



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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June 23, 2023

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

We have received the Financial and Single Audit Reports of Hamilton Southeastern Schools which were opined upon by FORVIS, LLP, Independent Public Accountants, for the period July 1, 2021 to June 30, 2022. Per the *Independent Auditor's Report*, the financial statements present fairly the financial condition of Hamilton Southeastern Schools as of June 30, 2022, and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

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

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

Tammy R. White, CPA
Deputy State Examiner

**HAMILTON SOUTHEASTERN SCHOOLS
FINANCIAL STATEMENTS**

June 30, 2022

HAMILTON SOUTHEASTERN SCHOOLS

FINANCIAL STATEMENTS

June 30, 2022

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HAMILTON SOUTHEASTERN SCHOOLS
Schedule of Officials (Unaudited)
June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Katy Dowling	07-19-21 to 12-31-22
Superintendent of Schools	Yvonne Stokes	07-01-17 to 06-30-24
President of the Board	Janet Pritchett	01-01-21 to 12-31-22



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Independent Auditor's Report

School Board
Hamilton Southeastern Schools
Fishers, 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 Hamilton Southeastern Schools (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 as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hamilton Southeastern Schools, 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. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the School Corporation, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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

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 schedule of officials and the combining statements and schedules 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. Our opinions on the basic financial statements do not cover the supplementary information, and we do not express an opinion or any form of assurance thereon.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2023, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

FORVIS,LLP

Indianapolis, Indiana
May 3, 2023

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Net Position
June 30, 2022

	Primary Government Governmental Activities
Assets	
Cash and cash equivalents	\$ 42,929,174
Cash and cash equivalents - restricted	66,184,198
Investments	1,487,597
Receivables, net	
Interest receivable	149,011
Taxes receivable	47,839,107
Intergovernmental receivable	2,157,858
Lease receivable	731,813
Other receivables	1,356,330
Prepaid items	779,654
Nondepreciable capital assets	52,333,035
Other capital assets, net of depreciation	403,299,299
Net pension asset	10,901,571
Total assets	630,148,647
Deferred Outflows of Resources	
Pensions	28,380,310
Debt refundings	1,081,611
Other post-employment benefits (OPEB)	907,803
Total deferred outflows of resources	30,369,724
Total assets and deferred outflows of resources	\$ 660,518,371
Liabilities	
Accounts payable	\$ 6,777,461
Accrued payroll and related benefits	14,781,873
Interest payable on bonds and leases	4,844,627
Unearned revenue	9,330
Self-insurance claims payable	2,056,768
Other liabilities	184,550
Retainage payable	1,410,021
Compensated absences	268,752
Long-term obligations, due within one year:	
Bonds payable	35,010,000
Financed purchase obligations	1,723,426
Pension obligation bonds payable	355,000
Long-term obligations, due in more than one year:	
Bonds payable	220,192,359
Financed purchase obligations	1,051,036
Pension obligation bonds payable	375,000
Net pension liability	5,341,157
Other post-employment benefits liabilities	5,738,253
Total liabilities	300,119,613
Deferred Inflows of Resources	
Pensions	40,719,354
Debt refundings	629,931
Other post-employment benefits (OPEB)	470,428
Lease related	744,868
Total deferred inflows of resources	42,564,581
Total liabilities and deferred inflows of resources	342,684,194
Net Position	
Net investment in capital assets	228,774,999
Restricted for:	
Facility maintenance and capital needs	3,928,114
Board and superintendent	10,740,433
Debt service	24,984,016
Grants	1,592,794
Net pension asset	10,901,571
Unrestricted	36,912,250
Total net position	317,834,177
Total liabilities, deferred inflows of resources, and net position	\$ 660,518,371

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Activities
June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and
		Charges for	Operating Grants	Capital Grants	Changes in Net Position
		Services	and Contributions	and Contributions	Primary Government
					Governmental
					Activities
Primary Government:					
Governmental activities:					
Instruction	\$ 153,784,946	\$ 374,310	\$ 15,884,139	\$ -	\$ (137,526,497)
Support services	89,218,656	1,291,201	2,625,515	526,120	(84,775,820)
Operation of noninstructional services	9,555,760	2,505,258	11,976,720	-	4,926,218
Interest on debt	7,043,967	-	-	-	(7,043,967)
Nonprogrammed charges	446,085	-	-	-	(446,085)
Total governmental activities	<u>\$ 260,049,414</u>	<u>\$ 4,170,769</u>	<u>\$ 30,486,374</u>	<u>\$ 526,120</u>	<u>(224,866,151)</u>
General revenues:					
Taxes:					
Local Property Taxes					106,460,630
License Excise Tax					7,637,862
Commercial Vehicle Excise Tax					167,000
State basic aid					144,005,549
Gain (loss) on sale of capital assets					(144,874)
Investment earnings					1,295,269
Other general revenues					16,000,206
Total general revenues					<u>275,421,642</u>
Change in net position					50,555,491
Net position, beginning of year					<u>267,278,686</u>
Net position, end of the year					<u>\$ 317,834,177</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Governmental Funds – Balance Sheet
June 30, 2022

	Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
	Education	Operating Referendum	Debt Service	Operations	Construction		
	Fund	Fund	Fund	Fund	Fund		
Assets							
Cash and investments	\$ 11,846,244	\$ -	\$ -	\$ 16,442,602	\$ -	\$ 10,566,291	\$ 38,855,137
Cash and investments - restricted	-	15,032,844	9,860,726	-	28,135,100	13,155,528	66,184,198
Receivables, net							
Interest receivable	142,406	-	-	-	-	6,605	149,011
Taxes receivable	-	9,162,942	16,472,290	16,926,923	-	5,276,952	47,839,107
Intergovernmental receivable	-	-	-	-	-	2,157,858	2,157,858
Interfund receivable	12,183,060	-	3,600,000	2,000,000	-	-	17,783,060
Lease receivable	-	-	-	731,813	-	-	731,813
Other receivables	-	-	-	1,013	-	1,355,317	1,356,330
Prepaid items	-	-	-	779,654	-	-	779,654
Total assets	<u>\$ 24,171,710</u>	<u>\$ 24,195,786</u>	<u>\$ 29,933,016</u>	<u>\$ 36,882,005</u>	<u>\$ 28,135,100</u>	<u>\$ 32,518,551</u>	<u>\$ 175,836,168</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ 1,819,119	\$ 2,058,884	\$ -	\$ 601,429	\$ 241,756	\$ 2,058,645	\$ 6,779,833
Salaries and payroll deductions payable	13,327,403	133,007	-	817,098	-	504,365	14,781,873
Intergovernmental payable	20	100,520	-	83,919	-	91	184,550
Interfund payable	-	2,000,000	-	13,000,000	-	2,783,060	17,783,060
Unearned revenue	-	-	-	-	-	9,330	9,330
Total liabilities	<u>15,146,542</u>	<u>4,292,411</u>	<u>-</u>	<u>14,502,446</u>	<u>241,756</u>	<u>5,355,491</u>	<u>39,538,646</u>
Deferred Inflows of Resources							
Lease related	-	-	-	744,868	-	-	744,868
Unavailable revenues	-	9,162,942	16,472,290	16,926,923	-	6,566,964	49,129,119
Total deferred inflows of resources	<u>-</u>	<u>9,162,942</u>	<u>16,472,290</u>	<u>17,671,791</u>	<u>-</u>	<u>6,566,964</u>	<u>49,873,987</u>
Fund balances							
Nonspendable	-	-	-	779,654	-	-	779,654
Restricted - Facility maintenance and capital needs	-	-	-	3,928,114	27,893,344	-	31,821,458
Restricted - Board and Superintendent	-	10,740,433	-	-	-	-	10,740,433
Restricted - Debt service	-	-	13,460,726	-	-	11,523,290	24,984,016
Restricted - Grant expenses	-	-	-	-	-	1,592,794	1,592,794
Committed	11,629,839	-	-	-	-	-	11,629,839
Assigned - Food services	-	-	-	-	-	3,454,797	3,454,797
Assigned - Textbook program	-	-	-	-	-	563,124	563,124
Assigned - Instruction	-	-	-	-	-	3,864,487	3,864,487
Assigned - Other	-	-	-	-	-	8,809	8,809
Unassigned	(2,604,671)	-	-	-	-	(411,205)	(3,015,876)
Total fund balance	<u>9,025,168</u>	<u>10,740,433</u>	<u>13,460,726</u>	<u>4,707,768</u>	<u>27,893,344</u>	<u>20,596,096</u>	<u>86,423,535</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 24,171,710</u>	<u>\$ 24,195,786</u>	<u>\$ 29,933,016</u>	<u>\$ 36,882,005</u>	<u>\$ 28,135,100</u>	<u>\$ 32,518,551</u>	<u>\$ 175,836,168</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Reconciliation of the Governmental Funds
Balance Sheet to Statement of Net Position
June 30, 2022

Total fund balances - governmental funds		\$	86,423,535
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:			
Capital assets, net of depreciation			455,632,334
Certain items related to losses on refundings of debt are deferred and recognized in future periods.			
			451,680
Some assets and liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as assets or liabilities in governmental funds. These assets and liabilities consist of:			
Retainage payable	(1,407,649)		
Compensated absences	(268,752)		
Long-term debt, net	(258,706,821)		
Net pension asset	10,901,571		
Net pension liability	(5,341,157)		
Other post-employment obligations	(5,738,253)		
Total long-term liabilities			(260,561,061)
Interest on long-term liabilities is not accrued in governmental funds, but rather is recognized when due.			
			(4,844,627)
Certain tax receivable items are not available to pay for current period expenditures and therefore are unavailable in the governmental funds.			
			49,129,119
Certain items related to pension/other post-employment benefit liabilities are deferred and recognized in future periods.			
Deferred outflows of resources	29,288,113		
Deferred inflows of resources	(41,189,782)		
			(11,901,669)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.			
			<u>3,504,866</u>
Total net position- governmental activities		\$	<u>317,834,177</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year ended June 30, 2022

	Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
	Education Fund	Operating Referendum Fund	Debt Service Fund	Operations Fund	Construction Fund		
Revenues							
Property taxes	\$ -	\$ 21,545,170	\$ 38,057,396	\$ 31,083,018	\$ -	\$ 12,748,654	\$ 103,434,238
Other taxes	-	1,429,786	2,880,211	2,640,927	-	853,938	7,804,862
State basic aid	143,593,988	-	-	-	-	2,848,412	146,442,400
Investment income	1,278,049	-	-	-	3,367	1,633	1,283,049
Federal sources	-	-	-	-	-	17,365,063	17,365,063
Other revenues	1,390,529	45,228	-	1,401,486	213,530	16,632,727	19,683,500
Total revenues	<u>146,262,566</u>	<u>23,020,184</u>	<u>40,937,607</u>	<u>35,125,431</u>	<u>216,897</u>	<u>50,450,427</u>	<u>296,013,112</u>
Expenditures							
Current:							
Instruction	121,870,206	-	-	-	-	17,663,132	139,533,338
Support services	25,080,114	22,041,005	166,207	28,817,665	917,623	6,491,508	83,514,122
Operation of noninstructional services	-	-	-	11,000	-	9,545,931	9,556,931
Nonprogrammed charges	-	-	-	-	-	217,780	217,780
Capital outlays	1,375,319	43,322	14,750	6,297,912	31,353,598	524,418	39,609,319
Debt service:							
Principal payments on debt	-	-	42,470,000	-	-	5,385,000	47,855,000
Financed purchase obligation payments	-	-	-	2,015,157	-	-	2,015,157
Interest on debt	-	-	4,675,227	44,349	-	4,743,084	9,462,660
Other debt services	-	-	2,500	-	317,025	16,100	335,625
Total expenditures	<u>148,325,639</u>	<u>22,084,327</u>	<u>47,328,684</u>	<u>37,186,083</u>	<u>32,588,246</u>	<u>44,586,953</u>	<u>332,099,932</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,063,073)</u>	<u>935,857</u>	<u>(6,391,077)</u>	<u>(2,060,652)</u>	<u>(32,371,349)</u>	<u>5,863,474</u>	<u>(36,086,820)</u>
Other financing sources (uses)							
Issuance of bonds, par	-	-	-	-	30,405,000	-	30,405,000
Issuance of bonds, premium	-	-	-	-	4,592,414	-	4,592,414
Transfers in	2,363,080	46,004	166,208	381,985	456,531	-	3,413,808
Transfers out	(399,196)	-	(57,335)	(1,963,884)	(764,945)	(228,448)	(3,413,808)
Other financing sources (uses)	-	-	-	3,131,239	-	-	3,131,239
Total other financing sources (uses)	<u>1,963,884</u>	<u>46,004</u>	<u>108,873</u>	<u>1,549,340</u>	<u>34,689,000</u>	<u>(228,448)</u>	<u>38,128,653</u>
Net change in fund balances	(99,189)	981,861	(6,282,204)	(511,312)	2,317,651	5,635,026	2,041,833
Fund balances at beginning of year	<u>9,124,357</u>	<u>9,758,572</u>	<u>19,742,930</u>	<u>5,219,080</u>	<u>25,575,693</u>	<u>14,961,070</u>	<u>84,381,702</u>
Fund balances at end of year	<u>\$ 9,025,168</u>	<u>\$ 10,740,433</u>	<u>\$ 13,460,726</u>	<u>\$ 4,707,768</u>	<u>\$ 27,893,344</u>	<u>\$ 20,596,096</u>	<u>\$ 86,423,535</u>

See accompanying notes to financial statements

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

Net change in total fund balances \$ 2,041,833

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

Governmental funds report outlays for capital assets as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Capital outlay resulting in assets	35,819,727	
Depreciation expense	<u>(14,024,676)</u>	
Capital outlays in excess of depreciation expense		21,795,051

The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt principal repayment	49,870,157	
Debt issuance	<u>(33,536,239)</u>	
Debt premium issuance	<u>(4,592,414)</u>	11,741,504

Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.

Amortization of premiums and discounts		3,387,095
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Governmental funds record the total amount of proceeds received in a sale of capital assets as revenue while governmental activities report only the gain or loss associated with the sale.

(144,874)

Some revenues were not collected as of the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.

The change from fiscal year 2022 and 2021 consists of:

Property taxes	3,026,392	
Grants receivable	<u>1,270,370</u>	4,296,762

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.

