PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 17, 2025

NEW MONEY ISSUE - Book Entry Only

Program Rating: S&P Global Ratings "AA+" Underlying Rating: S&P Global Ratings "AA"

See "RATING" herein

In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana ("Bond Counsel") under existing laws, interest on the 2025B Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect as of the date of issuance of the 2025B Bonds (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax. However, such interest is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax. Such exclusion is conditioned on continuing compliance with the Tax Covenants (as hereinafter defined). In the opinion of Bond Counsel under existing laws, interest on the 2025B Bonds is exempt from income taxation in the State of Indiana (the "State"), except for the State financial institutions tax. See "TAX MATTERS" herein.

\$13,970,000*

Hamilton Southeastern Consolidated School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2025B

Dated: Date of Delivery

Maturity: January 15 and July 15, as shown on the inside front cover

The Hamilton Southeastern Consolidated School Building Corporation (the "Building Corporation") is issuing \$13,970,000* of Ad Valorem Property Tax First Mortgage Bonds, Series 2025B (the "2025B Bonds") for the purpose of providing funds to (a) pay the Hamilton Southeastern Schools, Hamilton County, Indiana (the "School Corporation"), for an extension of the ownership of the Leased Premises (as hereinafter defined) and as reimbursement for improvements made to the Leased Premises by the School Corporation since it has been owned by the Building Corporation, and (b) pay all or a portion of the costs of issuance of the 2025B Bonds (clauses (a) and (b), collectively, the "2025B Building Corporation Project"). The School Corporation will use the proceeds it receives from the Building Corporation and the interest earnings thereon to (a) pay all of the costs of the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project (as defined herein), and (b) pay the cost of issuance of the 2025B Bonds not paid by the Building Corporation (clauses (a) and (b), collectively, the "2025B School Corporation Project") (the 2025B Building Corporation Project and the 2025B School Corporation Project, collectively, the "2025B Project").

Interest on the 2025B Bonds will be payable semi-annually on January 15 and July 15 of each year commencing July 15, 2026. Principal of, premium, if any, and interest on the 2025B Bonds will be payable at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., as trustee, registrar and paying agent (the "Trustee," the "Registrar" and the "Paying Agent"), currently in Pittsburgh, Pennsylvania. The 2025B Bonds are issuable only as fully registered bonds and, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial interests in the 2025B Bonds will be made in book-entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the 2025B Bonds (the "Beneficial Owners") will not receive physical delivery of certificates representing their interests in the 2025B Bonds. So long as DTC or its nominee is the registered owner of the 2025B Bonds, principal of, premium, if any, and interest on the 2025B Bonds will be paid directly to DTC by the Trustee, as paying agent. Disbursements of such payments to the Beneficial Owners of the Bonds will be the responsibility of DTC, the DTC Participants and the Indirect Participants, all as defined and more fully described herein.

The 2025B Bonds may be subject to optional redemption prior to maturity as described herein. The 2025B Bonds may be subject to mandatory sinking fund redemption prior to maturity as described herein. See "REDEMPTION" herein.

The 2025B Bonds are issued pursuant to the Trust Indenture (as hereinafter defined). The Bonds (as hereinafter defined) constitute valid and legally binding obligations of the Building Corporation and are payable solely from certain sources of income of the Building Corporation which have been specifically pledged for the payment thereof including lease rental payments received from the School Corporation under the terms of the Lease (as hereinafter defined), each between the Building Corporation and the School Corporation, which rental payments are payable from ad valorem taxes to be levied and collected on all taxable property within the School Corporation, all of which rental payments will be paid directly to the Trustee. The levy of ad valorem taxes by the School Corporation to pay the rent due and payable under the Lease is mandatory and not subject to annual appropriation. The 2025B Bonds are issued on a parity basis with the Building Corporation's Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2021 (the "2021 Refunding Bonds") and any additional bonds issued under the Trust Indenture on a parity with the 2025B Bonds and the 2021 Refunding Bonds (collectively, the "Additional Bonds") (the 2025B Bonds, the 2021 Refunding Bonds and all Additional Bonds, collectively, the "Bonds"). The Bonds shall not constitute an indebtedness of the School Corporation within the meaning of the provisions and limitations of the constitution of the State of Indiana. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "CIRCUIT BREAKER TAX CREDIT" herein.

Legal matters incident to the authorization and issuance of the 2025B Bonds are subject to the approving opinion of Barnes & Thornburg LLP, Indianapolis, Indiana, Bond Counsel, substantially in the form set forth in APPENDIX C. Certain legal matters will be passed on for Stifel, Nicolaus & Company, Incorporated, as the underwriter (the "Underwriter") by Taft Stettinius & Hollister LLP, Indianapolis, Indiana, as its special counsel.

It is expected that the 2025B Bonds will be available for delivery through the facilities of DTC on or about ______

STIFEL

This cover page contains certain information for quick reference only. It is <u>not</u> a summary of the issue. Investors must read the entire Official Statement, including the appendices hereto, to obtain information essential to the making of an informed investment decision.

\$13,970,000* Hamilton Southeastern Consolidated School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2025B

(Base CUSIP† 40785E)

	PRINCIPAL			
MATURITY*	AMOUNT*	COUPON	<u>Price</u>	<u>CUSIP</u>
7/15/2026	\$ 30,000			
1/15/2027	235,000			
7/15/2027	240,000			
1/15/2028	245,000			
7/15/2028	250,000			
1/15/2029	260,000			
7/15/2029	265,000			
1/15/2030	270,000			
7/15/2030	280,000			
1/15/2031	285,000			
7/15/2031	290,000			
1/15/2032	300,000			
7/15/2032	305,000			
1/15/2033	315,000			
7/15/2033	320,000			
1/15/2034	330,000			
7/15/2034	340,000			
1/15/2035	345,000			
7/15/2035	355,000			
1/15/2036	365,000			
7/15/2036	375,000			
1/15/2037	385,000			
7/15/2037	390,000			
1/15/2038	400,000			
7/15/2038	410,000			
1/15/2039	420,000			
7/15/2039	435,000			
1/15/2040	445,000			
7/15/2040	455,000			
1/15/2041	465,000			
7/15/2041	475,000			
1/15/2042	490,000			
7/15/2042	500,000			
1/15/2043	515,000			
7/15/2043	525,000			
1/15/2044	540,000			
7/15/2044	555,000			
1/15/2045	565,000			

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^{*} Preliminary, subject to change.

NOTICE TO PROSPECTIVE PURCHASERS

This Official Statement does not constitute an offering of any security, other than the original offering of the Bonds. No dealer, broker, salesman, or other person has been authorized by the Building Corporation or the School Corporation to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by the Building Corporation or the School Corporation. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy and there shall not be any sale of the 2025B Bonds by any person in any jurisdiction in which it is unlawful to make such offer, solicitation or sale. The information and expressions of opinion set forth herein are subject to change without notice and neither the delivery of this Official Statement nor the sale of any of the 2025B Bonds shall, under any circumstances, create any implication that the information herein is correct as of any time subsequent to the date hereof.

Information set forth herein has been provided by the Building Corporation, the School Corporation and other sources believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. References in this Official Statement to laws, regulations, reports and documents do not purport to be comprehensive or definitive and all references herein to such laws, regulations, reports and documents are qualified in their entirety by reference to the full text thereof.

Upon issuance, the 2025B Bonds will <u>not</u> be registered under the Securities Act of 1933, as amended, the Securities and Exchange Act of 1934, as amended, or any state securities law and will not be listed on any stock or other securities exchange. This Official Statement includes the front cover page and inside cover page hereof, the Summary Statement herein and the Appendices attached hereto. This Official Statement has been prepared and delivered in connection with the original sale and delivery of the 2025B Bonds and may not be reproduced or used, in whole or in part, for any other purpose.

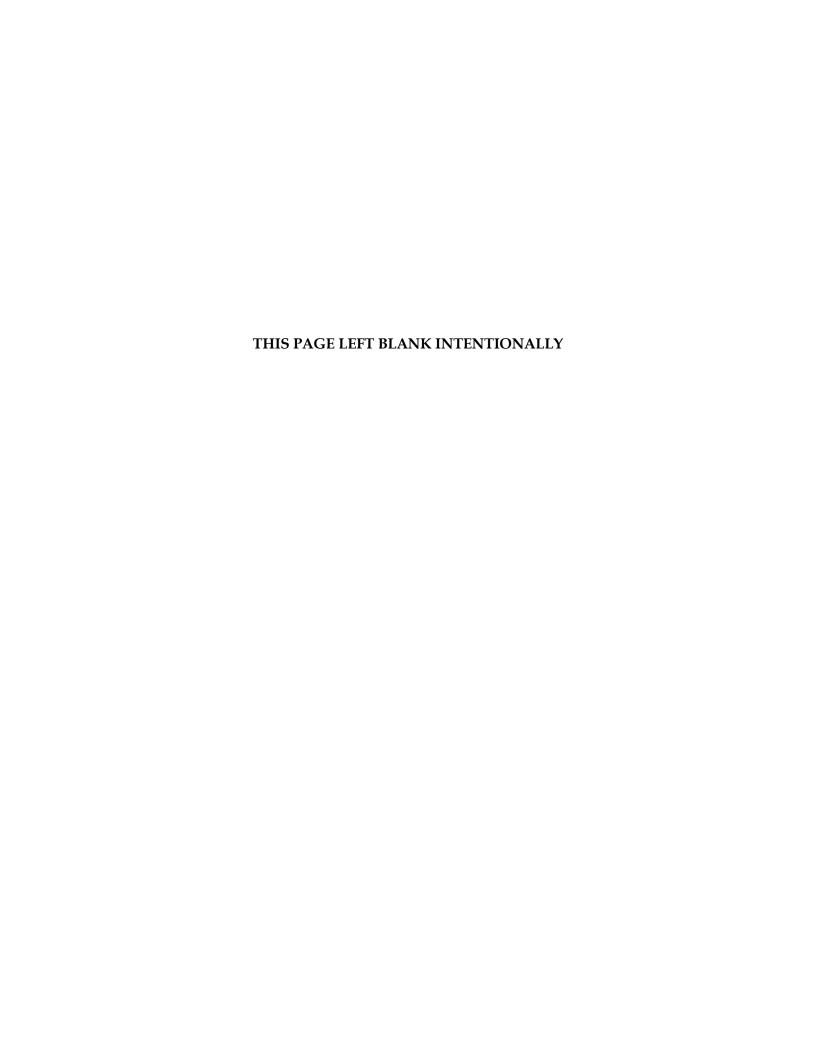
IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2025B BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains statements that are "forward-looking statements" as that term is defined in the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. When used in this Official Statement, the words "estimate", "intend", "project" or "projection", "expect" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are subject to risks and uncertainties, some of which are discussed in this Official Statement, that could cause actual results to differ materially from those contemplated in such forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this Official Statement.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, the Final Official Statement for the purposes of, and as that term is defined in, SEC Rule 15c2-12.

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in the Securities and Exchange Commission Rule 15c2-12, as amended, the School Corporation will enter into a Continuing Disclosure Contract. For a description of the Continuing Disclosure Contract, see "CONTINUING DISCLOSURE" and APPENDIX D.



HAMILTON SOUTHEASTERN CONSOLIDATED SCHOOL BUILDING CORPORATION BOARD OF DIRECTORS

Lloyd G. Myers, *President*Lori Haneline, *Vice President*Connie Wikle, *Secretary/Treasurer*

HAMILTON SOUTHEASTERN SCHOOLS BOARD OF SCHOOL TRUSTEES

Dr. Juanita Albright, *President*Tiffany Pascoe, *Vice President*Dawn Lang, *Secretary*Suzanne Thomas, *Member*Sarah Parks-Reese, *Member*Ben Orr, *Member*Latricia Schooley, *Member*

SCHOOL ADMINISTRATION

Patrick Mapes, Superintendent Timothy Brown, Chief Financial Officer Cecilie Nunn, Director of Business

Hamilton Southeastern Schools
13485 Cumberland Road
Fishers Indiana 46038
(317) 594-4100

BOND COUNSEL

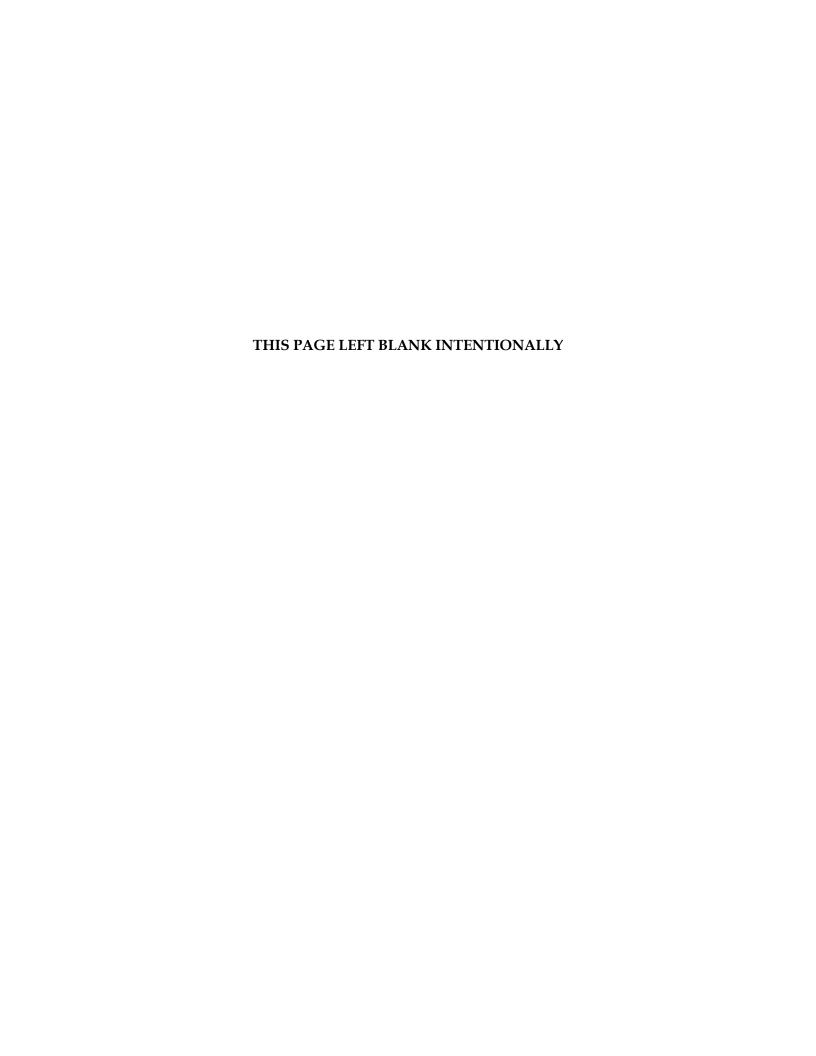
Barnes & Thornburg LLP 11 South Meridian Street Indianapolis, Indiana 46204-3535 (317) 231-6488

UNDERWRITER

Stifel, Nicolaus & Company, Incorporated 201 North Illinois Street, Suite 350 Indianapolis, Indiana 46204 (317) 634-4400

UNDERWRITER'S COUNSEL

Taft Stettinius & Hollister LLP One Indiana Square, Suite 3500 Indianapolis, Indiana 46204 (317) 713-3500



\$13,970,000*

Hamilton Southeastern Consolidated School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2025B

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^{*} Preliminary, subject to change.



SUMMARY STATEMENT

\$13,970,000*

Hamilton Southeastern Consolidated School Building Corporation (Hamilton County, Indiana) Ad Valorem Property Tax First Mortgage Bonds, Series 2025B

(This Summary Statement contains certain information which has been summarized for quick reference only and does not purport to represent the significant matters contained in the documents described and exhibited elsewhere herein. Prospective investors should read the complete Official Statement including the Appendices.)

Issuer	Hamilton Southeastern Consolidated School Building Corporation (the "Building Corporation").
Securities Offered	\$13,970,000* Ad Valorem Property Tax First Mortgage Bonds, Series 2025B (the "2025B Bonds").
Debt Presently Outstanding	See page A-9 in APPENDIX A for a listing of outstanding debt.
Security	The 2025B Bonds, together with the Building Corporation's Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2021 (the "2021 Refunding Bonds") and any additional bonds issued under the Trust Indenture on a parity with the 2025B Bonds and the 2021 Refunding Bonds (collectively, the "Additional Bonds") (the 2025 Bonds, the 2021 Refunding Bonds and all Additional Bonds, collectively, the "Bonds"), are payable as to principal and interest from: a first mortgage lien on and security interest in the Mortgaged Property as described in the Trust Indenture, which includes, but is not limited to, lease rental payments to be paid

by the Hamilton Southeastern Schools, Hamilton County, Indiana (the "School Corporation"). Rental payments by the School Corporation with respect to the 2021 Refunding Bonds are payable from unlimited ad valorem taxes to be levied by the School Corporation on all taxable property located within the boundaries of the School Corporation; rental payments by the School Corporation with respect to the 2025B Bonds are payable from ad valorem taxes to be levied by the School Corporation on all taxable property located within the

^{*} Preliminary, subject to change.

boundaries of the School Corporation, subject, however, to the tax credits authorized by Indiana Code 6-1.1-20.6, as amended, which provide taxpayers with tax credits attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The School Corporation is required by law annually, to levy and appropriate funds sufficient to pay debt service on the Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "CIRCUIT BREAKER TAX CREDIT" herein.

Rating	Program Rating: "AA+", Underlying Rating: "AA". See "RATING" herein.
Anticipated Closing Date	, 2025.
Dated Date	Date of Delivery.
Interest Payment Dates	Semi-annually each January 15 and July 15, commencing July 15, 2026.
Maturity Dates	The 2025B Bonds will mature semi-annually each January 15 and July 15, from July 15, 2025, through January 15, 2045, inclusive, unless issued as term bonds as set forth herein.
Optional Redemption	The 2025B Bonds maturing on or after, 20 are subject to optional redemption prior maturity on any date on or after, 20, at the price of par plus interest accrued to the date of redemption.
Mandatory Sinking Fund Redemption .	The 2025B Bonds maturing on, 20, are subject to mandatory sinking fund redemption on the dates and in the amounts as set forth herein.
Use of Proceeds	Proceeds from the 2025B Bonds will be used to (a) pay the School Corporation for an extension of the ownership of the Leased Premises (as hereinafter defined) and as reimbursement for improvements made to the Leased Premises by the School Corporation since it has been owned by the Building Corporation, and (b) pay all or a portion of the costs of issuance of the 2025B Bonds (clauses (a) and (b), collectively, the "2025B Building Corporation Project"). The School Corporation will use the proceeds it receives from the Building Corporation and the interest earnings thereon to (a) pay all of the

of the 2025 Hamilton Southeastern costs Intermediate/Junior High School Renovation and Update Project (as defined herein), and (b) pay the cost of issuance of the 2025B Bonds not paid by the Building Corporation (clauses (a) and (b), "2025B School Corporation collectively, the Project") (the 2025B Building Corporation Project School Corporation Project, and the 2025B collectively, the "2025B Project").

Other Terms and Conditions.....

The 2025B Bonds will be issued in fully registered form in \$5,000 denominations or integral multiples thereof. The 2025B Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. Purchases of beneficial interest will be made in book-entry-only form. The trustee, registrar and paying agent for the 2025B Bonds will be The Bank of New York Mellon Trust Company, N.A.

Continuing Disclosure.....

Pursuant to the Continuing Disclosure Contract, executed by the School Corporation, as the obligated person and promisor, the School Corporation has covenanted to comply with the Securities and Exchange Commission Rule 15c2-12 as in effect on the date of delivery of the 2025B Bonds. See "CONTINUING DISCLOSURE" herein.

PRELIMINARY OFFICIAL STATEMENT

\$13,970,000* Hamilton Southeastern Consolidated School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2025B

INTRODUCTION

The purpose of this Official Statement, is to provide information relating to the Hamilton Southeastern Consolidated School Building Corporation \$13,970,000* Ad Valorem Property Tax First Mortgage Bonds, Series 2025B (the "2025B Bonds"). The 2025B Bonds will be issued under the provisions of the Indiana Code Title 20, Article 47, Chapter 3 and 4, each as amended, and in accordance with the terms of a Trust Indenture, dated as of September 15, 2011 (the "Original Indenture"), as supplemented and amended by a First Supplemental Trust Indenture, dated as of June 1, 2021 (the "First Supplemental Indenture"), and a Second Supplemental Trust Indenture, dated as of ______, 2025 (the "Second Supplemental Indenture") (the Original Indenture, as supplemented by the First Supplemental Trust Indenture and the Second Supplemental Indenture, the "Trust Indenture" or the "Indenture"), each of which is by and between the Building Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee, registrar and paying agent (the "Trustee," the "Registrar" and the "Paying Agent").

The Building Corporation was organized for the purpose of providing funds to be applied to the cost of acquiring real estate and constructing, renovating and expanding school facilities and leasing such facilities to the Hamilton Southeastern Schools, Hamilton County, Indiana (the "School Corporation"). Other powers of the Building Corporation include the authority to refinance previously incurred indebtedness.

All financial and other information presented in this Official Statement has been provided by the Building Corporation or the School Corporation from their records, except for information expressly attributed to other sources. The presentation of information concerning the School Corporation, including financial information and tax tables, is intended to show recent historic information and is not intended to indicate or project future or continuing trends in the financial position or other affairs of the School Corporation. No representation is made or implied hereby that any past experience, as might be shown by the financial and other information, will necessarily continue in the future. References to provisions of Indiana law or of the Indiana Constitution are references to current provisions which may be amended, repealed or supplemented.

Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

PURPOSE OF THE ISSUE

The Building Corporation will use the proceeds of the 2025B Bonds to (a) pay the School Corporation for an extension of the ownership of the Leased Premises (as hereinafter defined) and as reimbursement for improvements made to the Leased Premises by the School Corporation

^{*} Preliminary, subject to change.

since it has been owned by the Building Corporation, and (b) pay all or a portion of the costs of issuance of the 2025B Bonds (clauses (a) and (b), collectively, the "2025B Building Corporation Project"). The School Corporation will use the proceeds it receives from the Building Corporation and the interest earnings thereon to (A) pay the costs of (i) certain renovation, upgrade, expansion, improvement and/or equipping projects at the existing Hamilton Southeastern Intermediate/Junior High School, its related outdoor facilities and site improvements on which the existing Hamilton Southeastern Intermediate/Junior High School and its related outdoor facilities, are, or will be, located, including, but not limited to, (a) renovations and updates to all or any portion of the interior of the facility, including, but not limited to, all or any portion of the existing classrooms, media center, cafeteria, administration areas and restrooms, (b) replacement and upgrade of all or any portion of the existing heating and air conditioning, electrical, plumbing and/or technology systems (c) replacement of all or any portion of the lighting system with LED lighting, (d) renovations and updates to all or any portion of the exterior of the facility and building envelope, including, but not limited to, all or any portion of roof restoration/replacement, window replacement, masonry repair, gutter and downspout replacement/repair, and EIFS repair/restoration, (e) construction and equipping of an addition to the existing facility, which upon completion is currently anticipated to consist of approximately 13,000 square feet and contain approximately 12 academic classrooms and provide additional restroom space and an expansion of the cafeteria, which will also serve as a large group instruction space, and (f) related site improvements, including, but not limited to, all or any portion of parking lot repair/restoration, curbs, sidewalks and concrete repair/replacement and signage installation/repair/replacement, (ii) other miscellaneous facility improvement, construction, equipping and land improvement and/or acquisition projects at one or more facilities operated by the School Corporation, or to be used by the School Corporation in connection with its operations, and (iii) all projects related to any of the projects described in either clause (i) or (ii) (clauses (A)(i) through and including (A)(iii), collectively, the "2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project"), and (B) pay the cost of issuance of the 2025B Bonds not paid by the Building Corporation (clauses (A) and (B), collectively, the "2025B School Corporation Project") (the 2025B Building Corporation Project and the 2025BSchool Corporation Project, collectively, the "2025B Project").

Construction bids for the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project were received April 2, 2025. Construction of the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project began on May 30, 2025, and is expected to be substantially complete by July 30, 2026. Because the Building Corporation is paying the School Corporation for an extension of the ownership of the Leased Premises and as reimbursement for improvements made to the Leased Premises by the School Corporation since it has been owned by the Building Corporation, all of which will be usable and occupied by the School Corporation during the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project, the obligation of the School Corporation to pay the Increased Rent (as hereinafter defined) is not dependent on the completion of the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project.

THE LEASED PREMISES

Under the terms of a Lease, dated as of December 16, 2010 (the "Original Lease"), as amended and supplemented by an Addendum to Lease, dated as of September 15, 2011 (the "Addendum to Lease"), an Amendment to Lease, dated as of June 1, 2021 (the "First Amendment to Lease"),

a Second Amendment to Lease, dated as of May 14, 2025 (the "Second Amendment to Lease"),
and an Addendum to Second Amendment to Lease, dated as of, 2025 (the "Addendum
to Second Amendment to Lease") (the Original Lease, as amended and supplemented by the
Addendum to Lease, the First Amendment to Lease, the Second Amendment to Lease and the
Addendum to Second Amendment to Lease, the "Lease") each of which is by and between the
Building Corporation, as lessor, and the School Corporation, as lessee, the leased premises consist
of the existing Hamilton Southeastern Intermediate/Junior High School and its related outdoor
facilities (collectively, the "Existing Hamilton Southeastern Intermediate/Junior High School
Facilities"), and the real property upon which the Existing Hamilton Southeastern
Intermediate/Junior High School Facilities are located (collectively, the "Premises" or the
"Leased Premises").

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds related to the issuance of the 2025B Bonds and the payment of all or a portion of the costs of the 2025B Project are shown below:

Sources of Funds	
Principal Amount	\$ 13,970,000*
Original Issue Premium	
Total Sources of Funds	\$
<u>Uses of Funds</u> Deposit to the 2025B Construction Account Costs of Issuance	\$
Underwriter's Discount	
Total Uses of Funds	\$

^{*} Preliminary, subject to change.

SCHEDULE OF SEMI-ANNUAL DEBT SERVICE REQUIREMENTS AND LEASE **PAYMENTS**

				Total 2021		
			Total 2025B	Refunding		
Payment			Bonds Debt	Bonds Debt	Total Debt	Total Lease
Date*	Principal*	<u>Interest</u>	<u>Service</u>	<u>Service</u>	<u>Service</u>	Payment**
7/15/2026	\$ 30,000					
1/15/2027	235,000					
7/15/2027	240,000					
1/15/2028	245,000					
7/15/2028	250,000					
1/15/2029	260,000					
7/15/2029	265,000					
1/15/2030	270,000					
7/15/2030	280,000					
1/15/2031	285,000					
7/15/2031	290,000					
1/15/2032	300,000					
7/15/2032	305,000					
1/15/2033	315,000					
7/15/2033	320,000					
1/15/2034	330,000					
7/15/2034	340,000					
1/15/2035	345,000					
7/15/2035	355,000					
1/15/2036	365,000					
7/15/2036	375,000					
1/15/2037	385,000					
7/15/2037	390,000					
1/15/2038	400,000					
7/15/2038	410,000					
1/15/2039	420,000					
7/15/2039	435,000					
1/15/2040	445,000					
7/15/2040	455,000					
1/15/2041	465,000					
7/15/2041	475,000					
1/15/2042	490,000					
7/15/2042	500,000					
1/15/2043	515,000					
7/15/2043	525,000					
1/15/2044	540,000					
7/15/2044	555,000					
1/15/2045	565,000					

 ^{*} Preliminary, subject to change.
 ** Each lease payment attributable to the Bonds is due on the June 30 and December 31 prior to the corresponding payment date on the Bonds.

THE 2025B BONDS

General Description

The 2025B Bonds will be issued in fully registered form in the denomination of \$5,000 or any integral multiple thereof, will be dated as of the date of delivery and mature on January 15 and July 15 in the years and amounts and bear interest at the rates set forth on the inside front cover page of this Official Statement.

Interest on the 2025B Bonds shall be payable semi-annually on January 15 and July 15 in each year beginning on July 15, 2026. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. The interest on the 2025B Bonds will be payable by check mailed one business day prior to the interest payment date to registered owners or by wire transfer of immediately available funds on the interest payment date to the depositories shown as registered owners. Payment shall be made to the person or depository in whose name each 2025B Bond is registered on the last day of the month preceding such interest payment date. The principal of, and premium on, the 2025B Bonds shall be payable by check upon presentation of the 2025B Bonds at the designated corporate trust office of the Trustee, or by wire transfer of immediately available funds to depositories who present the bonds to the Trustee at least two business days prior to the payment date.

So long as DTC or its nominee is the registered owner of the 2025B Bonds, principal of, premium, if any, and interest on the 2025B Bonds will be paid directly to DTC by the Trustee, as paying agent. (The final disbursement of such payments to the Beneficial Owners of the 2025B Bonds will be the responsibility of the DTC Participants and Indirect Participants, all as defined and more fully described herein.)

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2025B Bonds. The 2025B Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the 2025B Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust

companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2025B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2025B Bonds on DTC's records. The ownership interest of each actual purchaser of each 2025B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the 2025B Bonds, except in the event that use of the book-entry system for the 2025B Bonds is discontinued.

To facilitate subsequent transfers, all 2025B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2025B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2025B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of the 2025B Bonds may wish to ascertain that the nominee holding the 2025B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee, as registrar, and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2025B Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2025B Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Building Corporation as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium, and interest payments on the 2025B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Building Corporation or the Trustee, as paying agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, as paying agent, or the Building Corporation, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Building Corporation or the Trustee, as paying agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2025B Bonds at any time by giving reasonable notice to the Building Corporation or the Trustee, as registrar. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The Building Corporation may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Building Corporation and the School Corporation believe to be reliable, but the Building Corporation and the School Corporation take no responsibility for the accuracy thereof.

Discontinuation of Book-Entry System

In the event that the book-entry system for the 2025B Bonds is discontinued, the Trustee, as registrar, would provide for the registration of the 2025B Bonds in the name of the Beneficial Owners thereof. The Building Corporation and the Trustee, as registrar, would, in such event, treat the person in whose name any 2025B Bond is registered as the absolute owner of such 2025B Bond for the purposes of making and receiving payment of the principal thereof and interest thereon, and for all other purposes, and neither the Building Corporation nor the Trustee, as registrar, would be bound by any notice or knowledge to the contrary.

In such event, each 2025B Bond would be transferable or exchangeable only upon the presentation and surrender thereof at the designated corporate trust office of the Registrar, duly endorsed for transfer or exchange, or accompanied by a written assignment duly executed by the owner or its authorized representative in form satisfactory to the Trustee, as registrar. Upon due presentation of any 2025B Bonds for transfer or exchange, the Trustee, as registrar, would authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new 2025B Bond or 2025B Bonds, registered in the name of the transferee or transferees (in the case of a transfer), or the owner (in the case of an exchange), in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the 2025B Bond or 2025B Bonds so presented. The Building Corporation or the Trustee, as registrar, would require the owner of any 2025B Bonds to pay a sum sufficient to cover any tax, fee or other governmental charge required to be paid in connection with the transfer or exchange of such 2025B Bonds.

Optional Redemption of Bonds

The 2025B Bonds maturing on or after _____, 20__ are subject to option redemption prior maturity on any date on or after ____, 20__, at the price of par plus interest accrued to the date of redemption.

