Common school loan proceeds	-	-	-	-	-	-	-	-	-	-
Lease proceeds	-	-	-	-	-	-	-	-	-	-
Finance purchase proceeds	-	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	(355,388)	20,921	19,440	-	188,545	(15,894)	(335)	4,694	(707)	120,812
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	369,885	67,410	30,387	-	(188,545)	(32,389)	(2,539)	(219,090)	(6,539)	(124,471)
FUND BALANCE (DEFICIT) - END OF YEAR	\$ 14,497	\$ 88,331	\$ 49,827	\$ -	\$ -	\$ (48,283)	\$ (2,874)	\$ (214,396)	\$ (7,246)	\$ (3,659)

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
Year Ended June 30, 2022

	Medicaid/ Federal/ Riley	Medicaid/ Federal/ Bass	Cohort 8 Yr 1	YMCA Cohort 7 Yr.4	Title III (new)	School Improvement Grants	PBIS-SW Behavior	Misc/Donations	CSF #1	STEM PRIME Math
<b>REVENUES</b>										
Intergovernmental	\$ -	\$ 326,355	\$ 570,605	\$ -	\$ 72,250	\$ 542,897	\$ 305,900	\$ -	\$ -	\$ 10,800
Charges for services	-	-	-	-	-	-	-	404,572	-	-
Other										
Interest income	-	-	-	-	-	-	-	67,337	-	-
Miscellaneous	-	-	52,555	-	1,507	19,913	-	1,825,214	208,453	-
Total Revenues	-	326,355	623,160	-	73,757	562,810	305,900	2,297,123	208,453	10,800
<b>EXPENDITURES</b>										
Current:										
Instruction	-	-	-	-	60,602	142,487	-	132,099	-	8,300
Support services	-	191,964	553,588	6,465	4,440	300,686	59,305	-	4,027,695	-
Community services	-	-	-	-	5,688	-	-	1,425,254	-	-
Facilities acquisition and construction	-	-	62,555	-	-	75,955	131,461	32,104	-	2,500
Nonprogrammed charges	-	-	5,382	-	2,016	24,333	-	-	-	-
Debt service:										
Principal paid on leases	-	-	-	-	-	-	-	-	-	-
Principal paid on loans	-	-	-	-	-	-	-	-	-	-
Principal paid on finance purchases	-	-	-	-	-	-	-	7,898	-	-
Interest on debt	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	191,964	621,525	6,465	72,746	543,461	190,766	1,597,355	4,027,695	10,800
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	134,391	1,635	(6,465)	1,011	19,349	115,134	699,768	(3,819,242)	-
<b>OTHER FINANCING SOURCES/ (USES)</b>										
Common school loan proceeds	-	-	-	-	-	-	-	-	3,816,557	-
Lease proceeds	-	-	-	-	-	-	-	-	-	-
Finance purchase proceeds	-	-	-	-	-	-	-	23,023	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-	-	23,023	3,816,557	-
Net Change in Fund Balance	-	134,391	1,635	(6,465)	1,011	19,349	115,134	722,791	(2,685)	-
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	18,441	364,428	(6,752)	6,465	(1,011)	(27,475)	69,343	1,209,096	30,300	-
FUND BALANCE (DEFICIT) - END OF YEAR	\$ 18,441	\$ 498,819	\$ (5,117)	\$ -	\$ -	\$ (8,126)	\$ 184,477	\$ 1,931,887	\$ 27,615	\$ -