Change in deferred outflows and inflows surrounding debt refundings	(120,473)	
Change in long term retainage payable	(1,136,856)	
Change in interest payable	(847,928)	
Change in OPEB liabilities and deferred outflows and inflows	(303,533)	
Change in pension asset, liability, and deferred outflows and inflows	8,167,381	
Change in compensated absences	<u>59,486</u>	
Total		5,818,077

Internal Service Funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The change in net position of the internal service funds is reported with governmental activities.

1,620,043

Change in net position of governmental activities

\$ 50,555,491

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Fund Net Position – Proprietary Fund
June 30, 2022

	Internal Service Fund
	<u>Self-Insurance Fund</u>
Current assets	
Cash and cash equivalents	\$ 4,074,037
Investments	1,487,597
Total assets	<u>\$ 5,561,634</u>
Current liabilities	
Claims payable	\$ 2,056,768
Total liabilities	<u>2,056,768</u>
Net Position	
Unrestricted	<u>3,504,866</u>
Total liabilities and net position	<u>\$ 5,561,634</u>

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Revenue, Expenses, and Changes in Fund Net Position – Proprietary Fund
Year ended June 30, 2022

	Internal Service Fund <u>Self-Insurance Fund</u>
Operating revenue	
Other revenues	\$ 31,202,706
Total operating revenue	31,202,706
Operating expenses	
Nonprogrammed charges	29,594,883
Total operating expenses	29,594,883
Operating income	1,607,823
Nonoperating revenue and expenses	
Investment income	12,220
Total nonoperating revenue (expenses)	12,220
Change in net position	1,620,043
Total net position, beginning of year	1,884,823
Total net position, end of year	\$ 3,504,866

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Cash Flows – Proprietary Fund
June 30, 2022

	Internal Service Fund Self-Insurance Fund
Cash flows from operating activities	
Cash collected for self-insurance claims	\$ 31,262,662
Claims paid	(30,604,552)
Net cash provided by operating activities	658,110
Cash flows from investing activities	
Proceeds from sales and maturities of investments	2,979,377
Purchases of investments	(2,580,285)
Interest and dividends	23,142
Net cash provided by investing activities	422,234
Net cash increase in cash and cash equivalents	1,080,344
Cash and cash equivalents, beginning of year	2,993,693
Cash and cash equivalents, end of year	\$ 4,074,037
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income	\$ 1,607,823
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Increase (decrease) in:	
Other receivables	59,956
Claims payable	(1,009,669)
Net cash provided by operating activities	\$ 658,110

See accompanying notes to financial statements

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The School Corporation provides educational services for approximately 21,300 students ages pre-school through high school.

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

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

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

The component unit detailed above hold bonds currently outstanding in the amount of \$223,630,000. The School Corporation has entered into lease revenue arrangements with the Building Corporation to pay off the entirety of this debt as scheduled. The lease transactions have been eliminated for the reporting entity presentation of financial statements.

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

Major Governmental Funds:

The School Corporation reports the following major governmental funds:

- *Education Fund* – the Education Fund is required by IC 20-40-2. It is used to account for all tuition receipts and disbursements related to student instruction and learning.

The Rainy Day fund is reported as a portion of the Education Fund.

- *Operating Referendum Fund* – accounts for receipt of operating referendum tax remittances and disbursements related to support and operation and maintenance services.
 - *Debt Service Fund* - accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.
 - *Operations Fund* – the Operations Fund is required by IC 20-40-18. It is used to account for receipt of the operation property tax levy and other excise and local income taxes. It is also used to pay expenses allocated to overhead and operational activities.
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HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- *Construction Fund* – accounts for construction projects and renovations financed through various bond issuances that are reported in capital projects type funds.

Other Fund Types:

Additionally, the School Corporation reports the following fund types:

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

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

Deposits and Investments: The School Corporation's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statute (IC 5-13-9) authorizes the School Corporation to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

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

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

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

On the governmental fund financial statements, the School Corporation reports amounts that are measurable but not yet available (collected within 60 days after year end) as unavailable revenues.

Inventories and Prepaid Items: All material inventories would be recorded at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Leases Receivable: The School Corporation is a lessor for noncancellable leases for portions of various land parcels. The School Corporation recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the School Corporation initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the School Corporation determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The School Corporation uses the estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The School Corporation monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

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

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

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

Property Tax Abatements: Under the state statute, IC 6-1.1-12.1, Hamilton County, and cities and towns within Hamilton County, provide tax abatements for rehabilitation or redevelopment of real property in economic revitalization areas. The tax abatements under this statute are for real property tax and personal property tax. For Hamilton County's calendar year 2021, tax amounts of approximately \$255,906 were abated. These abatements have a lesser impact on the School Corporation's collection of property taxes due to allocation to many underlying tax units.

Hamilton County - Real property	\$ 8,298
All Cities and Towns within Hamilton County - Real property	91,713
All Cities and Towns within Hamilton County - Personal property	<u>155,895</u>
	<u>\$ 255,906</u>

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Accounting Pronouncements: In 2022, the School Corporation implemented GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. As a result of implementation, the School Corporation reported a lease receivable and a deferred inflow of approximately \$732,000 and \$745,000, respectively at June 30, 2022. The implementation did not have an impact on beginning fund balance or net position.

Subsequent Events: In July 2022, the School Corporation entered into a three-year financed purchase obligation for school buses. Payments are due annually beginning in July 2023. Total principal payments over the life of the lease total \$1.3 million.

In October 2022, the School Corporation issued \$11 million of general obligation bonds for renovations and improvements throughout the district. Semiannual principal and interest payments are due beginning in June 2023. The bonds mature in December 2023.

In December 2022, the School Corporation issued \$17.445 million of general obligation bonds for renovations and improvements throughout the district. Semiannual principal and interest payments are due beginning in June 2023. The bonds mature in December 2023.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 2 - FUND BALANCES

The components of fund balance include the following line items:

	Education Fund	Referendum Fund	Debt Service Fund	Operations Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Nonspendable fund balance:	\$ -	\$ -	\$ -	\$ 779,654	\$ -	\$ -	\$ 779,654
Restricted fund balance:							
Facility maintenance and capital needs	-	-	-	3,928,114	27,893,344	-	31,821,458
Board and Superintendent	-	10,740,433	-	-	-	-	10,740,433
Debt service	-	-	13,460,726	-	-	11,523,290	24,984,016
Grant expenses	-	-	-	-	-	1,592,794	1,592,794
Total	-	10,740,433	13,460,726	3,928,114	27,893,344	13,116,084	69,138,701
Committed fund balance:	11,629,839	-	-	-	-	-	11,629,839
Assigned fund balance:							
Food services	-	-	-	-	-	3,454,797	3,454,797
Textbook program	-	-	-	-	-	563,124	563,124
Instruction	-	-	-	-	-	3,864,487	3,864,487
Other	-	-	-	-	-	8,809	8,809
	-	-	-	-	-	7,891,217	7,891,217
Unassigned fund balance:	(2,604,671)	-	-	-	-	(411,205)	(3,015,876)
	<u>\$ 9,025,168</u>	<u>\$ 10,740,433</u>	<u>\$ 13,460,726</u>	<u>\$ 4,707,768</u>	<u>\$ 27,893,344</u>	<u>\$ 20,596,096</u>	<u>\$ 86,423,535</u>

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

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

As of June 30, 2022, the Rainy Day fund, reported as part of the Education fund, was reported as committed for the purpose of funding various expenses, including health and property insurance premiums, utilities, equipment and bus purchases, land purchases, construction of facilities, textbooks, transportation, plant operation, technology, and expenses related to the general fund referendum. The Rainy Day fund also was committed to make up for shortfalls should there be a loss of interest income. The funds are not to be used for contract negotiations.

- Assigned fund balance represents amounts that are intended to be used by the primary government for specific purposes but do not meet the criteria to be classified as restricted or committed.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 2 - FUND BALANCES (Continued)

- Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Any negative fund balance in other funds would also be classified into this category.

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

Various nonmajor special revenue funds had deficit fund balances at June 30, 2022.

NOTE 3 - DEPOSITS AND INVESTMENTS

Cash: The carrying amount of cash was \$84,212,772 at June 30, 2022, while the bank balances were \$91,237,049. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

Money Market Accounts: As of June 30, 2022, the School Corporation holds \$24,900,600 in money market accounts. These have been reported under amortized cost.

Deposits: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The School Corporation does not have a deposit policy for custodial credit risk, as funds are only deposited into eligible state depositories.

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

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

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

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

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

As of June 30, 2022, the School Corporation held the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Treasury Bills	\$ 648,753	\$ 648,753	\$ -	\$ -
Fixed Income	838,844	-	838,844	-
Total	<u>\$ 1,487,597</u>	<u>\$ 648,753</u>	<u>\$ 838,844</u>	<u>\$ -</u>

Custodial Credit Risk: Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to a transaction, an organization will not be able to recover the value of investments or collateral securities that are in possession of an outside party. At June 30, 2022, the School Corporation held investments with two institutions in excess of FDIC limits. The institutions at which these securities are held participate in the Indiana Public Deposit Insurance Fund. Therefore, these funds would be insured by the State of Indiana.

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

	June 30, 2022
	Balance
Due in less than one year:	
United States Treasury Bills	648,753
United States Treasury Notes	199,168
Federal Home Loan Bank	339,891
Federal Home Loan Bank - Discount Note	199,854
Fannie Mae	99,931
	<u>1,487,597</u>

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 4 – RESTRICTED ASSETS

The School Corporation and the Building Corporation have cash and investments that are externally restricted for their use by either a tax levy, operating or capital referendum, or bond issuance related funds (debt service or construction proceeds) held by the School Corporation or held in trust for the Building Corporation as follows as of June 30, 2022:

	Bond Funds (Proceeds)	Bond funds (Debt Service)	Tax Levy	Grants and Other	Building Corporation Trust (Construction)	Building Corporation Trust (Debt Service)	Total
Governmental Activities:							
Major Funds:							
Operating Referendum	\$ -	\$ -	\$ 15,032,844	\$ -	\$ -	\$ -	\$ 15,032,844
Debt Service	-	7,238,152	-	-	-	2,622,574	9,860,726
Bond Construction	14,309,021	-	-	-	13,826,079	-	28,135,100
Non-Major Funds:							
Debt Service	-	310,654	-	-	-	-	310,654
Referendum Debt	-	5,035,321	-	-	-	6,277,315	11,312,636
Grants	-	-	-	1,532,238	-	-	1,532,238
Totals	<u>\$ 14,309,021</u>	<u>\$ 12,584,127</u>	<u>\$ 15,032,844</u>	<u>\$ 1,532,238</u>	<u>\$ 13,826,079</u>	<u>\$ 8,899,889</u>	<u>\$ 66,184,198</u>

NOTE 5 - ACCOUNTS RECEIVABLES

The School Corporation reports receivables for property taxes receivable, interest on investments, intergovernmental receivables, lease receivables and operating activities. Property taxes represent an estimate of anticipated second distribution for the January 1, 2022 tax levy that will be collected in November and December 2022. Intergovernmental receivables are primarily state funding or grants. Intergovernmental receivables are primarily grants distributed from the Indiana Department of Education. Operating accounts receivable at June 30, 2022 consist of student receivables, nutrition claims receivable, and other receivables. Management has determined certain accounts to not be fully collectible and has thus recorded an allowance for uncollectible accounts. Receivables balances at June 30, 2022, include the following:

<u>Receivables Category</u>	<u>June 30, 2022 Balance</u>
	Governmental Funds
Property taxes	\$ 47,839,107
Interest on investments	149,011
Intergovernmental	2,157,858
Leases	731,813
Operating:	
Student receivables	359,323
Other receivables	1,113,894
Total gross operating	<u>1,473,217</u>
Less allowance for uncollectible accounts	<u>(116,887)</u>
Net operating	<u>1,356,330</u>
Total Receivables	<u>\$ 52,234,119</u>

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 5 - ACCOUNTS RECEIVABLE (Continued)

The School Corporation leases various portions of land parcels to local farmers for farmland and other companies for cell tower space, within the Operations Fund. The leases for farmland expire in December 2023. The leases for cell tower space have various lease expiration dates extending until November 2047. The School Corporation recognized \$20,342 in lease revenue and \$7,287 in interest revenue during the current fiscal year related to these leases. As of June 30, 2022, the School Corporation's receivable for lease payments was \$731,813.

Also, the School Corporation has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2022, the balance of the deferred inflow of resources was \$744,868.