Mandatory Redemption

The 2025B Bonds maturing on ______, 20__ (the "Term Bonds"), are subject to mandatory sinking fund redemption on the dates and in the amounts listed below, by lot in such manner as the Trustee may determine at a redemption price of 100% of the principal amount thereof plus accrued interest to the date of redemption.

(1) Denotes final maturity.

The Trustee, as paying agent, shall credit against the mandatory sinking fund requirement for any Term Bonds and corresponding mandatory redemption obligation, in the order determined by the Building Corporation, any Term Bonds maturing on the same date which have been previously redeemed (other than as a result of a previous mandatory redemption requirement) or delivered to the Trustee for cancellation or purchased for cancellation by the Trustee and not theretofore applied as a credit against any redemption obligation. Each Term Bond so delivered or canceled shall be credited by the Trustee, as paying agent, at 100% of the principal amount thereof against the mandatory sinking fund obligation of such mandatory sinking fund date, and any excess of such amount shall be credited on future redemption obligations, and the principal amount of that Term Bond to be redeemed by operation of the mandatory sinking fund requirement shall be accordingly reduced; provided, however, the Trustee shall only credit such Term Bonds to the extent received on or before forty-five (45) days preceding the applicable mandatory redemption date.

Notice and Effect of Redemption

Notice of redemption shall be given by the Trustee, as paying agent, by mailing a copy of the redemption notice by first-class mail at least thirty (30) days and not more than sixty (60) days prior to the redemption date to the owners of the 2025B Bonds to be redeemed as the names and addresses of the owners appear on the registration record as of the date of mailing the notice. No failure or defect in that notice with respect to any 2025B Bonds shall affect the validity of the proceedings for the redemption of any other 2025B Bonds for which notice has been properly given.

If notice of redemption has been given and provisions for payment of the redemption price and accrued interest has been made, the 2025B Bonds to be redeemed shall be due and payable on the redemption date at the redemption price, and from and after the redemption date interest on the 2025B Bonds will cease to accrue, and the owners of the 2025B Bonds shall have no rights in respect thereof, except to receive payment of the redemption price including unpaid interest accrued to the redemption date.

With respect to any optional redemption of the 2025B Bonds, unless moneys sufficient to pay the principal of, and premium, if any, and interest on the 2025B Bonds to be redeemed has been received by the Trustee prior to the giving of such notice of redemption, such notice will state that said redemption is conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for redemption. If such moneys are not received by the redemption date, such notice will be of no force and effect, the Trustee will not redeem such 2025B Bonds, the redemption price will not be due and payable and the Trustee will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such 2025B Bonds will not be redeemed and that the failure to redeem such 2025B Bonds will not constitute an Event of Default under the Trust Indenture. Moneys need not be on deposit with the Trustee prior to the mailing of the notice of redemption of the 2025B Bonds pursuant to the Trust Indenture.

Registration of Bonds, Transfer or Exchange

The Trustee, as registrar and paying agent, will keep at its principal office a record for the registration of all 2025B Bonds issued under the Trust Indenture which shall, at all reasonable times, be open for inspection by the Building Corporation. Each 2025B Bond is transferable or exchangeable only on such record at the principal office of the Trustee, as registrar, at the written request of the registered owner thereof or his/her attorney duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee, as registrar and paying agent, duly executed by the registered owner or his/her duly authorized attorney. Thereupon a new fully registered 2025B Bond or 2025B Bonds in the same aggregate principal amount and of the same maturity will be executed and delivered in the name of the transferee or the registered owner in exchange therefor. The costs of such transfer or exchange will be paid by the Building Corporation, except for any tax or governmental charge required to be paid in connection therewith which will be payable by the person requesting such transfer or exchange. The Building Corporation and the Trustee, as registrar and paying agent, may deem and treat the person in whose name any 2025B Bond is registered as the absolute owner of such 2025B Bond for all other purposes whatsoever.

Mutilated, Destroyed, Stolen or Lost Bonds

In the event any 2025B Bond issued under the Trust Indenture is mutilated, lost, stolen or destroyed, the Building Corporation may execute and the Trustee, as registrar and paying agent, may authenticate a new 2025B Bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed, which new 2025B Bond shall be marked in a manner to distinguish it from the 2025B Bond for which it was issued, provided that, in the case of any mutilated 2025B Bond, such mutilated 2025B Bond shall first be surrendered to the Trustee, as registrar and paying agent, and in the case of any lost, stolen or destroyed Bond there shall be first furnished to the Trustee, as registrar and paying agent, evidence of such loss, theft or destruction satisfactory to the Building Corporation and the Trustee, as registrar and paying agent, together with indemnity satisfactory to them. In the event any such 2025B Bond shall have matured, instead of issuing a duplicate 2025B Bond, the Building Corporation and the Trustee, as registrar and paying agent, may, upon receiving indemnity satisfactory to them, pay the same without surrender thereof. The Building Corporation and the Trustee, as registrar, may charge the owner of such 2025B Bond with their reasonable fees and expenses in this connection.

ADDITIONAL BONDS

The Building Corporation may issue additional bonds under the Trust Indenture on a parity with the 2025B Bonds and the Building Corporation's Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2021 (the "2021 Refunding Bonds") (collectively, the "Additional Bonds") (the 2025B Bonds, the 2021 Refunding Bonds and the Additional Bonds, collectively, the "Bonds"). Additional Bonds may be issued to provide for the refunding of outstanding Bonds, to pay the costs of improvements and for certain other limited purposes. Any improvements or other property purchased from Additional Bonds shall be limited to amounts which can be repaid, along with the Bonds, from lease rentals paid by the School Corporation pursuant to the Lease. Any series of Additional Bonds shall have maturities, interest rates, interest payment dates, denominations and other terms as provided in the supplemental indenture entered into in connection with the issuance of such Additional Bonds, provided that such terms and provisions shall not be otherwise inconsistent with the Trust Indenture.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

The Bonds are obligations of the Building Corporation payable solely from and secured exclusively by a first mortgage lien on and security interest in the Mortgaged Property (as hereinafter defined), which includes, but is not limited to, the Rent (as hereinafter defined) (to be paid by the School Corporation directly to the Trustee as instructed by the Building Corporation under the Lease. The "Mortgaged Property" consists of (i) the Leased Premises, (ii) all right, title and interest of the Building Corporation in the Lease and any other leases entered into by the Building Corporation and the School Corporation and pledged to the Trustee as a part of the Mortgaged Property, including the Rent, (iii) all of the right, title and interest in and to the proceeds from the sale of all or any property subject to the lien of the Indenture, (iv) all proceeds of the Bonds and certain other cash and securities now or hereafter held in certain funds and accounts created and established by the Trust Indenture (except the Rebate Fund, as hereafter defined).

The Bonds are not obligations of the School Corporation or any other political subdivision of the State of Indiana and do not pledge the full faith and credit of the School Corporation or any other political subdivision of the State of Indiana is not pledged to the Bonds. The Bonds, when and if issued, are obligations of the Building Corporation payable solely from and secured exclusively by a first mortgage lien on and security interest in the Mortgaged Property, which includes, but is not limited to, the Rent to be paid by the School Corporation directly to the Trustee as instructed by the Building Corporation under the Lease.

The payments of the Rent by the School Corporation under the Lease during its occupancy of the Leased Premises will be the primary source of repayment of the principal and interest on the Bonds. Other revenues, such as interest earnings and insurance proceeds, are also available for such payments under the Trust Indenture, but such other revenue sources cannot be reasonably anticipated to constitute significant sources of payment for future debt service on the Bonds. Pursuant to the Lease, the current Rent to be paid by the School Corporation (the "Existing Rent") on an annual basis is sufficient to pay the principal of, and the interest on, the 2021 Refunding Bonds, as it comes due. In addition and pursuant to the Lease, the increased Rent to be paid by the School Corporation (the "Increased Rent") (the Existing Rent and the Increased Rent, collectively, the "Rent" or "Annual Rent") on an annual basis commencing on June 30, 2026, will be sufficient to pay the principal of, and interest on, the 2025B Bonds as it comes due. Because the Building Corporation is paying the School Corporation for an extension of the ownership of the Leased Premises and as reimbursement for improvements made to the Leased Premises by the School Corporation since it has been owned by the Building Corporation, all of which will be usable and occupied by the School Corporation during the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project, the obligation of the School Corporation to pay the Increased Rent is not dependent on the completion of the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project.

The Rent payable by the School Corporation pursuant to the Lease (a) with respect to the 2021 Refunding Bonds is payable from unlimited ad valorem taxes to be levied by the School Corporation on all of the taxable property within the School Corporation including all allocation areas located therein, and (b) with respect to the 2025B Bonds is payable from ad valorem taxes to be levied by the School Corporation on all of the taxable property within the School Corporation but not including any allocation areas located therein. The levy of taxes by the School Corporation to pay the Rent due and payable under the Lease is mandatory and not subject to annual appropriation. However, the School Corporation's collection of the levy used to pay the Rent with respect to the 2025B Bonds may be limited by operation of Indiana Code 6 1.1 20.6, as amended, which provides taxpayers with tax credits for property taxes attributable to different classes of property in an amount that exceeds certain percentages of the gross assessed value of that property. The School Corporation is required by law to fully fund the payment of its lease rentals in an amount sufficient to pay the lease rentals, regardless of any reduction in property tax collections due to the application of such tax credits. The School Corporation's collection of the levy used to pay the Rent with respect to the 2021 Refunding Bonds is not subject to any limitations imposed under Indiana Code 6-1.1.20.6, as amended. See "Circuit Breaker Tax Credit" herein.

The Lease provides that, in the event the Leased Premises are partially or totally destroyed, whether by fire or any other casualty, so as to render the same unfit, in whole or part, for use by the School Corporation: (i) it will then be the obligation of the Building Corporation to restore

and rebuild the Leased Premises as promptly as may be done, unavoidable strikes and other causes beyond the control of the Building Corporation excepted; provided, the Building Corporation will not be obligated to expend on such restoration or rebuilding more than the amount of the proceeds received by the Building Corporation from the insurance provided for in the Lease, and provided further, the Building Corporation will not be required to rebuild or restore the Leased Premises if the School Corporation instructs the Building Corporation not to undertake such work because the School Corporation anticipates that either the cost of such work exceeds the amount of insurance proceeds and other amounts available for such purpose, or the work cannot be completed within the period covered by rental value insurance (See "Summary of Certain Provisions of The Trust Indenture – Covenants of the Building Corporation – Use of Proceeds from Insurance" in APPENDIX G of this Official Statement); and (ii) the Rent will be abated, for the period during which the Leased Premises or any part thereof is unfit for use by the School Corporation, in proportion to the percentage of the area of the Leased Premises which is unfit for use by the School Corporation.

In accordance with the Lease, the School Corporation is required to maintain rental value insurance insuring Rent payments in connection with the loss of use of the Leased Premises due to casualty for a period of two years. In addition, the School Corporation is required to insure the Leased Premises against physical damage, however caused, in an amount equal to the replacement cost thereof, with such exceptions ordinarily required by insurers.

During the term of the Lease, the School Corporation assumes all responsibility for the maintenance, repair, and alterations to the Leased Premises. At the end of the term of the Lease, the School Corporation will deliver the Leased Premises to the Building Corporation in as good a condition as at the beginning of the Lease, reasonable wear and tear excepted.

For more detailed discussion of the provisions of the Lease, see "Summary of Certain Provisions of the Lease" in APPENDIX G of this Official Statement.

LEGISLATION AFFECTING OBLIGATIONS OF INDIANA SCHOOL CORPORATIONS

Indiana Code Title 20, Article 48, Chapter 1, Section 11, as amended (the "Act"), requires the Department of Local Government Finance (the "DLGF") to review levies and appropriations of school corporations for debt service or lease rental payments that are payable in the succeeding calendar year. In the event a school corporation fails to levy and appropriate sufficient funds for such purpose for the next succeeding calendar year, the DLGF must establish levies and appropriations which are sufficient to pay such obligations.

The Act further provides that upon failure of any school corporation to make a debt service or lease rental payment when due and upon notice and claim being filed with the Treasurer of the State of Indiana (the "State Treasurer"), (a) the State Treasurer must immediately contact the school corporation and the person or entity filing the claim to confirm whether the school corporation is unable to make the required payment on the due date, (b) if confirmed, the State Treasurer must notify the Budget Director of the State of Indiana (the "State Budget Director"), the Auditor of the State of Indiana (the "State Auditor") and any department or agency of the State of Indiana responsible for distributing funds appropriated by the Indiana General Assembly

(the "General Assembly") to provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, (c) within three (3) days, excluding Saturdays, Sundays and legal holidays, of receiving the notice from the State Treasurer, the State Budget Director, the State Auditor and any department or agency of the State of Indiana responsible for distributing funds appropriated by the General Assembly must provide the State Treasurer with available funds in order for the State Treasurer to fulfill his/her obligations under the Act, and (d) the State Treasurer must make such payment to the claimant from such funds within five (5) days, excluding Saturdays, Sundays and legal holidays of the claim being filed with the State Treasurer (clauses (a) through and including (d), collectively, the "State Intercept Program"). The funds to make such payment will be from the following sources, in the following amount and in the following order of priority: (i) first, from amounts appropriated by the General Assembly for distribution to the school corporation from State funds in the current fiscal year of the State of Indiana, which begins on July 1 and ends on the immediately following June 30, (ii) second, to the extent the amounts described in clause (i) are insufficient, from any remaining amounts appropriated by the General Assembly for distribution for tuition support in the current State fiscal year which are in excess of the aggregate amount of tuition support needed for distribution to all school corporations during the current State fiscal year, and (iii) third, to the extent the amounts described in clauses (i) and (ii) are insufficient and the General Assembly has adopted a biennial budget appropriating amounts in the immediately succeeding State fiscal year for distribution to the school corporation from State funds, then from such fund or account, as determined by the State Budget Director in an amount not to exceed the amount to be distributed to the school corporation in the immediately succeeding State fiscal year. If any such payment is made by the State Treasurer pursuant to the State Intercept Program, then the State will recover such amounts by deducting such amount from the future State distributions to be made to the school corporation. The estimated State distributions for 2025 and resulting debt service coverage levels are as follows:

2025 Estimated State Grants:	\$159,292,183
Estimated Combined Maximum Annual Debt Service(1)	77,263,000
State distributions required to provide one and one-half times coverage ⁽¹⁾	115,895,000
State distributions above one and one-half coverage amount(1)	43,397,183

^{*} Based upon the estimated total debt service for 2025.

Pursuant to the Trust Indenture, the Trustee is to immediately notify and demand payment from the State Treasurer if the School Corporation should default in its payment obligation under the Lease. There can, however, be no assurance as to the levels or amounts that may from time to time be appropriated by the Indiana General Assembly for school purposes or that this provision of the Indiana Code will not be repealed. Furthermore, there may be a delay in payment of debt service due to the procedural steps required for claimants to draw on the State Intercept Program.

PROCEDURES FOR PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION

The Rent is payable from ad valorem property taxes required by law to be levied by or on behalf of the School Corporation in an amount sufficient to pay debt service as it becomes due and payable, subject to the Circuit Breaker Tax Credit described herein with respect to the 2025B

⁽¹⁾ Preliminary, subject to change.

Bonds but not with respect to the 2021 Refunding Bonds. Article 10, Section 1 of the Constitution of the State of Indiana ("Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. The Indiana General Assembly enacted legislation (Indiana Code Title 6, Article 1.1, Chapter 20.6, as amended), which implements the Constitutional Provision and provides taxpayers with a tax credit for all property taxes in an amount that exceeds a certain percentage of the gross assessed value of eligible property. See "CIRCUIT BREAKER TAX CREDIT" herein for further details on the levy and collection of property taxes.

Real and personal property in the State is assessed each year as of January 1. Before August 1 of each year, the county auditor must submit a certified statement of the assessed value of each taxing unit for the ensuing year to the Department of Local Government Finance ("DLGF"). The DLGF shall make the certified statement available on its gateway website located at https://gateway.ifionline.org/ ("Gateway"). The county auditor may submit an amended certified statement at any time before the preceding year, the date by which the DLGF must certify the taxing units' budgets.

The certified statement of assessed value is used when the governing body of a local taxing unit meets to establish its budget for the next fiscal year (January 1 through December 31) and to set tax rates and levies. In preparing the taxing unit's estimated budget, the governing body must consider the net property tax revenue that will be collected by the taxing unit during the ensuing year, after taking into account the DLGF's estimate of the amount by which the taxing unit's distribution of property taxes will be reduced by the application of the Circuit Breaker Tax Credit (as defined in the summary of "CIRCUIT BREAKER TAX CREDIT" herein), and after taking into account the DLGF's estimate of the maximum amount of net property tax revenue and miscellaneous revenue that the taxing unit will receive in the ensuing year and after taking into account all payments for debt service obligations that are to be made by the taxing unit during the ensuing year. Before August 1 of each year, the DLGF shall provide to each taxing unit, an estimate of the amount by which the taxing unit's distribution of property taxes will be reduced.

The taxing unit must submit the following information to the DLGF via Gateway: (i) its estimated budget; (ii) the estimated maximum permissible tax levy, as determined by the DLGF; (iii) the current and proposed tax levies of each fund; (iv) the percentage change between the current and proposed tax levies of each fund; (v) the estimated amount, determined by the DLGF, by which the taxing unit's property taxes may be reduced by the Circuit Breaker Tax Credit; (vi) the amounts of excess levy appeals to be requested, if any; (vii) the time and place at which the taxing unit will conduct a public hearing related to the information submitted to Gateway; (viii) the time and place at which the taxing unit or appropriate fiscal body will meet to fix the budget, tax rate and levy of the taxing unit; and (ix) the date, time, and place of the final adoption of the budget, tax rate, and levy. The taxing unit must submit the information listed in (i)–(ix) above on Gateway at least ten days prior to the date of the public hearing. The public hearing must be completed at least ten days before the taxing unit meets to fix the budget, tax rate and tax levy which by statute must each be established no later than November 1. The taxing unit must file the adopted budget with the DLGF within five days after adoption.

The budget, tax levy and tax rate of each taxing unit are subject to review by the DLGF, and the DLGF shall certify the tax rates and tax levies for all funds of taxing units subject to the DLGF's

review. The DLGF may not increase a taxing district's budget by fund, tax rate or tax levy to an amount which exceeds the amount originally fixed by the taxing unit unless the taxing unit meets all of the following: (i) the increase is requested in writing by the taxing unit; (ii) the requested increase is published on the DLGF's advertising internet website; (iii) notice is given to the county fiscal body of the DLGF's correction; (iv) the request includes the corrected budget, tax rate, or levy, as applicable, and the time and place of the public meeting; and (v) the political subdivision adopts the needed changes to its budget, tax levy, or rate in a public meeting of the governing body.

The DLGF may not approve a levy for lease payments by a school corporation to a building corporation if: (i) there are no bonds of the building corporation outstanding; and (ii) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested. However, the DLGF may increase the school corporation's tax rate and levy if the tax rate and levy proposed by the school corporation are not sufficient to make its lease rental payments.

The DLGF must complete its review and certification of budgets, tax rates and levies by December 31 of the calendar year immediately preceding the ensuing calendar year unless a taxing unit in the county is issuing debt after December 1 in the year preceding the budget year or intends to file a levy shortfall appeal.

On or before March 15, the county auditor prepares the tax duplicate, which is a roll of property taxes payable in that year. The county auditor publishes a notice of the tax rate in accordance with Indiana statutes. The county treasurer mails tax statements at least 15 days prior to the date that the first installment is due (due dates may be delayed due to a general reassessment or other factors). Property taxes are due and payable to the county treasurer in two installments on May 10 and November 10 unless the mailing of tax bills is delayed or a later due date is established by order of the DLGF. If an installment of property taxes is not completely paid on or before the due date, a penalty of 10% of the amount delinquent is added to the amount due; unless the installment is completely paid within thirty (30) days of the due date and the taxpayer is not liable for delinquent property taxes first due and payable in a previous year for the same parcel, the amount of the penalty is five percent (5%) of the amount of the delinquent taxes. On May 11 and November 11 of each year after one year of delinquency, an additional penalty equal to 10% of any taxes remaining unpaid is added. The penalties are imposed only on the principal amount of the delinquency. Property becomes subject to tax sale procedures after 15 months of delinquency. The county auditor distributes property tax collections to the various taxing units on or about June 30 after the May 10 payment date and on or about December 31 after the November 10 payment date.

Personal property values are assessed January 1 of every year and are self-reported by property owners to county assessors using prescribed forms. The completed personal property return must be filed with the county assessors no later than May 15. Pursuant to State law, personal property is assessed at its actual historical cost less depreciation, in accordance with 50 IAC 4.2, the DLGF's Rules for the Assessment of Tangible Personal Property. Pursuant to Indiana Code § 6-1.1-3-7.2, as amended, State law automatically exempts from property taxation the acquisition cost of a taxpayer's total business personal property in a county if the total business personal property is less than (i) eighty thousand dollars (\$80,000) for the 2025 assessment date,

and (ii) two million dollars (\$2,000,000) for the 2026 assessment date and each assessment date thereafter.

Pursuant to State law, real property is valued for assessment purposes at its "true tax value" as defined in the Real Property Assessment Rule, 50 IAC 2.4, the 2021 Real Property Assessment Manual ("Manual"), as incorporated into 50 IAC 2.4 and the 2021 Real Property Assessment Guidelines ("Guidelines"), as published by the DLGF. In the case of agricultural land, true tax value shall be the value determined in accordance with the Guidelines and Indiana Code § 6-1.1-4-13, as amended, which shall mean the "market value-in-use" of a property for its current use, as reflected by the utility received by the owner or by a similar user from the property. Except for agricultural land, as discussed below, the Manual permits assessing officials in each county to choose one of three standard approaches to determine market value-in-use, which are the cost approach, the sales comparison approach or the income approach. The Guidelines provide each of the approaches to determine "market value-in-use and the reconciliation of these approaches shall be applied in accordance with generally recognized appraisal principals." In accordance with Indiana Code § 6-1.1-4-4.2(a), as amended, for the cyclical reassessment (2022-2026), the county assessor was required to submit the reassessment plan to the DLGF before May 1, 2021, and the DLGF will revise and approve the reassessment plan before January 1, 2022. The reassessment plan must divide all parcels of real property in the county into four (4) different groups of parcels, and if the age, grade, condition or other underlying characteristics of a parcel have changed from the previous year's assessment date, then the change and reason for the change must be documented. Each group of parcels must contain approximately twenty-five percent (25%) of the parcels within each class of real property in the county. All real property in each group of parcels shall be reassessed under a county's reassessment plan once during each four (4) year cycle. The reassessment of a group of parcels in a particular class of real property shall begin on May 1 of a year and must be completed on or before January 1 of the year after the year in which the reassessment of the group of parcels begins. The DLGF may not approve the reassessment plan until the assessor provides verification that the land values determination under Indiana Code § 6-1.1-4-13.6, as amended, has been completed.

Changes in assessed values of real property occur periodically as a result of general reassessments, as well as when changes occur in the property value due to new construction or demolition of improvements. When a change in assessed value occurs, a written notification is sent to the affected property owner. If the owner wishes to appeal this action, the owner may file a petition requesting a review of the action. This petition must be filed with the county assessor in which the property is located within 45 days after the written notification is given to the taxpayer or May 10 of that year, whichever is later. While the appeal is pending, the taxpayer may pay taxes based on the current year's tax rate and the previous or current year's assessed value.

Over the past few years of the Indiana General Assembly sessions, including the current session, proposed legislation has been introduced and/or passed out of committee and at least one chamber that has contained numerous provisions related to property taxation and local income taxation, which if enacted into law, could adversely affect political subdivisions in the State in a variety of ways, including, but not limited to, impacting the amount of ad valorem property taxes to be collected, and the amount of local income taxes to be received, by local governmental entities in future years. For example, Senate Enrolled Act No. 1 (2025) ("SEA 1")

was recently adopted by the General Assembly and signed into law which provides for increases in the homestead deduction for real property owners and provide a new deduction for real property owners of non-homestead residential property, agricultural property, and long-term care facilities, all of which are phased in over the next five years, commencing in 2026. While it is currently anticipated that some of the changes in SEA 1 will result in a decreased in assessed valuation, which may require an increase in property tax rate, it is uncertain at this time what impact, if any, SEA 1 or any legislation enacted in any future session may have on the property assessment process or the amount of ad valorem property taxes to be collected, or local income taxes to be received, by local governmental entities in future years. Neither the Building Corporation, the School Corporation nor their advisors assume any responsibility for assessing the potential risk of any such legislation that may impact the 2025B Bonds or the operations of the School Corporation. The purchasers of the 2025B Bonds should consult their own advisors regarding risks associated with such proposed current or future legislation.

CIRCUIT BREAKER TAX CREDIT

Description of Circuit Breaker

Article 10, Section 1 of the Constitution of the State of Indiana (the "Constitutional Provision") provides that, for property taxes first due and payable in 2012 and thereafter, the Indiana General Assembly shall, by law, limit a taxpayer's property tax liability to a specified percentage of the gross assessed value of the taxpayer's real and personal property. Indiana Code 6-1.1-20.6, as amended (the "Statute"), authorizes such limits in the form of a tax credit for all property taxes in an amount that exceeds the gross assessed value of real and personal property eligible for the credit (the "Circuit Breaker Tax Credit"). For property assessed as a homestead (as defined in Indiana Code § 6-1.1-12-37, as amended), the Circuit Breaker Tax Credit is equal to the amount by which the property taxes attributable to the homestead exceed 1% of the gross assessed value of the homestead. Property taxes attributable to the gross assessed value of other residential property, agricultural property, and long-term care facilities are limited to 2% of the gross assessed value, property taxes attributable to other non-residential real property and personal property are limited to 3% of the gross assessed value. The Statute and other Indiana laws provide additional property tax limits for property taxes paid by certain real property owners based on certain demographic categories, including, but not limited to, certain senior citizens with annual income below specified levels or their surviving spouses.

If applicable, the Circuit Breaker Tax Credit will result in a reduction of property tax collections for each political subdivision in which the Circuit Breaker Tax Credit is applied. School corporations are authorized to impose a referendum tax levy, if approved by voters, to replace property tax revenue that the school corporation will not receive due to the application of the Circuit Breaker Tax Credit. Otherwise school corporations and other political subdivisions may not increase their property tax levy or borrow money to make up for any property tax revenue shortfall due to the application of the Circuit Breaker Tax Credit.

The Constitutional Provision excludes from the application of the Circuit Breaker Tax Credit property taxes first due and payable in 2012, and thereafter, that are imposed after being approved by the voters in a referendum. The Statute codifies this exception, providing that, with respect to property taxes first due and payable in 2012 and thereafter, property taxes imposed

after being approved by the voters in a referendum will not be considered for purposes of calculating the limits to property tax liability under the provisions of the Statute.

The Statute requires political subdivisions to fully fund the payment of outstanding debt service or lease rental obligations payable from property taxes ("Debt Service Obligations"), regardless of any reduction in property tax collections due to the application of the Circuit Breaker Tax Credit. For school corporations, any shortfall could also be funded through the State Intercept Program (herein defined); however, application of the State Intercept Program will result in a shortfall in distributions to the school corporation's education fund and school corporations are encouraged by the DLGF to fund any shortfall directly from the school corporation's other legally available funds to avoid the application of the State Intercept Program. Upon: (i) the failure of a political subdivision to pay any of its Debt Service Obligations; and (ii) notification of that event to the treasurer of the State by a claimant; the treasurer of State is required to pay the unpaid Debt Service Obligations from money in the possession of the State that would otherwise be available to the political subdivision under any other law. A deduction must be made from any other undistributed funds of the political subdivision in possession of the State.

Pursuant to Indiana Code § 6-1.1-20.6-9.9, as amended, if a school corporation has sufficient Circuit Breaker Tax Credit losses in any year from 2019 through 2026, and has such annual losses timely certified by the DLGF, it will be an eligible school corporation for such year that it submitted the request for a determination (an "Eligible School Corporation"). An Eligible School Corporation may allocate its Circuit Breaker Tax Credit loss proportionately across all school corporation property tax funds, including the debt service fund, and is exempt from the protected taxes requirement described below. The School Corporation did not qualify for this exemption in 2024, and does not expect to qualify in 2025.

For Circuit Breaker Tax Credit losses allocated before January 1, 2024, if (i) a school corporation after July 1, 2016, issues new bonds or enters into a new lease rental agreement for which the school corporation is imposing or will impose a debt service levy other than: (A) to refinance or renew prior bond or lease rental obligations existing before January 1, 2017; or (B) for indebtedness that is approved in a local public question or referendum under Indiana Code 6-1.1-20 or any other law, as amended; and (ii) the school corporation's total debt service levy and total debt service tax rate is greater than the school corporation's total debt service levy and total debt service tax rate in 2016, then the school corporation will not be eligible to allocate its Circuit Breaker Tax Credit loss proportionately.

For Circuit Breaker Tax Credit losses allocated after December 31, 2023, if a school corporation after July 1, 2023, issues new bonds or enters into a new lease rental agreement, for which the school corporation is imposing or will impose a debt service levy other than: (i) to refinance or renew prior bond or lease rental obligations existing before January 1, 2024 (but only if the refinancing or renewal is for a lower interest rate); or (ii) for indebtedness that is approved in a local public question or referendum under Indiana Code 6-1.1-20 or any other law, as amended, then the school corporation will not be eligible to allocate its Circuit Breaker Tax Credit loss proportionately.

Except for an Eligible School Corporation, the Statute categorizes property taxes levied to pay Debt Service Obligations as "protected taxes," regardless of whether the property taxes were

approved at a referendum, and all other property taxes as "unprotected taxes." The total amount of revenue to be distributed to the fund for which the protected taxes were imposed shall be determined without applying the Circuit Breaker Tax Credit. The application of the Circuit Breaker Tax Credit must reduce only the amount of unprotected taxes distributed to a fund. The political subdivision may allocate the reduction by using a combination of unprotected taxes of the School Corporation in those taxing districts in which the Circuit Breaker Tax Credit caused a reduction in protected taxes. The tax revenue and each fund of any other political subdivisions must not be affected by the reduction.

If the allocation of property tax reductions to funds receiving only unprotected taxes is insufficient to offset the amount of the Circuit Breaker Tax Credit or if there is not a fund receiving only unprotected taxes from which to distribute revenue, the revenue for a fund receiving protected taxes will also be reduced. If a fund receiving protected taxes is reduced, the Statute provides that a political subdivision may transfer money from any other available source in order to meet its Debt Service Obligations. The amount of this transfer is limited to the amount by which the protected taxes are insufficient to meet Debt Service Obligations.

The allocation of property tax reductions to funds may impact the ability of political subdivisions to provide existing levels of service, and in extreme cases, the ability to make debt service or lease rental payments.

The School Corporation cannot predict the timing, likelihood or impact on property tax collections of any future actions taken, amendments to the Constitution of the State of Indiana or legislation enacted, regulations or rulings promulgated or issued to implement any such regulations, statutes or the Constitutional Provision described above or of future property tax reform in general. There has been no judicial interpretation of this legislation. In addition, there can be no assurance as to future events or legislation that may affect the Circuit Breaker Tax Credit or the collection of property taxes by the School Corporation.

Estimated Circuit Breaker Tax Credit for the School Corporation

According to the DLGF, the Circuit Breaker Tax Credit allocable to the School Corporation for budget years 2020 through 2025⁽¹⁾ are as follows:

Budget	CIRCUIT BREAKER
<u>Year</u>	CREDIT AMOUNT(1)
2020	\$3,368,228
2021	3,547,867
2022	2,760,840
2023	4,698,988
2024	2,358,548
2025	2,920,000

(1) These estimates do not include estimated debt service on the 2025B Bonds or lease rentals on Lease securing the 2025B Bonds.