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
Year Ended June 30, 2022

	State Connectivity	E-Learning LC	1003g-Cedar Hall	Full Service 1	YMCA C9 Yr 2	ESSER III	ESSER II	GEERF	CARES Act	Early Stabilization
<b>REVENUES</b>										
Intergovernmental	\$ 12,760	\$ -	\$ 56,295	\$ 412,987	\$ 105,975	\$ 9,234,571	\$ 5,416,990	\$ 16,702	\$ 3,679,044	\$ 4,364,812
Charges for services	-	-	-	-	-	-	-	-	-	-
Other										
Interest income	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	4,763	842,706	647,628	5,396	6,890	-
Total Revenues	12,760	-	56,295	412,987	110,738	10,077,277	6,064,618	22,098	3,685,934	4,364,812
<b>EXPENDITURES</b>										
Current:										
Instruction	-	8,028	40,055	-	-	3,515,299	2,719,807	9,247	2,355,449	542,998
Support services	5,717	144,543	11,236	358,898	104,273	4,950,218	2,864,859	-	890,801	-
Community services	-	-	-	-	-	967	-	-	45,154	-
Facilities acquisition and construction	-	-	-	37,141	-	1,388,078	51,363	-	-	-
Nonprogrammed charges	-	-	4,140	21,218	-	416,677	474,563	5,396	181,145	-
Debt service:										
Principal paid on leases	-	-	-	-	-	-	-	-	-	-
Principal paid on loans	-	-	-	-	-	-	-	-	-	-
Principal paid on finance purchases	-	-	-	-	-	-	-	-	-	-
Interest on debt	-	-	-	-	-	-	-	-	-	-
Total Expenditures	5,717	152,571	55,431	417,257	104,273	10,271,239	6,110,592	14,643	3,472,549	542,998
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,043	(152,571)	864	(4,270)	6,465	(193,962)	(45,974)	7,455	213,385	3,821,814
<b>OTHER FINANCING SOURCES/ (USES)</b>										
Common school loan proceeds	-	-	-	-	-	-	-	-	-	-
Lease proceeds	-	-	-	-	-	-	-	-	-	-
Finance purchase proceeds	-	-	-	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balance	7,043	(152,571)	864	(4,270)	6,465	(193,962)	(45,974)	7,455	213,385	3,821,814
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	-	165,296	(864)	(7,430)	(6,465)	(90,557)	(419,916)	(7,455)	(214,086)	-
FUND BALANCE (DEFICIT) - END OF YEAR	\$ 7,043	\$ 12,725	\$ -	\$ (11,700)	\$ -	\$ (284,519)	\$ (465,890)	\$ -	\$ (701)	\$ 3,821,814

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
Year Ended June 30, 2022

	Stabilization Daycare	ESSER/SI/CAZ E	Daycare Scholarship	Project Aware 20-21	Athletics	Title I	ARP	Perkins 22-23	Extra Curricular Accounts	Total Special Revenue Funds
<b>REVENUES</b>										
Intergovernmental	\$ 843,186	\$ 65,006	\$ 7,840	\$ 19,882	\$ -	\$ 5,018,069	\$ 475,061	\$ -	\$ -	\$ 59,649,287
Charges for services	-	-	-	-	-	-	-	-	1,958,381	4,046,898
Other										
Interest income	-	-	-	-	-	-	-	-	-	281,182
Miscellaneous	-	19,937	-	7,049	-	661,255	63,308	-	3,561,736	10,986,300
Total Revenues	<u>843,186</u>	<u>84,943</u>	<u>7,840</u>	<u>26,931</u>	<u>-</u>	<u>5,679,324</u>	<u>538,369</u>	<u>-</u>	<u>5,520,117</u>	<u>74,963,667</u>
<b>EXPENDITURES</b>										
Current:										
Instruction	227,045	47,500	-	-	-	2,490,771	91,556	2,267	775,870	16,539,202
Support services	-	45,143	-	15,237	-	3,041,059	478,498	5,390	1,026,625	29,800,531
Community services	-	-	9,247	-	-	-	-	-	-	15,434,244
Facilities acquisition and construction	-	-	-	-	-	349,338	-	-	-	5,175,313
Nonprogrammed charges	-	4,750	-	-	-	205,745	20,695	-	3,434,181	6,659,495
Debt service:										
Principal paid on leases	-	-	-	-	-	-	-	-	-	118,835
Principal paid on loans	-	-	-	-	-	-	-	-	-	46,204
Principal paid on finance purchases	-	-	-	-	-	-	-	-	-	567,898
Interest on debt	-	-	-	-	-	-	-	-	-	9,744
Total Expenditures	<u>227,045</u>	<u>97,393</u>	<u>9,247</u>	<u>15,237</u>	<u>-</u>	<u>6,086,913</u>	<u>590,749</u>	<u>7,657</u>	<u>5,236,676</u>	<u>74,351,466</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>616,141</u>	<u>(12,450)</u>	<u>(1,407)</u>	<u>11,694</u>	<u>-</u>	<u>(407,589)</u>	<u>(52,380)</u>	<u>(7,657)</u>	<u>283,441</u>	<u>612,201</u>
<b>OTHER FINANCING SOURCES/ (USES)</b>										
Common school loan proceeds	-	-	-	-	-	-	-	-	-	3,816,557
Lease proceeds	-	-	-	-	-	-	-	-	-	-
Finance purchase proceeds	-	-	-	-	-	-	-	-	-	1,655,500
Transfer in	-	-	-	-	-	-	-	-	-	2,091,910
Transfer out	-	-	-	-	-	-	-	-	-	(511,916)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,052,051</u>
Net Change in Fund Balance	616,141	(12,450)	(1,407)	11,694	-	(407,589)	(52,380)	(7,657)	283,441	7,664,252
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	-	-	-	(11,694)	-	-	-	-	3,840,828	12,968,763
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 616,141</u>	<u>\$ (12,450)</u>	<u>\$ (1,407)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (407,589)</u>	<u>\$ (52,380)</u>	<u>\$ (7,657)</u>	<u>\$ 4,124,269</u>	<u>\$ 20,633,015</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DEBT SERVICE FUNDS  
June 30, 2022