NOTE 6 - CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Nondepreciable capital assets				
Land	\$ 21,125,685	\$ -	\$ 109,500	\$ 21,016,185
Construction in Progress	13,990,057	32,407,502	15,080,709	31,316,850
Total nondepreciable capital assets	<u>35,115,742</u>	<u>32,407,502</u>	<u>15,190,209</u>	<u>52,333,035</u>
Other capital assets				
Buildings	645,156,588	15,080,709	-	660,237,297
Buses	25,960,125	-	2,324,346	23,635,779
Other Vehicles	612,440	43,321	-	655,761
Machinery and Equipment	4,532,493	237,665	-	4,770,158
Capital Lease Assets	8,599,227	3,131,239	-	11,730,466
Total other capital assets	<u>684,860,873</u>	<u>18,492,934</u>	<u>2,324,346</u>	<u>701,029,461</u>
Less: Accumulated depreciation				
Buildings	260,868,714	11,064,834	-	271,933,548
Buses	19,131,623	1,487,860	2,288,972	18,330,511
Other Vehicles	386,667	39,914	-	426,581
Machinery and Equipment	3,322,509	267,600	-	3,590,109
Capital Lease Assets	2,284,945	1,164,468	-	3,449,413
Total accumulated depreciation	<u>285,994,458</u>	<u>14,024,676</u>	<u>2,288,972</u>	<u>297,730,162</u>
Total other capital assets, net	<u>398,866,415</u>	<u>4,468,258</u>	<u>35,374</u>	<u>403,299,299</u>
Total governmental activity capital assets, net	<u>\$ 433,982,157</u>	<u>\$ 36,875,760</u>	<u>\$ 15,225,583</u>	<u>\$ 455,632,334</u>

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

<u>Governmental Activities</u>	<u>Depreciation</u>
Instruction	\$ 12,224,247
Support services	1,800,429
Total depreciation expense - governmental activities	<u>\$ 14,024,676</u>

As of June 30, 2022, the School Corporation had approximately \$31.5 million of construction commitments related to building renovations outstanding.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 7 - LONG-TERM LIABILITIES

Changes in General Long-Term Liabilities: The following is the long-term liability activity for the School Corporation for the year ended June 30, 2022:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental activities:					
Direct Borrowings and Placements:					
<i>School Corporation</i>					
General obligation bonds payable	\$ 7,245,000	\$ -	\$ 350,000	\$ 6,895,000	\$ 360,000
	7,245,000	-	350,000	6,895,000	360,000
<i>Building Corporation</i>					
Revenue bonds payable	28,360,000	-	-	28,360,000	2,475,000
Bond anticipation notes payable	8,500,000	-	8,500,000	-	-
Bond anticipation notes premiums	55,353	-	55,353	-	-
	36,915,353	-	8,555,353	28,360,000	2,475,000
Total direct borrowings and placements	44,160,353	-	8,905,353	35,255,000	2,835,000
Other Debt:					
<i>School Corporation</i>					
General obligation bonds payable	29,170,000	-	18,595,000	10,575,000	9,945,000
Bond premiums	600,050	4,592,414	1,032,884	4,159,580	-
Pension obligation bonds payable	1,065,000	-	335,000	730,000	355,000
Financed purchase obligations payable	1,658,380	3,131,239	2,015,157	2,774,462	1,723,426
Compensated absences	328,238	401,260	460,746	268,752	-
Net pension liability - PERF	12,711,631	4,156,977	11,527,451	5,341,157	-
Net pension liability (asset) - TRF 1996	1,833,510	14,162,584	26,897,665	(10,901,571)	-
Other post-employment benefits liabilities	5,529,629	845,693	637,069	5,738,253	-
	52,896,438	27,290,167	61,500,972	18,685,633	12,023,426
<i>Building Corporation</i>					
Revenue bonds payable	184,940,000	30,405,000	20,075,000	195,270,000	22,230,000
Bond premiums	12,241,636	-	2,298,857	9,942,779	-
	197,181,636	30,405,000	22,373,857	205,212,779	22,230,000
Total other debt	250,078,074	57,695,167	83,874,829	223,898,412	34,253,426
Total	\$ 294,238,427	\$ 57,695,167	\$ 92,780,182	\$ 259,153,412	\$ 37,088,426

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

During the year, the School Corporation issued \$30.4 million of revenue bonds. The bonds closed on July 1, 2021, for the purpose of constructing a new elementary school in Wayne Township.

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

Purpose	Maturity Date	Interest Rate (%)	Original Amount	Outstanding Balance
General Obligation Bonds of 2017B	12/31/2037	2.90	8,250,000	\$ 6,895,000
General Obligation Bonds of 2019	12/31/2023	2.00 - 3.00	17,400,000	1,855,000
General Obligation Bonds of 2021	12/31/2022	3.00	8,720,000	8,720,000
HSE Amended Taxable General Obligation Pension Bonds of 2003	1/5/2024	4.51 - 5.31	3,197,498	730,000
Total				\$ 18,200,000

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 7 – LONG-TERM LIABILITIES (Continued)

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

Purpose	Maturity Date	Interest Rate (%)	Original Amount	Outstanding Balance
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2012A	1/15/2025	2.25	31,695,000	\$ 7,160,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2012B	1/15/2026	1.89 - 5.00	28,660,000	10,305,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2014A	1/15/2034	3.00 - 5.00	21,365,000	18,050,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2014B	1/15/2034	3.00 - 5.00	21,835,000	18,200,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015A	1/15/2027	3.00 - 4.00	4,715,000	2,390,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015B	1/15/2028	3.00 - 5.00	14,745,000	8,135,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015C	1/15/2029	3.00 - 5.00	22,095,000	13,165,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015D	1/15/2024	3.00 - 5.00	35,750,000	5,420,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2015F	1/15/2034	4.00 - 5.00	22,010,000	18,390,000
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2015G	1/15/2034	4.00 - 5.00	18,055,000	15,200,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016	1/15/2027	3.00 - 5.00	34,085,000	22,475,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2017	1/15/2029	2.13 - 5.00	9,560,000	6,730,000
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2018	1/15/2039	4.00 - 5.00	20,705,000	19,245,000
Ad Valorem Property Tax First Mortgage Bonds, Series 2021	1/15/2041	3.00 - 4.00	30,405,000	30,405,000
Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2022	1/16/2031	2.67	28,360,000	28,360,000
				<u>\$ 223,630,000</u>

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

Ad Valorem Fiscal Year	Principal	Interest	Total
2023	\$ 32,530,000	\$ 9,069,025	\$ 41,599,025
2024	23,025,000	7,394,251	30,419,251
2025	21,310,000	6,475,214	27,785,214
2026	20,725,000	5,537,627	26,262,627
2027	18,770,000	4,629,689	23,399,689
2028-2032	51,680,000	14,586,275	66,266,275
2033-2037	29,630,000	4,228,750	33,858,750
2038-2042	8,905,000	559,075	9,464,075
Total	<u>\$ 206,575,000</u>	<u>\$ 52,479,906</u>	<u>\$ 259,054,906</u>

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 7 – LONG-TERM LIABILITIES (Continued)

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

Fiscal Year	Principal	Interest	Total
2023	\$ 2,835,000	\$ 660,646	\$ 3,495,646
2024	3,415,000	606,463	4,021,463
2025	3,480,000	544,600	4,024,600
2026	3,540,000	481,487	4,021,487
2027	3,605,000	417,291	4,022,291
2028-2032	15,575,000	1,092,956	16,667,956
2033-2037	2,530,000	245,995	2,775,995
2038-2042	275,000	3,988	278,988
Total	<u>\$ 35,255,000</u>	<u>\$ 4,053,426</u>	<u>\$ 39,308,426</u>

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

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

Financed purchase obligations: The School Corporation has entered into various financed purchase obligation agreements for school buses. Interest rates on the agreements range from 0.70% to 2.85%. These assets have an acquisition cost of \$11,730,466, accumulated depreciation of \$3,449,413 and a net book value of \$8,281,053. The future minimum obligations and the net present value of these minimum payments as of June 30, 2022 are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2023	\$ 1,723,426	\$ 21,936	\$ 1,745,362
2024	1,051,036	7,357	1,058,393
	<u>\$ 2,774,462</u>	<u>\$ 29,293</u>	<u>\$ 2,803,755</u>

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 8 – INTERFUNDS AND TRANSFERS

Temporary loans are made between funds for cash flow purposes to cover operating expenses until property tax and student lunch payments are received. All temporary loans will be repaid on or before December 31, 2022. Individual fund interfund receivable and payable balances at June 30, 2022 were as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Activities:		
Major Funds:		
Operations	\$ 2,000,000	\$ 13,000,000
Debt Service	3,600,000	-
Education (Rainy Day)	12,183,060	-
Operating Referendum	-	2,000,000
Non-Major Funds:		
Special Revenue	-	2,683,060
Debt Service	-	100,000
	<u>\$ 17,783,060</u>	<u>\$ 17,783,060</u>
Totals	<u>\$ 17,783,060</u>	<u>\$ 17,783,060</u>

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Education	Operations	\$ 1,963,884
Operations	Nonmajor fund	62,240
Construction	Debt Service	57,335
Debt Service	Nonmajor fund	166,208
Operations	Construction	319,745
Operating Referendum	Construction	46,004
Construction	Education (Rainy Day)	399,196
Education (Rainy Day)	Construction	399,196
		<u>399,196</u>
Total		<u>\$ 3,413,808</u>

NOTE 9 - RISK MANAGEMENT

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

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 9 - RISK MANAGEMENT (Continued)

The accrual represents the School Corporation's estimate of claims and fees that were incurred but unpaid as of the end of the year. At June 30, 2022, the School Corporation estimates this liability to be as follows:

	June 30, 2022	June 30, 2021
	Balance	Balance
Liability, beginning of year	\$ 3,066,437	\$ 2,691,424
Add: Current year claims incurred	29,594,883	31,104,301
Less: Payment of current year claims	(30,604,552)	(30,729,288)
Liability, end of year	\$ 2,056,768	\$ 3,066,437

NOTE 10 - PENSION PLANS

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

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

Public Employees' Retirement Fund

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

PERF Hybrid Plan Description: The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10.2, IC 5-10.3, and IC 5-10.5. There are two (2) aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the Public Employees' Hybrid Members Defined Contribution Account (DC Account), formerly known as the Annuity Savings Account (ASA), which that supplements the defined benefit at retirement.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

Contributions: Members are required to contribute 3% of their annual covered salary to their defined contribution account. The primary government is required to contribute at an actuarially determined rate; the current rate for fiscal year 2022 is 11.2% of annual covered payroll. The contribution requirements of plan members and the primary government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the PERF plan from the School Corporation were \$2,641,174 for the fiscal year ended June 30, 2022.

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

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

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

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

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

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

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

Teachers' Retirement Plan 1996 Account:

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

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

Contributions: Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 5.5 percent of covered payroll. No member contributions are required. For the fiscal year ended June 30, 2022, there were 1,272 School Corporation employees participating in TRF with annual pay equal to \$87,761,293.

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

The annuity savings account consists of the member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The School Corporation has elected to make the contributions on behalf of the member. The School Corporation's contributions to both Teachers' Retirement Plans combined, including those made to the annuities on behalf of the members, for the fiscal year ended June 30, 2022, was \$7,743,721, \$4,673,428 of which was contributed to the defined benefit plan.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

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

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

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

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

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

Teachers' Retirement Pre-1996 Account:

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

This Plan's pension liabilities are the responsibility of the State of Indiana, so no net pension liability is recorded for the School Corporation's reporting entity. The State of Indiana assumes 100% of the net pension liability for the plan. The net pension liability and pension expense associated with the School Corporation was \$70,336,352 and \$8,591,510 as of, and for the year ended June 30, 2021 valuation date. The School Corporation's share of nonemployer contributing entity contributions made by the State of Indiana was approximately \$12,136,302 for the year ended June 30, 2022.

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

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

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

Contributions: According to statute, the TRF Pre-1996 fund is funded primarily by appropriations from the state general fund and lottery proceeds. No member or employer contributions are required. TRF Pre-1996 Account members contribute three percent of covered payroll to their annuity savings account, which is not used to fund the defined benefit pension. The employer may elect to make the contributions on behalf of the member. In addition, members may elect to make additional voluntary contributions, under certain criteria, of up to ten percent of their compensation into their annuity savings accounts. The School Corporation has elected to make three percent contributions on behalf of their participating employees. For the fiscal year ended June 30, 2022, the School Corporation showed 107 employees participating in the Teachers' Retirement Fund Pre-1996 Account with annual payroll equal to \$9,484,227.

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

Pension Liabilities/Assets, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At June 30, 2022, the School Corporation reported a net pension liability of \$5,341,157 for PERF and a net pension asset of \$10,901,571 for TRF, for their proportionate share of the multiple employer cost-sharing defined benefit plans. The School Corporation's proportionate share of the net pension liability and asset was based on the School Corporation's wages as a proportion of total wages.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

	<u>PERF</u>	<u>TRF-1996</u>	<u>Aggregate</u>
Measurement Date	June 30, 2021	June 30, 2021	
Proportionate Share	0.0040591	0.0232051	
Net Pension Liability/(Asset)	\$ 5,341,157	\$ (10,901,571)	\$ (5,560,414)
Deferred Outflow of Resources	\$ 5,651,978	\$ 22,728,332	\$ 28,380,310
Deferred Inflow of Resources	\$ 8,899,017	\$ 31,820,337	\$ 40,719,354
Pension Expense	\$ (269,071)	\$ 4,181	\$ (264,890)

The PERF proportionate share in the previous year was 0.0042086 and TRF-1996 was 0.0235244.

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

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

	<u>PERF</u>		<u>TRF 1996</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 182,683	\$ 106,647	\$ 3,127,192	\$ 3,581,171
Net Difference Between Projected and Actual Investments Earnings on Pension Plan Investments	-	6,935,005	-	19,375,359
Change of Assumptions	2,686,637	1,199,725	14,312,255	6,038,995
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	141,484	657,640	615,457	2,824,812
	<u>3,010,804</u>	<u>8,899,017</u>	<u>18,054,904</u>	<u>31,820,337</u>
Contributions Subsequent to the Measurement Date	2,641,174	-	4,673,428	-
Total	<u>\$ 5,651,978</u>	<u>\$ 8,899,017</u>	<u>\$ 22,728,332</u>	<u>\$ 31,820,337</u>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (or an addition to net pension asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

	<u>PERF</u>	<u>TRF 1996</u>
<u>Fiscal Year</u>		
2022	\$ (1,611,329)	\$ (4,603,380)
2023	(1,450,351)	(4,024,904)
2024	(844,174)	(3,865,632)
2025	(1,982,359)	(5,057,263)
2026	-	456,049
Thereafter	-	3,329,697
Total	<u>\$ (5,888,213)</u>	<u>\$ (13,765,433)</u>

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

The long-term return expectation for the defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class is summarized in the following table. The real rates of return are the same for all three pension plans.

	Geometric Basis at June 30, 2022	
	Long Term Expected Rate of Return	Target Asset Allocation
Public Equity	3.6%	2.0%
Private Equity	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%

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

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

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

Description	PERF	TRF 1996 Account
Valuation Date: Assets	June 30, 2021	
Liabilities	June 30, 2021	
Actuarial Cost Method (Accounting)	Entry Age Normal - Level Percent of Payroll	
Actuarial Assumptions:		
Experience Study Date	Period of 5 years ended June 30, 2019	
Investment Rate of Return (Accounting)	6.25%	
Cost of Living Increases (COLA) or "Ad Hoc" COLA	2021-2022 - 13th check	
Future Salary Increases, including Inflation	2.65% - 8.65%	2.65% - 11.90%
Inflation	2.00%	
Mortality-Healthy	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.	
Mortality-Disabled	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.	

Discount Rate: Total pension liability for each defined benefit pension plan was calculated using the discount rates described in the sensitivity table below. The discount rate utilized in the TRF pre-1996 account was 6.25%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State (the non-employer contributing entity) would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.25% percent for 2022). Based on those assumptions, each defined benefit pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 10 - PENSION PLANS (Continued)

Sensitivity: The following presents the School Corporation's share of the net pension liability (asset) calculated using the discount rate of 6.25% percent for 2022, as well as what the School Corporation's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.25%), or one percentage point higher (7.25%) than the current rate:

Pre-Funded Defined Benefit

PERF			TRF 1996		
1% Decrease (5.25)%	Current Discount Rate (6.25)%	1% Increase (7.25)%	1% Decrease (5.25)%	Current Discount Rate (6.25)%	1% Increase (7.25)%
\$ 13,969,468	\$ 5,341,157	\$ (1,855,996)	\$ 20,162,001	\$ (10,901,571)	\$ (35,954,635)

Investment Valuation and Benefit Payment Policies: The following information applies for the 2022 reporting year.