The Circuit Breaker Tax Credit amounts above do not reflect the potential effect of any further changes in the property tax system or methods of funding local government that may be enacted by the Indiana General Assembly in the future. The effects of these changes could affect the

Circuit Breaker Tax Credit and the impact could be material. Other future events, such as the loss of a major taxpayer, reductions in assessed value, increases in property tax rates of overlapping taxing units or the reduction in local option income taxes applied to property tax relief could increase effective property tax rates and the amount of the lost revenue due to the Circuit Breaker Tax Credit, and the resulting increase could be material.

THE BUILDING CORPORATION

The Building Corporation was organized pursuant to the Indiana Business Corporation Act, as amended, for not-for-profit purposes including the erecting and leasing of school buildings to the School Corporation. During its existence, the Building Corporation will operate entirely without profit to the Building Corporation, its officers and directors. The officers and directors of the Building Corporation serve without compensation.

LEGAL MATTERS

Certain legal matters incident to the issuance of the Bonds and with regard to the tax status of the interest thereon will be passed upon by Barnes & Thornburg LLP, Indianapolis, Indiana, as bond counsel ("Bond Counsel"). A signed copy of the opinion for the 2025B Bonds, dated and premised on facts and laws existing as of the date of original delivery of the 2025B Bonds, will be delivered to the Underwriter at the time of that original delivery. A copy of the opinion proposed to be delivered by Bond Counsel for the 2025B Bonds is attached as APPENDIX C. Certain legal matters will be passed upon for the Underwriter by its counsel Taft Stettinius & Hollister LLP, Indianapolis, Indiana.

The engagement of Bond Counsel is limited generally to the examination of the documents contained in the transcript of proceedings, and examination of such transcript of proceedings and the law incident to rendering the approving legal opinion referred to above, and the rendering of such approving legal opinion. In its capacity as Bond Counsel, said firm has reviewed those portions of this Official Statement under the captions: "THE 2025B BONDS (except "Book-Entry-Only System" and "Discontinuation of Book-Entry System" therein)," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS," "TAX MATTERS," "ORIGINAL ISSUE DISCOUNT," BOND PREMIUM," "LEGAL "AMORTIZABLE **OPINIONS** ENFORCEABILITY OF REMEDIES," "APPENDIX C - FORM OF OPINION OF BOND COUNSEL," "APPENDIX D - CONTINUING DISCLOSURE CONTRACT" "APPENDIX F -SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE," and "APPENDIX G -SUMMARY OF CERTAIN PROVISIONS OF THE LEASE." Bond Counsel has not been retained to pass upon any other information in this Official Statement, or in any other reports, financial information, offering or disclosure documents or other information that may be prepared or made available by the Building Corporation, the School Corporation, the Trustee, the Underwriter, the prospective purchasers of the Bonds or others.

LITIGATION

No litigation or administrative action or proceeding is pending or, to the knowledge of the Building Corporation and the School Corporation, threatened restraining or enjoining, or seeking to restrain or enjoin the levy and collection of taxes to pay the rent to be paid under the Lease, or contesting or questioning the proceedings or authority under which the Lease was authorized, or

the validity of the Lease. No litigation or administrative action or proceeding is pending or, to the knowledge of the Building Corporation and the School Corporation, threatened concerning the issuance, validity or delivery of the 2025B Bonds or the authorization of the 2025B Bonds. Certificates to such effect will be delivered at the time of the original delivery of the 2025B Bonds.

TAX MATTERS

In the opinion of Barnes & Thornburg LLP, Indianapolis, Indiana ("Bond Counsel"), under existing laws, interest on the 2025B Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on the date of issuance of the 2025B Bonds (the "Code"). The opinion of Bond Counsel is based on certain certifications, covenants and representations of the Building Corporation and the School Corporation and is conditioned on continuing compliance therewith. In the opinion of Bond Counsel under existing laws, interest on the 2025B Bonds is exempt from income taxation in the State of Indiana for all purposes except the State financial institutions tax. See APPENDIX C for the form of opinion of Bond Counsel.

The Code imposes certain requirements which must be met subsequent to the issuance of the 2025B Bonds as a condition to the exclusion from gross income of interest on the 2025B Bonds for federal income tax purposes (collectively, the "Tax Covenants"). Noncompliance with such requirements may cause interest on the 2025B Bonds to be included in the gross income for federal tax purposes retroactive to the date of issue, regardless of the date on which noncompliance occurs. Should the 2025B Bonds bear interest that is not excluded from gross income for federal income tax purposes, the market value of the 2025B Bonds would be materially and adversely affected. It is not an event of default if interest on the 2025B Bonds is not excludable from gross income for federal tax purposes pursuant to any provision of the Code which is not in effect on the date of issuance of the 2025B Bonds.

The interest on the 2025B Bonds is not a specific preference item for purposes of the federal alternative minimum tax. However, such interest is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax.

Indiana Code 6-5.5, as amended, imposes a franchise tax on certain taxpayers (as defined in Indiana Code 6-5.5, as amended) which, in general, include all corporations which are transacting the business of a financial institution in Indiana. The franchise tax is measured in part by interest excluded from gross income under Section 103 of the Code minus associated expenses disallowed under Section 265 of the Code.

Although Bond Counsel will render an opinion that interest on the 2025B Bonds is excluded from gross income for federal tax purposes and exempt from State income tax, the accrual or receipt of interest on the 2025B Bonds may otherwise affect an owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the owner's particular tax status and an owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any other such tax consequences. Prospective purchasers of the 2025B Bonds should consult their own tax advisors with regard to the other tax consequences of owning the 2025B Bonds.

The foregoing does not purport to be a comprehensive description of all of the tax consequences of owning the 2025B Bonds. Prospective purchasers of the 2025B Bonds should consult their own tax advisors with respect to the foregoing and other tax consequences of owning the 2025B Bonds.

ORIGINAL ISSUE DISCOUNT

The initial public offering prices of the 2025B Bonds maturing on ______, _____, and _____ (collectively the "Discount Bonds"), are less than the principal amount payable at maturity. As a result the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price of the Discount Bonds, as set forth on the inside front cover page of this Official Statement (assuming it is the first price at which a substantial amount of that maturity is sold) (the "Issue Price" for such maturity), and the amount payable at maturity of the Discount Bonds will be treated as "original issue discount." The original issue discount on each of the Discount Bonds is treated as accruing daily over the term of such 2025B Bond on the basis of the yield to maturity determined on the basis of compounding at the end of each six-month period (or shorter period from the date of the original issue) ending on January 15 and July 15 (with straight line interpolation between compounding dates). An owner who purchases a Discount Bond in the initial public offering at the Issue Price for such maturity will treat the accrued amount of original issue discount as interest which is excludable from the gross income of the owner of that Discount Bond for federal income tax purposes.

Section 1288 of the Code provides, with respect to tax-exempt obligations such as the Discount Bonds, that the amount of original issue discount accruing each period will be added to the owner's tax basis for the Discount Bonds. Such adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale, redemption or payment at maturity). Owners of Discount Bonds who dispose of Discount Bonds prior to maturity should consult their tax advisors concerning the amount of original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or other disposition of such Discount Bonds prior to maturity.

The original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences. Owners of any Discount Bonds should be aware that the accrual of original issue discount in each year may result in a tax liability from these collateral tax consequences even though the owners of such Discount Bonds will not receive a corresponding cash payment until a later year.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the Issue Price for such maturity should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of subsequent purchasers of bonds such as the Discount Bonds. Owners who do not purchase Discount Bonds in the initial offering should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners of Discount Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discount Bonds. It is possible under the applicable provisions governing the determination of state or local income taxes that accrued interest on the Discount

Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year.

AMORTIZABLE BOND PREMIUM

The initial public offering prices of the 2025B Bonds maturing on _____, ____, and _ (collectively, the "Premium Bonds"), are greater than the principal amount payable at maturity or earlier call date. As a result, the Premium Bonds will be considered to be issued with amortizable bond premium (the "Bond Premium"). An owner who acquires a Premium Bond in the initial public offering will be required to adjust the owner's basis in the Premium Bond downward as a result of the amortization of the Bond Premium, pursuant to Section 1016(a)(5) of the Code. Such adjusted tax basis will be used to determine taxable gain or loss upon the disposition of the Premium Bonds (including sale, redemption or payment at maturity). The amount of amortizable Bond Premium will be computed on the basis of the taxpayer's yield to maturity, with compounding at the end of each accrual period. Rules of determining (i) the amount of amortizable Bond Premium and (ii) the amount amortizable in a particular year are set forth at Section 171(b) of the Code. No income tax deduction for the amount of amortizable Bond Premium will be allowed pursuant to Section 171(a)(2) of the Code, but amortization of Bond Premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining other tax consequences of owning the Premium Bonds. Owners of the Premium Bonds should consult their tax advisors with respect to the precise determination for federal income tax purposes of the treatment of Bond Premium upon the sale or other disposition of such Premium Bonds and with respect to the state and local tax consequences of owning and disposing of the Premium Bonds.

Special rules governing the treatment of Bond Premium, which are applicable to dealers in tax-exempt securities, are found at Section 75 of the Code. Dealers in tax-exempt securities are urged to consult their own tax advisors concerning the treatment of Bond Premium.

LEGAL OPINIONS AND ENFORCEABILITY OF REMEDIES

The various legal opinions to be delivered concurrently with the delivery of the 2025B Bonds express the professional judgment of the attorneys rendering the opinions on the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The enforceability of the rights and remedies of the Trustee or the registered owners of the 2025B Bonds and the availability of remedies to any party seeking to enforce the rights available thereunder and under the Trust Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the enforceability of the rights and remedies under the 2025B Bonds and the Trust Indenture and the availability of remedies to any party seeking to enforce the rights thereunder may be limited. Under federal and State environmental laws, certain liens may be imposed on property of the Building Corporation or the School Corporation from time to time, but neither the Building Corporation nor the School Corporation has any reason to believe, under

existing law, that any such lien would have priority over the lien on the property taxes pledged to the owners of the 2025B Bonds.

The various legal opinions to be delivered concurrently with the delivery of the 2025B Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by the valid exercise of the constitutional powers of the State of Indiana and the United States of America and bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). These exceptions would encompass any exercise of federal, State or local police powers (including the police powers of the School Corporation and the State), in a manner consistent with the public health and welfare. The enforceability of the 2025B Bonds, the Trust Indenture and the Lease and the availability of remedies to a party seeking to enforce the lien on the trust estate in a situation where such enforcement or availability may adversely affect public health and welfare may be subject to these police powers.

CONTINUING DISCLOSURE

Pursuant to continuing disclosure requirements promulgated by the Securities and Exchange Commission in Securities and Exchange Commission Rule 15c2-12, as amended (the "Rule"), the School Corporation will enter into a Continuing Disclosure Contract (the "Contract"). The form of the Contract is set forth as APPENDIX D. No person, other than the School Corporation, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Bonds.

In order to assist the Underwriter in complying with the Underwriter's obligations pursuant Rule, the School Corporation represents that in the previous five years it has complied, in all material respects, with its previous undertakings. However, the School Corporation did discover that the unaudited financial information and operating data for the year ended December 31, 2022, and the audited financial information for the period ended June 30, 2022, were timely posted but were not linked with the CUSIPs for the Hamilton Southeastern Consolidated School Building Corporation Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2015F. This has been corrected as of the date of this Official Statement. The School Corporation has contracted with Ice Miller LLP as the dissemination agent to assist with future compliance filings.

UNDERWRITING

The 2025B Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The Underwriter has agreed to purchase the 2025B Bonds at a price of \$______ (which represents the par amount of the 2025B Bonds plus net original issue premium of \$_____ and less Underwriter's discount of \$_____). The Underwriter will purchase all of the 2025B Bonds. The initial offering prices may be changed from time to time by the Underwriter.

The Underwriter may offer and sell the 2025B Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the offering prices set forth on the inside cover page hereof.

Stifel and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment

management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Stifel and its affiliates may have provided, and may in the future provide, a variety of these services to the School Corporation and to persons and entities with relationships with the School Corporation, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, Stifel and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the School Corporation (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the School Corporation.

Stifel and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the School Corporation

RATING

S&P Global Ratings ("S&P") has assigned a rating of "AA+" to the 2025B Bonds based upon the Indiana State Intercept Program (see "LEGISLATION AFFECTING OBLIGATIONS OF INDIANA SCHOOL CORPORATIONS" above). S&P has assigned an issuer credit rating of "AA". Such rating reflects only the view of S&P and any explanation of the significance of such rating may be obtained from S&P. This rating is not a recommendation to buy, sell or hold the 2025B Bonds. There is no assurance that the rating will remain in effect for any given period of time or that the rating will not be lowered or withdrawn entirely by S&P if, in their judgment, circumstances so warrant.

The Underwriter has undertaken no responsibility to bring to the attention of the owners of the 2025B Bonds any proposed revision or withdrawal of the rating of the 2025B Bonds or to oppose any such proposed revision or withdrawal. The School Corporation has agreed to provide notice of any rating change as described in the Contract. Any such downward revision or withdrawal of rating may have an adverse effect on the market price or marketability of the 2025B Bonds.

Neither the Building Corporation nor the School Corporation has applied for any other rating or to any other rating agency for a rating on the 2025B Bonds.

POTENTIAL IMPACTS RESULTING FROM EPIDEMICS OR PANDEMICS, SUCH AS THE NOVEL CORONAVIRUS (COVID-19)

Regional, national or global epidemics or pandemics, such as the outbreak of the novel coronavirus ("COVID-19"), could have materially adverse local, regional, national or global economic and social impacts. The outbreak of COVID-19 adversely impacted local, state, national and global economies, as governments, businesses and citizens reacted to, planned for, and tried to prevent or slow the further transmission of COVID-19. In 2020 through 2022, in order to take certain steps to increase containment of COVID-19, the Governor of Indiana issued numerous

Executive Orders, which included stay-at-home orders and face covering requirements, directed the closing of State government buildings and restricted retail establishments and in-person dining at restaurants, among other things, until the Governor issued an Executive Order on March 3, 2022, which ended the disaster declaration of a public health emergency resulting from COVID-19.

General Effect on School Corporation's Finances

The State's finances may be materially adversely affected by epidemics and pandemics, which could affect the amount appropriated and timing of the distribution of State aid to school districts, thereby potentially impacting the amount of revenue in the School Corporation's Education Fund and Operations Fund. In addition, State school districts, including the School Corporation, depend on local property tax collections and other local revenues to fund many of its operational costs, including, but not limited to, payment of debt service on any of the bonds issued by the school districts or their local building corporations. Therefore, if the collection of property taxes is delayed or reduced, the School Corporation may have difficulty in paying the principal and interest on the Bonds and funding the portion of the School Corporation's Operations Fund not funded from State aid. In addition, the School Corporation cannot predict the amount of increased costs, if any, that may be incurred by the School Corporation associated with operating during any epidemic or pandemic, like COVID-19, including, but not limited to, the amount of (1) costs to clean, sanitize and maintain its facilities, (2) costs to hire substitute certificated or classified employees, or (3) costs to operate remotely and support students, faculty, and staff. Accordingly, the School Corporation cannot predict the effect any epidemic or pandemic will have on its finances or operations, including, but not limited to, the payment of the Rent under the Lease which is used to pay the debt service on the Bonds.

CYBERSECURITY

School districts, like other governmental and business entities, face significant risks relating to the use and application of computer software and hardware for educational and operational and management purposes. The School Corporation also collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, and contractors. As the custodian of such information, the School Corporation may face cybersecurity threats from time to time. Given the importance of cybersecurity for school districts, federal lawmakers recently approved the K-12 Cybersecurity Act of 2021 to study cybersecurity risks that school districts face and develop recommended guidelines and an online training toolkit for school district officials to address such cybersecurity risks.

The School Corporation carries insurance for such matters, but no assurances can be given that the School Corporation's cybersecurity control measures will be successful in guarding against any and each cyber threat and attack. The results of any attack on the School Corporation's computer and information technology systems could impact its operations and damage the School Corporation's digital networks and systems, and the costs of remedying any such damage could be substantial.

CONCLUDING STATEMENT

The foregoing summaries and statements included in this Official Statement do not purport to be complete and are expressly made subject to the exact provisions of the complete documents. Prospective purchasers of the 2025B Bonds are referred to the documents, including the Trust Indenture and the Lease, for the details of all terms and conditions thereof relating to the 2025 Hamilton Southeastern Intermediate/Junior High School Renovation and Update Project and the 2025B Bonds.

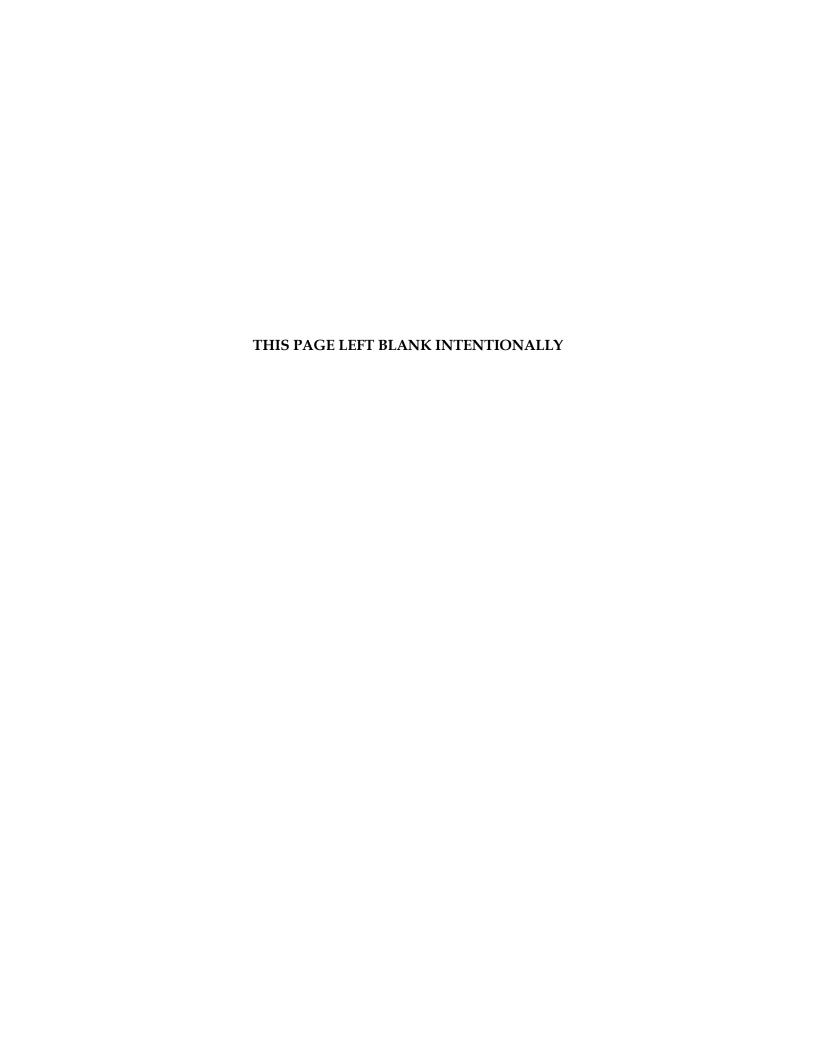
Neither this Official Statement, nor any statement which may have been made orally or in writing is to be construed as a contract with the owners of any of the Bonds. Any statements in this Official Statement involving matters of opinion whether or not expressly so stated, are intended as such and not as representations of fact. The information contained herein has been carefully compiled from sources deemed reliable and, to the best knowledge and belief of the Building Corporation and the School Corporation, there are no untrue statements or omissions of material facts in the Official Statement which would make the statements and representations therein misleading.

Certain supplemental information concerning the financial condition of the Building Corporation and the School Corporation which is exhibited hereafter is considered part of this Official Statement.

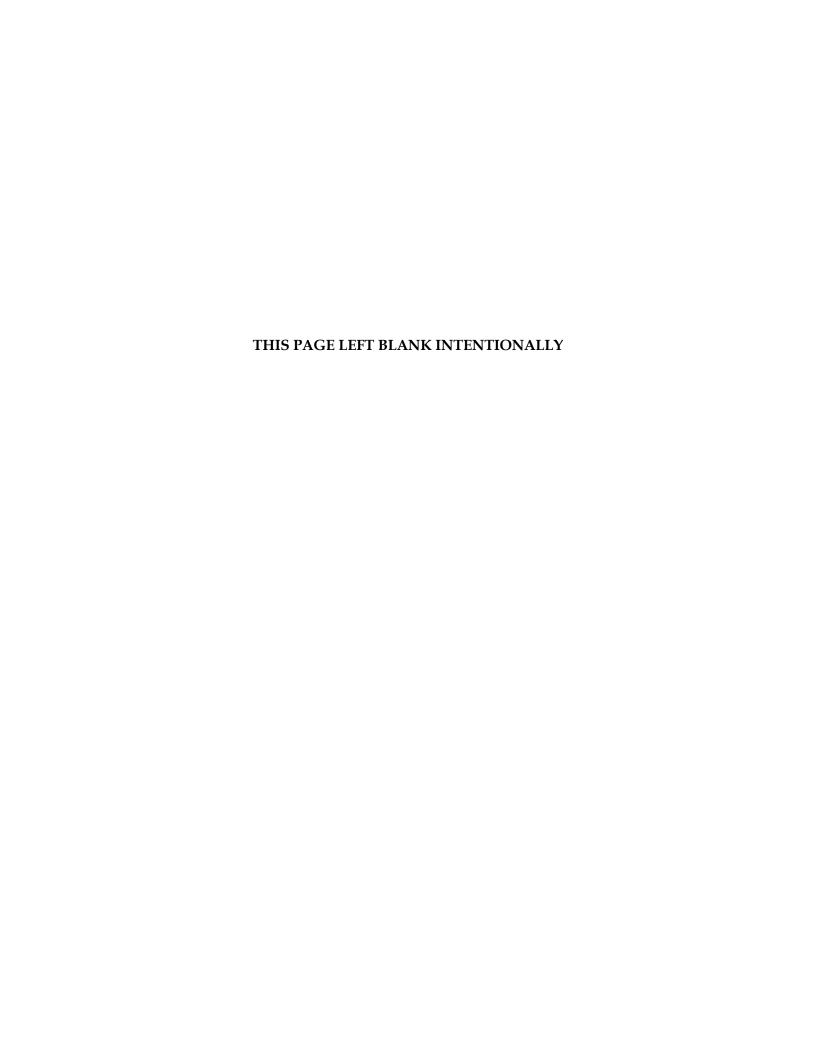
The presentation of historical tax and other financial data exhibited elsewhere herein is intended to show recent trends and conditions. There is no intention to represent by such data that such trends will continue in the future, nor that any pending improvement or diminution of local conditions is indicated thereby.

The execution of this Official Statement has been duly authorized and approved by the Building Corporation and the School Corporation. The Building Corporation will provide the Underwriter with sufficient copies of the Final Official Statement in a timely manner to be distributed to the purchasers of the 2025B Bonds.

	HAMILTON SOUTHEASTERN CONSOLIDATED SCHOOL BUILDING CORPORATION
Dated:, 2025	By: President
	HAMILTON SOUTHEASTERN SCHOOLS, HAMILTON COUNTY, INDIANA
Dated:, 2025	By: President, Board of School Trustees



APPENDIX A HAMILTON SOUTHEASTERN SCHOOLS, HAMILTON COUNTY, INDIANA



APPENDIX A HAMILTON SOUTHEASTERN SCHOOLS, HAMILTON COUNTY, INDIANA

GENERAL

The Hamilton Southeastern Schools, Hamilton County, Indiana (the "School Corporation"), began operating as an Indiana organized school corporation on July 1, 1964. The School Corporation was reorganized under provisions of I.C. 20-23. The reorganized School Corporation is comprised of three civil townships — Delaware, Fall Creek and Wayne Townships — all in southeastern Hamilton County, Indiana ("Hamilton County"). Included within the three civil townships are the incorporated City of Fishers, Indiana, and City of Noblesville, Indiana, and the unincorporated towns of Durbin and Clarksville. The School Corporation is bordered on the west by Carmel Clay Schools, Hamilton County, Indiana, and on the north by Noblesville Schools, Hamilton County, Indiana, and Hamilton Heights School Corporation, Hamilton County, Indiana. Hamilton County is adjacent to Marion County, Indiana, and the City of Indianapolis, Indiana, on the south, Boone County, Indiana, on the west, Tipton County, Indiana, on the north and Madison County, Indiana, 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.

SCHOOL BOARD

<u>Name</u>	<u>Title</u>	Term Expiration
Dr. Juanita Albright	President	12/31/2026
Tiffany Pascoe	Vice President	12/31/2026
Dawn Lang	Secretary	12/31/2026
Suzanne Thomas	Member	12/31/2028
Sarah Parks-Reese	Member	12/31/2028
Ben Orr	Member	12/31/2026
Latricia Schooley	Member	12/31/2028

EMPLOYMENT RELATIONS

The School Corporation's employees are represented by the following labor organization. The School Corporation considers its relationship with the employee groups to be excellent.

<u>Organization</u>	<u>Represents</u>	Expiration Date
Hamilton Southeastern Education Association	Teachers	June 30, 2025

PERSONNEL

The School Corporation employed a total staff of 2,309 full time and 229 part time personnel, as of March 18, 2025 allocated in categories as follows:

	<u>Numb</u>	<u>er</u>
Staffing Category	<u>Full Time</u>	Part Time
Administration - Certified	84	0
Directors - Non-Certified	24	0
Teachers/Counselors	1,307	15
Techers/excluded from agreement	72	1
Techer Aides	279	35
Library Aides	7	0
Clerical	116	22
Nurses	1	0
Maintenance/Custodial	46	0
Cafeteria	98	98
Technology Support	39	0
Permanent Techer Subs	52	0
Bus Drivers	214	0
Bus Aides	0	_58
Total	2,309	229

Source: School Corporation Records

FACILITIES

In addition to the administration office, 23 school buildings are currently housing the educational programs for the School Corporation. Selected information concerning the facilities presently operated by the School Corporation is shown below:

	Grades		Last Addition/	Condition of
Name of School	Accommodated	Original	Renovation	Building
Hamilton Southeastern High School	9-12	1967	2015	Good
Fishers High School	9-12	2003	2015	Excellent
Fall Creek Junior High School	7-8	1993	2011, 2023	Excellent
Hamilton Southeastern Intermediate/Jr High	5-8	2012		Excellent
Fishers Junior High School	7-8	1977	2019, 2023	Excellent
Riverside Junior High School	7-8	2006		Excellent
Sand Creek Intermediate	5-6	1999		Good
Fall Creek Intermediate	5-6	1998		Good
Riverside Intermediate	5-6	2009		Excellent
Cumberland Road Elementary	K-4	1980	1994, 2017	Excellent
Durbin Elementary	K-4	1980	1997, 2022	Very Good
Fishers Elementary	K-4	1958	1990	Good
Fall Creek Elementary	K-4	1955	1990, 2006, 2013	Excellent
Lantern Road Elementary	K-4	1995	2024	Excellent
New Britton Elementary	K-4	1991	2018	Excellent
Harrison Parkway Elementary	K-4	1998		Good
Hoosier Road Elementary	K-4	2001		Good
Brooks School Elementary	K-4	2003		Good
Geist Elementary	K-4	2004		Very Good
Sand Creek Elementary	K-4	2005		Very Good
Thorpe Creek Elementary	K-4	2008		Excellent
Southeastern Elementary	K-4	2019		Excellent
Deer Creek Elementary	K-4	2022		Excellent

Source: School Corporation Records

ENROLLMENTS

Shown below are the total enrollments in grades K-12 for the past five years and a projection of such enrollments for the next five years:

Academic	Actual	Academic	Projected
Year	Enrollment	Year	Enrollment*
2020-21	21,396	2025-26	20,648
2021-22	21,227	2026-27	20,537
2022-23	21,152	2027-28	20,446
2023-24	20,913	2028-29	20,471
2024-25	20,728	2029-30	20,425

Source: School Corporation Records

NET ASSESSED VALUATION

Net Assessed Valuation of the School Corporation is shown below. Criteria for determination of true value are established by the Indiana Department of Local Government Finance. Assessed Valuation is reduced by various exemptions.

Payment	Net Assessed	Payment	Net Assessed
<u>Year</u>	<u>Valuation</u>	<u>Year</u>	Valuation
2016	\$6,325,896,692	2021	\$8,067,897,643
2017	6,537,027,242	2022	8,562,403,303
2018	6,787,648,233	2023	10,012,871,955
2019	7,181,656,740	2024	10,624,875,522
2020	7,627,847,379	2025	11,521,301,653

Source: Hamilton County Budget Orders

LARGEST TAXPAYERS

The 10 largest taxpayers in the School Corporation for Real and Personal Property valuations, comprising 3.97% of the pay 2024 Net Assessed Valuation, included:

Name	2023 Pay 2024 Assessed
Name	Valuation
JVM Realty Corp (Parent Co.)	\$64,020,900
Woods of Britton	51,280,100
Wellington Place Apartments LLC	46,049,300
Lantern Woods Apartments LLC	42,229,400
Regency Windsor Sunblest II LTD PTN	38,950,200
City of Indianapolis Dept of Public Utilities	38,585,890
New Prairie Lakes Apts LLC	37,853,900
Flats at Fishers Apartments LLC	35,770,800
Lightstone Value Plus REIT V, Inc. (Parent Co.)	33,755,000
Edward Rose Development Company	33,405,200
Total	\$421,900,690

Source: Hamilton County Auditor's Office

^{*} Projected enrollments are based on housing starts and population trends. Projections are subject to uncertainty and risks that could cause the actual results to vary, possibly materially.

TAXES LEVIED AND COLLECTED

Total property tax levies for the School Corporation and collections against those levies for the past five completed years are:

	Gross Taxes	Less: Circuit	Net Taxes	Taxes	Percent of Net
Collection Year	Levied	Breaker Credits	Levied	Collected	Taxes Collected
2020	\$ 99,009,629	\$3,368,228	\$ 95,641,401	\$ 94,629,984	98.94%
2021	104,477,293	3,547,867	100,929,426	101,176,442	100.24%
2022	109,966,887	2,760,840	107,206,047	105,733,749	98.63%
2023	123,237,986	4,698,988	118,538,998	118,481,774	99.95%
2024	125,460,283	2,358,548	123,101,735	122,517,673	99.53%
2025	136,103,660	2,920,000	133,183,660	- In P	rocess -

Collections shown include present and prior year property tax levies, along with penalties and interest on prior year delinquencies. Excluded are receipts from automobile excise taxes and financial institution (intangibles) taxes.

Indiana statutes and practices make it difficult to evade property tax liabilities. Penalty and interest charges are assessed and property may be seized and sold to satisfy liens. Taxes due each year are due in two installments, May and November.

Source: School Corporation; Indiana Department of Local Government Finance

SCHOOL TAX RATES

The following tax rates (per \$100 of assessed valuation) are gross rates which do not reflect the property tax replacement credit from state collected sales taxes.