	Building Corporation First Mortgage Refunding Bond, Series 2016	Building Corporation - Debt Service	Total Debt Service Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Restricted cash and cash equivalents	\$ -	\$ 14,873,661	\$ 14,873,661
 TOTAL ASSETS	 <u>\$ -</u>	 <u>\$ 14,873,661</u>	 <u>\$ 14,873,661</u>
 Fund balances:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	<u>-</u>	<u>14,873,661</u>	<u>14,873,661</u>
 TOTAL FUND BALANCES	 <u>\$ -</u>	 <u>\$ 14,873,661</u>	 <u>\$ 14,873,661</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
DEBT SERVICE FUNDS  
For the year ended June 30, 2022

	Building Corporation First Mortgage Refunding Bond, Series 2016	Building Corporation - Debt Service	Total Debt Service Funds
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 1,537,690	\$ 1,537,690
Other			
Interest income	<u>22</u>	<u>3,087</u>	<u>3,109</u>
Total Revenues	<u>22</u>	<u>1,540,777</u>	<u>1,540,799</u>
<b>EXPENDITURES</b>			
Debt Service			
Principal paid on debt	3,500,000	6,585,000	10,085,000
Interest on debt	<u>131,750</u>	<u>5,722,904</u>	<u>5,854,654</u>
Total Expenditures	<u>3,631,750</u>	<u>12,307,904</u>	<u>15,939,654</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 <u>(3,631,728)</u>	 <u>(10,767,127)</u>	 <u>(14,398,855)</u>
<b>OTHER FINANCING SOURCES</b>			
Transfer in	1,819,000	14,497,500	16,316,500
Transfer out	<u>(93,332)</u>	<u>-</u>	<u>(93,332)</u>
Total Other Financing Sources	<u>1,725,668</u>	<u>14,497,500</u>	<u>16,223,168</u>
 Net Change in Fund Balance	 (1,906,060)	 3,730,373	 1,824,313
 FUND BALANCE - Beginning of Year	 <u>1,906,060</u>	 <u>11,143,288</u>	 <u>13,049,348</u>
 FUND BALANCE - END OF YEAR	 <u>\$ -</u>	 <u>\$ 14,873,661</u>	 <u>\$ 14,873,661</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
CAPITAL PROJECTS FUNDS  
June 30, 2022

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	Building Corporation - Capital Projects	General Obligation Bond	Total Capital Projects Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,435,724	\$ 6,294,372	\$ 14,730,096
TOTAL ASSETS	<u>\$ 8,435,724</u>	<u>\$ 6,294,372</u>	<u>\$ 14,730,096</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ -	\$ 445,169	\$ 445,169
Total Liabilities	<u>-</u>	<u>445,169</u>	<u>445,169</u>
Fund balances:			
Restricted	<u>8,435,724</u>	<u>5,849,203</u>	<u>14,284,927</u>
Total Fund Balances	<u>8,435,724</u>	<u>5,849,203</u>	<u>14,284,927</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 8,435,724</u>	<u>\$ 6,294,372</u>	<u>\$ 14,730,096</u>