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

HAMILTON SOUTHEASTERN SCHOOLS

Notes to the Financial Statements

June 30, 2022

NOTE 11 - DEFINED CONTRIBUTION PLANS

The School Corporation provides a 403(b)-retirement plan for all employees and matches up to a maximum of 5% of their salary. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation who has the authority under which benefits, and contribution requirements are established or can be amended. The School Corporation made contributions of \$5,812,644 to the plan during the year under audit.

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

The School Corporation provides a 457(b) plan for employee salary deferrals over the 403(b)-plan maximum. This account is immediately vested. The School Corporation also provides a 457(b) plan for sick day conversion for certified staff and administrators. This account vests at the earlier of completion of 15 years in the School Corporation or the combination of age plus public school teaching years equal to 80. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation who has the authority under which benefits, and contribution requirements are established or can be amended. The School Corporation made contributions of \$87,390 to the plan during the year under audit.

The School Corporation provides a VEBA (voluntary employees' beneficiary association) trust account for certified staff and administrators for retirement health care expenses. Once a teacher retires with 15 years at the School Corporation or age and all public school teaching years equal to 80, they will be entitled to use funds from the VEBA account to pay health care expenses. In the past, the Board contributed 1.50% of the gross salary to the VEBA account but, those contributions are currently suspended. These benefits pose a liability to the School Corporation for this year and in future years. Information regarding the benefits can be obtained by contacting the School Corporation who has the authority under which benefits, and contribution requirements are established or can be amended. The School Corporation made contributions of \$37,117 to the plan during the year under audit.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

Hamilton Southeastern Schools Retiree Health Insurance Benefits

Plan Description: The Plan allows for teachers and administrators hired prior to the 2001-2002 school year who retire and have either 15 years of service with the School Corporation or the sum of age and public school years of service of at least 80 to be eligible for retiree health benefits until they are eligible for Medicare, but in no event for more than six years. During the fiscal year ended June 30, 2022, the Plan contained 1,337 active employees and 51 retirees.

Benefits Provided: The same benefits are available to retirees as active employees. Health plans are self-insured through Anthem. The monthly premium rates effective on January 1, 2022 for the new plans are shown below.

Plan	Employee	Employee and Spouse
Plan 1 (Choice HSA)	\$ 749.87	\$ 1,499.75
Plan 2 (Primary Advantage)	\$ 521.50	\$ 1,043.01
Plan 3 (Navigate)	\$ 393.69	\$ 787.37

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

Contributions: For teachers and administrators hired prior to August 13, 2001, the School Corporation pays an \$850 annual stipend deposited to a VEBA account until Medicare eligible, but in no event for more than six years. Teachers and administrators hired on or after August 13, 2001 are not eligible for a subsidy. During the year, the School Corporation contributed \$204,413 to the Plan.

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

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

The OPEB liability measured at July 1, 2021 (measurement date) is as follows:

	Total OPEB Liability
Balance at July 1, 2021	\$ 5,529,629
Service cost	329,931
Interest	153,164
Changes in assumptions	362,598
Differences between expected and actual experience	(432,656)
Benefit payments	(204,413)
Net change in total OPEB liability	208,624
 Balance at June 30, 2022	 \$ 5,738,253

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

Activity during the year included the following:

	Plan Fiduciary Net Position
Balance at July 1, 2021	\$ -
Employer contributions	204,413
Benefit payments	(204,413)
Net change in fiduciary net position	-
 Balance at June 30, 2022	 \$ -

OPEB expense for the year ended June 30, 2022 is as follows:

Expense Category:	Amount
Service cost	\$ 329,931
Interest	153,164
Current period recognition of deferred outflows/ (inflows) of resources:	
Differences between expected and actual experience	(60,337)
Changes in assumptions	95,529
Total OPEB Expense	\$ 518,287

Deferred outflows and inflows of resources for the year ended June 30, 2022 is as follows:

<u>As of fiscal year ended June 30, 2022</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (470,428)
Changes in assumptions	693,050	-
Contributions subsequent to the measurement date	214,753	-
Total	\$ 907,803	\$ (470,428)

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

Fiscal Year	Amortization of Deferred Outflows / (Inflows)
2023	\$ 35,192
2024	\$ 35,192
2025	\$ 35,192
2026	\$ 35,192
2027	\$ 35,192
Thereafter	46,662
	\$ 222,622

Contributions subsequent to the measurement date will reduce OPEB in the following fiscal year.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions:

Description	OPEB Plan
Measurement Date	July 1, 2021
Actuarial Valuation Date	July 1, 2021 with no adjustments to get to the July 1, 2021 measurement date. Liabilities as of July 1, 2020 are based on an actuarial valuation date of July 1, 2019 projected to July 1, 2020 on a "no loss / no gain" basis.
Discount Rate	2.19% as of July 1, 2021 and 2.66% as of July 1, 2020 for accounting disclosure purposes.
Payroll Growth	Payroll growth rates include a general wage inflation of 2.25%. Merit increases are based on the District's July 2020 Experience Study.
Inflation Rate	2.25% per year
Employer Funding Policy	Pay-as-you-go cash basis
Cost Method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: <ul style="list-style-type: none"> • Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and • Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.
Health Care Coverage Election Rate	Active employees with current coverage: 35% Active employees with no coverage: 0%
Subsidy Election Rate	Active employees eligible for \$850 subsidy (regardless of coverage): 100%
Spousal Coverage	Spousal age and coverage for current retirees is based on actual data.
Mortality	Teachers: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP-2021 Administrators: 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
Disability	None
Turnover Rate	Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rates represent the probability of termination in the next 12 months. Annual turnover rates are based on the District's July 2020 Experience Study.
Retirement Rate	Retirement rates are based on the District's July 2020 Experience Study.

HAMILTON SOUTHEASTERN SCHOOLS
Notes to the Financial Statements
June 30, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Sensitivity: The following presents the Net OPEB liability as of June 30, 2022, calculated using the discount rate assumed and what it would be using a 1% higher and 1% lower discount rate.

**Discount Rate Sensitivity -
Liability at June 30, 2022**

OPEB Liability		
1% Decrease (1.19)%	Current Discount Rate (2.19)%	1% Increase (3.19)%
\$ 6,171,229	\$ 5,738,253	\$ 5,321,509

The following presents the Net OPEB liability as of June 30, 2022, using the health care trend rates assumed and what it would be using 1% higher and 1% lower health care trend rates.

**Health Care Trend Rate Sensitivity -
Liability at June 30, 2022**

OPEB Liability		
1% Decrease (6.50)%	Current Rate (7.50)%	1% Increase (8.50)%
\$ 5,089,467	\$ 5,738,253	\$ 6,498,474

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Schedule of Proportionate Share of the
Net Pension Liability
June 30, 2022

	PERF							
	2022	2021	2020	2019	2018	2017	2016	2015
School Corporation's proportion of the net pension liability	\$ 5,341,157	\$ 12,711,631	\$ 14,392,561	\$ 14,292,388	\$ 17,288,035	\$ 18,661,176	\$ 16,046,419	\$ 10,148,034
School Corporation's proportionate share of the net pension liability	0.0040591	0.0042086	0.0043547	0.0042073	0.0038749	0.0041118	0.0039398	0.0038616
School Corporation's covered payroll	\$ 22,379,350	\$ 22,720,712	\$ 22,686,640	\$ 20,992,081	\$ 20,347,532	\$ 19,705,731	\$ 18,870,752	\$ 18,853,363
School Corporation's proportionate share of the net pension liability as a percentage of its covered payroll	24%	56%	63%	68%	85%	95%	85%	54%
Plan fiduciary net position as a percentage of the total pension liability	93%	81%	80%	79%	77%	75%	77%	84%

	TRF							
	2022	2021	2020	2019	2018	2017	2016	2015
School Corporation's proportion of the net pension liability (asset)	\$ (10,901,571)	\$ 1,833,510	\$ (3,360,173)	\$ 2,553,504	\$ 15,173,046	\$ 16,461,877	\$ 10,820,019	\$ 1,018,197
School Corporation's proportionate share of the net pension liability	0.0232051	0.0235244	0.0233899	0.0230228	0.0229132	0.0210909	0.0205478	0.0214128
School Corporation's covered payroll	\$ 84,573,194	\$ 81,149,125	\$ 76,121,871	\$ 69,260,237	\$ 82,303,054	\$ 60,749,707	\$ 56,320,802	\$ 55,414,591
School Corporation's proportionate share of the net pension liability as a percentage of its covered payroll	-13%	2%	-4%	4%	18%	27%	19%	2%
Plan fiduciary net position as a percentage of the total pension liability	106%	99%	102%	98%	90%	88%	91%	99%

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

- o General wage inflation decreased from 2.75% to 2.65%
- o Discount rate decreased from 6.75% to 6.25%
- o Mortality changed from the RP-2014 (with MP-2014 improvement removed) Total Data Set mortality table projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report to the Pub-2010 General Amount-Weighted Mortality projected with MP-2019 (generational)
- o Retirement, Termination and Disability rates were adjusted to reflect recent experience

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

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

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Schedule of Contributions - Pension
June 30, 2022

	PERF							
	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 2,641,174	\$ 2,357,830	\$ 2,545,098	\$ 2,537,512	\$ 2,348,157	\$ 2,276,053	\$ 2,204,563	\$ 2,047,891
Contributions in relation to the statutorily required contribution	<u>2,641,174</u>	<u>2,357,830</u>	<u>2,545,098</u>	<u>2,537,512</u>	<u>2,348,157</u>	<u>2,276,053</u>	<u>2,204,563</u>	<u>2,047,891</u>
Annual contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
The School Corporation's contributions as a percentage of statutorily required contribution for pension								
	100%	100%	100%	100%	100%	100%	100%	100%
School Corporation's covered payroll	\$ 23,581,928	\$ 22,379,350	\$ 22,720,712	\$ 22,686,640	\$ 20,992,081	\$ 20,347,532	\$ 19,705,731	\$ 18,870,752
Contributions as a percentage of covered payroll	11%	11%	11%	11%	11%	11%	11%	11%
	TRF							
	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 4,673,428	\$ 4,163,302	\$ 4,352,196	\$ 5,561,617	\$ 5,426,194	\$ 5,233,598	\$ 4,418,816	\$ 4,077,089
Contributions in relation to the statutorily required contribution	<u>4,673,428</u>	<u>4,163,302</u>	<u>4,352,196</u>	<u>5,561,617</u>	<u>5,426,194</u>	<u>5,233,598</u>	<u>4,418,816</u>	<u>4,077,089</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
The School Corporation's contributions as a percentage of statutorily required contribution for pension								
	100%	100%	100%	100%	100%	100%	100%	100%
School Corporation's covered payroll	\$ 87,761,293	\$ 84,573,194	\$ 81,149,125	\$ 76,121,871	\$ 69,260,237	\$ 82,203,054	\$ 60,749,707	\$ 56,320,802
Contributions as a percentage of covered payroll	5%	5%	5%	7%	8%	6%	7%	7%

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

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

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

Amortization method: Level dollar

Remaining amortization period: 20.8 years, closed - PRF

Remaining amortization period: 20 years, closed - TRF

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

Inflation: 2.00%

Salary increases: 2.65% - 8.65% - PRF

Salary increases: 2.65% - 11.9% - TRF

Investment rate of return: 6.75%

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

Other information:

The INPRS Board sets, at its discretion, the State's employer contribution rate upon considering the results of the actuarial valuation and other analysis as appropriate. The actuarially determined contribution rate for the State for the fiscal year ended 6/30/21 was 7.52% and 5.7% for PRF and TRF, respectively. However, the INPRS Board approved a State employer contribution rate of 11.2% and 6% for PRF and TRF, respectively.. The actual dollar amount of the State's contributions depends on the actual payroll for the fiscal year.

Member census data as of June 30, 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 liabilities computed as of June 30, 2022.

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Schedule of Employer's Share of Nonemployer Contributing Entity Contributions
June 30, 2022

<u>Year Ended</u>	<u>Employer Share of Nonemployer Contributing Entity Contributions</u>
June 30, 2022	\$ 12,136,302
June 30, 2021	7,008,757
June 30, 2020	6,054,647
June 30, 2019	5,954,968

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

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

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Changes in Total Other Postemployment Benefits Liability
June 30, 2022

Fiscal year ending June 30,	2022	2021	2020
Total OPEB liability;			
Service cost	\$ 329,931	\$ 284,056	\$ 255,215
Interest on the total OPEB liability	153,164	182,543	184,731
Changes of benefit terms			
Difference between expected and actual experience	(432,656)	(110,373)	-
Changes of assumptions	362,598	353,698	143,463
Benefit payments, including refunds of employee contributions	(204,413)	(192,114)	(177,844)
Net change in total OPEB liability	208,624	517,810	405,565
Total OPEB liability - beginning	5,529,629	5,011,819	4,606,254
Total OPEB liability - ending	<u>\$ 5,738,253</u>	<u>\$ 5,529,629</u>	<u>\$ 5,011,819</u>
Plan fiduciary net position;			
Employer contributions	\$ 204,413	\$ 192,114	\$ 177,884
Benefit payments, including refunds of employee contributions	(204,413)	(192,114)	(177,884)
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total OPEB liability - ending	<u>\$ 5,738,253</u>	<u>\$ 5,529,629</u>	<u>\$ 5,011,819</u>
Plan fiduciary net position as a percentage of total OPEB liability	0%	0%	0%
Covered employee payroll	\$ 88,509,796	\$ 83,414,462	\$ 81,578,936
Total OPEB liability as a percentage of covered employee payroll	6%	7%	6%

Valuation date: July 1, 2021

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

Inflation: 2.25% per year

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

Discount rate: The discount rate decreased from 2.66% to 2.19%

Mortality:

Teachers: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP-2021

Administrators: 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

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

HAMILTON SOUTHEASTERN SCHOOLS
 Required Supplementary Information
 Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
 Year ended June 30, 2022