<u>Fund</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General Referendum	\$0.2275	\$0.2275	\$0.2275	\$0.1895	\$0.1995
Debt Service - Non-Exempt	0.4545	0.4625	0.4750	0.4820	0.5052
Debt Service - Exempt	0.1353	0.1273	0.1077	0.1013	0.0833
School Pension Debt	0.0045	0.0042	0.0027	0.0010	0.0000
Operations Fund	0.4239	0.4161	0.3753	0.3695	0.3553
Total	\$1.2457	\$1.2376	\$1.1882	\$1.1433	\$1,1433

Source: School Corporation 1782 Notices

FINANCIAL STATEMENTS

The most recent audit and annual financial report of the School Corporation is for the period July 1, 2023 through June 30, 2024. State Legislation passed in 2017 requires school corporations with a student population greater than 15,000 to convert to accrual accounting. After August 15, 2020, a school corporation with an enrollment greater than 15,000 may not issue bonds unless they have an annual financial report using modified accrual basis accounting. For the period July 1, 2023 through June 30, 2024, the School Corporation received approval to opt out of the State Board of Accounts auditing process and Forvis Mazars, LLP (formerly BKD LLP) performed a third-party audit for this period, which period was audited on an accrual basis. The School Corporation does not control the timing of audit reviews by the State Board of Accounts or the release of the audit report. Additionally, annual Financial Reports (Form 9) are filed with the Indiana Department of Education.

The Indiana General Assembly enacted P.L. 244-2017 that impacts school corporation funds effective January 1, 2019. The General Fund for school corporations was eliminated in January 2019 and has been replaced, in part, by an Education Fund for expenditures related to student instruction and learning. Additionally, an Operations Fund has been created to replace, in part, the General Fund and, in whole, the Capital Projects Fund, the Transportation Fund, the Art Association Fund, the Historical Society Fund, the Playground Fund and the Bus Replacement Fund, which were repealed effective January 1, 2019. The Operations Fund is used to pay for expenditures not directly related to student instruction and learning, including all of the expenditures of the previously existing funds and the portions of the operational expenses not paid for by the Education Fund. A property tax levy to support the Operations Fund has replaced all other school property tax levies, except for the debt service levies or a levy approved by a referendum. Additionally, school corporations may maintain separate Rainy Day Funds. School corporations have the authority to transfer between the Education Fund and Operations Fund, which the School Corporation expects will provide flexibility to manage its cash position by fund.

A copy of the School Corporation's Financial Statements for the period July 1, 2023 to June 30, 2024, is included as Appendix E to this Official Statement. Potential purchasers should read such financial statements in their entirety for more complete information concerning the School Corporation's financial position. The School Corporation has not requested the State Board of Accounts to perform any additional examination, assessment or evaluation with respect to such financial statements since the date thereof. Although the inclusion of the financial information in this Official Statement is not intended to demonstrate the fiscal condition of the School Corporation since the date of such financial information, in connection with the issuance of the Bonds, the School Corporation represents that there has been no material adverse change in the financial position or results of operations of the School Corporation, nor has the School Corporation incurred any material liabilities, which would make such financial information misleading.

SCHOOL CORPORATION RECEIPTS AND DISBURSEMENTS (YEAR ENDED DECEMBER 31)

RECEIPTS	2020	2021	2022	2023	2024
EDUCATION FUND					
Property Tax	\$0	\$0	\$0	\$0	\$0
Financial Institution Tax	0	0	0	0	0
Vehicle Excise Taxes	0	0	0	0	0
State Sources	137,224,728	139,687,321	146,531,831	153,692,135	159,652,756
Other	1,968,720	2,373,737	4,997,045	5,561,290	6,331,934
Total	\$139,193,448	\$142,061,058	\$151,528,876	\$159,253,425	\$165,984,690
EDUCATION FUND - EXEMPT REFERENDUM					
Property Tax	\$19,411,272	\$21,002,087	\$22,070,007	\$25,781,608	\$22,664,198
Financial Institution Tax	0	0	0	0	0
Vehicle Excise Taxes	1,375,474	1,407,161	1,429,008	1,492,175	1,267,620
Other	2,054	59,018	2,040,769	250,964	134
Total	\$20,789,073	\$22,498,266	\$25,539,784	\$27,524,747	\$23,931,952
DEBT SERVICE FUND - NON-EXEMPT					
Property Tax	\$34,251,372	36,655,051	39,389,199	47,386,772	50,859,411
Financial Institution Tax	0	0	0	0	0
Vehicle Excise Taxes	2,748,470	2,871,164	2,905,127	3,115,530	3,224,237
Other	383,789	38,949	3,600,000	407,350	792,663
Total	\$37,383,631	\$39,565,164	\$45,894,326	\$50,909,652	\$54,876,311
DEBT SERVICE FUND - EXEMPT					
Property Tax	\$11,544,211	\$12,491,425	\$12,349,018	\$12,201,282	\$12,119,241
Financial Institution Tax	0	0	0	0	0
Vehicle Excise Taxes	818,192	854,716	799,617	706,406	677,625
Other	0	0	0	0	0
Total	\$12,362,403	\$13,346,141	\$13,148,635	\$12,907,688	\$12,796,866
PENSION FUND					
Property Tax	\$371,300	\$362,518	\$357,921	\$270,800	\$103,922
Financial Institution Tax	0	0	0	0	0
Vehicle Excise Taxes	29,631	28,427	26,382	17,709	6,689
Other	0	0	100,000	0	0
Total	\$400,931	\$390,945	\$484,303	\$288,509	\$110,611
OPERATIONS FUND					
Property Tax	\$29,051,829	\$30,665,361	\$31,567,603	\$32,841,312	\$36,770,901
Financial Institution Tax	0	0	0	0	0
Vehicle Excise Taxes	2,599,708	2,677,838	2,613,672	2,461,597	2,471,692
Other	888,202	3,142,962	16,332,083	2,119,689	9,553,046
Total	\$32,539,739	\$36,486,161	\$50,513,359	\$37,422,598	\$48,795,639
ALL OTHER FUNDS	\$35,411,305	\$37,727,601	\$66,083,880	\$61,612,441	\$71,062,974
TOTAL RECEIPTS	\$278,080,530	\$292,075,338	\$353,193,163	\$349,919,060	\$377,559,043

DISBURSEMENTS	2020	2021	2022	2023	2024
Education Fund	\$141,705,153	\$142,351,074	\$150,748,622	\$151,135,867	\$149,227,414
General Fund Referendum	19,038,767	20,139,475	27,306,173	25,832,539	24,139,772
Debt Service Fund — Non-Exempt	35,924,291	39,269,458	44,875,878	51,608,201	55,305,229
Debt Service Fund — Exempt	12,992,000	9,794,500	12,456,000	12,982,000	12,800,000
Pension Fund	387,201	390,855	488,233	389,682	195,045
Operations Fund	32,811,694	32,208,383	49,971,202	38,747,634	53,685,341
All Other Funds	25,901,055	26,790,876	60,890,096	59,835,898	58,547,135
TOTAL DISBURSEMENTS	\$268,488,206	\$270,944,621	\$346,736,202	\$340,531,821	\$353,899,936

Source: Compiled from Biannual Financial Reports, Indiana Department of Education.

ANTICIPATED RECEIPTS & DISBURSEMENTS CALENDAR YEAR 2025 BUDGET

RECEIPTS:	Education Fund	General Fund Referendum	Debt Service Fund - Non- Exempt	Debt Service Fund - Exempt	Operations Fund
Property Taxes	-	\$26,075,284	\$58,205,616	\$10,887,575	\$38,478,506*
Bank & Excise	-	1,194,533	2,907,461	498,769	2,044,777
State Grants	\$163,274,633	-	-	-	-
Miscellaneous	5,218,933	-	-	-	16,175,000
Total	\$168,493,566	\$27,269,817	\$61,113,077	\$11,386,344	\$56,698,283
DISBURSEMENTS	\$174,417,807	\$28,666,749	\$61,069,193	\$12,622,000	\$60,266,837

^{*} Includes a property tax cap impact of (\$2,456,679)

Source: School Corporation's Budget

CASH BALANCES BY FUND

			Debt					
		General	Service	Debt				
As of	Education	Fund	Non-	Service	Operations	Pension	All Other	
<u>Dec. 31</u>	<u>Fund</u>	<u>Referendum</u>	<u>Exempt</u>	<u>Exempt</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds*</u>	<u>Total</u>
2020	\$11,675,569	\$ 8,039,690	\$8,488,735	\$ 587,173	\$ 3,163,354	\$195,226	\$33,403,229	\$ 65,552,976
2021	13,199,437	10,398,482	8,784,442	4,138,814	4,627,248	195,317	45,316,027	86,659,767
2022	13,979,691	8,632,093	9,802,981	4,831,449	5,169,405	191,387	50,509,722	93,116,727
2023	23,605,973	10,324,302	9,104,341	4,757,137	2,344,368	90,214	52,293,077	102,519,412
2024	25,738,959	10,116,482	8,675,423	4,754,003	14,455,167	5,781	61,995,227	125,741,042

Source: School Corporation Annual Financial Reports (Form 9)

STATE OF INDIANA PAYMENTS

The following table shows the annual amounts appropriated to the School Corporation during the five previous years and the amounts of such appropriations projected to be received during the current year.

V	Basic	Other	Tatal		
Year	$Grants^{(1)}$	Grants(2)	Total		
2020	\$136,151,667	\$1,073,061	\$137,224,172		
2021	139,156,933	3,294,858	142,451,791		
2022	145,935,047	2,673,222	148,608,269		
2023	152,908,717	6,616,706	159,525,423		
2024	158,897,830	6,161,084	165,058,914		
2025 (est.)	159,292,183	3,982,450	163,274,633		

Source: School Corporation Form 9 Financial Statements

(1) The Basic Grant is for regular, handicapped and vocational instruction.

(2) Other Grants include summer school and other special state programs.

Note: State grants are made on a fiscal year basis.

INDEBTEDNESS

The following tabulation, prepared as of August 1, 2025, assumes the issuance of the 2025B Bonds and the issuance of the Hamilton Southeastern Schools, Hamilton County, Indiana, General Obligation Bonds, Series 2025B later this year. The tabulation far below itemizes the direct and overlapping indebtedness of the School Corporation.

Percent of Assessed

Net Assessed Value (2025)	\$11,521,301,653	<u>Per Capita</u> \$94,625	<u>Valuation</u>	
Direct Debt	330,415,000*	2,714	2.87%	
Direct & Underlying Debt	659,369,868*	5,415	5.72%	
	221,221,222	5,==5	2/-	
2023 Population	121,757			
<u>Direct Debt</u>	<u>Dated Date</u>	<u>Original</u> <u>Amount</u>	Final Maturity	Amount Outstanding
General Obligations				
General Obligation Bonds of 2017B	05/25/17	\$ 8,250,000	12/31/37	\$5,975,000
General Obligation Bonds, Series 2024A	06/27/24	35,000,000	12/31/26	35,000,000
General Obligation Bonds, Series 2024B	11/21/24	7,500,000	12/31/26	7,500,000
General Obligation Bonds, Series 2024 (Taxable)	11/26/24	6,700,000	12/31/26	6,700,000
General Obligation Bonds, Series 2025A	6/30/25	17,750,000	12/31/26	17,750,000
General Obligation Bonds, Series 2025B*	//25	24,245,000*	12/31/27	24,245,000*
<u>Lease Obligations</u>				
2012B2 Refunding Bonds	07/26/12	9,100,000	01/15/26	2,735,000
2015A Bonds	04/01/15	4,715,000	01/15/27	1,010,000
2015B Bonds	04/01/15	14,745,000	01/15/28	4,325,000
2015C Bonds	04/01/15	22,095,000	01/15/29	7,970,000
2016 Refunding Bonds	10/20/16	34,085,000	01/15/27	11,440,000
2017 Refunding Bonds	12/13/17	9,560,000	07/15/28	3,860,000
2018 Bonds	12/12/18	20,705,000	07/15/38	16,805,000
2021 Refunding Bonds	06/15/21	28,360,000	01/15/31	19,740,000
2021 Bonds	07/01/21	30,405,000	01/15/41	25,770,000
2024A Refunding Bonds	06/18/24	14,675,000	01/15/34	13,150,000
2024B Refunding Bonds	06/18/24	14,725,000	01/15/34	13,205,000
2024C Bonds	07/18/24	41,735,000	01/15/44	41,735,000
2025A Refunding Bonds	05/28/25	14,040,000	01/15/34	14,040,000
2025B Refunding Bonds	05/28/25	11,585,000	01/15/34	11,585,000
2025A Bonds	06/20/25	31,905,000	01/15/35	31,905,000
2025B Bonds (this issue)*	//25	13,970,000*	01/15/45	13,970,000*
Total Direct Debt	_	\$407,600,000*		\$330,415,000*

^{*} Preliminary, subject to change.

Beginning in July 2017, the School started leasing buses on an annual basis. The payments are made through the Operations Fund and are subject to annual appropriation. The School Corporation leased additional buses in July 2020, with a first payment due on July 1,

2021. The 2022 annual payment of the combined outstanding bus leases is \$2,059,506. The School Corporation entered into an additional bus lease on July 1, 2021 in the aggregate amount of \$3,131,239 for a three year period with payments starting on July 1, 2022.

		Appl	icable
<u>Underlying and Overlapping Tax Supported Debt</u>	Outstanding Amount	<u>Percent</u>	Amount
Hamilton County	\$107,450,000	30.98%	\$33,289,710
Hamilton County Public Building Corporation	23,715,000	30.98%	7,347,282
Hamilton East Public Library	27,030,000	68.29%	18,457,592
City of Fishers	68,365,000	100.00%	68,365,000
Fishers Town Hall Building Corporation	60,850,000	100.00%	60,850,000
Fishers Redevelopment Authority	110,485,000	100.00%	110,485,000
Fishers Redevelopment District	20,955,000	100.00%	20,955,000
Delaware Township	7,525,000	100.00%	7,525,000
Wayne Township	1,680,284	100.00%	1,680,284
			\$328,954,868

COMBINED DEBT SERVICE REQUIREMENTS

The tabulation below sets forth the combined annual debt service requirements (in thousands) for all loans, leases and other obligations of the School Corporation as of August 1, 2025, including proposed issuance of the 2025B Bonds and the Hamilton Southeastern Schools, Hamilton County, Indiana, General Obligation Bonds, Series 2025B later this year, all payable from the debt service fund.

		G	eneral Obliga	ation Bonds										Le	ase Bonds									
				GO Bonds		GO			FMRB								FMRB			FMRB		FMB	FMB	
	GO Bonds		GO Bonds	of 2024	GO Bonds	Bonds of 2025B ⁽²⁾	FMB 2011	FMRB	2015A	FMRB			FMRB 2017			FMB 2021	2024A		FMB 2024C	2025A		2025A	2025B	Total (2)
	of 2017B	of 2024A	of 2024B	(Taxable)	of 2025A	2025B		2012B Lease	Lease	2015B Lease 2		Lease	Lease	Lease	Lease	Lease		2024B Lease				Lease	Lease (1)(2)	
2025	\$555	\$35,999	\$495	\$3,149			\$3,480		\$538		\$2,150	\$6,075	\$1,200	\$1,730	\$2,535	\$3,472	\$1,834			\$1,916				\$76,905
2026	554	1,282	7,699	4,017	\$18,873		3,480		538		2,150	6,075	1,200	1,730	2,461	3,474	1,839			1,926		\$3,045	\$1,166	83,444
2027	553					12,898	3,480			1,536	2,150		1,200	1,730	2,396	3,480	1,840	1,842	3,477	1,919	1,585	2,665	1,164	43,915
2028	556						3,480				2,150		600	1,730	2,332	3,476	1,843	1,850	3,470	1,915	1,592	2,669	1,165	28,828
2029	553						3,480							1,730	2,268	3,480	1,839	1,845	3,470	1,922	1,581	2,670	1,164	26,002
2030	556						3,480							1,730	2,203	3,479	1,836	1,846	3,475	1,920	1,583	2,668	1,167	25,943
2031	553													1,730	2,139		1,839	1,849	3,476	1,924	1,586	2,668	1,163	18,927
2032	555													1,730	2,074		1,838	1,842	3,477	1,924	1,586	2,670	1,163	18,859
2033	556													1,730	2,010		1,838	1,842	3,474	1,925	1,588	2,668	1,162	18,793
2034	557													1,730	1,946				3,476			2,673	1,164	11,546
2035	557													1,730	1,893				3,472			2,673	1,164	11,489
2036	552													1,730	1,845				3,473			2,670	1,164	11,434
2037	557													1,730	1,797				3,474			2,667	1,168	11,393
2038														865	1,748				3,473			2,670	1,160	9,916
2039															1,700				3,476			2,668	1,160	9,004
2040															1,652				3,477			2,667	1,167	8,963
2041																			3,476			2,670	1,161	7,307
2042																			3,472			2,668	1,162	7,302
2043																			3,471			2,666	1,161	7,298
2044																						2,667	1,162	3,829
Total	\$7,770	\$37,280	\$8,194	\$7,166		\$26,393	\$24,360	\$5,628	\$1,614	\$6,144	\$10,750	\$18,225	\$5,400	\$25,085	\$35,599	\$24,335	\$16,546	\$16,607	\$66,533	\$17,291	\$14,267	\$51,082	\$22,107	\$475,031

- (1) This issue.
- (2) Preliminary, subject to change.

DEBT PAYMENT HISTORY

The School Corporation has no record of default and has met its debt repayment obligations promptly.

FUTURE FINANCING

As of the date of this Official Statement, the School Corporation has authorized the issuance of one or more series of general obligation bonds in an original aggregate principal amount not to exceed \$42,000,000, to pay for the costs of various facility improvement and equipping projects throughout the facilities operated by the School Corporation. Pursuant to this authorization, the School Corporation issued its General Obligation Bonds, Series 2025A in the original aggregate principal amount of \$17,755,000 on June 30, 2025, and currently anticipates the issuance of one more series of general obligation bonds later this year in an original principal amount not to exceed \$24,245,000. Moreover, the School Corporation continually monitors its short- and long-term capital needs and potential refinancing opportunities.

PENSION AND OTHER POST-EMPLOYMENT OBLIGATIONS

All employees of the School Corporation are covered under the federal Social Security Act. The School Corporation's employer contribution for employees from the Education Fund was \$7,297,563 in calendar year 2020, \$7,315,347 in calendar year 2021, \$7,679,549 in calendar year 2022, \$8,143,142 in calendar year 2023 and \$7,789,427 in calendar year 2024. The School Corporation's estimated employer contribution is \$8,000,000 for calendar year 2025.

Teachers' Retirement Fund

All present and retired certificated employees of the School Corporation are covered under the Indiana State Teachers' Retirement Fund (the "Fund"). The Fund is comprised of two accounts: (1) the Pre-1996 Account consisting of members hired prior to July 1, 1995, and (ii) the 1996 Account consisting of members hired on or after July 1, 1995 or certain employees hired before July 1, 1995 that were either hired by another covered employer or re-hired by a covered prior employer before June 30, 2005.

The Pre-1996 Account is a cost-sharing multiple-employer defined benefit plan with the State being the lone non-employer contributing entity. The State is responsible for 100% of the contributions to the Pre-1996 Account. Based on census data as of June 30, 2023, there were 5,524 active Pre-1996 accounts statewide. The 1996 Account is a cost-sharing multiple-employer defined benefit plan with no non-employer contributing entities. The employers (i.e., the school corporations) are responsible for 100% of the contributions to the 1996 Account. Based on census data as of June 30, 2023, there were 61,188 active 1996 accounts state-wide.

The defined benefits payable from the Pre-1996 Account are funded by State appropriations (including approximately \$30 million per year from the State Lottery). Historically, the benefits have been funded on a pay-as-you-go basis. Additionally, all active members in the Pre-1996 are required by State law to contribute 3% of their salary to their Annuity Savings Account ("ASA"), a separate lump sum account benefit, to fund the defined contribution. These 3% contributions are generally "picked up" by the employers and contributed on a pre-tax basis on behalf of the employee. The School Corporation makes the 3% contribution on behalf of its employees.

The defined benefits payable from the 1996 Account are funded by contributions from the individual employers. The Indiana Public Retirement System ("INPRS") Board of Trustees establishes a contribution rate, based on several factors including the annual actuarial valuation. Each employer is then contractually required to pay that contribution rate. For the fiscal year ended June 30, 2024, employers were required to contribute 6% of their active participant payroll to the defined benefit plan with an increased rate to 6.50% effective January 1, 2025. Additionally, members of the 1996 Account are required to contribute 3% of their

annual wages to fund the defined contribution portion of the 1996 Account. Employers may choose to make this contribution on behalf of its employees, and the School Corporation does so.

The School Corporation's total contributions to the Fund for the years ended December 31, 2020, 2021, 2022, 2023 and 2024 were \$7,442,006, \$7,579,677, \$8,291,234, \$9,164,609 and \$9,702,611, respectively. The estimated contribution to the Fund for year ended December 31, 2025 is \$10,800,000.

According to the latest actuarial valuation, as of June 30, 2024, the actuarial accrued liability for the Pre-1996 Account was \$13,410 million and the actuarial value of assets was \$9,119 million, resulting in an unfunded accrued liability of \$4,291 million and a funded ratio of 68.0%. As of June 30, 2024, the actuarial accrued liability for the 1996 Account was \$10,023 million and the actuarial value of assets was \$8,659 million, resulting in an unfunded accrued liability of \$1,364 million and a funded ratio of 86.4%.

Public Employees Retirement Fund

Except custodial positions, all full-time non-certified employees of the School Corporation are covered under the Public Employees Retirement Fund of Indiana ("PERF"). PERF is a cost-sharing multiple-employer defined benefit pension plan. PERF consists of two plans: (i) the Hybrid plan, and (ii) the ASA Only plan. As of July 1, 2023, there were approximately 121,200 total PERF active members statewide making contributions.

The INPRS Board sets, at its discretion, the applicable employer contribution rates upon considering their results of the actuarial valuation and other analysis as appropriate. The School Corporation currently contributes at a rate of 11.2% of earned salary or compensation. Employees are required to contribute 3% of their compensation to an Annuity Savings Account. Employers may "pick up" the employee contributions. The School Corporation does not make the 3% contribution on behalf of its employees.

The School Corporation's total contributions to PERF for the years ended December 31, 2020, 2021, 2022, 2023 and 2024 were \$3,173,500, \$3,192,828, \$3,553,570, \$3,581,073 and \$3,874,333 respectively. The School Corporation's estimated contribution for the calendar year ended December 31, 2025 is \$3,800,000.

According to the latest actuarial valuation, as of June 30, 2024, the actuarial accrued liability for PERF was \$19,673 million and the actuarial value of assets was \$15,642 million, resulting in an unfunded accrued liability of \$4,031 million and a funded ratio of 79.5%.

Governance

The Fund and PERF were created and operate pursuant to statutes of the State. The Indiana General Assembly could determine to amend the format and could impose or revise rates of contributions to be made by the School Corporation and revise benefits or benefit levels.

The Fund and PERF are administered and managed by the Indiana Public Retirement System ("INPRS"). INPRS is governed by a nine-member board of trustees. INPRS issues publicly available financial reports and actuarial valuation reports that include financial statements and required supplementary information. Those reports may be viewed at the INPRS's website, as follows:

http://www.in.gov/inprs/index.htm

Such information is prepared by the entity maintaining such website and not by any of the parties to this transaction, and no such information is incorporated herein by this reference.

Other Retirement Benefits

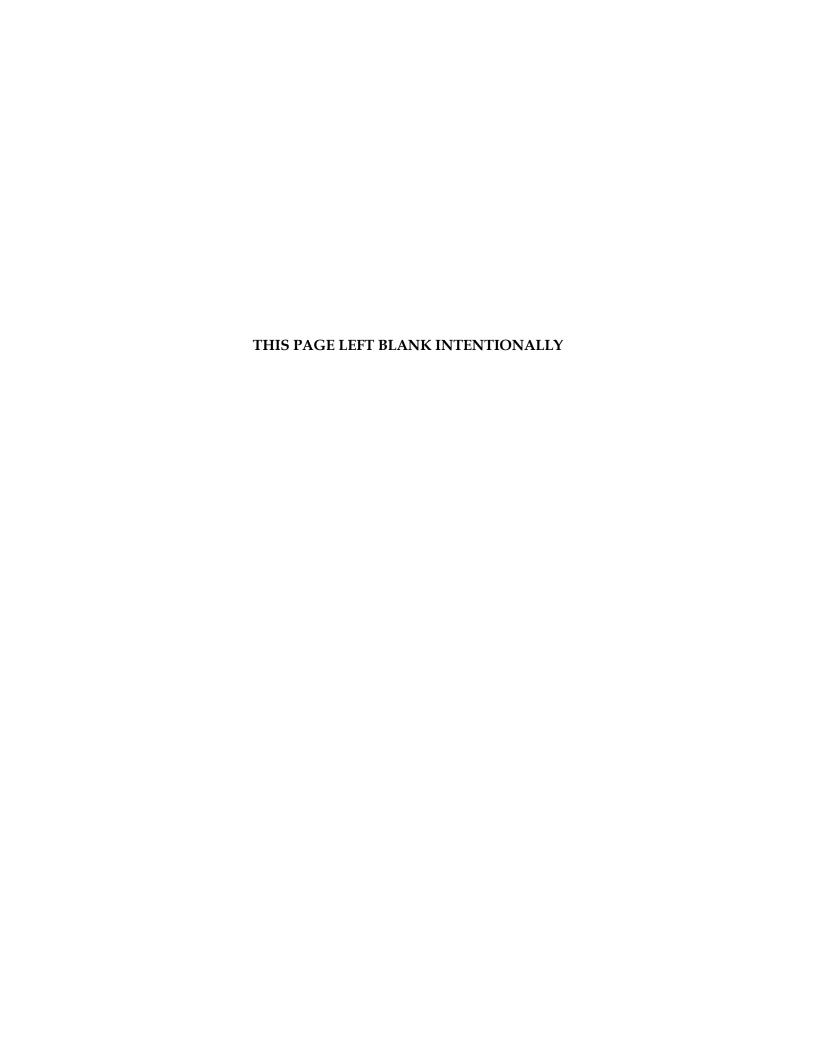
The School Corporation has entered into agreements with teachers and has policies relating to its administrators and other staff, that provide employees who retire, after meeting certain eligibility requirements, with the balances of 457(b), 403(b), 401(a) accounts and VEBA accounts. These accounts are

for the benefit of the employees and are funded through payroll withdrawals and School Corporation contributions annually.

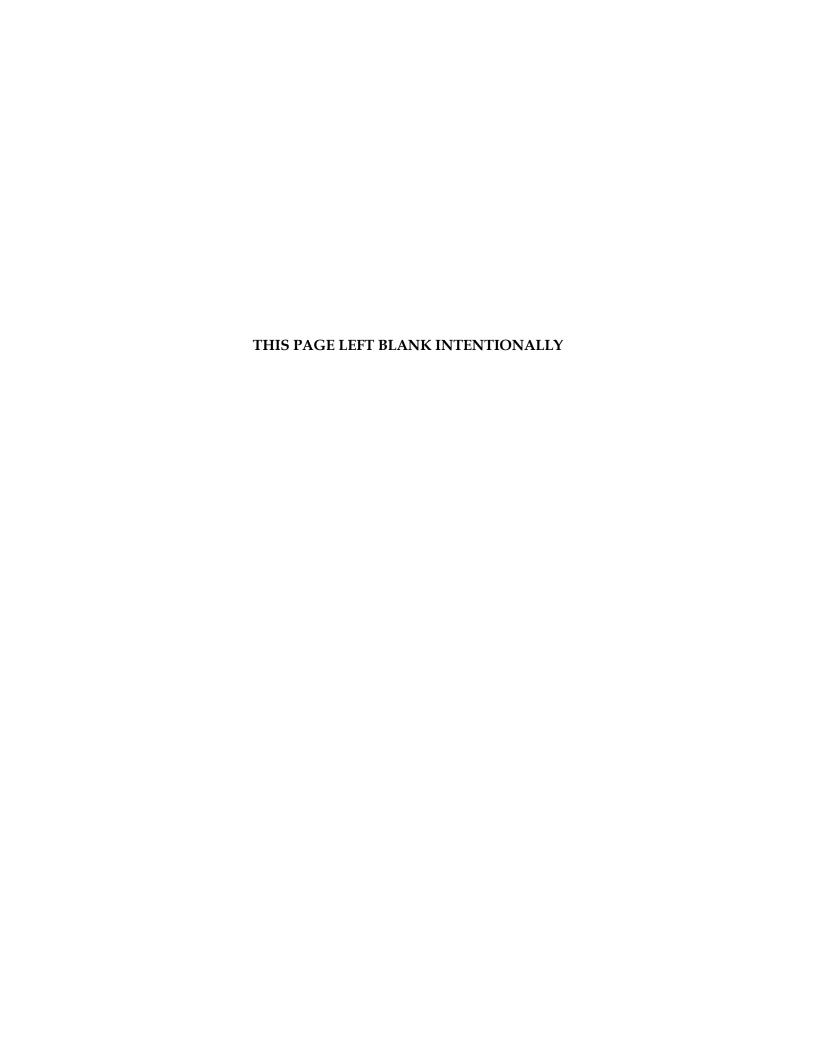
The School Corporation makes deposits into retirement accounts and matches a maximum of 5% of the teachers' contribution. In the year ending December 31, 2022 the School Corporation paid \$5,215,422.83 for this benefit and the contribution for the year ending December 31, 2023 is \$5,307,972. December 31, 2024 is \$5,533,722.

Additionally, teachers hired prior to 2001-2002 who retire with 15 years of service in the School Corporation or whose age and all public-school teaching years equal to 80, will be entitled to \$850 per year until Medicare eligible, but in no event for more than 6 years. In 2022 the School Corporation paid \$39,277.09 for this benefit and \$38,710.42 for this benefit in 2023. For 2024, the School Corporation paid \$40,127.07 for this benefit.

Lastly, retirees who have completed not less than (15) fifteen years of service as a professional educator with the Corporation and who have met INPRS retirement qualifications have the option of remaining on the Corporation's health, dental, or vision insurance. When a retired staff member first becomes eligible for Medicare, the staff member's eligibility to continue to participate in the Corporation's insurance plan terminates. Retirees are responsible for 100% of the premium. There are currently 24 retirees on the health insurance plan.



APPENDIX B GENERAL INFORMATION ABOUT THE COMMUNITY



Hamilton Southeastern Schools, Hamilton County, Indiana

GENERAL INFORMATION ABOUT THE COMMUNITY

Location

The Hamilton Southeastern Schools, Hamilton County, Indiana (the "School Corporation"), began operating as an Indiana organized school corporation on July 1, 1964. The School Corporation was reorganized under provisions of I.C. 20-23. The reorganized School Corporation is comprised of three civil townships — Delaware, Fall Creek and Wayne Townships — all in southeastern Hamilton County, Indiana ("Hamilton County"). Included within the three civil townships are the incorporated City of Fishers, Indiana, and City of Noblesville, Indiana, and the unincorporated towns of Durbin and Clarksville. The School Corporation is bordered on the west by Carmel Clay Schools, Hamilton County, Indiana, and on the north by Noblesville Schools, Hamilton County, Indiana, and Hamilton Heights School Corporation, Hamilton County, Indiana, on the south, Boone County, Indiana, on the west, Tipton County, Indiana, on the north and Madison County, Indiana, on the east. Total land area for the School Corporation is approximately 90 square miles.