**EVANSVILLE VANDERBURGH SCHOOL CORPORATION**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
NONMAJOR CAPITAL PROJECTS FUNDS  
CAPITAL PROJECTS FUNDS  
For the year ended June 30, 2022

	Building Corporation - Capital Projects	General Obligation Bond	Total Capital Projects Funds
<b>REVENUES</b>			
Other			
Interest income	\$ 4,403	\$ -	\$ 4,403
<b>EXPENDITURES</b>			
Current:			
Support services	-	1,862,922	1,862,922
Facilities acquisition and construction	183,232	5,277,438	5,460,670
Debt service:			
Principal paid on debt	-	-	-
Principal paid on leases	-	-	-
Interest on debt	313	-	313
Total Expenditures	<u>183,545</u>	<u>7,140,360</u>	<u>7,323,905</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(179,142)</u>	<u>(7,140,360)</u>	<u>(7,319,502)</u>
<b>OTHER FINANCING SOURCES</b>			
Debt proceeds	<u>-</u>	<u>6,500,000</u>	<u>6,500,000</u>
Total Other Financing Sources	<u>-</u>	<u>6,500,000</u>	<u>6,500,000</u>
Net Change in Fund Balance	<u>(179,142)</u>	<u>(640,360)</u>	<u>(819,502)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>8,614,866</u>	<u>6,489,563</u>	<u>15,104,429</u>
FUND BALANCE - END OF YEAR	<u>\$ 8,435,724</u>	<u>\$ 5,849,203</u>	<u>\$ 14,284,927</u>

# **Evansville Vanderburgh School Corporation**

## **Single Audit Report**

**June 30, 2022**



**Evansville Vanderburgh School Corporation**  
**Year Ended June 30, 2022**

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# Evansville Vanderburgh School Corporation

## Schedule of Expenditures of Federal Awards

### Year Ended June 30, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
<b>U.S. Department of Agriculture</b>					
Child Nutrition Cluster					
National School Lunch Program					
	Indiana Department of Education				
		10.555	FY 2022	\$ -	\$ 431,557
		10.555	FY 2022	-	13,082,740
Summer Food Service Program for Children					
	Indiana Department of Education				
		10.559	FY 2021	-	236,457
		10.559	FY 2022	-	70,047
				-	306,504
				-	13,820,801
Child and Adult Care Food Program					
	Indiana Department of Education				
		10.558	FY 2022	-	80,997
				-	13,901,798
<b>U.S. Department of Education</b>					
Career and Technical Education – Basic Grants to States					
	Indiana Governor's Workforce Cabinet				
		84.048	22-0512- A046	-	7,249
		84.048	21-0512- C046	-	9,344
		84.048	22-0512- B046	-	453,789
		84.048	22-0512- S046	-	27,373
		84.048	21-0512- 7995	-	96,927
				-	594,682
Education Stabilization Fund					
	Indiana Department of Education				
		84.425D	S425D200 013	-	4,564,647
		84.425D	S425D210 013	-	5,831,426
		84.425U	S425U210 013	-	7,732,071
		84.425U	S425U210 013	-	80,000
		84.425C	S425C200 018	-	16,702
American Rescue Plan Act of 2021 – Elementary and Secondary Education Relief Fund (ARP ESSER)					
	Indiana Department of Education				
		84.425U	S425U210 013	-	65,006
Re-Imagining Enrichment, Academics, and Community Health COVID-19 R.E.A.C.H. Grant\Program (ESSER III) FY2022					
	Indiana Department of Education				
		84.425U	S425U210 013	-	50,963
				-	18,340,815

**Evansville Vanderburgh School Corporation**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**Year Ended June 30, 2022**