	Education Fund			Variance from final budget over (under)
	Original Budget	Final Budget	Actual	
Revenues				
State basic aid	\$ 137,589,349	\$ 137,589,349	\$ 139,687,321	\$ 2,097,972
Investment income	1,100,000	1,100,000	1,180,818	80,818
Other revenues	1,275,000	1,275,000	1,192,919	(82,081)
Total revenues	<u>139,964,349</u>	<u>139,964,349</u>	<u>142,061,058</u>	<u>(2,096,709)</u>
Expenditures				
Instruction	121,817,072	121,817,072	118,868,127	(2,948,945)
Support services	25,010,324	25,010,324	23,482,947	(1,527,377)
Total expenditures	<u>146,827,396</u>	<u>146,827,396</u>	<u>142,351,074</u>	<u>(4,476,322)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,863,047)</u>	<u>(6,863,047)</u>	<u>(290,016)</u>	<u>6,573,031</u>
Other financing sources (uses)				
Transfers in	1,500,000	1,500,000	1,813,884	313,884
Total other financing sources (uses)	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,813,884</u>	<u>313,884</u>
Net change in fund balances	<u>\$ (5,363,047)</u>	<u>\$ (5,363,047)</u>	1,523,868	<u>\$ 6,886,915</u>
Fund balances at beginning of year			<u>11,675,568</u>	
Fund balances at end of year			<u>\$ 13,199,436</u>	

HAMILTON SOUTHEASTERN SCHOOLS
Required Supplementary Information
Major Special Revenue Funds
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Year ended June 30, 2022

	Referendum Fund			Variance from final budget over (under)
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 20,847,368	\$ 20,847,368	\$ 21,002,087	\$ 154,719
Other taxes	1,143,823	1,143,823	1,437,161	293,338
Other revenues	-	-	59,018	59,018
Total revenues	<u>21,991,191</u>	<u>21,991,191</u>	<u>22,498,266</u>	<u>(507,075)</u>
Expenditures				
Support services	22,149,841	22,149,841	20,096,153	(2,053,688)
Nonprogrammed charges	-	-	2,000,000	2,000,000
Capital outlays	120,700	120,700	43,322	(77,378)
Total expenditures	<u>22,270,541</u>	<u>22,270,541</u>	<u>22,139,475</u>	<u>(131,066)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(279,350)</u>	<u>(279,350)</u>	<u>358,791</u>	<u>638,141</u>
Other financing sources (uses)				
Other financing sources (uses)	-	-	2,000,000	2,000,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>2,000,000</u>
Net change in fund balances	<u>\$ (279,350)</u>	<u>\$ (279,350)</u>	<u>2,358,791</u>	<u>\$ 2,638,141</u>
Fund balances at beginning of year			<u>8,039,690</u>	
Fund balances at end of year			<u>\$ 10,398,481</u>	

HAMILTON SOUTHEASTERN SCHOOLS
 Required Supplementary Information
 Major Special Revenue Funds
 Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
 Year ended June 30, 2022

	Operations Fund			Variance from final budget over (under)
	Original Budget	Final Budget	Actual	
Revenues				
Property taxes	\$ 34,199,818	\$ 34,199,818	\$ 30,655,361	\$ (3,544,457)
Other taxes	2,146,731	2,146,731	2,677,858	531,127
Other revenues	1,750,000	1,750,000	3,142,942	1,392,942
Total revenues	<u>38,096,549</u>	<u>38,096,549</u>	<u>36,476,161</u>	<u>1,620,388</u>
Expenditures				
Support services	29,274,346	29,274,346	26,330,816	(2,943,530)
Operation of noninstructional services	14,700	14,700	14,306	(394)
Nonprogrammed charges	-	-	15,000,000	15,000,000
Capital outlays	4,382,000	4,382,000	3,586,439	(795,561)
Principal payments on debt	2,276,989	2,276,989	2,276,822	(167)
Total expenditures	<u>35,948,035</u>	<u>35,948,035</u>	<u>47,208,383</u>	<u>11,260,348</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,148,514</u>	<u>2,148,514</u>	<u>(10,732,222)</u>	<u>(12,880,736)</u>
Other financing sources (uses)				
Transfers out	-	-	1,813,884	1,813,884
Other financing sources (uses)	-	-	14,000,000	14,000,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>15,813,884</u>	<u>15,813,884</u>
Net change in fund balances	<u>\$ 2,148,514</u>	<u>\$ 2,148,514</u>	<u>5,081,662</u>	<u>\$ 2,933,148</u>
Fund balances at beginning of year			<u>5,858,718</u>	
Fund balances at end of year			<u>\$ 10,940,380</u>	

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Education Fund
June 30, 2022

	<u>Education</u> <u>Sub-Fund</u>	<u>Rainy Day</u> <u>Fund</u>	<u>Total</u> <u>Education</u> <u>Fund</u>
Assets			
Cash and investments	\$ 11,041,915	\$ 804,329	\$ 11,846,244
Receivables, net			
Interest receivable	142,406	-	142,406
Interfund receivable	683,060	11,500,000	12,183,060
Total assets	\$ 11,867,381	\$ 12,304,329	\$ 24,171,710
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities			
Accounts payable	\$ 1,144,629	\$ 674,490	\$ 1,819,119
Salaries and payroll deductions payable	13,327,403	-	13,327,403
Intergovernmental payable	20	-	20
Total liabilities	14,472,052	674,490	15,146,542
Deferred Inflows of Resources			
Unavailable revenues	-	-	-
Fund balances			
Committed	-	11,629,839	11,629,839
Unassigned	(2,604,671)	-	(2,604,671)
Total fund balance	(2,604,671)	11,629,839	9,025,168
Total liabilities, deferred inflows of resources and fund balance	\$ 11,867,381	\$ 12,304,329	\$ 24,171,710

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance
 Education Fund
 Year ended June 30, 2022

	<u>Education</u> <u>Sub-Fund</u>	<u>Rainy Day</u> <u>Fund</u>	<u>Total</u> <u>Education</u> <u>Fund</u>
Revenues			
State basic aid	\$ 143,593,988	\$ -	\$ 143,593,988
Investment income	1,278,049	-	1,278,049
Other revenues	1,390,529	-	1,390,529
Total revenues	<u>146,262,566</u>	<u>-</u>	<u>146,262,566</u>
Expenditures			
Instruction	121,870,206	-	121,870,206
Support services	25,080,114	-	25,080,114
Capital outlays	-	1,375,319	1,375,319
Total expenditures	<u>146,950,320</u>	<u>1,375,319</u>	<u>148,325,639</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(687,754)</u>	<u>(1,375,319)</u>	<u>(2,063,073)</u>
Other financing sources (uses)			
Transfers in	1,963,884	399,196	2,363,080
Other financing sources (uses)	-	(399,196)	(399,196)
Total other financing sources (uses)	<u>1,963,884</u>	<u>-</u>	<u>1,963,884</u>
Net change in fund balances	1,276,130	(1,375,319)	(99,189)
Fund balances at beginning of year	(3,880,801)	13,005,158	9,124,357
Fund balances at end of year	<u>\$ (2,604,671)</u>	<u>\$ 11,629,839</u>	<u>\$ 9,025,168</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	<u>Taxable</u> <u>Pension Bonds</u> <u>Fund</u>	<u>Capital</u> <u>Referendum</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
Assets				
Cash and investments	\$ -	\$ -	\$ 10,566,291	\$ 10,566,291
Cash and investments - restricted	310,654	11,312,636	1,532,238	13,155,528
Receivables, net				
Interest receivable	-	-	6,605	6,605
Taxes receivable	149,461	5,127,491	-	5,276,952
Intergovernmental receivable	-	-	2,157,858	2,157,858
Other receivables	-	-	1,355,317	1,355,317
Total assets	<u>\$ 460,115</u>	<u>\$ 16,440,127</u>	<u>\$ 15,618,309</u>	<u>\$ 32,518,551</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 2,058,645	\$ 2,058,645
Salaries and payroll deductions payable	-	-	504,365	504,365
Intergovernmental payable	-	-	91	91
Interfund payable	100,000	-	2,683,060	2,783,060
Unearned revenue	-	-	9,330	9,330
Total liabilities	<u>100,000</u>	<u>-</u>	<u>5,255,491</u>	<u>5,355,491</u>
Deferred Inflows of Resources				
Unavailable revenues	<u>149,461</u>	<u>5,127,491</u>	<u>1,290,012</u>	<u>6,566,964</u>
Fund balances				
Restricted - Debt service	210,654	11,312,636	-	11,523,290
Restricted - Grant expenses	-	-	1,592,794	1,592,794
Assigned - Food services	-	-	3,454,797	3,454,797
Assigned - Textbook program	-	-	563,124	563,124
Assigned - Instruction	-	-	3,864,487	3,864,487
Assigned - Other	-	-	8,809	8,809
Unassigned	-	-	(411,205)	(411,205)
Total fund balance	<u>210,654</u>	<u>11,312,636</u>	<u>9,072,806</u>	<u>20,596,096</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 460,115</u>	<u>\$ 16,440,127</u>	<u>\$ 15,618,309</u>	<u>\$ 32,518,551</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year ended June 30, 2022