Population

General populations for the units of local government which comprise the School Corporation are:

	<u>2000</u>	<u>2010</u>	<u>2020</u>
School Corporation	47,735	90,116	116,550
Hamilton County	182,740	274,569	347,467
Percentage of County	26.1%	32.8%	33.5%

Source: U.S. Census Bureau

Total Tax Rates

Total tax rates, which include the school rates of the taxing units in the School Corporation, have been:

District Name	<u>2020</u>	<u>2021</u>	2022	2023	2024
Delaware	$$1.\overline{8976}$	\$1.8887	\$1.8707	\$1.8150	\$1.7944
Fishers	2.3241	2.3119	2.2891	2.2299	2.2011
Fall Creek	1.8074	1.7998	1.7908	1.7360	1.6876
Wayne	1.7697	1.7622	1.7774	1.6959	1.6861
Noblesville SE	2.7126	2.7037	2.6857	2.6300	2.6067
Fishers FC	2.3039	2.2930	2.2792	2.2209	2.1670
Noblesville FC	2.6924	2.6848	2.6758	2.6210	2.5726
Nob Wayne	2.7251	2.7190	2.7088	2.6478	2.5976
Fishers FC 02152C	-	-	-	2.2209	2.1670

Source: Stats Indiana

Employment Statistics and Patterns

Below is a list of the ten largest employers in Hamilton County.

<u>Employer</u> <u>Business or Product</u>

CNO Financial Group Inc Insurance and Other Financial Services

RCI LLC Time-Share Exchange

Navient Corp Student Loans Roche Diagnostics Corp Healthcare

KAR Auction Svc Inc Vehicle Auction Services

IU Health North HospitalHealthcareAmbu - King Systems CorpMachine Shop

Midcontinent Independent Systems Operator Electric and Energy Provider

American Specialty Health Inc Health Insurance

Protective Specialty Insurance Fleet Trucking/Transportation Insurance

Source: STATS Indiana

Total Covered Employment for the 3rd quarter of 2023 was 162,865. Employment patterns for Hamilton County were:

	Quarterly	Number of	% of Total
Employment Category	Wages	Employees	Employment
Agriculture, Forestry, Fishing and Hunting	\$15,758,234	832	0.51%
Mining	5,697,795	238	0.15%
Utilities	34,992,732	1,104	0.68%
Construction	179,392,578	9,084	5.58%
Manufacturing	155,371,309	8,122	4.99%
Wholesale Trade	211,302,379	7,387	4.54%
Retail Trade	189,259,035	17,626	10.82%
Transportation & Warehousing	34,416,943	2,350	1.44%
Information	47,452,123	2,352	1.44%
Finance and Insurance	382,834,269	15,827	9.72%
Real Estate and Rental and Leasing	73,101,170	4,491	2.76%
Professional, Scientific, and Technical Services	349,517,104	14,749	9.06%
Management of Companies and Enterprises	64,372,964	2,615	1.61%
Admin. & Support & Waste Mgt. & Rem. Services	164,891,375	11,514	7.07%
Educational Services	127,662,637	10,468	6.43%
Health Care and Social Services	310,212,183	22,236	13.65%
Arts, Entertainment, and Recreation	27,876,157	4,593	2.82%
Accommodation and Food Services	108,774,233	17,757	10.90%
Other Services (Except Public Administration)	52,392,086	4,841	2.97%
Public Administration	79,431,821	4,679	2.87%
Total	\$2,614,709,127	162,865	

Source: STATS Indiana with Indiana Department of Workforce Development data aggregated by Indiana Business Research Center

The following table shows the level of employment for Hamilton County, in comparison to the State of Indiana and the United States, each as reported by the Indiana Department of Workforce Development:

Annual Averages							
Hamilton County	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	2023 (Dec.)		
Labor Force	188,860	186,215	190,416	195,968	198,228		
Unemployed	4,737	8,851	4,589	4,172	4,183		
Rate of Unemployment	2.5%	4.8%	2.4%	2.1%	2.10%		
State of Indiana	3.3%	7.3%	3.9%	3.0%	2.90%		
United States	3.7%	8.1%	5.3%	3.6%	3.50%		

Source: Stats Indiana - U.S. Bureau of Labor Statistics

Transportation

Highways serving the School Corporation include Interstate 69 and State Highways 32, 37, and 38. Commercial air service is available at the Indianapolis International Airport approximately 30 miles away.

Higher Education

Within commuting distance of the School Corporation are several public and private two-year and four-year colleges and universities, including Chamberlain University-Indiana; Fortis College-Indianapolis; Union Bible College; Lincoln College of Technology-Indianapolis; International Business College-Indianapolis; Butler University; Christian Theological Seminary; Horizon University; Martin University; Ivy Tech Community College; Marian University; Indiana University-Purdue University Indianapolis (IUPUI), American College of Education; Aviation Institute of Maintenance-Indianapolis; MyComputerCareer at Indianapolis; University of Indianapolis; and Anderson University.

Financial Institutions

The following is a list of financial institutions which have locations in the School Corporation.

Bank of America, National Association Regions Bank The Farmers Bank, Frankfort, Indiana Old National Bank Centier Bank First Merchants Bank Lake City Bank JPMorgan Chase Bank, National Association Citizens Bank of New Castle PNC Bank, National Association BMO Bank National Association The Huntington National Bank Fifth Third Bank, National Association KeyBank National Association STAR Financial Bank Magnolia Bank, Incorporated First Internet Bank of Indiana The National Bank of Indianapolis

Source: FDIC, BankFind Suite

Utilities

The following public utilities provide service within Hamilton County, Indiana:

Telephone AT&T

Electric

Spectrum

Comcast/Xfinity
Duke Energy

Nine Star Power

Indianapolis Power & Light

Wabash Valley

Natural Gas Vectren

Citizens Gas

Water/Sewer Municipal

Citizen's Energy Group American Water Company Hamilton Southeastern Utilities

Hospitals

The following hospitals are located within Hamilton County, Indiana:

Ascension St Vincent Carmel Indiana Spine Hospital, LLC

Ascension St Vincent Fishers Indiana University Health North Hospital Ascension St Vincent Heart Center Indianapolis Rehabilitation Hospital, LLC

Franciscan Health Orthopedic Hospital Carmel Riverview Health

Source: State of Indiana Department of Health, Hospital Directory

Educational Attainment

The educational background of area residents ages 18 and over living in the School Corporation; Hamilton County, Indiana; and the State of Indiana are set forth in the following table.

	School	Hamilton	
Educational Level Attained	Corporation	County	<u>Indiana</u>
Less than 9th grade	1.2%	0.9%	3.4%
9th to 12th grade, no diploma	5.3%	3.0%	7.4%
High school graduate (excludes equivalency)	33.9%	16.4%	33.3%
Some college, no degree	24.0%	16.3%	22.0%
Associate's degree	9.4%	6.9%	8.3%
Bachelor's degree	19.4%	35.8%	16.8%
Graduate or professional degree	6.8%	20.7%	8.9%
Percent high school graduate or higher	93.6%	96.1%	89.3%
Percent Bachelor's degree or higher	26.2%	56.6%	25.7%

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

Household Income

The following table sets forth the distribution of household income for the School Corporation; Hamilton County, Indiana; and the State of Indiana.

Income Level	School Corporation	Hamilton County	<u>Indiana</u>
Less than \$10,000	0.3%	1.4%	4.1%
\$10,000 to \$14,999	0.3%	1.2%	3.5%
\$15,000 to \$24,999	1.0%	4.8%	8.3%
\$25,000 to \$34,999	0.7%	2.9%	9.0%
\$35,000 to \$49,999	2.4%	11.3%	17.0%
\$50,000 to \$74,999	4.6%	20.2%	25.7%
\$75,000 to \$99,999	2.7%	10.2%	10.9%
\$100,000 to \$149,999	6.2%	24.3%	14.4%
\$150,000 to \$199,999	4.6%	23.1%	7.2%
\$200,000 or more	77.3%	0.5%	0.0%
Median Income (dollars)	\$115,073	\$114,807	\$66,785

Source: U.S. Census Bureau, 2022 One-Year American Community Survey

Per Capita Income

Per Capita Income statistics are provided by Stats Indiana, a service of the Kelley School of Business at Indiana University. No statistics are available specifically for the School Corporation.

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Hamilton County	\$75,113	\$78,231	\$81,233	\$85,814	\$95,757
Indiana	46,945	48,749	52,194	56,435	58,323

Source: Stats Indiana

Housing Values

The following table sets forth the distribution of home values for owner-occupied units for the School Corporation, Hamilton County, Indiana, and the State of Indiana.

Value of Owner-occupied

Housing Units	School Corporation	Hamilton County	<u>Indiana</u>
Less than \$50,000	1.6%	1.9%	7.5%
\$50,000 to \$99,999	0.8%	1.9%	18.6%
\$100,000 to \$149,999	4.1%	5.2%	20.2%
\$150,000 to \$199,999	13.5%	12.6%	18.4%
\$200,000 to \$299,999	33.4%	27.9%	19.1%
\$300,000 to \$499,999	36.2%	36.2%	12.0%
\$500,000 or more	10.4%	14.4%	4.2%

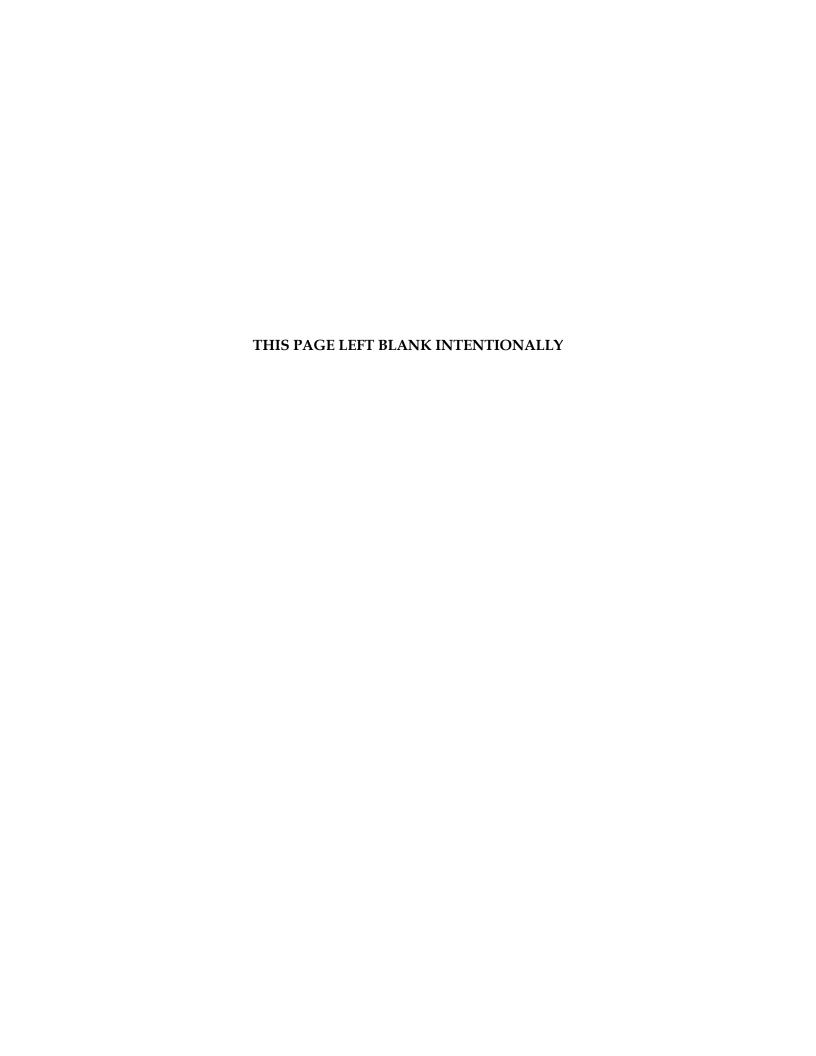
Source: U.S. Census Bureau, 2017-2021 American Community Survey

Building Permits

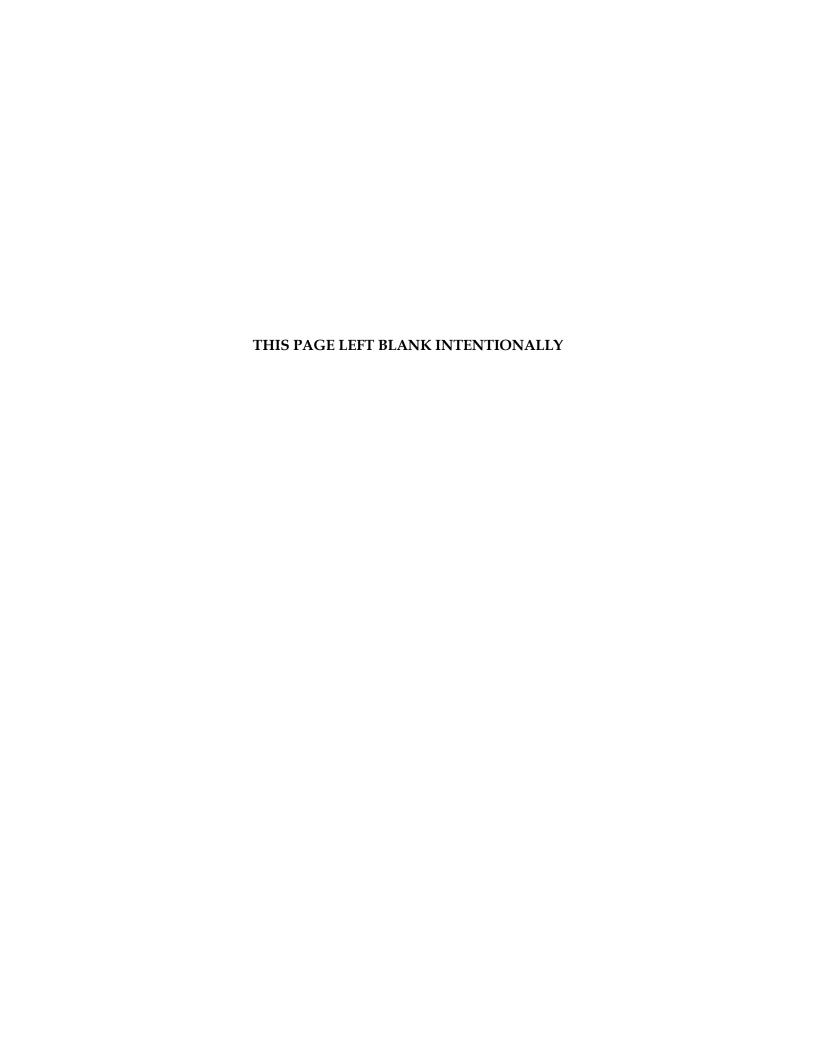
The following table sets forth the residential building permits and values for Hamilton County, Indiana, for the past five years.

<u>Year</u>	Number of Permits	Value of Permits	Average Value
2019	3,122	\$895,905,546	\$286,965
2020	3,807	999,980,934	262,669
2021	4,806	1,402,874,013	291,901
2022	5,781	1,436,518,079	248,490
2023	2,719	1,458,770,906	536,510

Source: U.S. Census Bureau



APPENDIX C FORM OF OPINION OF BOND COUNSEL



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Hamilton Southeastern Consolidated School Building Corporation Fishers, Indiana

Re: Hamilton Southeastern Consolidated School Building Corporation Ad Valorem Property Tax First Mortgage Bonds, Series 2025B

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Hamilton Southeastern Consolidated School Building Corporation (the "Issuer") of \$______ aggregate principal amount of its Ad Valorem Property Tax First Mortgage Bonds, Series 2025B, dated as of the date hereof (the "Bonds"), pursuant to Indiana Code 20-47-3 and Indiana Code 20-47-4, each as amended, and a Trust Indenture, dated as of September 15, 2011 (the "Original Indenture"), as supplemented and amended by a First Supplemental Trust Indenture, dated as of June 1, 2021 (the "First Supplemental Indenture"), and a Second Supplemental Trust Indenture, dated as of _____, 2025 (the "Second Supplemental Indenture") (the Original Indenture, as supplemented and amended by the First Supplemental Indenture and the Second Supplemental Indenture, the "Indenture"), each of which is by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee. We have examined the law and such certified proceedings and such other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer and the Hamilton Southeastern Schools, Hamilton County, Indiana (the "School Corporation"), contained in the Indenture and the Lease (as defined in the Indenture), between the School Corporation, as lessee, and the Issuer, as lessor, the certified proceedings and other certifications of public officials furnished to us, and certifications, representations and other information furnished to us by or on behalf of the Issuer, the School Corporation and others, including without limitation certifications contained in the tax and arbitrage certificate of the Issuer and the School Corporation dated the date hereof, without undertaking to verify the same by independent investigation. We have relied upon the lease sufficiency report of Stifel, Nicolaus & Company, Incorporated, Indianapolis, Indiana, as the underwriter to the School Corporation and the Issuer with respect to the Bonds, dated the date hereof, as to the matters stated therein.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Issuer is a nonprofit corporation validly existing under the laws of the State of Indiana, with the corporate power to enter into the Indenture and perform its obligations thereunder and to issue the Bonds.

- 2. The Bonds have been duly authorized, executed and delivered, and are valid and binding limited obligations of the Issuer, enforceable in accordance with their terms. The Bonds are payable solely from the Mortgaged Property (as defined in the Indenture) on a parity with the Issuer's Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2021.
- 3. The Indenture has been duly authorized, executed and delivered by the Issuer, and is a valid and binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms.
- 4. The Lease has been duly authorized, executed and delivered by the Issuer and the School Corporation, and is a valid and binding obligation of the Issuer and the School Corporation, enforceable against the Issuer and the School Corporation in accordance with its terms. The obligations of the School Corporation under the Lease with respect to the Bonds are payable solely from *ad valorem* taxes to be levied and collected on all taxable property in the territory of the School Corporation, and the obligations of the School Corporation under the Lease with respect to the Issuer's Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2021 are payable solely from unlimited *ad valorem* taxes to be levied and collected on all taxable property in the territory of the School Corporation.
- 5. Under Section 103 of the Internal Revenue Code of 1986, as amended and in effect on this date (the "Code"), the interest on the Bonds is excludable from gross income for federal income tax purposes. The opinion set forth in this paragraph is subject to the condition that each of the Issuer and the School Corporation complies with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. Each of the Issuer and the School Corporation has covenanted or represented that it will comply with such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.
- 6. Interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, such interest is included in the "adjusted financial statement income" of certain corporations that are subject to the alternative minimum tax.
- 7. Interest on the Bonds is exempt from income taxation in the State of Indiana (the "State") for all purposes except the State financial institutions tax.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement dated ______, 2025, or any other offering material relating to the Bonds, and we express no opinion relating thereto.

We express no opinion regarding any tax consequences arising with respect to the Bonds, other than as expressly set forth herein.

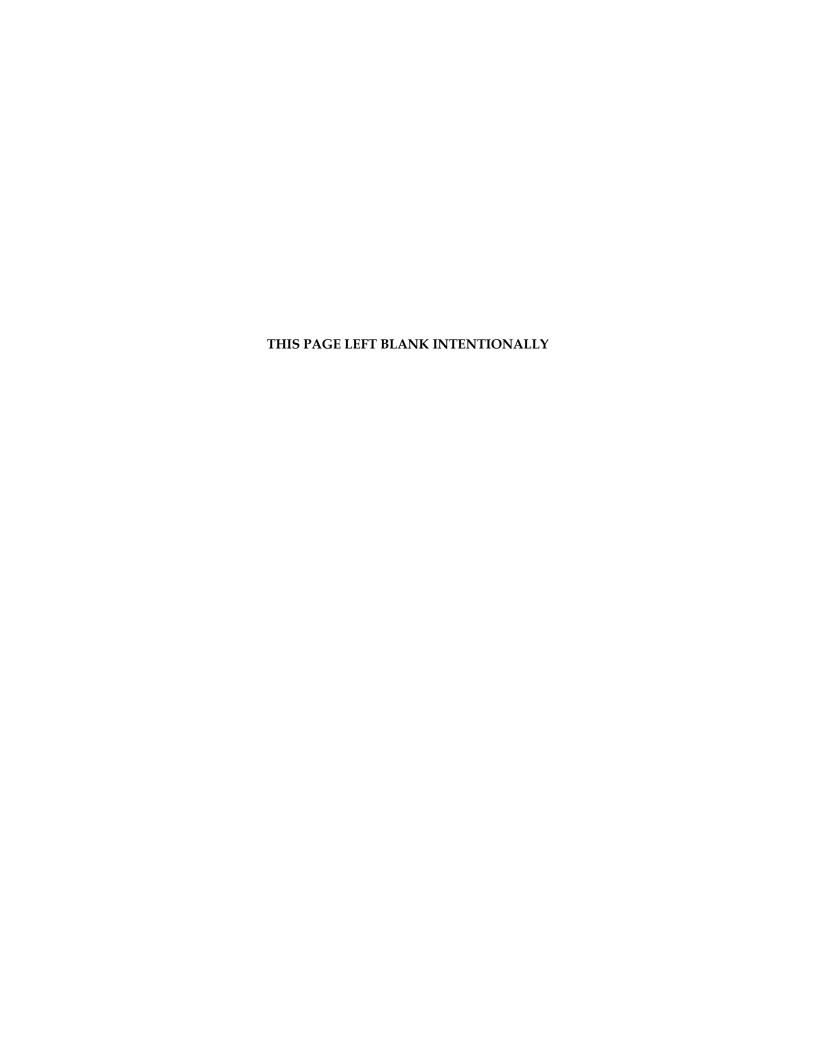
With respect to the enforceability of any document or instrument, this opinion is subject to the qualifications that: (i) the enforceability of such document or instrument may be limited by

Hamilton Southeastern Consolidated School Building Corporation ______, 2025
Page 3

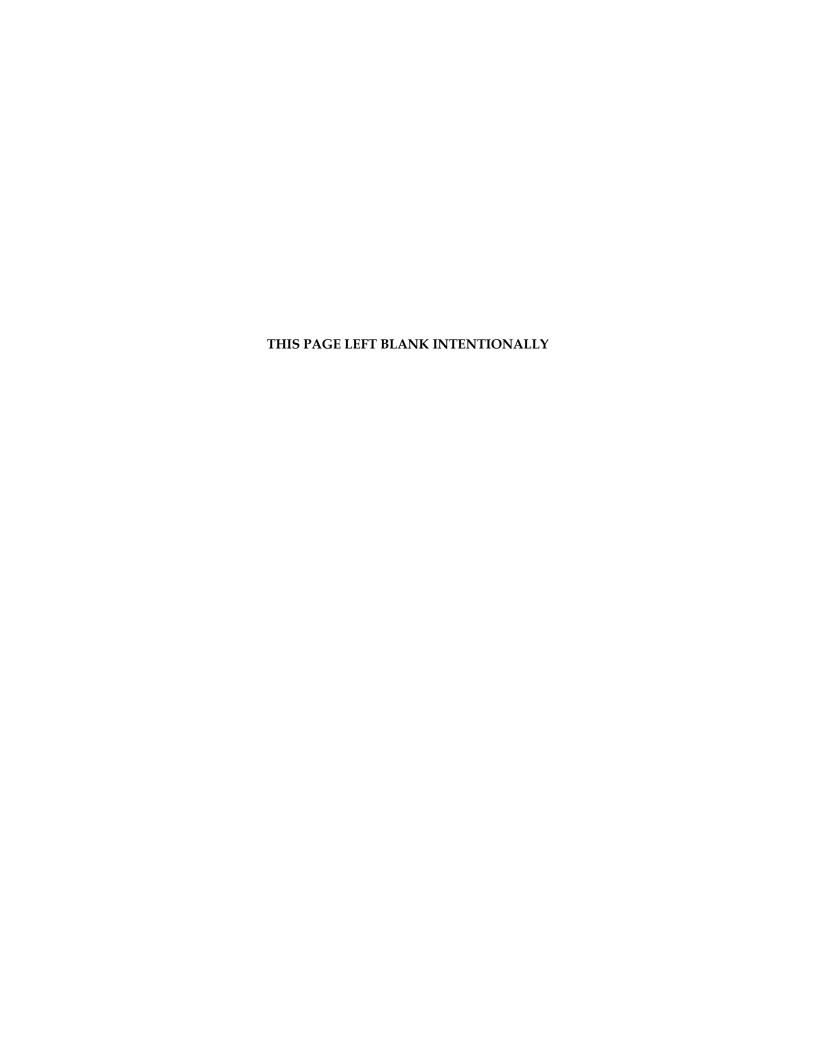
bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance and similar laws relating to or affecting the enforcement of creditors' rights; (ii) the enforceability of equitable rights and remedies provided for in such document or instrument is subject to judicial discretion, and the enforceability of such document or instrument may be limited by general principles of equity; (iii) the enforceability of such document or instrument may be limited by public policy; and (iv) certain remedial, waiver and other provisions of such document or instrument may be unenforceable, provided, however, that in our opinion the unenforceability of those provisions would not, subject to the other qualifications set forth herein, affect the validity of such document or instrument or prevent the practical realization of the benefits thereof.

This opinion is given only as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,



APPENDIX D CONTINUING DISCLOSURE CONTRACT



CONTINUING DISCLOSURE CONTRACT

This Continuing Disclosure Contract (this "Contract") is made this _____ day of _____, 2025, from the Hamilton Southeastern Schools, Hamilton County, Indiana, (the "Promisor"), to each registered owner or holder of any Bond (as hereinafter defined) (each, a "Promisee");

WITNESSETH THAT:

WHEREAS, the Hamilton Southeastern Consolidated School Building Corporation, an Indiana for profit corporation (the "Issuer"), is issuing its Ad Valorem Property Tax First Mortgage Bonds, Series 2025B, issued on the date hereof (the "2025B Bonds"), pursuant to a Trust Indenture, dated as of September 15, 2011 (the "Original Indenture"), as supplemented and amended by a First Supplemental Trust Indenture, dated as of June 1, 2021 (the "First Supplemental Indenture"), and a Second Supplemental Trust Indenture, dated as of _______, 2025 (the "Second Supplemental Indenture") (the Original Indenture, as supplemented and amended by the First Supplemental Indenture and the Second Supplemental Indenture, the "Indenture"), each of which is by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"); and

WHEREAS, Stifel, Nicolaus & Company, Incorporated (the "Underwriter") is, in connection with an offering of the 2025B Bonds directly or indirectly by or on behalf of the Issuer, purchasing the 2025B Bonds from the Issuer and selling the 2025B Bonds to certain purchasers; and

WHEREAS, Rule 15c2-12 (the "Rule"), promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Act"), provides that, except as otherwise provided in the Rule, a participating underwriter (as defined in the Rule) shall not purchase or sell municipal securities in connection with an offering (as defined in the Rule) unless the participating underwriter has reasonably determined that an issuer of municipal securities (as defined in the Rule) or an obligated person (as defined in the Rule) for whom financial or operating data is presented in the final official statement (as defined in the Rule) has undertaken, either individually or in combination with other issuers of such municipal securities or obligated persons, in a written agreement or contract for the benefit of holders of such securities, to provide certain information; and

WHEREAS, the Promisor desires to enter into this Contract in order to assist the Underwriter in complying with subsection (b)(5) of the Rule; and

WHEREAS, any registered owner or holder of any Bond shall, by its payment for and acceptance of such Bond, accept and assent to this Contract and the exchange of (i) such payment and acceptance for (ii) the promises of the Promisor contained herein;

NOW, THEREFORE, in consideration of the Underwriter's and any Promisee's payment for and acceptance of any Bonds, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Promisor hereby promises to each Promisee as follows:

Section 1. <u>Definitions</u>. The terms defined herein, including the terms defined above and in this Section 1, shall have the meanings herein specified unless the context or use clearly indicates another or different meaning or intent. Any terms defined in the Rule, but not otherwise defined herein, shall have the meanings specified in the Rule unless the context or use clearly indicates another or different meaning or intent.

- (a) "Bond" shall mean any of the 2025B Bonds.
- (b) "Bondholder" shall mean any registered or beneficial owner or holder of any Bond.
- (c) "Final Official Statement" shall mean the Official Statement, dated ______, 2025, relating to the 2025B Bonds, including any document included therein by specific reference which is available to the public on the MSRB's Internet Web site or filed with the Commission.
- (d) "Financial Obligation" shall mean (i) a debt obligation, (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of either clause (i) or (ii); provided, however, "Financial Obligation" shall not include any municipal securities (as defined in the Act) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.
- (e) "Fiscal Year" of any person shall mean any period from time to time adopted by such person as its fiscal year for accounting purposes, which as of the date of this Contract for this Contract and all prior undertakings shall be January 1 through and including the immediately following December 31
- (f) "MSRB" shall mean the Municipal Securities Rulemaking Board.
- (g) "Obligated Person" shall mean any person who is either generally or through an enterprise, fund or account of such person committed by contract or other arrangement to support payment of all or part of the obligations on the 2025B Bonds (other than any providers of municipal bond insurance, letters of credit or liquidity facilities), for whom financial information or operating data is presented in the Final Official Statement.
- (h) "State" shall mean the State of Indiana.

Section 2. <u>Term</u>. The term of this Agreement shall commence on the date of delivery of the 2025B Bonds by the Issuer to the Underwriter and shall expire on the earlier of (a) the date of payment in full of principal of and premium, if any, and interest on the 2025B Bonds, whether upon scheduled maturity, redemption, acceleration or otherwise, or (b) the date of defeasance of the 2025B Bonds in accordance with the terms of the Indenture.

- Section 3. <u>Obligated Person(s)</u>. The Promisor hereby represents and warrants that, as of the date hereof:
 - (a) The only Obligated Person with respect to the 2025B Bonds is the Promisor; and
 - (b) Except as set forth in the Official Statement, there have been no instances in the previous five (5) years in which the Obligated Person has failed to comply, in all material respects, with one or more of its previous undertakings in a written contract or agreement specified in paragraph (b)(5)(i) of Rule 15c2-12.

Section 4. <u>Undertaking to Provide Information</u>.