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
Special Education Cluster (IDEA)					
Special Education Grants to State	Indiana Department of Education				
Part B FY 2020		84.027	20611-015- PN01	\$ -	\$ 69,141
Part B FY 2021		84.027	21611-015- PN01	-	1,966,188
Part B FY 2022		84.027	22611-015- PN01	-	4,556,754
Part B FY 2023		84.027	22611-015- ARP	-	437,672
Total – Special Education Grants to States				-	7,029,755
Special Education Preschool Grants	Indiana Department of Education				
Preschool FY 2022		84.173	22619-015- PN01	-	227,986
Preschool FY 2021		84.173	21619-015- PN01	-	121,745
Preschool – ARP FY 2022		84.173	22619-015- ARP	-	37,388
Total – Special Education Preschool Grants				-	387,119
Total – Special Education Cluster (IDEA)				-	7,416,874
Title I Grants to Local Education Agencies	Indiana Department of Education				
Title I Basic		84.010	21-7995	-	1,701,151
Title I Basic		84.010	22-7995	-	5,018,069
1003a – School Improvement		84.010	21-7995	-	449,742
1003a – School Improvement		84.010	22-7995	-	135,025
Total – Title I Grants to Local Education Agencies				-	7,303,987
Education for Homeless Children and Youth	Indiana Department of Education				
McKinney – Vento FY 20/21		84.196	7000S196 A200015- Y2	-	34,704
McKinney – Vento FY 21/22		84.196	7000S196 A210015- Y3	-	53,280
Total – Education for Homeless Children and Youth				-	87,984
English Language Acquisition State Grants	Indiana Department of Education				
Title III FY 20/22					
Title III FY 22/24		84.365	01120-077- PN01	-	5,688
Title III FY 21/23		84.365	01122-079- PN01	-	52,058
		84.365	01121-078- PN01	-	17,215
Total – English Language Acquisition State Grants				-	74,961
Student Support and Academic Enrichment Program	Indiana Department of Education				
Title IV, Part A		84.424	S424A210 015	-	3,454
Title IV, Part A		84.424	S424A190 015	-	249,485
Title IV, Part A		84.424	S424A200 015	-	212,821
Total – Student Support and Academic Enrichment Program				-	465,760
Twenty-First Century Community Learning Centers	Indiana Department of Education				
Cohort 8, Year 4 FY 20/21		84.287	A58-1- 21DL-0151	-	111,285
Cohort 10, Year 1 FY 21/22		84.287	A58-2- 22DL-0066	-	565,686
Total – Twenty-First Century Community Learning Centers				-	676,971
Supporting Effective Instruction State Grants	Indiana Department of Education				
Title II, Part A Cluster		84.367	S367A190 013	-	484,692
Title II, Part A Cluster		84.367	S367A200 013	-	536,362
Total – Supporting Effective Instruction State Grants				-	1,021,054

**Evansville Vanderburgh School Corporation**  
**Schedule of Expenditures of Federal Awards (Continued)**  
**Year Ended June 30, 2022**

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Pass-Through To Subrecipient	Total Federal Awards Expended
Funds for the Improvement of Education	U.S. Department of Education				
Full Service Grant, Yr. 1		84.215	U215J2000 46	\$ -	\$ 132,449
Full Service Grant, Yr. 2		84.215	U215J2000 046-21	-	280,538
Total – Funds for the Improvement of Education				-	412,987
Substance Abuse and Mental Health Services Projects of Regional and National Significance	Indiana Department of Education				
Project Aware 20–21		93.243	Contract #4740	-	21,504
Project Aware 21–22		93.243	Contract #58115	-	2,788
Total – Substance Abuse and Mental Health Services Projects of Regional and National Significance				-	24,292
School Improvement Grants	Indiana Department of Education				
1003g – Cedar Hall		84.377	FY 20/21	-	68,840
Total – Department of Education				-	36,489,207
<b>Department of Health and Human Services</b>					
Medicaid Cluster					
Medical Assistance Program	Family and Social Services Administration	93.778	FY 2022	-	326,355
Medical Assistance Program	Indiana Department of Education	93.778	FY 2022	-	212,272
Total – Medicaid Cluster				-	538,627
<b>American Rescue Plan Act of 2021</b>					
Emergency Connectivity	Indiana Department of Education	32.009	ECF202100756	-	1,422,500
Total – American Rescue Plan Act of 2021				-	1,422,500
Total federal awards expended				\$ -	\$ 52,352,132

**Evansville Vanderburgh School Corporation**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2022**

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Evansville Vanderburgh School Corporation (School Corporation) under programs of the federal government for the year ended June 30, 2022. 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 the School Corporation, it is not intended to and does not present the financial position, changes in net position or cash flows of the School Corporation.