	<u>Taxable</u> <u>Pension Bonds</u> <u>Fund</u>	<u>Capital</u> <u>Referendum</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>
Revenues				
Property taxes	\$ 358,996	\$ 12,389,658	\$ -	\$ 12,748,654
Other taxes	27,390	826,548	-	853,938
State basic aid	-	-	2,848,412	2,848,412
Investment income	-	-	1,633	1,633
Federal sources	-	-	17,365,063	17,365,063
Other revenues	-	-	16,632,727	16,632,727
Total revenues	<u>386,386</u>	<u>13,216,206</u>	<u>36,847,835</u>	<u>50,450,427</u>
Expenditures				
Instruction	-	-	17,663,132	17,663,132
Support services	-	1	6,491,507	6,491,508
Operation of noninstructional services	-	-	9,545,931	9,545,931
Nonprogrammed charges	-	-	217,780	217,780
Capital outlays	-	-	524,418	524,418
Principal payments on debt	335,000	5,050,000	-	5,385,000
Interest on debt	52,110	4,690,974	-	4,743,084
Other debt services	-	16,100	-	16,100
Total expenditures	<u>387,110</u>	<u>9,757,075</u>	<u>34,442,768</u>	<u>44,586,953</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(724)</u>	<u>3,459,131</u>	<u>2,405,067</u>	<u>5,863,474</u>
Other financing sources (uses)				
Transfers out	-	-	(62,240)	(62,240)
Other financing sources (uses)	-	-	(166,208)	(166,208)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(228,448)</u>	<u>(228,448)</u>
Net change in fund balances	(724)	3,459,131	2,176,619	5,635,026
Fund balances at beginning of year	211,378	7,853,505	6,896,187	14,961,070
Fund balances at end of year	<u>\$ 210,654</u>	<u>\$ 11,312,636</u>	<u>\$ 9,072,806</u>	<u>\$ 20,596,096</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Food Services Fund</u>	<u>Textbook Rental Fund</u>	<u>Coca-Cola Fund</u>	<u>Gifts and Donations Fund</u>	<u>High Ability 2021-2022 Fund</u>	<u>Formative Assessment Fund</u>	<u>Step Ahead IRead Fund</u>	<u>STEM Acceleration Grant 2020 Fund</u>
Assets								
Cash and investments	\$ 4,434,821	\$ 1,519,868	\$ 17,981	\$ -	\$ -	\$ -	\$ -	\$ -
Cash and investments - restricted	-	-	-	1,037,647	29,042	58,575	903	1
Receivables, net								
Interest receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	1,290,012	-	-	-	-	-	-
Other receivables	1,066,279	211,191	-	-	-	-	-	-
Total assets	<u>\$ 5,501,100</u>	<u>\$ 3,021,071</u>	<u>\$ 17,981</u>	<u>\$ 1,037,647</u>	<u>\$ 29,042</u>	<u>\$ 58,575</u>	<u>\$ 903</u>	<u>\$ 1</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ 35,407	\$ 1,167,935	\$ 9,081	\$ 10,111	\$ 40	\$ -	\$ -	\$ -
Salaries and payroll deductions payable	10,896	-	-	-	4,292	-	-	-
Intergovernmental payable	-	-	91	-	-	-	-	-
Interfund payable	2,000,000	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>2,046,303</u>	<u>1,167,935</u>	<u>9,172</u>	<u>10,111</u>	<u>4,332</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources								
Unavailable revenues	-	1,290,012	-	-	-	-	-	-
Fund balances								
Restricted - Grant expenses	-	-	-	1,027,536	24,710	58,575	903	1
Assigned - Food services	3,454,797	-	-	-	-	-	-	-
Assigned - Textbook program	-	563,124	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-	-
Assigned - Other	-	-	8,809	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>3,454,797</u>	<u>563,124</u>	<u>8,809</u>	<u>1,027,536</u>	<u>24,710</u>	<u>58,575</u>	<u>903</u>	<u>1</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 5,501,100</u>	<u>\$ 3,021,071</u>	<u>\$ 17,981</u>	<u>\$ 1,037,647</u>	<u>\$ 29,042</u>	<u>\$ 58,575</u>	<u>\$ 903</u>	<u>\$ 1</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Early Intervention</u>	<u>Lilly Foundation</u>	<u>Non English</u>	<u>Career/Technical</u>	<u>State Connectivity</u>	<u>Title I</u>	<u>Federal</u>	<u>Federal Spec Ed</u>
	<u>Grant</u>	<u>Grant</u>	<u>Speaking FY22</u>	<u>Perform</u>	<u>Grant (E-Rate)</u>	<u>2021-2022</u>	<u>Preschool 2021-2022</u>	<u>Part B 2021-22</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
Assets								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash and investments - restricted	4,088	9,330	205,901	15,499	166,529	-	-	-
Receivables, net								
Interest receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	75,133	11,524	546,435
Other receivables	-	-	-	-	-	-	-	-
Total assets	<u>\$ 4,088</u>	<u>\$ 9,330</u>	<u>\$ 205,901</u>	<u>\$ 15,499</u>	<u>\$ 166,529</u>	<u>\$ 75,133</u>	<u>\$ 11,524</u>	<u>\$ 546,435</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ 1,135	\$ -	\$ 1,825	\$ -	\$ -	\$ 606	\$ 56	\$ 30,315
Salaries and payroll deductions payable	-	-	6,746	-	-	29,138	6,461	344,238
Intergovernmental payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	46,986	8,078	323,293
Unearned revenue	-	9,330	-	-	-	-	-	-
Total liabilities	<u>1,135</u>	<u>9,330</u>	<u>8,571</u>	<u>-</u>	<u>-</u>	<u>76,730</u>	<u>14,595</u>	<u>697,846</u>
Deferred Inflows of Resources								
Unavailable revenues	-	-	-	-	-	-	-	-
Fund balances								
Restricted - Grant expenses	2,953	-	197,330	15,499	166,529	-	-	-
Assigned - Food services	-	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-	-
Assigned - Other	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(1,597)	(3,071)	(151,411)
Total fund balance	<u>2,953</u>	<u>-</u>	<u>197,330</u>	<u>15,499</u>	<u>166,529</u>	<u>(1,597)</u>	<u>(3,071)</u>	<u>(151,411)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 4,088</u>	<u>\$ 9,330</u>	<u>\$ 205,901</u>	<u>\$ 15,499</u>	<u>\$ 166,529</u>	<u>\$ 75,133</u>	<u>\$ 11,524</u>	<u>\$ 546,435</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Federal Spec Ed</u> <u>Part B 2019-20</u> <u>Fund</u>	<u>Federal Spec Ed</u> <u>Part B 2020-21</u> <u>Fund</u>	<u>Title II</u> <u>Part A 2019-2021</u> <u>Fund</u>	<u>Title II</u> <u>Part A 2020-2022</u> <u>Fund</u>	<u>Title II</u> <u>Mini-Grants 2020-21</u> <u>Fund</u>	<u>Title III</u> <u>2020-2022</u> <u>Fund</u>	<u>Immigrant</u> <u>Influx '20-22</u> <u>Fund</u>	<u>Immigrant</u> <u>Influx '19-21</u> <u>Fund</u>
Assets								
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash and investments - restricted	-	-	-	-	-	-	-	1
Receivables, net								
Interest receivable	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	13,771	1,742	63,159	-	2,353	3,167	-
Other receivables	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 13,771</u>	<u>\$ 1,742</u>	<u>\$ 63,159</u>	<u>\$ -</u>	<u>\$ 2,353</u>	<u>\$ 3,167</u>	<u>\$ 1</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ 20,193	\$ -	\$ 1,835	\$ -	\$ -
Salaries and payroll deductions payable	-	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Interfund payable	1	13,784	-	20,959	1,742	28,910	3,166	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>1</u>	<u>13,784</u>	<u>-</u>	<u>41,152</u>	<u>1,742</u>	<u>30,745</u>	<u>3,166</u>	<u>-</u>
Deferred Inflows of Resources								
Unavailable revenues	-	-	-	-	-	-	-	-
Fund balances								
Restricted - Grant expenses	-	-	1,742	22,007	-	-	1	1
Assigned - Food services	-	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	-	-	-	-
Assigned - Other	-	-	-	-	-	-	-	-
Unassigned	(1)	(13)	-	-	(1,742)	(28,392)	-	-
Total fund balance	<u>(1)</u>	<u>(13)</u>	<u>1,742</u>	<u>22,007</u>	<u>(1,742)</u>	<u>(28,392)</u>	<u>1</u>	<u>1</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ -</u>	<u>\$ 13,771</u>	<u>\$ 1,742</u>	<u>\$ 63,159</u>	<u>\$ -</u>	<u>\$ 2,353</u>	<u>\$ 3,167</u>	<u>\$ 1</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>ESSER III</u> <u>Fund</u>	<u>ESSER II</u> <u>Fund</u>	<u>Federal Stimulus</u> <u>Stabilization</u> <u>Fund</u>	<u>Prepaid</u> <u>Lunch Account</u> <u>Fund</u>	<u>Brooks</u> <u>Elementary</u> <u>Fund</u>	<u>Cumberland Road</u> <u>Elementary</u> <u>Fund</u>	<u>Durbin</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Intermediate</u> <u>Fund</u>
Assets									
Cash and investments	\$ -	\$ -	\$ -	\$ 553,648	\$ 123,921	\$ 25,504	\$ 17,535	\$ 34,018	\$ 108,418
Cash and investments - restricted	-	-	-	-	-	-	-	-	-
Receivables, net									
Interest receivable	-	-	-	-	238	39	-	52	169
Intergovernmental receivable	48,072	41,924	-	-	-	-	-	-	-
Other receivables	-	-	-	-	783	571	-	171	93
Total assets	<u>\$ 48,072</u>	<u>\$ 41,924</u>	<u>\$ -</u>	<u>\$ 553,648</u>	<u>\$ 124,942</u>	<u>\$ 26,114</u>	<u>\$ 17,535</u>	<u>\$ 34,241</u>	<u>\$ 108,680</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance									
Liabilities									
Accounts payable	\$ 10,346	\$ 6,139	\$ -	\$ 553,648	\$ 2,955	\$ -	\$ -	\$ 2,237	\$ 25
Salaries and payroll deductions payable	50,118	40,455	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-	-
Interfund payable	169,849	16,877	1,176	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Total liabilities	<u>230,313</u>	<u>63,471</u>	<u>1,176</u>	<u>553,648</u>	<u>2,955</u>	<u>-</u>	<u>-</u>	<u>2,237</u>	<u>25</u>
Deferred Inflows of Resources									
Unavailable revenues	-	-	-	-	-	-	-	-	-
Fund balances									
Restricted - Grant expenses	-	-	-	-	-	-	-	-	-
Assigned - Food services	-	-	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-	-
Assigned - Instruction	-	-	-	-	121,987	26,114	17,535	32,004	108,655
Assigned - Other	-	-	-	-	-	-	-	-	-
Unassigned	(182,241)	(21,547)	(1,176)	-	-	-	-	-	-
Total fund balance	<u>(182,241)</u>	<u>(21,547)</u>	<u>(1,176)</u>	<u>-</u>	<u>121,987</u>	<u>26,114</u>	<u>17,535</u>	<u>32,004</u>	<u>108,655</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 48,072</u>	<u>\$ 41,924</u>	<u>\$ -</u>	<u>\$ 553,648</u>	<u>\$ 124,942</u>	<u>\$ 26,114</u>	<u>\$ 17,535</u>	<u>\$ 34,241</u>	<u>\$ 108,680</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Fall Creek Intermediate Fund</u>	<u>Fall Creek Junior High Fund</u>	<u>Fishers Elementary Fund</u>	<u>Fishers Junior High Fund</u>	<u>Fishers High Fund</u>	<u>Geist Elementary Fund</u>	<u>Hamilton Southeastern High Fund</u>	<u>Hamilton Southeastern Junior High Fund</u>
Assets								
Cash and investments	\$ 108,418	\$ 216,252	\$ 17,241	\$ 169,409	\$ 995,695	\$ 26,188	\$ 1,388,979	\$ 181,052
Cash and investments - restricted	-	-	-	-	-	-	-	-
Receivables, net								
Interest receivable	169	329	27	270	1,686	43	2,352	297
Intergovernmental receivable	-	-	-	-	-	-	-	-
Other receivables	93	9,287	-	9,360	14,335	669	29,820	-
Total assets	<u>\$ 108,680</u>	<u>\$ 225,868</u>	<u>\$ 17,268</u>	<u>\$ 179,039</u>	<u>\$ 1,011,716</u>	<u>\$ 26,900</u>	<u>\$ 1,421,151</u>	<u>\$ 181,349</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ 25	\$ -	\$ 370	\$ 16,853	\$ 56,156	\$ 3,097	\$ 70,680	\$ 11,424
Salaries and payroll deductions payable	-	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>25</u>	<u>-</u>	<u>370</u>	<u>16,853</u>	<u>56,156</u>	<u>3,097</u>	<u>70,680</u>	<u>11,424</u>
Deferred Inflows of Resources								
Unavailable revenues	-	-	-	-	-	-	-	-
Fund balances								
Restricted - Grant expenses	-	-	-	-	-	-	-	-
Assigned - Food services	-	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-	-
Assigned - Instruction	108,655	225,868	16,898	162,186	955,560	23,803	1,350,471	169,925
Assigned - Other	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balance	<u>108,655</u>	<u>225,868</u>	<u>16,898</u>	<u>162,186</u>	<u>955,560</u>	<u>23,803</u>	<u>1,350,471</u>	<u>169,925</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 108,680</u>	<u>\$ 225,868</u>	<u>\$ 17,268</u>	<u>\$ 179,039</u>	<u>\$ 1,011,716</u>	<u>\$ 26,900</u>	<u>\$ 1,421,151</u>	<u>\$ 181,349</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Harrison Parkway</u> <u>Elementary</u> <u>Fund</u>	<u>Hoosier Road</u> <u>Elementary</u> <u>Fund</u>	<u>Lantern Road</u> <u>Elementary</u> <u>Fund</u>	<u>New Britton</u> <u>Elementary</u> <u>Fund</u>	<u>Riverside</u> <u>Intermediate</u> <u>Fund</u>	<u>Riverside</u> <u>Junior High</u> <u>Fund</u>	<u>Sand Creek</u> <u>Elementary</u> <u>Fund</u>
Assets							
Cash and investments	\$ 88,749	\$ 53,387	\$ 35,420	\$ 9,908	\$ 79,262	\$ 199,711	\$ 29,000
Cash and investments - restricted	-	-	-	-	-	-	-
Receivables, net							
Interest receivable	135	88	54	17	166	317	44
Intergovernmental receivable	-	-	-	-	-	-	-
Other receivables	1,173	1,956	340	1,590	1,240	496	224
Total assets	<u>\$ 90,057</u>	<u>\$ 55,431</u>	<u>\$ 35,814</u>	<u>\$ 11,515</u>	<u>\$ 80,668</u>	<u>\$ 200,524</u>	<u>\$ 29,268</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance							
Liabilities							
Accounts payable	\$ 500	\$ 1,561	\$ 1,124	\$ 644	\$ 80	\$ 19,626	\$ 682
Salaries and payroll deductions payable	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>500</u>	<u>1,561</u>	<u>1,124</u>	<u>644</u>	<u>80</u>	<u>19,626</u>	<u>682</u>
Deferred Inflows of Resources							
Unavailable revenues	-	-	-	-	-	-	-
Fund balances							
Restricted - Grant expenses	-	-	-	-	-	-	-
Assigned - Food services	-	-	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-	-	-
Assigned - Instruction	89,557	53,870	34,690	10,871	80,588	180,898	28,586
Assigned - Other	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balance	<u>89,557</u>	<u>53,870</u>	<u>34,690</u>	<u>10,871</u>	<u>80,588</u>	<u>180,898</u>	<u>28,586</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 90,057</u>	<u>\$ 55,431</u>	<u>\$ 35,814</u>	<u>\$ 11,515</u>	<u>\$ 80,668</u>	<u>\$ 200,524</u>	<u>\$ 29,268</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Thorpe Creek Elementary Fund</u>	<u>Southeastern Elementary Fund</u>	<u>Deer Creek Elementary Fund</u>	<u>Medicaid Reimbursement - Federal Fund</u>	<u>Title III 2021-2023 Fund</u>
Assets					
Cash and investments	\$ 31,133	\$ 15,494	\$ -	\$ 70,285	\$ -
Cash and investments - restricted	-	-	-	-	-
Receivables, net					
Interest receivable	47	25	26	-	-
Intergovernmental receivable	-	-	-	-	2,519
Other receivables	3,107	-	692	-	-
Total assets	<u>\$ 34,287</u>	<u>\$ 15,519</u>	<u>\$ 718</u>	<u>\$ 70,285</u>	<u>\$ 2,519</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance					
Liabilities					
Accounts payable	\$ 126	\$ 570	\$ 2,281	\$ -	\$ 1,628
Salaries and payroll deductions payable	-	-	-	-	5,875
Intergovernmental payable	-	-	-	-	-
Interfund payable	-	-	-	-	2,519
Unearned revenue	-	-	-	-	-
Total liabilities	<u>126</u>	<u>570</u>	<u>2,281</u>	<u>-</u>	<u>10,022</u>
Deferred Inflows of Resources					
Unavailable revenues	-	-	-	-	-
Fund balances					
Restricted - Grant expenses	-	-	-	70,285	-
Assigned - Food services	-	-	-	-	-
Assigned - Textbook program	-	-	-	-	-
Assigned - Instruction	34,161	14,949	-	-	-
Assigned - Other	-	-	-	-	-
Unassigned	-	-	(1,563)	-	(7,503)
Total fund balance	<u>34,161</u>	<u>14,949</u>	<u>(1,563)</u>	<u>70,285</u>	<u>(7,503)</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 34,287</u>	<u>\$ 15,519</u>	<u>\$ 718</u>	<u>\$ 70,285</u>	<u>\$ 2,519</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>ARP/IDEA</u> <u>School Age</u> <u>Fund</u>	<u>ARP/IDEA</u> <u>Preschool</u> <u>Fund</u>	<u>2401</u> <u>Fund</u>	<u>Project</u> <u>Aware 2021-2022</u> <u>Fund</u>	<u>Medicaid</u> <u>Reimbursement-State</u> <u>Fund</u>	<u>Total</u> <u>Nonmajor</u> <u>Special</u> <u>Revenue</u> <u>Funds</u>
Assets						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,566,291
Cash and investments - restricted	-	-	-	-	4,722	1,532,238
Receivables, net						
Interest receivable	-	-	-	-	-	6,605
Intergovernmental receivable	55,375	2,537	-	135	-	2,157,858
Other receivables	-	-	-	-	-	1,355,317
Total assets	<u>\$ 55,375</u>	<u>\$ 2,537</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ 4,722</u>	<u>\$ 15,618,309</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities						
Accounts payable	\$ 14,495	\$ -	\$ 2,402	\$ 232	\$ -	\$ 2,058,645
Salaries and payroll deductions payable	6,146	-	-	-	-	504,365
Intergovernmental payable	-	-	-	-	-	91
Interfund payable	41,265	2,537	-	1,918	-	2,683,060
Unearned revenue	-	-	-	-	-	9,330
Total liabilities	<u>61,906</u>	<u>2,537</u>	<u>2,402</u>	<u>2,150</u>	<u>-</u>	<u>5,255,491</u>
Deferred Inflows of Resources						
Unavailable revenues	-	-	-	-	-	1,290,012
Fund balances						
Restricted - Grant expenses	-	-	-	-	4,722	1,592,794
Assigned - Food services	-	-	-	-	-	3,454,797
Assigned - Textbook program	-	-	-	-	-	563,124
Assigned - Instruction	-	-	-	-	-	3,864,487
Assigned - Other	-	-	-	-	-	8,809
Unassigned	(6,531)	-	(2,402)	(2,015)	-	(411,205)
Total fund balance	<u>(6,531)</u>	<u>-</u>	<u>(2,402)</u>	<u>(2,015)</u>	<u>4,722</u>	<u>9,072,806</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 55,375</u>	<u>\$ 2,537</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ 4,722</u>	<u>\$ 15,618,309</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenues, Expenses and Changes in Fund Balance
 Nonmajor Governmental Funds – Special Revenue
 June 30, 2022