- (a) The Promisor hereby undertakes to provide the following to the MSRB in an electronic format as prescribed by the MSRB, either directly or indirectly through a registrar or designated agent, for the Promisor:
 - (i) Annual Financial Information. Within one hundred eighty (180) days after the close of each Fiscal Year of such Obligated Person, which as of the date of this Contract ends on December 31 of each year, beginning with the Fiscal Year ending in the year in which the 2025B Bonds are issued, the financial information and operating data of the Obligated Person of the type provided under the following headings in Appendix A of the Final Official Statement, as applicable:
 - (A) "Enrollments;"
 - (B) "Net Assessed Valuation;"
 - (C) "Largest Taxpayers;"
 - (D) "Taxes Levied and Collected;"
 - (E) "School Corporation Receipts and Disbursements;"
 - (F) "Cash Balances By Fund;"
 - (G) "State of Indiana Payments;" and
 - (H) "School Tax Rates"

(the financial information and operating data set forth in Section 4(a)(i) hereof, collectively, the "Annual Financial Information");

- (ii) If not submitted as part of the Annual Financial Information, then when and if available, audited financial statements for such Obligated Person;
- (iii) Within ten (10) business days of the occurrence of any of the following events with respect to the 2025B Bonds, if material (which determination of materiality shall be made by the Promisor in accordance with the standards established by federal securities laws):
 - (A) Non-payment related defaults;
 - (B) Modifications to rights of Bondholders;
 - (C) Bond calls (other than mandatory, scheduled redemptions, not otherwise contingent upon the occurrence of an event, the terms of which redemptions are set forth in detail in the Final Official Statement);
 - (D) Release, substitution or sale of property securing repayment of the 2025B Bonds;
 - (E) The consummation of a merger, consolidation, or acquisition, or certain asset sales, involving the Obligated Person, or entry into or termination of a definitive agreement relating to the foregoing;
 - (F) Appointment of a successor or additional trustee or the change of name of a trustee; and
 - (G) Incurrence of a Financial Obligation of the Obligated Person or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the Obligated Person, any of which affect Bondholders.
- (iv) Within ten (10) business days of the occurrence of any of the following events with respect to the 2025B Bonds, regardless of materiality:
 - (A) Principal and interest payment delinquencies;
 - (B) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (C) Unscheduled draws on credit enhancements reflecting financial difficulties;

- (D) Substitution of credit or liquidity providers, or their failure to perform;
- (E) Adverse tax opinions or events affecting the tax-exempt status of the 2025B Bonds;
- (F) Defeasances;
- (G) Rating changes;
- (H) The issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the 2025B Bonds;
- (I) Tender offers;
- (J) Bankruptcy, insolvency, receivership or similar events of the Obligated Person; and
- (K) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties.
- (v) In a timely manner, notice of a failure of such Obligated Person to provide required Annual Financial Information or audited financial statements, on or before the date specified in this Contract.
- (b) Any financial statements of any Obligated Person provided pursuant to subsection (a)(i) of this Section 4 shall be prepared in accordance with any accounting principles mandated by the laws of the State, as in effect from time to time, or any other consistent accounting principles that enable market participants to evaluate results and perform year to year comparisons, but need not be audited.
- (c) Any Annual Financial Information or audited financial statements may be set forth in a document or set of documents, or may be included by specific reference to available to the public on the MRSB's Internet Web site or filed with the Commission.
- (d) If any Annual Financial Information otherwise required by subsection (a)(i) of this Section 4 no longer can be generated because the operations to which it relates have been materially changed or discontinued, a statement to that effect shall be deemed to satisfy the requirements of such subsection.
- (e) All documents provided to the MSRB under this Contract shall be accompanied by identifying information as prescribed by the MSRB.

Section 5. <u>Termination of Obligation</u>. The obligation to provide Annual Financial Information, audited financial statements and notices of events under Section 4(a) hereof shall terminate with respect to any Obligated Person, if and when such Obligated Person no longer remains an obligated person (as defined in the Rule) with respect to the 2025B Bonds.

Section 6. <u>Bondholders</u>. Each Bondholder is an intended beneficiary of the obligations of the Promisor under this Contract, such obligations create a duty in the Promisor to each Bondholder to perform such obligations, and each Bondholder shall have the right to enforce such duty.

Section 7. <u>Limitation of Rights</u>. Nothing expressed or implied in this Contract is intended to give, or shall give, to the Issuer, the Underwriter, the Commission or any Obligated Person, or any underwriters, brokers or dealers, or any other person, other than the Promisor, each Promisee and each Bondholder, any legal or equitable right, remedy or claim under or with respect to this Contract or any rights or obligations hereunder. This Contract and the rights and obligations hereunder are intended to be, and shall be, for the sole and exclusive benefit of the Promisor, each Promisee and each Bondholder.

Section 8. Remedies.

- (a) The sole and exclusive remedy for any breach or violation by the Promisor of any obligation of the Promisor under this Contract shall be the remedy of specific performance by the Promisor of such obligation. Neither any Promisee nor any Bondholder shall have any right to monetary damages or any other remedy for any breach or violation by the Promisor of any obligation of the Promisor under this Contract, except the remedy of specific performance by the Promisor of such obligation.
- (b) No breach or violation by the Promisor of any obligation of the Promisor under this Contract shall constitute a breach or violation of or default under the 2025B Bonds or the Indenture.
- (c) Any action, suit or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Contract shall be instituted, prosecuted and maintained only in a court of competent jurisdiction in Hamilton County, Indiana.
- (d) No action, suit or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Contract shall be instituted, prosecuted or maintained by any Promisee or any Bondholder unless, prior to instituting such action, suit or other proceeding: (i) such Promisee or such Bondholder has given the Promisor notice of such breach or violation and demand for performance; and (ii) the Promisor has failed to cure such breach or violation within sixty (60) days after such notice.

Section 9. <u>Waiver</u>. Any failure by any Promisee or any Bondholder to institute any suit, action or other proceeding for any breach or violation by the Promisor of any obligation of the Promisor under this Contract, within three hundred sixty (360) days after the date such Promisee

or such Bondholder first has knowledge of such breach or violation, shall constitute a waiver by such Promisee or such Bondholder of such breach or violation and, after such waiver, no remedy shall be available to such Promisee or such Bondholder for such breach or violation.

Section 10. <u>Annual Appropriations</u>. This Contract and the obligations of the Promisor hereunder are subject to annual appropriation by the fiscal body of the Promisor.

Section 11. <u>Limitation of Liability</u>. The obligations of the Promisor under this Contract are special and limited obligations of the Promisor, payable solely from the trust estate under the Indenture. The obligations of the Promisor under this Contract are not and shall never constitute a general obligation, debt or liability of the Promisor or the State, or any political subdivision thereof, within the meaning of any constitutional limitation or provision, or a pledge of the faith, credit or taxing power of the Promisor or the State, or any political subdivision thereof, and do not and shall never constitute or give rise to any pecuniary liability or charge against the general credit or taxing power of the Promisor or the State, or any political subdivision thereof.

Section 12. <u>Immunity of Officers, Directors, Members, Employees and Agents</u>. No recourse shall be had for any claim based upon any obligation in this Contract against any past, present or future officer, director, member, employee or agent of the Promisor, as such, either directly or through the Promisor, under any rule of law or equity, statute or constitution.

Section 13. Amendment of Obligations. The Promisor may, from time to time, amend any obligation of the Promisor under this Contract, without notice to or consent from any Promisee or any Bondholder, if: (a)(i) such amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of any Obligated Person, or type of business conducted, (ii) this Contract, after giving effect to such amendment, would have complied with the requirements of the Rule on the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (iii) such amendment does not materially impair the interests of any Bondholders, as determined either by (A) any person selected by the Promisor that is unaffiliated with the Promisor, the Issuer or any Obligated Person (such as any trustee under the Indenture) or (B) an approving vote of the Bondholders pursuant to the terms of the Indenture at the time of such amendment; or (b) such amendment is otherwise permitted by the Rule.

Section 14. <u>Assignment and Delegation</u>. Neither any Promisee nor any Bondholder may, without the prior written consent of the Promisor, assign any of its rights under this Contract to any other person. The Promisor may not assign any of its rights or delegate any of its obligations under this Contract to any other person, except that the Promisor may assign any of its rights or delegate any of such obligations to any entity (a) into which the Promisor merges, with which the Promisor consolidates or to which the Promisor transfers all or substantially all of its assets or (b) which agrees in writing for the benefit of Bondholders to assume such rights or obligations.

Section 15. <u>Communications</u>. Any information, datum, statement, notice, certificate or other communication required or permitted to be provided, delivered or otherwise given hereunder by any person to any other person shall be in writing and, if such other person is the Promisor, shall be provided, delivered or otherwise given to the Promisor at the following address:

Hamilton Southeastern Schools 13485 Cumberland Road Fishers, IN 46038 Attention: Chief Financial Officer

(or at such other address as the Promisor may, by notice to the MSRB, provide), or, if such other person is not the Promisor, shall be provided, delivered or otherwise given to such other person at any address that the person providing, delivering or otherwise giving such information, datum, statement, notice, certificate or other communication believes, in good faith but without any investigation, to be an address for receipt by such other person of such information, datum, statement, notice, certificate or other communication. For purposes of this Contract, any such information, datum, statement, notice, certificate or other communication shall be deemed to be provided, delivered or otherwise given on the date that such information, datum, notice, certificate or other communication is (a) delivered by hand to such other person, (b) deposited with the United States Postal Service for mailing by registered or certified mail, (c) deposited with Express Mail, Federal Express or any other courier service for delivery on the following business day, or (d) sent by facsimile transmission, telecopy or telegram.

Section 16. <u>Knowledge</u>. For purposes of this Contract, each Promisee and each Bondholder shall be deemed to have knowledge of the provision and content of any information, datum, statement or notice provided by the Promisor to the MSRB on the date such information, datum, statement or notice is so provided, regardless of whether such Promisee or such Bondholder was a registered or beneficial owner or holder of any Bond at the time such information, datum, statement or notice was so provided.

Section 17. <u>Performance Due on other than Business Days</u>. If the last day for taking any action under this Contract is a day other than a business day, such action may be taken on the next succeeding business day and, if so taken, shall have the same effect as if taken on the day required by this Contract.

Section 18. <u>Waiver of Assent</u>. Notice of acceptance of or other assent to this Contract is hereby waived.

Section 19. <u>Governing Law</u>. This Contract and the rights and obligations hereunder shall be governed by and construed and enforced in accordance with the internal laws of the State, without reference to any choice of law principles.

Section 20. <u>Severability</u>. If any portion of this Contract is held or deemed to be, or is, invalid, illegal, inoperable or unenforceable, the validity, legality, operability and enforceability of the remaining portions of this Contract shall not be affected, and this Contract shall be construed as if it did not contain such invalid, illegal, inoperable or unenforceable portion.

Section 21. <u>Rule</u>. This Contract is intended to be an agreement or contract in which the Promisor has undertaken to provide that which is required by paragraph (b)(5) of the Rule. If and to the extent this Contract is not such an agreement or contract, this Contract shall be deemed to include such terms not otherwise included herein, and to exclude such terms not otherwise excluded herefrom, as are necessary to cause this Contract to be such an agreement or contract.

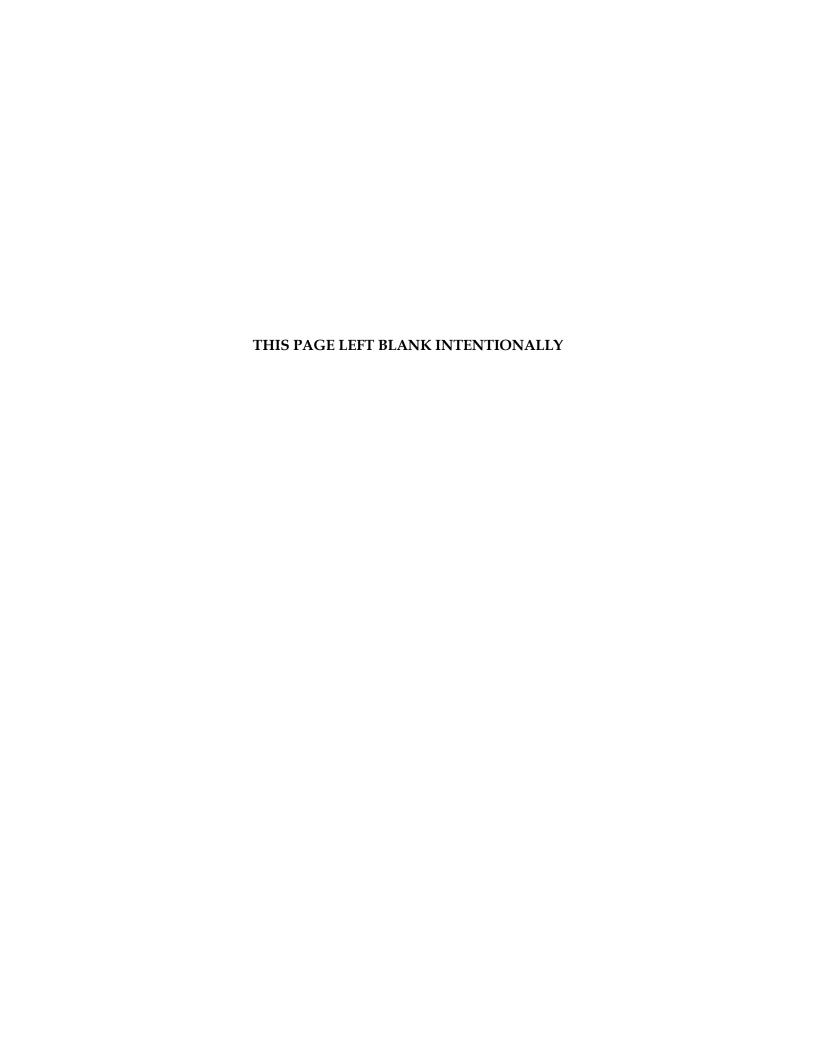
Section 22. <u>Interpretation</u>. The use herein of the singular shall be construed to include the plural, and vice versa, and the use herein of the neuter shall be construed to include the masculine and feminine. Unless otherwise indicated, the words "hereof," "herein," "hereby" and "hereunder," or words of similar import, refer to this Contract as a whole and not to any particular section, subsection, clause or other portion of this Contract.

Section 23. <u>Captions</u>. The captions appearing in this Contract are included herein for convenience of reference only, and shall not be deemed to define, limit or extend the scope of intent of any rights or obligations under this Contract.

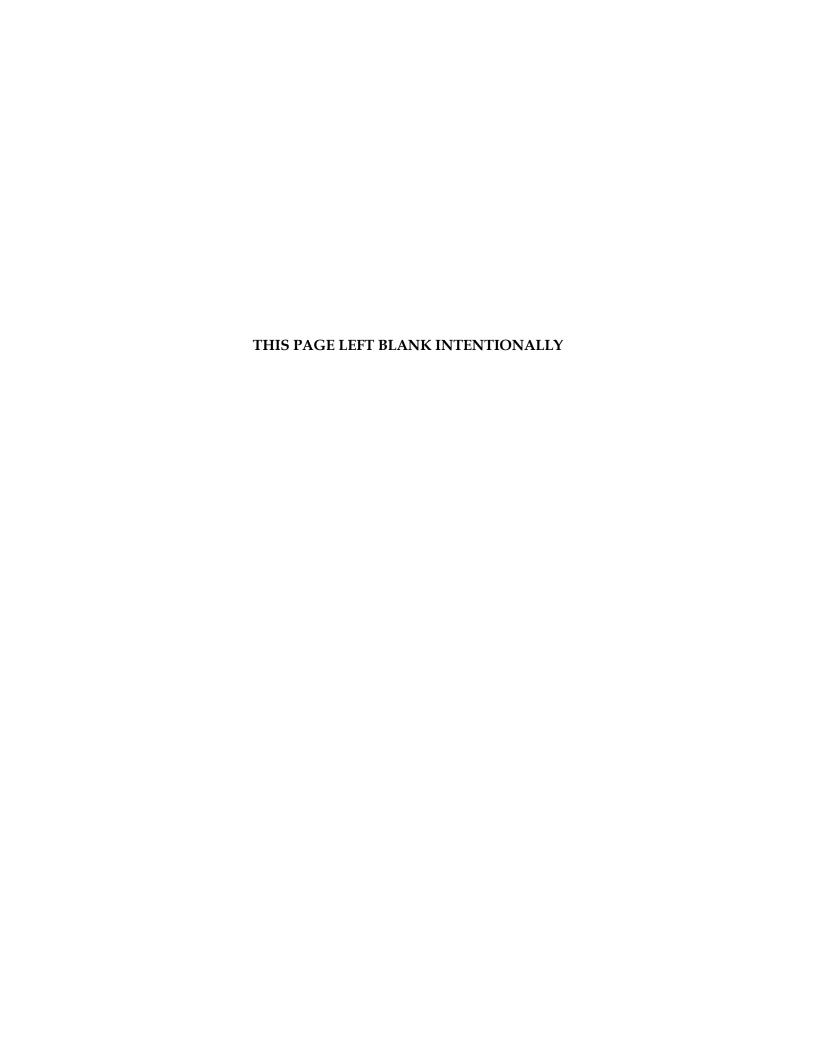
IN WITNESS WHEREOF, the Promisor has caused this Contract to be executed on the date first above written.

HAMILTON SOUTHEASTERN SCHOOLS, HAMILTON COUNTY, INDIANA

Dr. Juanita Albright, President of the Board of School Trustees



APPENDIX E AUDIT OF THE SCHOOL CORPORATION AS OF JUNE 30, 2023



HAMILTON SOUTHEASTERN SCHOOLS FINANCIAL STATEMENTS

June 30, 2024

FINANCIAL STATEMENTS June 30, 2024

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HAMILTON SOUTHEASTERN SCHOOLS Schedule of Officials (Unaudited) June 30, 2024

Office	<u>Official</u>	<u>Term</u>
Treasurer	Katy Dowling Vacant Timothy Brown	07-19-21 to 03-01-24 03-02-24 to 06-30-24 07-01-24 to 06-30-25
Superintendent of Schools	Yvonne Stokes Dr. Matt Kegley	07-01-17 to 09-20-23 09-13-23 to 06-30-24
President of the Board	Dawn Lang	01-01-23 to 12-31-26

Forvis Mazars, LLP 820 Massachusetts Avenue, Suite 1370 Indianapolis, IN 46204 P 317.383.4000 | F 317.383.4200 forvismazars.us



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 (School Corporation), as of and for the year ended June 30, 2024, 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 Hamilton Southeastern Schools, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

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 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2025, on our consideration of the School Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Corporation's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Indianapolis, Indiana January 29, 2025

Statement of Net Position June 30, 2024

	Gov	rimary ernment
		rnmental
A	<u>A</u>	ctivities
Assets Cash and cash equivalents	\$	62,392,307
Cash and cash equivalents Cash and cash equivalents - restricted	φ	95,160,264
Receivables, net		95, 100,204
Interest receivable		E1E 1E1
Taxes receivable		515,154
		50,562,560
Intergovernmental receivable		1,837,055
Lease receivable		684,505
Other receivables		567,123
Prepaid items		2,838,270
Nondepreciable capital assets		23,910,641
Other capital assets, net of depreciation	_	146,539,865
Total assets	6	85,007,744
Deferred Outflows of Resources		
Pensions		40,233,671
Debt refundings		571,789
Other post-employment benefits (OPEB)		875,139
Total deferred outflows of resources		41,680,599
Total assets and deferred outflows of resources	\$ 7	726,688,343
Liabilities		
Accounts payable	\$	4,591,413
Accrued payroll and related benefits		15,811,201
Interest payable on bonds and leases		2,598,178
Unearned revenue		11,677
Self-insurance claims payable		2,365,963
Retainage payable		950,823
Compensated absences		280,630
·		200,030
Long-term obligations, due within one year:		FO 00F 000
Bonds payable		59,295,000
Financed purchase obligations		1,898,492
Subscription liability		91,835
Long-term obligations, due in more than one year:		
Bonds payable	1	82,047,632
Subscription liability		44,245
Net pension liability		38,806,241
Other post-employment benefits liabilities		5,016,205
Total liabilities	3	313,809,535
Deferred Inflows of Resources		
Pensions		9,284,500
Debt refundings		1,552,476
Other post-employment benefits (OPEB)		1,327,899
Lease related		692,543
Total deferred inflows of resources		12,857,418
Total liabilities and deferred inflows of resources	3	326,666,953
Net Position		
Net investment in capital assets		287,464,687
·	2	.07,404,007
Restricted for:		2.055.000
Facility maintenance and capital needs		3,055,888
Board and superintendent		8,090,716
Debt service		22,372,517
Grants		2,849,006
Unrestricted		76,188,576
Total net position		100,021,390
Total liabilities, deferred inflows of resources, and net position	n \$ 7	26,688,343

Statement of Activities June 30, 2024

									 nges in Net Position
Functions/Programs Primary Government:	<u>Expenses</u>		Charges for Services		Operating Grants and Contributions		•		mary Government Governmental Activities
Governmental activities:									
Instruction	\$	181,776,924	\$	408,915	\$	10,550,192	\$	-	\$ (170,817,817)
Support services		101,734,875		731,149		8,740,733		638,107	(91,624,886)
Operation of noninstructional services		9,925,541		7,528,917		4,403,938		-	2,007,314
Interest on debt		5,656,849		-		-		-	(5,656,849)
Nonprogrammed charges		2,374,583							 (2,374,583)
Total governmental activities	\$	301,468,772	\$	8,668,981	\$	23,694,863	\$	638,107	(268, 466, 821)
		neral revenues: Taxes: Local Property License Excis Commercial V State basic aid Investment earni Other general rev Total general	e Tax 'ehicle ngs venues	Excise Tax					116,889,459 7,494,326 175,159 158,731,967 4,757,944 16,471,041 304,519,896
		ange in net posit							36,053,075
		t position, beginr							 \$ 363,968,315 400,021,390

Governmental Funds – Balance Sheet June 30, 2024

			Ma	jor Funds				
•	Education Fund	Operating Referendum Fund	Debt Service Fund	Capital Referendum Fund	Operations Fund	Construction Fund	Nonmajor Governmental Funds	<u>Total</u> <u>Governmental</u> Funds
Assets		<u> </u>	<u></u>	<u> </u>	' <u></u>	<u></u>		
Cash and investments	\$ 23,017,042	\$ -	\$ -	\$ -	\$ 20,195,203	\$ -	\$ 13,686,887	\$ 56,899,132
Cash and investments - restricted	-	11,672,579	5,017,068	11,355,449	-	64,044,468	3,070,700	95,160,264
Receivables, net				-				
Interest receivable	479,006	-	-	-	-	-	18,343	497,349
Taxes receivable	-	8,985,222	20,110,029	4,801,151	16,623,578	-	42,580	50,562,560
Intergovernmental receivable	-	-	-	· · · · · ·	-	-	1,837,055	1,837,055
Interfund receivable	11,705,863	_	6,000,000	-	-	_	· · · · · ·	17,705,863
Lease receivable	-	_	-	-	684.505	_	_	684,505
Other receivables	53.908	_	_	-	63,823	_	449.094	566,825
Prepaid items	91,475	25.396	743	-	1,786,218	107.318	827.120	2.838.270
Total assets	\$ 35,347,294	\$ 20,683,197	\$ 31,127,840	\$ 16.156.600	\$ 39,353,327	\$ 64,151,786	\$ 19,931,779	\$ 226,751,823
	7 00,000,000	7 -0,000,100	- -	<u> </u>	7 00,000,000			+
Liabilities, Deferred Inflows of Resources, and Fund Balance								
Liabilities								
Accounts payable	\$ 1,081,266	\$ 55,060	\$ -	\$ -	\$ 1,143,335	\$ 1,721,573	\$ 1,541,002	\$ 5,542,236
Salaries and payroll deductions payable	11,984,981	2,526,803	-	-	701,765	-	597,652	15,811,201
Interfund payable	-	1,000,000	-	-	15,350,000	-	1,355,863	17,705,863
Unearned revenue				. <u> </u>	-		11,677	11,677
Total liabilities	13,066,247	3,581,863		. .	17,195,100	1,721,573	3,506,194	39,070,977
Deferred Inflows of Resources								
Lease related	_	_	_	_	692,543	_	_	692.543
Unavailable revenues		8,985,222	20,110,029	4,801,151	16,623,578	_	519,359	51,039,339
Total deferred inflows of resources		8,985,222	20,110,029	4,801,151	17,316,121		519,359	51,731,882
Total deletted filliows of resources	-	0,903,222	20,110,029	4,001,101	17,510,121	-	319,339	31,731,002
Fund balances								
Nonspendable	91,475	25,396	743	-	1,786,218	107,318	827,120	2,838,270
Restricted - Facility maintenance and capital needs	-	-	-	-	3,055,888	62,322,895	-	65,378,783
Restricted - Board and Superintendent	-	8,090,716	-	-	-	-	-	8,090,716
Restricted - Debt service	-	-	11,017,068	11,355,449	-	-	-	22,372,517
Restricted - Grant expenses	-	-	-	· · · · · ·	-	-	2,849,006	2,849,006
Committed	12,978,727	-	-	-	-	-	-	12,978,727
Assigned - Food services	· · · -	_	_	-	-	_	7,812,573	7,812,573
Assigned - Textbook program	_	_	_	-	-	_	1,202,439	1,202,439
Assigned - Instruction	-	_	-	_	_	-	3,947,450	3,947,450
Assigned - Other	_	_	_	_	_	_	70,915	70,915
Unassigned	9,210,845	_	-	-	_	_	(803,277)	8,407,568
Total fund balance	22,281,047	8.116.112	11,017,811	11,355,449	4.842.106	62,430,213	15,906,226	135,948,964
Total liabilities, deferred inflows	22,201,071	0,110,112	11,017,011	11,000,110	1,012,100	02, 100,210	10,000,220	100,010,004
of resources and fund balance	\$ 35,347,294	\$ 20,683,197	\$ 31,127,840	\$ 16,156,600	\$ 39,353,327	\$ 64,151,786	\$ 19,931,779	\$ 226,751,823

Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position June 30, 2024

Total fund balances - governmental funds	\$	135,948,964
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		470,450,506
Certain items related to gains and losses on refundings of debt are deferred and recognized in future periods.		(980,687)
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:		
Compensated absences (280,63 Long-term debt, net (243,377,20 Net pension liability (38,806,24	4) 1)	
Other post-employment obligations (5,016,20) Total long-term liabilities	5)	(287,480,280)
Interest on long-term liabilities is not accrued in governmental funds, but rather is recognized when due.		(2,598,178)
Certain tax receivable items are not available to pay for current period expenditures and therefore are unavailable in the governmental funds.		51,039,339
Certain items related to pension/other post-employment benefit liabilities are deferred and recognized in future periods.	_	
Deferred outflows of resources 41,108,81 Deferred inflows of resources (10,612,39)		30,496,411
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.		3,145,315
Total net position- governmental activities	\$	400,021,390

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances Year ended June 30, 2024

	Major Funds							
	Education	Operating Referendum	Debt Service	Capital Referendum	Operations	Construction	Nonmajor Governmental	Total Governmental
P	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Funds</u>
Revenues	•	A 04.050.000	n 40 470 700	A 40 440 000	A 04 000 400	•	470.000	A 400 400 004
Property taxes	\$ -	\$ 24,059,809	\$ 49,178,723	\$ 12,143,236	\$ 34,899,136	\$ -	\$ 179,380	\$ 120,460,284
Other taxes	450 207 004	1,373,748	3,146,341	687,667	2,449,448	-	12,281	7,669,485
State basic aid	158,307,904	-	-	-	-	-	5,585,560	163,893,464 4,538,262
Investment income Federal sources	4,426,085	-	-	-	-	111,918	259	, ,
	45.070.044	-	-	-	4 400 000	- 04.044	14,891,792	14,891,792
Other revenues	45,073,814	134		40.000.000	1,498,808	31,944	23,039,643	69,644,343
Total revenues	207,807,803	25,433,691	52,325,064	12,830,903	38,847,392	143,862	43,708,915	381,097,630
Expenditures								
Current:								
Instruction	159,796,947	24,295,251	-	-	-	-	20,706,726	204,798,924
Support services	29,036,955	3,852,065	-	-	41,808,288	14,004,831	7,464,108	96,166,247
Operation of noninstructional services	-	-	-	-	6,921	-	9,920,187	9,927,108
Nonprogrammed charges	-	-	-	-	-	-	627,199	627,199
Capital outlays	-	18,017	20,518	-	2,024,498	22,749,701	606,206	25,418,940
Debt service:							-	-
Principal payments on debt	-	-	49,239,999	8,535,000	119,751	-	375,000	58,269,750
Interest on debt	-	-	4,869,100	4,394,404	3,088	-	15,000	9,281,592
Other debt services			28,338	157,900		175,000		361,238
Total expenditures	188,833,902	28,165,333	54,157,955	13,087,304	43,962,546	36,929,532	39,714,426	404,850,998
Excess (deficiency) of revenues over								
(under) expenditures	18,973,901	(2,731,642)	(1,832,891)	(256,401)	(5,115,154)	(36,785,670)	3,994,489	(23,753,368)
Other financing sources (uses)								
Issuance of bonds, par				29.400.000		70.000.000		99,400,000
Issuance of bonds, premium	-	-	-	2,450,181	-	1,095,482	-	3,545,663
Transfers in	3,555,866	-	-	2,450, 161	8,500,000	1,095,462	42,049	12,097,915
Transfers out	(8,506,005)	(35,237)	-	-	(978,475)	(2,577,391)	(807)	(12,097,915)
Issuance of subscription liabilties	(0,500,005)	(33,237)	-	-		(2,377,391)	(007)	87,830
Other financing sources (uses)	-	-	-	(32,136,939)	87,830	-	-	(32,136,939)
• ,	(4.950.139)	(35,237)			7,609,355	68.518.091	41.242	
Total other financing sources (uses)	(4,950,139)	(35,237)	-	(286,758)	7,009,355	08,518,091	41,242	70,896,554
Net change in fund balances	14,023,762	(2,766,879)	(1,832,891)	(543,159)	2,494,201	31,732,421	4,035,731	47,143,186
Fund balances at beginning of year, as previously stated	8,257,285	10,882,991	12,850,702	-	2,347,905	30,697,792	23,769,103	88,805,778
Change to or within Financial Reporting Entity	· · · · · -	-	-	11,898,608	· · · · · -	· · · · · · -	(11,898,608)	· · · · · -
Fund balances at beginning of year, as adjusted	8,257,285	10,882,991	12,850,702	11,898,608	2,347,905	30,697,792	11,870,495	88,805,778
Fund balances at end of year	\$ 22,281,047	\$ 8,116,112	\$ 11,017,811	\$ 11,355,449	\$ 4,842,106	\$ 62,430,213	\$ 15,906,226	\$ 135,948,964

Reconciliation of the Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities Year ended June 30, 2024

Net change in total fund balances		\$ 47,143,186
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 Depreciation expense Capital outlays in excess of depreciation expense	22,697,737 (16,164,744)	6,532,993
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	90,406,690	
Debt issuance Debt premium issuance	(99,487,830) (3,545,663)	(12,626,803)
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 Some revenues were not collected as of the close of the fiscal year and therefore were not		2,542,854
considered to be "available" and are not reported as revenue in the governmental funds.		
The change from fiscal year 2024 and 2023 consists of:	(0.550.005)	
Property taxes Grants receivable	(3,570,825) (824,629)	(4,395,454)
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.	(42.274)	
Change in deferred outflows and inflows surrounding debt refundings	(13,374)	
Change in interest payable Change in OPEB liabilities and deferred outflows and inflows	1,095,263 (83,569)	
Change in pension asset, liability, and deferred outflows and inflows	(2,764,810)	
Change in compensated absences Total	19,271	(1,747,219)
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		(1,396,482)
Change in net position of governmental activities	=	\$ 36,053,075

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Fund Net Position – Proprietary Fund
June 30, 2024

		rnal Service Fund surance Fund
Current assets	<u> </u>	ourano rana
Cash and cash equivalents	\$	5,493,175
Receivables, net:		
Interest receivable		17,805
Other receivables		298
Total assets	\$	5,511,278
Current liabilities		
Claims payable		2,365,963
Total liabilities		2,365,963
Net Position		
Unrestricted		3,145,315
Total liabilities and net position	\$	5,511,278

HAMILTON SOUTHEASTERN SCHOOLS
Statement of Revenue, Expenses, and Changes in Fund Net Position – Proprietary Fund
Year ended June 30, 2024

	<u>Inte</u>	rnal Service <u>Fund</u>
	Self-In	surance Fund
Operating revenue		
Other revenues	\$	28,047,360
Total operating revenue	•	28,047,360
Operating expenses		
Nonprogrammed charges		29,666,229
Total operating expenses		29,666,229
Operating income		(1,618,869)
Nonoperating revenue and expenses		
Investment income		222,387
Total nonoperating revenue (expenses)		222,387
Income (loss) before transfers		(1,396,482)
Change in net position		(1,396,482)
Total net position, beginning of year		4,541,797
Total net position, end of year	\$	3,145,315

HAMILTON SOUTHEASTERN SCHOOLS Statement of Cash Flows – Proprietary Fund June 30, 2024

	<u>Internal Service</u> <u>Fund</u> Self-Insurance Fund			
Cash flows from operating activities	<u> </u>	iloururioo i urru		
Cash collected for self-insurance claims	\$	28,104,668		
Claims paid	Ψ	(28,666,377)		
'	-			
Net cash used by operating activities		(561,709)		
Cash flows from investing activities				
Interest and dividends		204,582		
Net cash provided by investing activities		204,582		
Net decrease in cash and cash equivalents		(357,127)		
Cash and cash equivalents, beginning of year		5,850,302		
Cash and cash equivalents, end of year	\$	5,493,175		
Cash and Cash equivalents, end of year	Ψ	3,493,173		
Reconciliation of operating loss to net cash provided by				
operating activities:				
Operating loss	\$	(1,618,869)		
Adjustments to reconcile operating loss to net cash used by operating				
activities:				
Increase (decrease) in:				
Other receivables		57,308		
Accounts payable		(128,515)		
Claims payable		1,128,367		
Net cash used by operating activities	\$	(561,709)		

Notes to the Financial Statements June 30, 2024

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 21,400 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 \$171,740,000. 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.