**Note 2: Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3: Indirect Cost Rate**

The School Corporation has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4: Federal Loan Programs**

The School Corporation had no federal loans that they were administering as of June 30, 2022, and the School Corporation 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  
Evansville Vanderburgh School Corporation  
Evansville, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Evansville Vanderburgh School Corporation (School Corporation) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Corporation's basic financial statements, and have issued our report thereon dated March 31, 2023, which contained an emphasis of matter paragraph for a change in accounting principle.

### **Report on Internal Control over Financial Reporting**

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

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

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

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***School Corporation's Response to Finding***

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

### ***Purpose of This Report***

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

**FORVIS,LLP**

Evansville, Indiana  
March 31, 2023

## **Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

### **Independent Auditor's Report**

School Board  
Evansville Vanderburgh School Corporation  
Evansville, Indiana

#### **Report on Compliance for Each Major Federal Program**

##### ***Opinion on Each Major Federal Program***

We have audited Evansville Vanderburgh School Corporation's (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the School Corporation's major federal programs for the year ended June 30, 2022. The School Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the School Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

##### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School Corporation's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the School Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

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

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a

deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

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

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the School Corporation, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the School Corporation's basic financial statements. We issued our report thereon dated March 31, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

**FORVIS,LLP**

Evansville, Indiana  
March 31, 2023

**Evansville Vanderburgh School Corporation**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2022**

**Section 1 – Summary of Auditor’s Results**

*Financial Statements*

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP):  
 Unmodified     Qualified     Adverse     Disclaimer
2. Internal control over financial reporting:  
 Significant deficiency(ies) identified?     Yes     None reported  
 Material weakness(es) identified?     Yes     No
3. Noncompliance material to the financial statements noted?     Yes     No

*Federal Awards*

4. Internal control over major federal awards programs:  
 Significant deficiency(ies) identified?     Yes     None reported  
 Material weakness(es) identified?     Yes     No
5. Type of auditor’s report issued on compliance for major federal programs:  
 Unmodified     Qualified     Adverse     Disclaimer
6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?     Yes     No

7. Identification of major federal programs:

<b>Assistance Listing Numbers</b>	<b>Name of Federal Program or Cluster</b>	<b>Opinion Issued</b>
10.555 & 10.559	Child Nutrition Cluster	Unmodified
32.009	Emergency Connectivity	Unmodified
84.425	Education Stabilization Funds	Unmodified

8. Dollar threshold used to distinguish between Type A and Type B programs: \$1,570,564.
9. Auditee qualified as a low-risk auditee?     Yes     No

**Evansville Vanderburgh School Corporation**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended June 30, 2022**

**Section II – Financial Statement Findings**

<b>Reference Number</b>	<b>Finding</b>
2022-001	<p>Criteria or specific requirement: Management is responsible for establishing and maintaining effective internal controls over financial reporting. Management is responsible for the fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.</p> <p>Condition: During the 2022 audit, we identified adjusting entries related to pension expense, construction in process and accounts payable, capital and lease assets and taxes receivable. These entries and corrections were proposed and management recorded.</p> <p>Effect: Potentially material misstatements in the financial statements and disclosures.</p> <p>Cause: Management’s estimates did not consider all facts and circumstances in the calculations and thus estimates and balances were revised and adjustments were made primarily as a result of audit procedures performed.</p> <p>Recommendation: Management should continue to review these areas throughout the year and during preparation of year-end financial statements.</p> <p>Views of responsible officials and planned corrective actions: The School Corporation’s management and board of directors agree and will review and record all adjusting journal entries including fiscal year-end journal entries, prior to the beginning of the audit engagement.</p>

**Section III – Federal Award Findings and Questioned Costs**

<b>Reference Number</b>	<b>Finding</b>
	No matters are reportable.

**Evansville Vanderburgh School Corporation**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended June 30, 2022**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
2021-001; 2020-001	<p>Management is responsible for establishing and maintaining effective internal controls over financial reporting. Management is responsible for the fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. During the 2020 and 2021 audit, adjustments related to contracts payable, loans payable, pension expense, property tax revenue, payables and encumbrances, claims payable and expense, construction in process, accounts payable, correction of extracurricular funds and prepaid lunch funds reported as custodial funds were proposed and management recorded.</p> <p>Reason for recurrence: The School Corporation continues to make improvements in internal controls to help identify these adjustments for the annual financial statements.</p>	Not resolved. See Finding 2022-001.