	<u>Food Services Fund</u>	<u>Textbook Rental Fund</u>	<u>Tax Levy Excess Fund</u>	<u>Coca-Cola Fund</u>	<u>Gifts and Donations Fund</u>	<u>High Ability 2020-2021 Fund</u>	<u>High Ability 2021-2022 Fund</u>	<u>Formative Assessment Fund</u>	<u>Step Ahead IRead Fund</u>
Revenues									
State basic aid	\$ 97,822	\$ 290,315	\$ -	\$ -	\$ -	\$ -	\$ 155,813	\$ 264,712	\$ -
Investment income	-	-	-	-	-	-	-	-	-
Federal sources	10,705,787	-	-	-	-	-	-	-	-
Other revenues	3,393,884	1,296,647	-	67,500	381,900	-	-	-	-
Total revenues	<u>14,197,493</u>	<u>1,586,962</u>	<u>-</u>	<u>67,500</u>	<u>381,900</u>	<u>-</u>	<u>155,813</u>	<u>264,712</u>	<u>-</u>
Expenditures									
Instruction	-	-	-	3,231	32,378	9,995	86,739	227,338	-
Support services	26,723	4,212,675	-	82,854	65,988	7,547	44,364	-	-
Operation of noninstructional services	9,449,097	-	-	-	96,570	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	43,418	-	-	-	-
Total expenditures	<u>9,475,820</u>	<u>4,212,675</u>	<u>-</u>	<u>86,085</u>	<u>238,354</u>	<u>17,542</u>	<u>131,103</u>	<u>227,338</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,721,673</u>	<u>(2,625,713)</u>	<u>-</u>	<u>(18,585)</u>	<u>143,546</u>	<u>(17,542)</u>	<u>24,710</u>	<u>37,374</u>	<u>-</u>
Other financing sources (uses)									
Transfers out	-	-	(62,240)	-	-	-	-	-	-
Other financing sources (uses)	-	(166,208)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(166,208)</u>	<u>(62,240)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,721,673	(2,791,921)	(62,240)	(18,585)	143,546	(17,542)	24,710	37,374	-
Fund balances at beginning of year, restated	(1,266,876)	3,355,045	62,240	27,394	883,990	17,542	-	21,201	903
Fund balances at end of year	<u>\$ 3,454,797</u>	<u>\$ 563,124</u>	<u>\$ -</u>	<u>\$ 8,809</u>	<u>\$ 1,027,536</u>	<u>\$ -</u>	<u>\$ 24,710</u>	<u>\$ 58,575</u>	<u>\$ 903</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
Combining Statement of Revenues, Expenses and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Secured Schools Safety Fund</u>	<u>STEM Acceleration Grant 2020 Fund</u>	<u>State Alternative Education Fund</u>	<u>Early Intervention Grant Fund</u>	<u>Lilly Foundation Grant Fund</u>	<u>Non English Speaking FY21 Fund</u>	<u>Non English Speaking FY22 Fund</u>	<u>Career/Technical Perform Fund</u>
Revenues								
State basic aid	\$ 50,000	\$ 58,504	\$ 9,000	\$ 132,670	\$ -	\$ -	\$ 427,616	\$ -
Investment income	-	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	58,125	-	-	-
Total revenues	<u>50,000</u>	<u>58,504</u>	<u>9,000</u>	<u>132,670</u>	<u>58,125</u>	<u>-</u>	<u>427,616</u>	<u>-</u>
Expenditures								
Instruction	-	-	9,000	131,921	-	156,042	226,063	-
Support services	50,000	96,382	-	-	58,125	-	4,223	-
Operation of noninstructional services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	<u>50,000</u>	<u>96,382</u>	<u>9,000</u>	<u>131,921</u>	<u>58,125</u>	<u>156,042</u>	<u>230,286</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(37,878)</u>	<u>-</u>	<u>749</u>	<u>-</u>	<u>(156,042)</u>	<u>197,330</u>	<u>-</u>
Other financing sources (uses)								
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(37,878)	-	749	-	(156,042)	197,330	-
Fund balances at beginning of year, restated	-	37,879	-	2,204	-	156,042	-	15,499
Fund balances at end of year	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 2,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 197,330</u>	<u>\$ 15,499</u>

HAMILTON SOUTHEASTERN SCHOOLS
 Other Supplementary Information
 Combining Statement of Revenues, Expenses and Changes in Fund Balance
 Nonmajor Governmental Funds – Special Revenue
 June 30, 2022

	<u>IN Schl</u> <u>Incent Awards</u> <u>Fund</u>	<u>State Connectivity</u> <u>Grant (E-Rate)</u> <u>Fund</u>	<u>Title I</u> <u>2020-2021</u> <u>Fund</u>	<u>Title I</u> <u>2021-2022</u> <u>Fund</u>	<u>Federal</u> <u>Preschool 2021-2022</u> <u>Fund</u>	<u>Federal</u> <u>Preschool 2020-21</u> <u>Fund</u>	<u>Federal Spec Ed</u> <u>Part B 2021-22</u> <u>Fund</u>	<u>Federal Spec Ed</u> <u>Part B 2019-20</u> <u>Fund</u>
Revenues								
State basic aid	\$ 792,127	\$ 486,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-	-	-	-
Federal sources	-	-	11,986	394,282	93,868	-	3,687,081	45,414
Other revenues	-	(248,752)	-	-	-	-	-	-
Total revenues	<u>792,127</u>	<u>237,368</u>	<u>11,986</u>	<u>394,282</u>	<u>93,868</u>	<u>-</u>	<u>3,687,081</u>	<u>45,414</u>
Expenditures								
Instruction	789,234	-	16,866	390,880	96,939	(8,529)	2,885,283	30,218
Support services	-	-	-	4,999	-	-	953,209	-
Operation of noninstructional services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Capital outlays	-	441,000	-	-	-	-	-	-
Total expenditures	<u>789,234</u>	<u>441,000</u>	<u>16,866</u>	<u>395,879</u>	<u>96,939</u>	<u>(8,529)</u>	<u>3,838,492</u>	<u>30,218</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,893</u>	<u>(203,632)</u>	<u>(4,880)</u>	<u>(1,597)</u>	<u>(3,071)</u>	<u>8,529</u>	<u>(151,411)</u>	<u>15,196</u>
Other financing sources (uses)								
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,893	(203,632)	(4,880)	(1,597)	(3,071)	8,529	(151,411)	15,196
Fund balances at beginning of year, restated	(2,893)	370,161	4,880	-	-	(8,529)	-	(15,197)
Fund balances at end of year	<u>\$ -</u>	<u>\$ 166,529</u>	<u>\$ -</u>	<u>\$ (1,597)</u>	<u>\$ (3,071)</u>	<u>\$ -</u>	<u>\$ (151,411)</u>	<u>\$ (1)</u>

HAMILTON SOUTHEASTERN SCHOOLS
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Combining Statement of Revenues, Expenses and Changes in Fund Balance
Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Federal Spec Ed</u> <u>Part B 2020-21</u> <u>Fund</u>	<u>Title IV</u> <u>2019-2021</u> <u>Fund</u>	<u>6100</u> <u>Fund</u>	<u>Title II</u> <u>Part A 2019-2021</u> <u>Fund</u>	<u>Title II</u> <u>Part A 2020-2022</u> <u>Fund</u>	<u>Title II</u> <u>Mini-Grants 2020-21</u> <u>Fund</u>	<u>Title III</u> <u>2020-2022</u> <u>Fund</u>	<u>Immigrant</u> <u>Influx '20-22</u> <u>Fund</u>
Revenues								
State basic aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-	-	-	-
Federal sources	473,463	4,004	40,000	193,155	187,288	1,000	21,569	10,034
Other revenues	-	-	-	-	-	-	-	-
Total revenues	<u>473,463</u>	<u>4,004</u>	<u>40,000</u>	<u>193,155</u>	<u>187,288</u>	<u>1,000</u>	<u>21,569</u>	<u>10,034</u>
Expenditures								
Instruction	131,868	-	-	-	-	-	48,142	-
Support services	18,781	4,004	-	189,523	165,281	1,742	378	9,718
Operation of noninstructional services	-	-	-	-	-	-	-	264
Nonprogrammed charges	-	-	-	-	-	-	-	-
Capital outlays	-	-	40,000	-	-	-	-	-
Total expenditures	<u>150,649</u>	<u>4,004</u>	<u>40,000</u>	<u>189,523</u>	<u>165,281</u>	<u>1,742</u>	<u>48,520</u>	<u>9,982</u>
Excess (deficiency) of revenues over (under) expenditures	<u>322,814</u>	<u>-</u>	<u>-</u>	<u>3,632</u>	<u>22,007</u>	<u>(742)</u>	<u>(26,951)</u>	<u>52</u>
Other financing sources (uses)								
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	322,814	-	-	3,632	22,007	(742)	(26,951)	52
Fund balances at beginning of year, restated	(322,827)	-	-	(1,890)	-	(1,000)	(1,441)	(51)
Fund balances at end of year	<u>\$ (13)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,742</u>	<u>\$ 22,007</u>	<u>\$ (1,742)</u>	<u>\$ (28,392)</u>	<u>\$ 1</u>

HAMILTON SOUTHEASTERN SCHOOLS
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 Combining Statement of Revenues, Expenses and Changes in Fund Balance
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	<u>Immigrant</u> <u>Influx '19-21</u> <u>Fund</u>	<u>ESSER III</u> <u>Fund</u>	<u>ESSER II</u> <u>Fund</u>	<u>Federal Stimulus</u> <u>Stabilization</u> <u>Fund</u>	<u>Project Aware</u> <u>Fund</u>	<u>Prepaid</u> <u>Lunch Account</u> <u>Fund</u>	<u>Brooks</u> <u>Elementary</u> <u>Fund</u>	<u>Cumberland Road</u> <u>Elementary</u> <u>Fund</u>
Revenues								
State basic aid	\$ -	\$ 37,726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-	-	56	13
Federal sources	235	335,237	858,998	64	13,649	-	-	-
Other revenues	-	-	-	-	-	274,786	468,062	137,754
Total revenues	<u>235</u>	<u>372,963</u>	<u>858,998</u>	<u>64</u>	<u>13,649</u>	<u>274,786</u>	<u>468,118</u>	<u>137,767</u>
Expenditures								
Instruction	-	165,619	876,224	1,240	-	-	455,018	133,485
Support services	-	389,585	-	-	15,766	-	-	-
Operation of noninstructional services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	217,780	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>555,204</u>	<u>876,224</u>	<u>1,240</u>	<u>15,766</u>	<u>217,780</u>	<u>455,018</u>	<u>133,485</u>
Excess (deficiency) of revenues over (under) expenditures	<u>235</u>	<u>(182,241)</u>	<u>(17,226)</u>	<u>(1,176)</u>	<u>(2,117)</u>	<u>57,006</u>	<u>13,100</u>	<u>4,282</u>
Other financing sources (uses)								
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	235	(182,241)	(17,226)	(1,176)	(2,117)	57,006	13,100	4,282
Fund balances at beginning of year, restated	(234)	-	(4,321)	-	2,117	(57,006)	108,887	21,832
Fund balances at end of year	<u>\$ 1</u>	<u>\$ (182,241)</u>	<u>\$ (21,547)</u>	<u>\$ (1,176)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 121,987</u>	<u>\$ 26,114</u>

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	<u>Durbin</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Fall Creek</u> <u>Intermediate</u> <u>Fund</u>	<u>Fall Creek</u> <u>Junior High</u> <u>Fund</u>	<u>Fishers</u> <u>Elementary</u> <u>Fund</u>	<u>Fishers</u> <u>Junior High</u> <u>Fund</u>	<u>Fishers</u> <u>High</u> <u>Fund</u>	<u>Geist</u> <u>Elementary</u> <u>Fund</u>	<u>Hamilton</u> <u>Southeastern High</u> <u>Fund</u>
Revenues									
State basic aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	(20)	2	21	104	(3)	43	461	1	487
Federal sources	-	-	-	-	-	-	-	-	-
Other revenues	82,995	134,468	265,644	588,952	108,783	536,896	2,855,240	185,534	3,043,083
Total revenues	<u>82,975</u>	<u>134,470</u>	<u>265,665</u>	<u>589,056</u>	<u>108,780</u>	<u>536,939</u>	<u>2,855,701</u>	<u>185,535</u>	<u>3,043,570</u>
Expenditures									
Instruction	82,637	138,351	263,686	539,633	111,550	542,309	2,695,832	195,700	3,138,312
Support services	-	-	-	-	-	-	-	-	-
Operation of noninstructional services	-	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-	-
Total expenditures	<u>82,637</u>	<u>138,351</u>	<u>263,686</u>	<u>539,633</u>	<u>111,550</u>	<u>542,309</u>	<u>2,695,832</u>	<u>195,700</u>	<u>3,138,312</u>
Excess (deficiency) of revenues over (under) expenditures	<u>338</u>	<u>(3,881)</u>	<u>1,979</u>	<u>49,423</u>	<u>(2,770)</u>	<u>(5,370)</u>	<u>159,869</u>	<u>(10,165)</u>	<u>(94,742)</u>
Other financing sources (uses)									
Transfers out	-	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	338	(3,881)	1,979	49,423	(2,770)	(5,370)	159,869	(10,165)	(94,742)
Fund balances at beginning of year, restated	17,197	35,885	106,676	176,445	19,668	167,556	795,691	33,968	1,445,213
Fund balances at end of year	<u>\$ 17,535</u>	<u>\$ 32,004</u>	<u>\$ 108,655</u>	<u>\$ 225,868</u>	<u>\$ 16,898</u>	<u>\$ 162,186</u>	<u>\$ 955,560</u>	<u>\$ 23,803</u>	<u>\$ 1,350,471</u>