<u>Related Parties</u>: 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."

Notes to the Financial Statements June 30, 2024

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.
- Capital Referendum Fund accounts for receipt and disbursement of referendum bonds

Notes to the Financial Statements June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 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
- 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.
- 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:

<u>Deposits and Investments</u>: 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.

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

<u>Interfund Transactions and Balances</u>: 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.

Notes to the Financial Statements June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Deferred Outflows of Resources and Deferred Inflows of Resources</u>: 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.

<u>Inventories and Prepaid Items</u>: 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.

<u>Leases Receivable</u>: 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.

<u>Property Tax Revenues</u>: 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.

Notes to the Financial Statements June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Capital Assets</u>: Capital assets, which include land, land improvements, buildings, equipment, right-to-use subscription assets 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.

<u>Long-Term Obligations</u>: 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.

Notes to the Financial Statements June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Pensions</u>: The School Corporation has recorded a net pension liability 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.

<u>Property Tax Abatements:</u> 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 2023, tax amounts of approximately \$353,352 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	\$ 11,137
All Cities and Towns within Hamilton County - Real property	149,319
All Cities and Towns within Hamilton County - Personal property	192,896
	_
	\$ 353,352

Notes to the Financial Statements June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

<u>Commitments and Contingencies</u>: 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.

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

<u>Use of Estimates</u>: 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.

<u>Subsequent Events</u>: In July 2024, the School Corporation issued \$41,735,000 of Ad Valorem Property Tax First Mortgage bonds for capital projects. Semiannual principal and interest payments are due beginning in January 2026. The bonds mature in January 2044.

NOTE 2 - FUND BALANCES

The components of fund balance include the following line items:

				erating		ebt		oital						onmajor	
		ucation		erendum		rvice		endum	Opera		Co	nstruction		ernmental	
		und		Fund	F	und	Fu	ınd	Fur	<u>1d</u>		Fund		Funds	 Total
Nonspendable fund balance:	\$	91,475	\$	25,396	\$	743	\$	-	\$ 1,78	6,218	\$	107,318	\$	827,120	\$ 2,838,270
Restricted fund balance: Facility maintenance and															
capital needs		-		-		-		-	3,05	5,888		62,322,895		-	65,378,783
Board and Superintendent		-		3,090,716		-		-		-		-		-	8,090,716
Debt service		-		-	11,	017,068	11,3	55,449		-		-		-	22,372,517
Grant expenses		-		-										2,849,006	2,849,006
Total		-	8	3,090,716	11,	017,068	11,3	55,449	3,05	5,888		62,322,895		2,849,006	98,691,022
Committed fund balance:	12	2,978,727		-		-		-		-		-		-	12,978,727
Assigned fund balance:															
Food services		-		-		-		-		-		-		7,812,573	7,812,573
Textbook program		-		-		-		-		-		-		1,202,439	1,202,439
Instruction		-		-		-		-		-		-		3,947,450	3,947,450
Other		-		-										70,915	70,915
		-		-		-		-		-		-	1	13,033,377	13,033,377
Unassigned fund balance:		9,210,845												(803,277)	 8,407,568
	\$ 22	2,281,047	\$ 8	3,116,112	\$ 11,	017,811	\$ 11,3	55,449	\$ 4,84	2,106	\$	62,430,213	\$ 1	15,906,226	\$ 135,948,964

Notes to the Financial Statements June 30, 2024

NOTE 2 - FUND BALANCES (Continued)

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, 2024, the Rainy Day fund, reported as part of the Education fund, was reported as committed for the purpose of funding various expenses, including health and property insurance premiums, utilities, equipment and bus purchases, land purchases, construction of facilities, textbooks, transportation, plant operation, technology, and expenses related to the general fund referendum. The Rainy Day fund also was committed to make up for shortfalls should there be a loss of interest income. The funds are not to be used for contract negotiations.
- Assigned fund balance represents amounts that are intended to be used by the primary government for specific purposes but do not meet the criteria to be classified as restricted or committed.
- Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Any negative fund balance in other funds would also be classified into this category.

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

Various nonmajor special revenue funds and the Education fund had deficit fund balances at June 30, 2024.

NOTE 3 - DEPOSITS AND INVESTMENTS

<u>Cash</u>: The carrying amount of cash was \$103,609,430 at June 30, 2024, while the bank balances were \$110,048,967. 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.

<u>Money Market Accounts</u>: As of June 30, 2024, the School Corporation holds \$21,806,202 in money market accounts. These have been reported under amortized cost.

Notes to the Financial Statements June 30, 2024

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

<u>Deposits</u>: 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.

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

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

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

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

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

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

As of June 30, 2024, the School Corporation did not hold any investments.

<u>Custodial Credit Risk</u>: 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, 2024, the School Corporation held funds with three 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.

<u>Credit Risk</u>: 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.

<u>Concentration of Credit Risk</u>: 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.

Notes to the Financial Statements June 30, 2024

NOTE 4 - RESTRICTED ASSETS

The School Corporation and the Building Corporation have cash 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 ay June 30, 2024:

Governmental Activities: Major Funds:	_	Bond Funds (Proceeds)	_	ond funds bt Service)		Tax <u>Levy</u>	G	Grants and Other	C	Building orporation Trust onstruction)	C	Building orporation Trust obt Service)		<u>Total</u>
Operating Referendum	\$	_	\$	_	\$	11.672.579	\$	_	\$	_	\$	_	\$	11,672,579
Debt Service	•	-	•	4,283,714	•	-	•	-	•	-	•	733,354	•	5,017,068
Bond Construction		54,072,537		-		-		-		9,971,931		-		64,044,468
Referendum Debt		-		5,181,896		-		-		-		6,173,553		11,355,449
Non-Major Funds:														
Debt Service		-		104,987		-		-		-		-		104,987
Grants				-				2,965,713		-				2,965,713
Totals	\$	54,072,537	\$	9,570,597	\$	11,672,579	\$	2,965,713	\$	9,971,931	\$	6,906,907	\$	95,160,264

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, 2024 tax levy that will be collected in November and December 2024. 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, 2024 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, 2024, include the following:

	June 30, 2024		
		Balance	
	Governmental		
Receivables Category		<u>Funds</u>	
Property taxes	\$	50,562,560	
Interest on investments		515,154	
Intergovernmental		1,837,055	
Leases		684,505	
Operating:			
Student receivables		379,887	
Other receivables		326,594	
Total gross operating		706,481	
Less allowance for uncollectible accounts		(139,358)	
Net operating		567,123	
Total Receivables	\$	54,166,397	

June 30 2024

Notes to the Financial Statements June 30, 2024

NOTE 5 - ACCOUNTS RECEIVABLES (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 2025. The leases for cell tower space have various lease expiration dates extending until November 2047. The School Corporation recognized \$126,571 in lease revenue and \$8,007 in interest revenue during the current fiscal year related to these leases. As of June 30, 2024, the School Corporation's receivable for lease payments was \$684,505.

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, 2024, the balance of the deferred inflow of resources was \$692,543.

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the School Corporation for the year ended June 30, 2024 was as follows:

	Beginning <u>Balance</u>		j	Increases Decreases		<u>Decreases</u>	Ending <u>Balance</u>
Governmental activities:							
Nondepreciable capital assets							
Land	\$	21,016,185	\$	-	\$	-	\$ 21,016,185
Construction in Progress		40,160,726		17,244,980		54,511,250	2,894,456
Total nondepreciable capital assets		61,176,911		17,244,980		54,511,250	 23,910,641
Other capital assets							
Buildings		671,761,217		55,813,365		=	727,574,582
Buses		23,113,720		2,223,222		1,503,365	23,833,577
Other Vehicles		799,395		10,320		=	809,715
Machinery and Equipment		5,078,634		1,829,270		=	6,907,904
Financed Purchase Assets		12,982,991		-		-	12,982,991
Subscription Assets		183,835		87,830		=	 271,665
Total other capital assets		713,919,792		59,964,007		1,503,365	 772,380,434
Less: Accumulated depreciation							
Buildings		283,354,182		12,953,550		-	296,307,732
Buses		18,718,581		1,273,744		1,503,365	18,488,960
Other Vehicles		471,835		55,779		-	527,614
Machinery and Equipment		3,852,543		518,296		-	4,370,839
Financed Purchase Assets		4,747,368		1,301,857		-	6,049,225
Subscription Assets		34,681		61,518		-	96,199
Total accumulated depreciation		311,179,190		16,164,744		1,503,365	325,840,569
Total other capital assets, net		402,740,602		43,799,263			 446,539,865
Total governmental activity capital assets, net	\$	463,917,513	\$	61,044,243	\$	54,511,250	\$ 470,450,506

Notes to the Financial Statements June 30, 2024

NOTE 6 - CAPITAL ASSETS (Continued)

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

Governmental Activities	<u>D</u>	<u>epreciation</u>
Instruction	\$	14,092,552
Support services		2,072,192
Total depreciation expense - governmental activities	\$	16,164,744

As of June 30, 2024, the School Corporation had approximately \$85.0 million of construction commitments related to building renovations outstanding.

NOTE 7 - LONG-TERM LIABILITIES

<u>Changes in General Long-Term Liabilities:</u> The following is the long-term liability activity for the School Corporation for the year ended June 30, 2024:

	Beginning Balance		Additions Deletions		Due Within One Year	
Governmental activities:						
Direct Borrowings and Placements:						
School Corporation						
General obligation bonds payable	\$ 15,365,000	\$ -	\$ 9,200,000	\$ 6,165,000	\$ 380,000	
	15,365,000	-	9,200,000	6,165,000	380,000	
Building Corporation						
Revenue bonds payable	25,885,000		3,045,000	22,840,000	3,100,000	
	25,885,000		3,045,000	22,840,000	3,100,000	
Total direct borrowings and placements	41,250,000		12,245,000	29,005,000	3,480,000	
Other Debt:						
School Corporation						
General obligation bonds payable	6,250,000	70,000,000	23,510,000	52,740,000	33,975,000	
Bond premiums	3,713,445	1,095,482	804,952	4,003,975	-	
Pension obligation bonds payable	375,000	-	375,000	-	-	
Financed purchase obligations payable	1,898,492	-	-	1,898,492	1,898,492	
Subscription liability	168,001	87,830	119,751	136,080	91,835	
Compensated absences	299,901	435,298	454,569	280,630	-	
Net pension liability - PERF	12,882,773	4,652,772	3,262,918	14,272,627	-	
Net pension liability (asset) - TRF 1996	14,630,734	16,186,233	6,283,353	24,533,614	-	
Other post-employment benefits liabilities	4,656,331	584,548	224,674	5,016,205		
	44,874,677	93,042,163	35,035,217	102,881,623	35,965,327	
Building Corporation						
Revenue bonds payable	173,040,000	29,400,000	53,540,000	148,900,000	21,840,000	
Bond premiums	7,927,427	2,450,180	3,683,950	6,693,657		
	180,967,427	31,850,180	57,223,950	155,593,657	21,840,000	
Total other debt	225,842,104	124,892,343	92,259,167	258,475,280	57,805,327	
Total	\$ 267,092,104	\$ 124,892,343	\$ 104,504,167	\$ 287,480,280	\$ 61,285,327	

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 two general obligation bonds totaling \$70 million. The bonds closed in December 2023 and June 2024. The bonds were issued for the purpose of renovating and improving school facilities, technology, equipment, and renovations to the transportation center.

Notes to the Financial Statements June 30, 2024

NOTE 7 - LONG-TERM LIABILITIES (Continued)

The School Corporation, through the Building Corporation, also issued Series 2024A and 2024B refunding bonds with par amounts of \$14,675,000 and 14,725,000, respectively. The proceeds were used to refund the Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2014A and 2014B. The Series 2014A and 2014B bonds were fully paid off in 2024 resulting in a deferred gain on refunding of \$1,329,110 reported as a deferred inflow of resources. The 2024A and 2024B refunding bonds had net present value cash flow savings of \$1,225,573 and \$1,107,161, respectively. Gross savings for the 2024A and 2024B refunding bonds was \$1,722,994 and \$1,644,619, respectively.

<u>Bonds payable</u>: 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:

General Obligation Bonds:

	Maturity	Interest	Orignal	C	Dustanding
Purpose	Date	Rate (%)	Amount		Balance
General Obligation Bonds of 2017B	12/31/2037	2.90	8,250,000	\$	6,165,000
General Obligation Bonds of 2023	12/31/2024	5.00	35,000,000		17,740,000
General Obligation Bonds Series 2024A	12/31/2026	5.00	35,000,000		35,000,000
Total				\$	58,905,000

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

Revenue Obligation Bonds:

Purpose	Maturity Date	Interest Rate (%)	Orignal Amount	Oustanding Balance	
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2012A	1/15/2025	2.25	31,695,000	\$ 1,420,000	_
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2012B	1/15/2026	1.89 - 5.00	28,660,000	5,370,000)
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015A	1/15/2027	3.00 - 4.00	4,715,000	1,485,000	j
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015B	1/15/2028	3.00 - 5.00	14,745,000	5,645,000	j
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2015C	1/15/2029	3.00 - 5.00	22.095.000	9.770.000)
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2015F	1/15/2034	4.00 - 5.00	22,010,000	15,965,000)
Unlimited Ad Valorem Property Tax First Mortgage Bonds, Series 2015G	1/15/2034	4.00 - 5.00	18,055,000	13,180,000)
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2016	1/15/2027	3.00 - 5.00	34,085,000	16,760,000	j
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2017	1/15/2029	2.13 - 5.00	9,560,000	4,855,000	j
Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2018	1/15/2039	4.00 - 5.00	20,705,000	17,660,000)
Ad Valorem Property Tax First Mortgage Bonds, Series 2021	1/15/2041	3.00 - 4.00	30,405,000	27,390,000)
Unlimited Ad Valorem Property Tax First Mortgage Refunding Bonds, Series 2022	1/16/2031	2.67	22.840.000	22.840.000)
Unlimited Ad Valorem Property Tax FMRB, Series 2024A	1/15/2034	5.00	14.675.000	14.675.000	
Unlimited Ad Valorem Property Tax FMRB, Series 2024B	1/15/2034	5.00	14,725,000	14,725,000	
			, .,	\$ 171,740,000	_

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

Fiscal			
Year	Principal	Interest	Total
2025	\$ 55,815,000	\$ 7,967,222	\$ 63,782,222
2026	38,615,000	5,932,952	44,547,952
2027	19,130,000	4,553,264	23,683,264
2028	12,575,000	3,797,148	16,372,148
2029	12,820,000	3,602,798	16,422,798
2030-2034	46,370,000	9,457,318	55,827,318
2035-2039	13,095,000	1,033,923	14,128,923
2040-2044	3,220,000	120,750	3,340,750
Total	\$ 201,640,000	\$ 36,465,375	\$ 238,105,375

Notes to the Financial Statements June 30, 2024

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		
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	3,680,000	351,844		4,031,844	
2029	3,740,000	285,002		4,025,002	
2030-2034	9,125,000	598,066		9,723,066	
2035-2039	 1,835,000	 108,027		1,943,027	
Total	\$ 29,005,000	\$ 2,786,317	\$	31,791,317	

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.

<u>Financed purchase obligations:</u> 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 \$12,982,991, accumulated depreciation of \$6,049,225 and a net book value of \$6,933,766. The future minimum obligations and the net present value of these minimum payments as of June 30, 2024 are as follows:

Fiscal Year Ending June 30	<u>Principal</u>	Interest	<u>Total</u>
2025	1,898,492	46,194	1,944,686
	\$ 1,898,492	\$ 46,194	\$ 1,944,686

Notes to the Financial Statements June 30, 2024

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, 2024. Individual fund interfund receivable and payable balances at June 30, 2024 were as follows:

	Interfund Receivables		Interfund Payables
Governmental Activities:			
Major Funds:			
Operations	\$	-	\$ 15,350,000
Debt Service		6,000,000	-
Education (Rainy Day)		11,705,863	-
Operating Referendum		-	1,000,000
Non-Major Funds:			
Special Revenue		-	1,205,863
Debt Service		-	 150,000
Totals	\$	17,705,863	\$ 17,705,863

Transfer In	Transfer Out		Amount			
Operations	Education	\$	8,500,000			
Nonmajor fund	Operating Referendum		35,237			
Nonmajor fund	Education		6,005			
Nonmajor fund	Nonmajor fund		807			
Education	Operations		750,000			
Education (Rainy Day)	Operations		228,475			
Education (Rainy Day)	Construction		2,577,391			
Takal		Φ.	40 007 045			
Total		<u>\$</u>	12,097,915			

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.

The School Corporation is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial statements of the School Corporation. Events could occur that would change this estimate materially in the near term.

Notes to the Financial Statements June 30, 2024

NOTE 9 - RISK MANAGEMENT (Continued)

<u>Self-insurance plan</u>: 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.

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, 2024, the School Corporation estimates this liability to be as follows:

	June 30, 2024 Balance		Jı	ıne 30, 2023 Balance
Liability, beginning of year	\$	1,237,596	\$	2,056,768
Add: Current year claims incurred Less: Payment of current year claims		29,794,744 (28,666,377)		29,766,892 (30,586,064)
Liability, end of year	\$	2,365,963	\$	1,237,596

NOTE 10 - PENSION PLANS

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

<u>Pension Plan Fiduciary Net Position</u>: 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

<u>Plan Description</u>: 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.

<u>PERF Hybrid Plan Description</u>: 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.

Notes to the Financial Statements June 30, 2024

NOTE 10 - PENSION PLANS (Continued)

<u>Contributions</u>: 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 2024 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 \$2,927,882 for the fiscal year ended June 30, 2024.

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

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

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

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

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

Notes to the Financial Statements June 30, 2024

NOTE 10 - PENSION PLANS (Continued)

<u>Disability and Survivor Benefits</u>: 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.

<u>Financial Report</u>: 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:

<u>Plan Description</u>: 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.

<u>Contributions</u>: Contributions are determined by the INPRS Board based on an actuarial valuation. Employers contribute 6.0 percent of covered payroll. No member contributions are required. For the fiscal year ended June 30, 2024, there were 1,520 School Corporation employees participating in TRF with annual pay equal to \$103,111,984.

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, 2024, was \$9,545,811, \$6,016,440 of which was contributed to the defined benefit plan.

Notes to the Financial Statements June 30, 2024

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.

<u>Disability and Survivor Benefits</u>: 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.

<u>Financial report</u>: 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:

<u>Plan Description</u>: 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 \$54,285,718 and \$4,551,964 as of, and for the year ended June 30, 2023 valuation date. The School Corporation's share of nonemployer contributing entity contributions made by the State of Indiana was approximately \$43,954,642 for the year ended June 30, 2024, which is based on a June 30, 2023 measurement date.

Notes to the Financial Statements June 30, 2024

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.

<u>Disability and Survivor Benefits</u>: 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.

<u>Contributions</u>: 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, 2024, the School Corporation showed 99 employees participating in the Teachers' Retirement Fund Pre-1996 Account with annual payroll equal to \$8,910,252.

<u>Financial Report</u>: 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, 2024, the School Corporation reported a net pension liability of \$14,272,627 for PERF and a net pension liability of \$24,533,614 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.

Notes to the Financial Statements June 30, 2024

NOTE 10 - PENSION PLANS (Continued)

	<u>PERF</u>	TRF-1996	4	<u>Aggregate</u>
Measurement Date	June 30, 2023	June 30, 2023		
Proportionate Share	0.0040440	0.0225835		
Net Pension Liability	\$ 14,272,627	\$ 24,533,614	\$	38,806,241
Deferred Outflow of Resources	\$ 7,415,162	\$ 32,818,509	\$	40,233,671
Deferred Inflow of Resources	\$ 186,829	\$ 9,097,671	\$	9,284,500
Pension Expense	\$ 2,685,510	\$ 9,112,947	\$	11,798,457

The PERF proportionate share in the previous year was 0.0040848 and TRF-1996 was 0.0222199.

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, 2024, the School Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERF			TRF 1996				
		rred Outflows Resources	ı	Deferred Inflows of Resources		rred Outflows Resources		ferred Inflows f Resources
Differences Between Expected and Actual								
Experience	\$	292,013	\$	-	\$	6,022,188	\$	2,571,153
Net Difference Between Projected and Actual								
Investments Earnings on Pension Plan Investments		3,271,325		-		9,463,598		-
Change of Assumptions		778,315		-		10,755,238		4,380,070
Changes in Proportion and Differences Between								
Employer Contributions and Proportionate								
Share of Contributions		145,627		186,829		561,045		2,146,448
		4,487,280		186,829		26,802,069		9,097,671
Contributions Subsequent to the Measurment Date		2,927,882				6,016,440		
Total	\$	7,415,162	\$	186,829	\$	32,818,509	\$	9,097,671

Notes to the Financial Statements June 30, 2024

NOTE 10 - PENSION PLANS (Continued)

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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

		PERF	TRF 1996		
Fiscal Year					
2024	•	\$ 1,438,080	\$	2,592,948	
2025		272,815		1,433,237	
2026		2,143,976		6,798,863	
2027		445,580		2,136,120	
2028		-		875,589	
Thereafter				3,867,641	
	Total	\$ 4,300,451	\$	17,704,398	

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, 2024				
	Long Term Expected Rate of Return	Target Asset Allocation			
Public Equity	3.7%	20.0%			
Private Equity	6.4%	15.0%			
Fixed Income - Ex Inflation-Linked	2.2%	20.0%			
Fixed Income - Inflation-Linked	0.5%	15.0%			
Commodities	1.1%	10.0%			
Real Estate	3.4%	10.0%			
Absolute Return	1.6%	5.0%			
Risk Parity	5.9%	20.0%			
Cash and Cash Overlay	0.0%	N/A			

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.

Notes to the Financial Statements June 30, 2024

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, 2023				
Liabilities	June 30, 2023				
Actuarial Cost Method (Accounting)	Entry Age Normal - Lo	evel Percent of Payroll			
Actuarial Assumptions:	, , ,	•			
Experience Study Date	Period of 5 years ended June 30, 2019				
Investment Rate of Return (Accounting)	6.2	25%			
Cost of Living Increases (COLA) or "Ad Hoc" COLA		granted for 2023.			
Future Salary Increases, including Inflation	2.65% - 8.65%	2.65% - 11.90%			
Inflation	2.0	00%			
Mortality-Healthy	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improveme 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.				

<u>Discount Rate</u>: 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 2024). 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.

Notes to the Financial Statements June 30, 2024

NOTE 10 - PENSION PLANS (Continued)

<u>Sensitivity</u>: The following presents the School Corporation's share of the net pension liability (asset) calculated using the discount rate of 6.25% percent for 2024, 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%	Current Discount	1%	1%	Cur	rent Discount	1%
Decrease	Rate	Increase	Decrease		Rate	Increase
(5.25)%	(6.25)%	(7.25)%	(5.25)%		(6.25)%	(7.25)%
\$ 23,259,847	\$ 14,272,627	\$ 6,779,054	\$ 59,363,242	\$	24,533,614	\$ (3,620,172)

<u>Investment Valuation and Benefit Payment Policies</u>: The following information applies for the 2024 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.

Notes to the Financial Statements June 30, 2024

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 \$5,434,294 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 \$70,373 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 \$38,710 to the plan during the year under audit.

Notes to the Financial Statements June 30, 2024

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

Hamilton Southeastern Schools Retiree Health Insurance Benefits

<u>Plan Description</u>: 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, 2024, the Plan contained 1,514 active employees and 19 retirees.

<u>Benefits Provided</u>: 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, 2024 for the new plans are shown below.

			Em	pioyee and
Plan	Eı	mployee	;	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).

<u>Contributions</u>: 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 \$224,674 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, 2023 (measurement date) is as follows:

	T	otal OPEB Liability
Balance at July 1, 2023	\$	4,656,331
Service cost		203,552
Interest		194,220
Changes in assumptions		107,509
Differences between expected and actual experience		79,267
Benefit payments		(224,674)
Net change in total OPEB liability		359,874
Balance at June 30, 2024		5,016,205

Notes to the Financial Statements June 30, 2024

NOTE 12 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

Activity during the year included the following:

	Plan Fiduciary Net Position				
Balance at July 1, 2023	\$	-			
Employer contributions		224,674			
Benefit payments		(224,674)			
Net change in fiduciary net position		-			
Balance at June 30, 2024	\$	-			

OPEB expense for the year ended June 30, 2024 is as follows:

Expense Category:	A	mount
Service cost	\$	203,552
Interest		194,220
Current period recognition of deferred outflows/		
(inflows) of resources:		
Differences between expected and actual experience		(126,194)
Changes in assumptions		21,709
Total OPEB Expense	\$	293,287

Deferred outflows and inflows of resources for the year ended June 30, 2024 is as follows:

As of fiscal year ended June 30, 2024	 ed Outflows Resources	_	erred Inflows Resources
Differences between expected and actual experience	\$ 69,359	\$	(804,342)
Changes in assumptions	596,062		(523,557)
Contributions subsequent to the measurement date	 209,718		-
Total	\$ 875,139	\$	(1,327,899)

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

Fiscal Year	 tization of Deferred tflows / (Inflows)
2025	\$ (104,485)
2026	\$ (104,485)
2027	\$ (104,485)
2028	\$ (104,482)
2029	\$ (120,424)
Thereafter	 (124,117)
	\$ (662,478)

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

Notes to the Financial Statements June 30, 2024

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions:

Description	OPEB Plan
Measurement Date	July 1, 2023
Actuarial Valuation Date	July 1, 2023 Liabilities as of July 1, 2024 are based on an actuarial valuation date of July 1, 2023 with no adjustments to get to the July 1, 2023 measurement date. Liabilities as of June 30, 2023 are based on an actuarial valuation date of July 1, 2021 projected to July 1, 2022, on a rolled forward basis with adjustments for actual premium and discount rate changes.
Discount Rate	4.09% as of June 30 2022 and 4.13% as of June 30, 2023 for accounting disclosure purposes.
Payroll Growth	Payroll growth rates include a general wage inflation of 2.25%. Merit increases are based on the District's July 2020 Experience Study.
Inflation Rate	2.25% per year
Employer Funding Policy	Pay-as-you-go cash basis
Cost Method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: • Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and • Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.
Health Care Coverage Election Rate	Active employees with current coverage: 35% Active employees with no coverage: 0%
Subsidy Election Rate	Active employees eligible for \$850 subsidy (regardless of coverage): 100%
Spousal Coverage	Spousal age and coverage for current retirees is based on actual data.
Mortality	Teachers: SOA Pub-2010 Teachers Headcount Weighted Mortality Table fully generational using Scale MP-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.

Notes to the Financial Statements June 30, 2024

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

<u>Sensitivity</u>: The following presents the Net OPEB liability as of June 30, 2024, 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, 2024

	0	PEB Liability	
1%	Cu	rrent Discount	1%
Decrease		Rate	Increase
(3.13)%		(4.13)%	(5.13)%
\$ 5,388,462	\$	5,016,205	\$ 4,664,668

The following presents the Net OPEB liability as of June 30, 2024, 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, 2024

		y at caric co, z	<u> </u>									
OPEB Liability												
1%		Current		1%								
Decrease		Rate		Increase								
(7.00)%		(8.00)%		(9.00)%								
\$ 4,521,756	\$	5,016,205	\$	5,584,657								

Required Supplementary Information Schedule of Proportionate Share of the Net Pension Liability June 30, 2024

	PERF																
	2024	2023	2022		2021		2020		2019	2018		2017			2016		2015
School Corporation's proportion of the net pension liability School Corporation's proportionate share of the net pension liability School Corporation's covered payroll School Corporation's proportionate share of the net pension liability	\$ 14,272,627 0.0040440 \$ 25,382,560	\$ 12,882,773 0.0040848 \$ 23,581,928	\$ 5,341,157 0.0040591 \$ 22,379,350	\$	12,711,631 0.0042086 22,720,712	\$	14,392,561 0.0043547 22,686,640	\$	14,292,388 0.0042073 20,992,081	\$	17,288,035 0.0038749 20,347,532	\$	18,661,176 0.0041118 19,705,731	\$	16,046,419 0.0039398 18,870,752	\$	10,148,034 0.0038616 18,853,363
as a percentage of its covered payroll	56%	55%	24%		56%		63%		68%		85%		95%		85%		54%
Plan fiduciary net position as a percentage of the total pension liability	81%	82%	93%		81%		80%		79%		77%		75%		77%		84%
								TRF									
	2024	2023	2022	_	2021		2020	_	2019	_	2018		2017		2016		2015
School Corporation's proportion of the net pension liability (asset) School Corporation's proportionate share of the net pension liability School Corporation's covered payroll	\$ 24,533,614 0.0225835 \$ 94,479,429	\$ 14,630,734 0.0222199 \$ 87,761,293	\$ (10,901,571) 0.0232051 \$ 84,573,194	\$	1,833,510 0.0235244 81,149,125	\$	(3,360,173) 0.0233899 76,121,871	\$	2,553,504 0.0230228 69,260,237	\$ \$	15,173,046 0.0229132 82,303,054	\$	16,461,877 0.0210909 60,749,707	\$ \$	10,820,019 0.0205478 56,320,802	\$	1,018,197 0.0214128 55,414,591
School Corporation's proportionate share of the net pension liability as a percentage of its covered payroll Plan fiduciary net position as a percentage of the	26%	17%	-13%	·	2%	·	-4%	·	4%	·	18%	·	27%	·	19%	·	2%
total pension liability	88%	97%	106%		99%		102%		98%		90%		88%		91%		99%

Changes of assumptions: None in 2024.

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.