HAMILTON SOUTHEASTERN SCHOOLS
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	<u>Hamilton Southeastern</u> <u>Junior High</u> <u>Fund</u>	<u>Harrison Parkway</u> <u>Elementary</u> <u>Fund</u>	<u>Hoosier Road</u> <u>Elementary</u> <u>Fund</u>	<u>Lantern Road</u> <u>Elementary</u> <u>Fund</u>	<u>New Britton</u> <u>Elementary</u> <u>Fund</u>	<u>Riverside</u> <u>Intermediate</u> <u>Fund</u>	<u>Riverside</u> <u>Junior High</u> <u>Fund</u>	<u>Sand Creek</u> <u>Elementary</u> <u>Fund</u>
Revenues								
State basic aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	138	48	16	13	1	71	123	5
Federal sources	-	-	-	-	-	-	-	-
Other revenues	682,423	133,716	154,656	143,946	148,337	309,428	597,542	148,128
Total revenues	<u>682,561</u>	<u>133,764</u>	<u>154,672</u>	<u>143,959</u>	<u>148,338</u>	<u>309,499</u>	<u>597,665</u>	<u>148,133</u>
Expenditures								
Instruction	628,586	112,048	158,727	142,741	147,257	293,348	561,148	148,858
Support services	-	-	-	-	-	-	-	-
Operation of noninstructional services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	<u>628,586</u>	<u>112,048</u>	<u>158,727</u>	<u>142,741</u>	<u>147,257</u>	<u>293,348</u>	<u>561,148</u>	<u>148,858</u>
Excess (deficiency) of revenues over (under) expenditures	<u>53,975</u>	<u>21,716</u>	<u>(4,055)</u>	<u>1,218</u>	<u>1,081</u>	<u>16,151</u>	<u>36,517</u>	<u>(725)</u>
Other financing sources (uses)								
Transfers out	-	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	53,975	21,716	(4,055)	1,218	1,081	16,151	36,517	(725)
Fund balances at beginning of year, restated	115,950	67,841	57,925	33,472	9,790	64,437	144,381	29,311
Fund balances at end of year	<u>\$ 169,925</u>	<u>\$ 89,557</u>	<u>\$ 53,870</u>	<u>\$ 34,690</u>	<u>\$ 10,871</u>	<u>\$ 80,588</u>	<u>\$ 180,898</u>	<u>\$ 28,586</u>

HAMILTON SOUTHEASTERN SCHOOLS
Other Supplementary Information
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Nonmajor Governmental Funds – Special Revenue
June 30, 2022

	<u>Sand Creek</u> <u>Intermediate</u> <u>Fund</u>	<u>Thorpe Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Southeastern</u> <u>Elementary</u> <u>Fund</u>	<u>Deer Creek</u> <u>Elementary</u> <u>Fund</u>	<u>Medicaid</u> <u>Reimbursement - Federal</u> <u>Fund</u>	<u>Title III</u> <u>2021-2023</u> <u>Fund</u>	<u>ARP/IDEA</u> <u>School Age</u> <u>Fund</u>
Revenues							
State basic aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,265
Investment income	16	5	6	26	-	-	-
Federal sources	-	-	-	-	76,799	86,837	40,457
Other revenues	257,956	157,913	266,489	692	-	-	-
Total revenues	<u>257,972</u>	<u>157,918</u>	<u>266,495</u>	<u>718</u>	<u>76,799</u>	<u>86,837</u>	<u>81,722</u>
Expenditures							
Instruction	259,190	156,647	261,357	2,281	-	94,340	73,903
Support services	-	-	-	-	6,514	-	14,350
Operation of noninstructional services	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-
Total expenditures	<u>259,190</u>	<u>156,647</u>	<u>261,357</u>	<u>2,281</u>	<u>6,514</u>	<u>94,340</u>	<u>88,253</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,218)</u>	<u>1,271</u>	<u>5,138</u>	<u>(1,563)</u>	<u>70,285</u>	<u>(7,503)</u>	<u>(6,531)</u>
Other financing sources (uses)							
Transfers out	-	-	-	-	-	-	-
Other financing sources (uses)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,218)	1,271	5,138	(1,563)	70,285	(7,503)	(6,531)
Fund balances at beginning of year, restated	126,529	32,890	9,811	-	-	-	-
Fund balances at end of year	<u>\$ 125,311</u>	<u>\$ 34,161</u>	<u>\$ 14,949</u>	<u>\$ (1,563)</u>	<u>\$ 70,285</u>	<u>\$ (7,503)</u>	<u>\$ (6,531)</u>

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	<u>ARP/IDEA Preschool Fund</u>	<u>2401 Fund</u>	<u>Project Aware 2021-2022 Fund</u>	<u>Medicaid Reimbursement-State Fund</u>	<u>Title IV 2020-2022 Fund</u>	<u>Title III Distinguished District Award Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues							
State basic aid	\$ -	\$ -	\$ -	\$ 4,722	\$ -	\$ -	\$ 2,848,412
Investment income	-	-	-	-	-	-	1,633
Federal sources	9,146	-	38,468	-	26,242	10,000	17,365,063
Other revenues	-	-	-	-	-	-	16,632,727
Total revenues	<u>9,146</u>	<u>-</u>	<u>38,468</u>	<u>4,722</u>	<u>26,242</u>	<u>10,000</u>	<u>36,847,835</u>
Expenditures							
Instruction	9,146	351	-	-	-	10,000	17,663,132
Support services	-	2,051	40,483	-	26,242	-	6,491,507
Operation of noninstructional services	-	-	-	-	-	-	9,545,931
Nonprogrammed charges	-	-	-	-	-	-	217,780
Capital outlays	-	-	-	-	-	-	524,418
Total expenditures	<u>9,146</u>	<u>2,402</u>	<u>40,483</u>	<u>-</u>	<u>26,242</u>	<u>10,000</u>	<u>34,442,768</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,402)</u>	<u>(2,015)</u>	<u>4,722</u>	<u>-</u>	<u>-</u>	<u>2,405,067</u>
Other financing sources (uses)							
Transfers out	-	-	-	-	-	-	(62,240)
Other financing sources (uses)	-	-	-	-	-	-	(166,208)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(228,448)</u>
Net change in fund balances	-	(2,402)	(2,015)	4,722	-	-	2,176,619
Fund balances at beginning of year, restated	-	-	-	-	-	-	6,896,187
Fund balances at end of year	<u>\$ -</u>	<u>\$ (2,402)</u>	<u>\$ (2,015)</u>	<u>\$ 4,722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,072,806</u>

Hamilton Southeastern Schools

Single Audit Report

June 30, 2022



Hamilton Southeastern Schools

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Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Federal Grantor	Pass-Through Grantor	Pass-Through Identifying Number	Program Title	Federal Assistance Listing Number	2022 Total Federal Expenditures
U.S. Department of Agriculture					
Child Nutrition Cluster:					
	Indiana Department of Education	3005	School Breakfast Program	10.553	\$ 1,409,925
	Indiana Department of Education	3005	National School Lunch Fund	10.555	9,292,799
	Indiana Department of Education	3005	National School Lunch Fund - Commodities	10.555	973,049
					<u>10,265,848</u>
					11,675,773
					<u>3,063</u>
	Indiana Department of Education	3005	COVID-19 State Pandemic Electronic Benefit Transfer Administrative Costs Grants	10.649	<u>3,063</u>
					Total U.S. Department of Agriculture
					<u>11,678,836</u>
Federal Communications Commission					
	Indiana Department of Education	ECF202106788	COVID-19 Emergency Connectivity Fund	32.009	<u>1,254,000</u>
					Total Federal Communications Commission
					<u>1,254,000</u>
U.S. Department of Energy					
	Indiana Office of Energy Development	48697	State Energy Program	81.041	<u>40,000</u>
					Total U.S. Department of Energy
					<u>40,000</u>
U.S. Department of Education					
	Indiana Department of Education	S010A200014	Title I Grants to Local Education Agencies	84.010	32,965
	Indiana Department of Education	S010A210014	Title I Grants to Local Education Agencies	84.010	441,268
					<u>474,233</u>

Hamilton Southeastern Schools

Schedule of Expenditures of Federal Awards (Continued)

Year Ended June 30, 2022

Federal Grantor	Pass-Through Grantor	Pass-Through Identifying Number	Program Title	Federal Assistance Listing Number	2022 Total Federal Expenditures
Special Education Cluster:					
	Indiana Department of Education	20611-101-PN01	Special Education Part B	84.027	\$ 8,844
	Indiana Department of Education	21611-101-PN01	Special Education Part B	84.027	152,010
	Indiana Department of Education	22611-101-PN01	Special Education Part B	84.027	4,010,374
	Indiana Department of Education	H027X210084	COVID-19 Special Education Part B	84.027	122,986
					<u>4,294,214</u>
	Indiana Department of Education	22619-101-PN01	Special Education Preschool	84.173	101,947
	Indiana Department of Education	H173X210104	COVID-19 Special Education Preschool	84.173	11,683
					<u>113,630</u>
	Total Special Education Cluster				<u>4,407,844</u>
	Indiana Department of Education	S365A190014	English Language Acquisition State Grants	84.365	28,281
	Indiana Department of Education	01119-115-PN01	English Language Acquisition State Grants	84.365	10,000
	Indiana Department of Education	S365A210014	English Language Acquisition State Grants	84.365	89,356
					<u>127,637</u>
	Indiana Department of Education	7000-S367A190013	Supporting Effective Instruction State Grants	84.367	125,424
	Indiana Department of Education	S367A200013	Supporting Effective Instruction State Grants	84.367	207,265
	Indiana Department of Education	S367A180013	Supporting Effective Instruction State Grants	84.367	1,742
					<u>334,431</u>
	Indiana Department of Education	S424A190015	Student Support and Academic Enrichment Program	84.424	4,004
	Indiana Department of Education	S424A200015	Student Support and Academic Enrichment Program	84.424	26,242
					<u>30,246</u>
	Indiana Department of Education	S425D200013	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization Fund)	84.425D	866,593
	Indiana Department of Education	S425U200013	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization Fund)	84.425U	542,812
					<u>1,409,405</u>
	Total U.S. Department of Education				<u>6,783,796</u>
U.S. Department of Health and Human Services					
	Indiana Department of Education	5H79SM080975-03	Substance Abuse and Mental Health Services Projects	93.243	13,219
	Indiana Department of Education	6H79SM080975-04	Substance Abuse and Mental Health Services Projects	93.243	40,387
					<u>53,606</u>
	Indiana Department of Education	FY2022	Medical Assistance Program (<i>Medicaid Cluster</i>)	93.778	6,513
	Total U.S. Department of Health and Human Services				<u>60,119</u>
	Total Federal Expenditures				<u>\$ 19,816,751</u>

Hamilton Southeastern Schools
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Notes to Schedule

1. The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Hamilton Southeastern Schools (HSE) under programs of the federal government for the year ended June 30, 2022. The accompanying notes are an integral part of this Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of HSE, it is not intended to and does not present the financial position, changes in net position or cash flows of HSE.
2. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. HSE has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. HSE had no federal loans that they were administering as of June 30, 2022, and HSE did not pass-through any federal funds to subrecipients.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

School Board
Hamilton Southeastern Schools
Fishers, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hamilton Southeastern Schools (School Corporation), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise School Corporation's basic financial statements, and have issued our report thereon dated May 3, 2023, which contained an other matter paragraph for management's omission of the management's discussion and analysis.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

School Corporation's Response to Findings

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

Purpose of this Report

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

FORVIS,LLP

Indianapolis, Indiana
May 3, 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
Hamilton Southeastern Schools
Fishers, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Hamilton Southeastern School's (School Corporation) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of 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, Hamilton Southeastern School 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 have issued our report thereon dated May 3, 2023, which contained unmodified opinions on those financial statements and included an other matter paragraph for management’s omission of the management’s discussion and analysis. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS,LLP

Indianapolis, Indiana
May 3, 2023

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

6. Identification of major federal programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
10.553 & 10.555	Child Nutrition Cluster
32.009	COVID-19 Emergency Connectivity Fund
84.425D & 84.425U	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization Fund)

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

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

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

Section II – Financial Statement Findings

Reference Number	Finding
2022-001	<p>Criteria or Specific Requirement: Management is responsible for establishing and maintaining effective internal controls over financial reporting.</p> <p>Condition: The District’s internal control environment over financial reporting did not detect certain adjustments to capital assets, accounts payables, and accounts receivables that were needed to prevent the financial statements from being misstated. (Significant Deficiency)</p> <p>Context: The District’s accounting and finance team is primarily responsible for the financial reporting process, including maintaining and reconciling the capital assets, accounts payable, and accounts receivable records. Certain adjustments (approximately \$2.6 million for capital assets, \$3 million for accounts payable, and \$152,000 for receivables) were not identified by management in a timely manner as part of their reconciliation process.</p> <p>Effect: Misstatements in the financial statements.</p> <p>Cause: The District’s internal control environment did not identify these adjustments in a timely manner because certain account reconciliations, analyses and financial data were not always completed or subjected to a timely secondary review.</p> <p>Recommendation: The District should continue to establish and maintain an effective process whereby capital assets, accounts payable, and receivables are reconciled to the accounting system on a regular basis while ensuring a secondary review of these reconciliations.</p> <p>Views of Responsible Officials and Planned Corrective Action: See corrective action plan prepared by management attached.</p>

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

Section III - Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

Hamilton Southeastern Schools
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

Reference Number	Summary of Finding	Status
	No matters are reportable.	



13485 Cumberland Road
Fishers, IN 46038
P 317.594.4100
F 317.594.4109

CORRECTIVE ACTION PLAN

FINDING 2022-001

Contact Person Responsible for Corrective Action: Katy Dowling

Contact Phone Number: 317-594-4100

Views of Responsible Official:

Audits are a means for our district to have meaningful feedback on our financial operations. We appreciate the process and the important things that we learn each year. We understand that we must add some additional controls to ensure that our construction in progress (CIP) is properly accounted for to ensure the accuracy of our records.

Description of Correction Action Plan:

Staff in facilities and accounting who are responsible for tracking district accounts payable, accounts receivable, and construction in progress will be provided additional training and guidance on deadline procedures for accrual basis accounting. The district will also add an internal control that requires a final review of the AP, AR, and CIP by the Chief Financial Officer and/or the Director of Business. Finally, all construction management companies will be required to have a June 30th end date on their pay applications to prevent the co-mingling of expenditures between audit periods.

Anticipated Completion Date: 06/15/2023

A handwritten signature in blue ink that reads 'Katy Dowling'.

Signature

CHIEF FIN'L OFFICER

Title

4-28-23

Date