Required Supplementary Information Schedule of Contributions - Pension June 30, 2024

Statutorily required contribution Contributions in relation to the statutorily required contribution Annual contribution deficiency (excess)	2024 \$ 2,927,882 2,927,882 \$ -	2023 \$ 2,842,843 2,842,843 \$ -	2022 \$ 2,641,174 2,641,174 \$ -	2021 \$ 2,357,830 2,357,830 \$ -	2020 \$ 2,545,098 2,545,098 \$ -	PER 2019 \$ 2,537,5 2,537,5 \$ -	2 \$	2018 2,348,157 2,348,157 -	\$ 2017 2,276,053 2,276,053	\$ 2016 2,204,563 2,204,563	\$ 2015 2,047,891 2,047,891
The School Corporation's contributions as a percentage of statutor required contribution for pension School Corporation's covered payroll Contributions as a percentage of covered payroll	100% \$ 26,253,374 11.2%	100% \$ 25,382,560 11.2%	100% \$ 23,581,928 11.2%	100% \$ 22,379,350 10.5%	100% \$ 22,720,712 11.2%	100 \$ 22,686,64 11.3	0 \$	100% 20,992,081 11.2%	\$ 100% 20,347,532 11.2%	\$ 100% 19,705,731 11.2%	\$ 100% 18,870,752 10.9%
Statutorily required contribution Contributions in relation to the statutorily required contribution	2024 \$ 6,016,440 6,016,440 \$ -	2023 \$ 5,476,580 5,476,580 \$ -	2022 \$ 4,673,428 4,673,428 \$ -	2021 \$ 4,163,302 4,163,302 \$ -	2020 \$ 4,352,196 4,352,196 \$ -	\$ 5,561,6 \$ 5,561,6		2018 5,426,194 5,426,194 -	\$ 2017 5,233,598 5,233,598	\$ 2016 4,418,816 4,418,816 -	\$ 2015 4,077,089 4,077,089
The School Corporation's contributions as a percentage of statutor required contribution for pension School Corporation's covered payroll Contributions as a percentage of covered payroll	100% \$103,111,984 5.8%	100% \$ 94,479,429 5.8%	100% \$ 87,761,293 5.3%	100% \$ 84,573,194 4.9%	100% \$ 81,149,125 5.4%	100 \$ 76,121,8° 7.3°	1 \$	100% 69,260,237 7.8%	\$ 100% 82,203,054 6.4%	\$ 100% 60,749,707 7.3%	\$ 100% 56,320,802 7.2%

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: 6.25%

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 6/30/23 was 6.92% and 6.15% 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 approved contribution rates for June 30, 2022 were 11.2% and 5.5% for PRF and TRF, respectively. The actual dollar amount of the State's contributions depends on the actual payroll for the fiscal year.

Member census data as of June 30, 2022 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2022 and June 30, 2023. Standard actuarial roll forward techniques were then used to project the liabilities computed as of June 30, 2023.

Required Supplementary Information Schedule of Employer's Share of Nonemployer Contributing Entity Contributions June 30, 2024

	E	mployer Share	
	0	f Nonemployer	
	Co	ontributing Entity	
Year Ended		Contributions	
June 30, 2024	\$	43,954,642	
June 30, 2023		11,400,477	
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, which is one year prior to the School Corporation's fiscal year end.

Required Supplementary Information Changes in Total Other Postemployment Benefits Liability June 30, 2024

Fiscal year ending June 30,		2024	2023			2022		2021	202	
Total OPEB liability;	•	000 550	•	000.070	•	000 004	•	004.050	•	055.045
Service cost	\$	203,552	\$	306,972	\$	329,931	\$	284,056	\$	255,215
Interest on the total OPEB liability		194,220		130,052		153,164		182,543		184,731
Changes of benefit terms				(000 (10)		((
Difference between expected and actual experience		79,267		(606,118)		(432,656)		(110,373)		-
Changes of assumptions		107,509		(698,075)		362,598		353,698		143,463
Benefit payments, including refunds of employee contributions		(224,674)		(214,753)		(204,413)		(192,114)		(177,844)
Net change in total OPEB liability		359,874		(1,081,922)		208,624		517,810		405,565
Total OPEB liability - beginning		4,656,331		5,738,253		5,529,629		5,011,819		4,606,254
Total OPEB liability - ending	\$	5,016,205	\$	4,656,331	\$	5,738,253	\$	5,529,629	\$	5,011,819
Plan fiduciary net position;										
Employer contributions	\$	224,674	\$	214,753	\$	204,413	\$	192,114	\$	177,884
Benefit payments, including refunds of employee contributions		(224,674)		(214,753)		(204,413)		(192,114)		(177,884)
Net change in plan fiduciary net position		-		-		-		-		-
Plan fiduciary net position - beginning		-		_		_		-		-
Plan fiduciary net position - ending	\$		\$		\$		\$		\$	-
Total OPEB liability - ending	\$	5,016,205	\$	4,656,331	\$	5,738,253	\$	5,529,629	\$	5,011,819
Plan fiduciary net position as a percentage of total OPEB liability		0%		0%		0%		0%		0%
Covered employee payroll	\$	135,833,004	\$	90,501,266	\$	88,509,796	\$	83,414,462	\$	81,578,936
Total OPEB liability as a percentage of covered employee payroll	Ψ	4%	Ψ	5%	Ψ	6%	Ψ	7%	Ψ	6%

Valuation date: July 1, 2023

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 increased from 4.09% to 4.13%

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.

Required Supplementary Information
Major Special Revenue Funds
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual
Year ended June 30, 2024

	Education Fund											
		Original Budget	Final Budget			Actual	1	Variance from final budget ver (under)				
Revenues					-			, ,				
State basic aid	\$	151,269,885	\$	151,269,885	\$	153,982,088	\$	2,712,203				
Investment income		1,500,000		1,500,000		4,235,030		2,735,030				
Other revenues		1,000,065		1,000,065		1,036,308		36,243				
Total revenues		153,769,950		153,769,950		159,253,426		(5,483,476)				
Expenditures												
Instruction		125,580,768		125,214,758		125,046,503		(168,256)				
Support services		25,472,937		26,987,924		26,886,803		(101,121)				
Total expenditures		151,053,705		151,053,705		151,053,705		(269,377)				
Excess (deficiency) of revenues over (under) expenditures	_	2,716,245		2,716,245		8,199,721		5,483,476				
Other financing sources (uses)												
Transfers in		1,500,000		1,500,000		1,508,724		8,724				
Total other financing sources (uses)		1,500,000		1,500,000		1,508,724		8,724				
Net change in fund balances	\$	4,216,245	\$	4,216,245		9,708,445	\$	5,492,200				
Fund balances at beginning of year						13,979,690						
Fund balances at end of year					\$	23,688,135						

Required Supplementary Information

Major Special Revenue Funds

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual Year ended June 30, 2024

	Operations Fund											
		Original Budget		Final Budget		Actual	1	Variance from final budget ver (under)				
Revenues												
Property taxes	\$	37,578,308	\$	37,578,308	\$	32,841,312	\$	(4,736,996)				
Other taxes		2,102,498		2,102,498		2,461,597		359,099				
Other revenues		2,565,000		2,565,000		2,119,688		(445,312)				
Total revenues		42,245,806		42,245,806		37,422,597		4,823,209				
Expenditures												
Support services		29,138,296		34,871,064		34,223,624		(647,440)				
Operation of noninstructional services		20,155		140		140		-				
Nonprogrammed charges		-		-		-		-				
Capital outlays		6,198,983		2,749,956		2,335,368		(414,588)				
Principal payments on debt		2,305,585		2,188,502		2,188,502						
Total expenditures		37,663,019		39,809,662		38,747,634		(1,062,028)				
Excess (deficiency) of revenues over (under) expenditures	_	4,582,787		2,436,144		(1,325,037)	-	(3,761,181)				
Other financing sources (uses)												
Transfers in		-		-		-		-				
Transfers out		-		-		-		-				
Other financing sources (uses)		-		-		15,000,000		15,000,000				
Total other financing sources (uses)		-		-		15,000,000		15,000,000				
Net change in fund balances	\$	4,582,787	\$	2,436,144		13,674,963	\$	11,238,819				
Fund balances at beginning of year						15,146,722						
Fund balances at end of year					\$	28,821,685						

Required Supplementary Information

Major Special Revenue Funds

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual Year ended June 30, 2024

		Operating Ref	eren	dum Fund		
	Original Budget	Variance from final budget over (under)				
Revenues						
Property taxes	\$ 25,673,964	\$ 25,673,964	\$	25,781,608	\$	107,644
Other taxes	1,306,755	1,306,755		1,492,175		185,420
Other revenues	 -	-		250,964		250,964
Total revenues	26,980,719	26,980,719		27,524,747		(544,028)
Expenditures						
Instruction	-	9,718,853		9,718,853		-
Support services	25,802,527	16,556,373		16,095,669		(460,704)
Nonprogrammed charges	-	-		-		-
Capital outlays	 -	18,017		18,017		
Total expenditures	 25,802,527	 26,293,243		25,832,539		(460,704)
Excess (deficiency) of revenues over (under) expenditures	 1,178,192	 687,476	-	1,692,208		1,004,732
Other financing sources (uses)						
Other financing sources (uses)	-	 -		3,000,000		3,000,000
Total other financing sources (uses)	 -	 -		3,000,000		3,000,000
Net change in fund balances	\$ 1,178,192	\$ 687,476	. —	4,692,208	\$	4,004,732
Fund balances at beginning of year				8,632,092		
Fund balances at end of year			\$	13,324,300		

Other Supplementary Information
Combining Balance Sheet
Education Fund
June 30, 2024

Assets	Education Sub-Fund	Rainy Day <u>Fund</u>	<u>Total</u> <u>Education</u> <u>Fund</u>		
Cash and investments	\$ 20,538,315	\$ 2,478,727	\$ 23,017,042		
Receivables, net	Ψ 20,000,010	Ψ 2,410,121	Ψ 20,017,042		
Interest receivable	479,006	_	479,006		
Interfund receivable	1,205,863	10,500,000	11,705,863		
Other receivables	53.908	-	53,908		
Prepaid items	91,475	-	91,475		
Total assets	\$ 22,368,567	\$ 12,978,727	\$ 35,347,294		
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities Accounts payable Salaries and payroll deductions payable	\$ 1,081,266 11,984,981	\$ - -	\$ 1,081,266 11,984,981		
Total liabilities	13,066,247		13,066,247		
Fund balances					
Nonspendable	91,475	-	91,475		
Committed	-	12,978,727	12,978,727		
Unassigned	9,210,845		9,210,845		
Total fund balance	9,302,320	12,978,727	22,281,047		
Total liabilities, deferred inflows					
of resources and fund balance	\$ 22,368,567	\$ 12,978,727	\$ 35,347,294		

Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Education Fund
Year ended June 30, 2024

Revenues	Education Sub-Fund	Rainy Day <u>Fund</u>	Total Education <u>Fund</u>
State basic aid	\$ 158.307.904	Φ.	\$ 158.307.904
	ψ,	\$ -	+,,
Investment income	4,426,085	-	4,426,085
Other revenues	45,073,814		45,073,814
Total revenues	207,807,803		207,807,803
Expenditures			
Current:			
Instruction	159,796,947	-	159,796,947
Support services	29,061,199	(24,244)	29,036,955
Total expenditures	188,858,146	(24,244)	188,833,902
Excess (deficiency) of revenues over			
(under) expenditures	18,949,657	24,244	18,973,901
Other financing sources (uses)			
Transfers in	750,000	2,805,866	3,555,866
Transfers out	(8,506,005)	, , -	(8,506,005)
Total other financing sources (uses)	(7,756,005)	2,805,866	(4,950,139)
Net change in fund balances	11,193,652	2,830,110	14,023,762
Fund balances at beginning of year	(1,891,332)	10,148,617	8,257,285
Fund balances at end of year	\$ 9,302,320	\$ 12,978,727	\$ 22,281,047

Other Supplementary Information Combining Balance Sheet Nonmajor Governmental Funds June 30, 2024

Assets		<u>Debt</u> <u>Service</u> <u>Fund</u>	_	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>			
Cash and investments	\$	_	\$	13,686,887	\$	13,686,887	
Cash and investments Cash and investments - restricted	Ψ	104,987	Ψ	2,965,713	Ψ	3,070,700	
Receivables, net		104,307		2,905,715		3,070,700	
Interest receivable		_		18,343		18,343	
Taxes receivable		42,580		-		42.580	
Intergovernmental receivable				1,837,055		1,837,055	
Other receivables		_		449,094		449,094	
Prepaid items		_		827,120		827,120	
Total assets	\$	147.567	\$	19,784,212	\$	19,931,779	
	<u> </u>		<u> </u>	,,		,,,,,,,,	
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities							
Accounts payable	\$	-	\$	1,541,002	\$	1,541,002	
Salaries and payroll deductions payable		-		597,652		597,652	
Interfund payable		150,000		1,205,863		1,355,863	
Unearned revenue				11,677		11,677	
Total liabilities		150,000		3,356,194		3,506,194	
Deferred Inflows of Resources							
Unavailable revenues		42,580		476,779		519,359	
Total deferred inflows of resources	42,580			476,779	519,359		
Fund balances							
Nonspendable		-		827,120		827,120	
Restricted - Debt service		-		-		-	
Restricted - Grant expenses		-		2,849,006		2,849,006	
Assigned - Food services		-		7,812,573		7,812,573	
Assigned - Textbook program		-		1,202,439		1,202,439	
Assigned - Instruction		-		3,947,450		3,947,450	
Assigned - Other		-		70,915		70,915	
Unassigned		(45,013)		(758,264)		(803,277)	
Total fund balance		(45,013)		15,951,239	15,906,226		
Total liabilities, deferred inflows of resources and fund balance	\$	147,567	\$	19,784,212	\$	19,931,779	

Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
Year ended June 30, 2024

Paramos	_	<u>Debt</u> Service Funds		<u>Special</u> <u>Revenue</u> <u>Funds</u>	<u>Total</u> <u>Nonmajor</u> <u>Governmental</u> <u>Funds</u>		
Revenues	\$	170 200	φ		\$	170 200	
Property taxes Other taxes	Ф	179,380 12,281	\$	-	Ф	179,380 12,281	
State basic aid		12,201		5,585,560		5,585,560	
Investment income		-		259		259	
Federal sources		-		14,891,792		14,891,792	
Other revenues		-		23,039,643		23,039,643	
Total revenues		191,661		43,517,254		43,708,915	
Expenditures							
Current:							
Instruction		_		20,706,726		20,706,726	
Support services		_		7,464,108		7,464,108	
Operation of noninstructional services		_		9,920,187		9,920,187	
Nonprogrammed charges		_		627,199		627,199	
Capital outlays		-		606,206		606,206	
Debt service:							
Principal payments on debt		375,000		-		375,000	
Interest on debt		15,000				15,000	
Total expenditures		390,000		39,324,426		39,714,426	
Excess (deficiency) of revenues over							
(under) expenditures		(198,339)		4,192,828		3,994,489	
Other financing sources (uses)							
Transfers in		-		42,049		42,049	
Transfers out				(807)		(807)	
Total other financing sources (uses)		-		41,242	-	41,242	
Net change in fund balances		(198,339)		4,234,070		4,035,731	
Fund balances at beginning of year		153,326		11,717,169		11,870,495	
Fund balances at end of year	\$	(45,013)	\$	15,951,239	\$	15,906,226	

53.

Other Supplementary Information Combining Balance Sheet Nonmajor Governmental Funds – Special Revenue June 30, 2024

Assets		Food Services Fund	<u>Textbook</u> <u>Rental</u> <u>Fund</u>		<u>Coca-Cola</u> <u>Fund</u>		Gifts & Donations Fund		High Ability 2021-22 Fund		High Ability 2022-23 Fund		Formative Assessment Fund	
Cash and investments	\$	7,646,087	\$	1,599,008	\$	73,819	\$	_	\$	_	\$	_	\$	_
Cash and investments - restricted	Ψ	-	Ψ	-	Ψ	-	Ψ	1,420,763	Ψ	_	¥	_	¥	61,033
Receivables, net								., .20,. 00						0.,000
Interest receivable		_		_		_		_		-		_		_
Intergovernmental receivable		-		-		-		-		-		-		-
Other receivables		228,006		112,608		-		-		-		-		-
Prepaid items		-		681,571		_		-		-		-		-
Total assets	\$	7,874,093	\$	2,393,187	\$	73,819	\$	1,420,763	\$	-	\$	-	\$	61,033
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities														
Accounts payable	\$	61,520	\$	509,177	\$	2,904	\$	5,705	\$	-	\$	-	\$	-
Salaries and payroll deductions payable		-		-		-		=		-		-		-
Interfund payable		-		=		-		-		-		-		=
Unearned revenue				-		-				-		-		
Total liabilities		61,520		509,177		2,904		5,705		-		-		
Deferred Inflows of Resources														
Unavailable revenues						-				-		-		
Total deferred inflows of resources		=		-		-		-		-		-		=
Fund balances														
Nonspendable		-		681,571		-		-		-		-		-
Restricted - Grant expenses		-		-		-		1,415,058		-		-		61,033
Assigned - Food services		7,812,573		-		-		-		-		-		-
Assigned - Textbook program		-		1,202,439		-		-		-		-		-
Assigned - Instruction		-		-		-		-		-		=		-
Assigned - Other		-		-		70,915		-		-		=		-
Unassigned				-		-				-		-		<u>-</u>
Total fund balance		7,812,573		1,884,010		70,915		1,415,058		-				61,033
Total liabilities, deferred inflows of resources and fund balance	\$	7,874,093	\$	2,393,187	\$	73,819	\$	1,420,763	\$	-	\$		\$	61,033

Assets	<u>I-R</u>	Ahead lead ind	Reim	ledicaid bursement Fund	_	Secured ools Safety Fund	Gra	cceleration nt 2020 und	Ec	Alternative lucation Fund		ntervention Grant Fund	Speaki	English ng FY22 ınd
Cash and investments	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_
Cash and investments - restricted	Ψ	903	Ψ	51,861	Ψ	100,000	Ψ	1	Ψ	63,212	Ψ	_	Ψ	1
Receivables, net		000		0.,00.		.00,000		·		30,2.2				•
Interest receivable		_		_		_		_		_		_		_
Intergovernmental receivable		_		_		_		_		_		_		_
Other receivables		_		6,646		-		-		-		-		-
Prepaid items		-		, -		-		-		-		-		-
Total assets	\$	903	\$	58,507	\$	100,000	\$	1	\$	63,212	\$	-	\$	1
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities														
Accounts payable	\$	-	\$	-	\$	100,000	\$	-	\$	-	\$	-	\$	-
Salaries and payroll deductions payable		-		-		-		-		-		-		-
Interfund payable		-		-		-		-		-		-		-
Unearned revenue						-		<u> </u>				-		-
Total liabilities						100,000					-			
Deferred Inflows of Resources														
Unavailable revenues												-		
Total deferred inflows of resources		-		-		-		-		-		-		-
Fund balances														
Nonspendable		-		-		-		-		-		-		-
Restricted - Grant expenses		903		58,507		-		1		63,212		-		1
Assigned - Food services		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-
Assigned - Instruction		-		-		-		-		-		-		-
Assigned - Other		-		-		-		-		-		-		-
Unassigned								-						-
Total fund balance		903		58,507		-		1_		63,212				1_
Total liabilities, deferred inflows of resources and fund balance	\$	903	\$	58,507	\$	100,000	\$	1	\$	63,212	\$	_	\$	1
				,	<u> </u>	,				,				

Assets	Speaki	English ng FY23 nd	<u>P</u>	er/Technical Perform Fund	Incenti	School ve Awards und	Gra	Connectivity nt (E-rate) Fund	202	itle 2-2023 und	A	oject ware und	G	/iolence rant ınd
Cash and investments	\$	-	\$	_	\$	-	\$	_	\$	-	\$	-	\$	-
Cash and investments - restricted	•	-	•	20,317	*	-	•	940,651	•	-	,	-	•	-
Receivables, net														
Interest receivable		-		-		-		-		-		-		-
Intergovernmental receivable		-		-		-		-		-		-		-
Other receivables		-		-		-		-		-		-		-
Prepaid items				-		-				-		-		
Total assets	\$		\$	20,317	\$	-	\$	940,651	\$	-	\$	-	\$	-
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities														
Accounts payable	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Salaries and payroll deductions payable		-		-		-		-		-		-		-
Interfund payable		-		-		-		-		-		-		-
Unearned revenue						-				-				
Total liabilities														
Deferred Inflows of Resources														
Unavailable revenues		-				-		-		-		-		
Total deferred inflows of resources		-		-		-		-		-		-		-
Fund balances														
Nonspendable		-		-		-		-		-		-		-
Restricted - Grant expenses		-		20,317		-		940,651		-		-		-
Assigned - Food services		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-
Assigned - Instruction		-		-		-		-		-		-		-
Assigned - Other		-		=		-		=		-		-		-
Unassigned										-		-		-
Total fund balance				20,317				940,651		-		-		-
Total liabilities, deferred inflows														
of resources and fund balance	\$		\$	20,317	\$	-	\$	940,651	\$	-	\$	-	\$	

Assets	2022	Preschool 2-2023 Ind	Part B	Special Ed 2021-2022 und	Part E	Il Special Ed 3 2022-2023 Fund	Part B	<u>Special Ed</u> 2019-2020 und	Part B	<u>Special Ed</u> 2020-2021 und	202	tle IV 1-2023 und	2022	le IV 2-2024 und
Cash and investments	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_
Cash and investments - restricted	Ψ	_	*	1	Ψ	_	*	_	Ψ	_	•	_	Ψ	_
Receivables, net				•										
Interest receivable		_		_		_		_		_		_		_
Intergovernmental receivable		_		-		25,054		_		-		_		423
Other receivables		_		_		-		_		_		_		_
Prepaid items		_		-		_		_		_		_		_
Total assets	\$	-	\$	1	\$	25,054	\$	-	\$	-	\$		\$	423
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities														
Accounts payable	\$	-	\$	-	\$	3,327	\$	-	\$	-	\$	-	\$	-
Salaries and payroll deductions payable		-		-		11,362		-		-		-		-
Interfund payable		-		-		10,517		1		-		-		422
Unearned revenue				-		-								
Total liabilities						25,206		1						422
Deferred Inflows of Resources														
Unavailable revenues						3,193								
Total deferred inflows of resources		-		-		3,193		-		-		-		-
Fund balances														
Nonspendable		-		-		-		-		-		-		-
Restricted - Grant expenses		-		1		-		-		-		-		1
Assigned - Food services		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-
Assigned - Instruction		-		-		-		-		-		-		-
Assigned - Other		-		-		-		-		-		-		-
Unassigned						(3,345)		(1)				-		
Total fund balance		-		1		(3,345)		(1)				-		1
Total liabilities, deferred inflows											·			
of resources and fund balance	\$	-	\$	1	\$	25,054	\$	-	\$	-	\$		\$	423

Assets	Hea	Mental alth Grant Fund	Medicai	d Reimbursement <u>Federal</u> <u>Fund</u>	20	e II Part A 21-2023 Fund	20	e II Part A 022-2024 Fund	20	Mini-Grants 020-21 Fund	202	tle III 0-2022 und	202	ant Influx 0-2022 und	202	tle III 1-2023 und	2018	nt Influx -2021 Ind
Cash and investments	\$	_	\$	_	\$	_	\$	_	\$	_	s	_	\$	_	s	_	\$	_
Cash and investments - restricted	Ÿ	_	Ψ	178,454	Ψ	_	Ψ.	_	Ŷ	_	Ψ	_	Ÿ	1	Ÿ	_	Ψ	1
Receivables, net				110,404														•
Interest receivable		_		_		_		_		_		_		_		_		_
Intergovernmental receivable		260,473		_		_		19,812		_		_		_		_		_
Other receivables		-		16,006		_				_		_		_		_		_
Prepaid items		_		-		-		_		_		_		_		_		_
Total assets	\$	260,473	\$	194,460	\$	-	\$	19,812	\$	-	\$	-	\$	1	\$	-	\$	1
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities																		
Accounts payable	\$	4,498	\$	-	\$	-	\$	15,654	\$	-	\$	-	\$	-	\$	-	\$	-
Salaries and payroll deductions payable		142,372		-		-		-		-		-		-		-		-
Interfund payable		117,812		-		-		4,158		-		-		-		-		-
Unearned revenue		-		-				-				-		-		-		-
Total liabilities	-	264,682		-		-		19,812								-	-	
Deferred Inflows of Resources																		
Unavailable revenues		48,489		-				4,954										
Total deferred inflows of resources		48,489		-		-		4,954		-		-		-		-		-
Fund balances																		
Nonspendable		-		-		-		-		-		-		-		-		-
Restricted - Grant expenses		-		194,460		-		-		-		-		1		-		1
Assigned - Food services		-		-		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-		-		-
Assigned - Instruction		-		-		-		-		-		-		-		-		-
Assigned - Other		-		-		-		-		-		-		-		-		-
Unassigned		(52,698)		-		-		(4,954)		-		-		-		-		-
Total fund balance		(52,698)		194,460		-		(4,954)						1_		-		1_
Total liabilities, deferred inflows																		
of resources and fund balance	\$	260,473	\$	194,460	\$		\$	19,812	\$		\$		\$	1	\$		\$	1_

Assets	20:	Title III 22-2024 Tund		<u>7907</u> <u>Fund</u>		ore, Engage ence (3E) Grant Fund	Sch	P/IDEA ool Age und	Pres	P/IDEA school und		7921 Fund	_	SSER III Fund
Cash and investments	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_	\$	_
Cash and investments - restricted	•	_	•	_	•	-	*	-	•	1	•	-	*	_
Receivables, net														
Interest receivable		_		_		-		-		_		-		_
Intergovernmental receivable		6,450		_		260,967		_		_		-		122,978
Other receivables		´-		-		-		-		-		-		´-
Prepaid items		_		-		-		-		-		-		84,171
Total assets	\$	6,450	\$	-	\$	260,967	\$	-	\$	1	\$		\$	207,149
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities														
Accounts payable	\$	6,450	\$	-	\$	-	\$	-	\$	-	\$	-	\$	5,351
Salaries and payroll deductions payable		-		-		-		-		-		-		9,359
Interfund payable		-		-		287,686		-		-		-		108,876
Unearned revenue				-		<u>-</u>		-				-		-
Total liabilities		6,450		-		287,686		-		-		-		123,586
Deferred Inflows of Resources														
Unavailable revenues		6,450		=		<u>-</u>		-		-		-		7,903
Total deferred inflows of resources		6,450		-		-		-		-		-		7,903
Fund balances														
Nonspendable		-		-		-		-		-		-		84,171
Restricted - Grant expenses		-		-		-		-		1		-		-
Assigned - Food services		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-
Assigned - Instruction		-		-		-		-		-		-		-
Assigned - Other		-		-		-		-		-		-		-
Unassigned		(6,450)		=		(26,719)		-				-		(8,511)
Total fund balance		(6,450)		-		(26,719)		-		1		-		75,660
Total liabilities, deferred inflows of resources and fund balance	•	6,450	\$		<u> </u>	260,967	\$		•	1	<u> </u>		•	207,149
or resources and fully balance	<u> </u>	0,430	P		<u> </u>	200,907	Ψ		Ψ		Ψ		<u> </u>	201,149

Assets		SER II und	Educ Sta	nulus 18003 bilization Re und		paid Lunch Accounts Fund	Ele	Brooks ementary Fund	Ele	erland Road mentary Fund	Ele	II Creek mentary Fund	Inte	II Creek rmediate Fund
Cash and investments	\$	_	\$	_	\$	427.564	\$	122.928	\$	13,746	\$	19.151	\$	121.244
Cash and investments - restricted	Ψ	_	Ψ	1	Ψ	-	Ψ	-	Ψ	-	Ψ	-	Ψ	-
Receivables, net				·										
Interest receivable		_		_		_		743		75		110		569
Intergovernmental receivable		-		_		_		-		-		-		-
Other receivables		-		_		_		835		134		114		569
Prepaid items		-		-		-		-		-		-		-
Total assets	\$		\$	1	\$	427,564	\$	124,506	\$	13,955	\$	19,375	\$	122,382
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities														
Accounts payable	\$	-	\$	-	\$	671,046	\$	1,115	\$	981	\$	1,088	\$	3,257
Salaries and payroll deductions payable		-		-		-		-		-		-		-
Interfund payable		-		-		-		-		-		-		-
Unearned revenue		-												
Total liabilities		-	-	-		671,046		1,115		981		1,088		3,257
Deferred Inflows of Resources														
Unavailable revenues		-												
Total deferred inflows of resources		-		-		-		-		-		-		-
Fund balances														
Nonspendable		-		-		-		-		-		-		-
Restricted - Grant expenses		-		1		-		-		-		-		-
Assigned - Food services		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-
Assigned - Instruction		-		-		-		123,391		12,974		18,287		119,125
Assigned - Other		-		-		-		-		-		-		-
Unassigned		-		-		(243,482)		-		-		-		-
Total fund balance		-		1		(243,482)		123,391		12,974		18,287		119,125
Total liabilities, deferred inflows of resources and fund balance	\$		\$	1	\$	427,564	\$	124,506	\$	13,955	\$	19,375	\$	122,382

Assets Cash and investments \$ 106,823 \$ 14,686 \$ 186,017 \$ 1,130,961 \$ 37,405 \$ 1,371,107 \$ 158,488	\$ 83,788 - 362
Cash and investments \$ 106.823 \$ 14.686 \$ 186.017 \$ 1.130.961 \$ 37.405 \$ 1.371.107 \$ 158.488	-
Cash and investments - restricted	362
Receivables, net	362
Interest receivable 499 100 851 5,351 195 5,995 747	
Intergovernmental receivable	-
Other receivables 1,548 4,066 3,904 33,707 280 11,154 747	1,420
Prepaid items	-
Total assets \$\\ \\$ \\ 108,870 \\ \\$ \\ 18,852 \\ \\$ \\ 190,772 \\ \\$ \\ 1,170,019 \\ \\$ \\ 37,880 \\ \\$ \\ 1,388,256 \\ \\$ \\ 159,982	\$ 85,570
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities	
Accounts payable \$ 15,722 \$ 1,425 \$ 3,533 \$ 22,998 \$ 2,309 \$ 31,205 \$ 4,199	\$ 827
Salaries and payroll deductions payable	-
Interfund payable	-
Unearned revenue	-
Total liabilities 15,722 1,425 3,533 22,998 2,309 31,205 4,199	827
Deferred Inflows of Resources	
Unavailable revenues	
Total deferred inflows of resources	-
Fund balances	
Nonspendable	-
Restricted - Grant expenses	-
Assigned - Food services	-
Assigned - Textbook program	-
Assigned - Instruction 93,148 17,427 187,239 1,147,021 35,571 1,357,051 155,783	84,743
Assigned - Other	-
Unassigned	
Total fund balance 93,148 17,427 187,239 1,147,021 35,571 1,357,051 155,783	84,743
Total liabilities, deferred inflows of resources and fund balance \$ 108,870 \$ 18,852 \$ 190,772 \$ 1,170,019 \$ 37,880 \$ 1,388,256 \$ 159,982	\$ 85,570

Assets	Ele	sier Road mentary Fund	Ele	tern Road ementary Fund	Ele	w Britton ementary Fund	Inte	iverside ermediate Fund	_	Riverside Inior High Fund	Ele	nd Creek ementary Fund	Inte	nd Creek ermediate Fund	Ele	pe Creek mentary Fund
Cash and investments	\$	41,355	\$	25,713	\$	12,824	\$	82,987	\$	208,888	\$	26,361	\$	119,838	\$	20,268
Cash and investments - restricted		-		· -		· -		-		-		· -		-		-
Receivables, net																
Interest receivable		185		132		67		410		917		122		540		116
Intergovernmental receivable		-		-		-		-		-		-		-		-
Other receivables		2,140		217		177		410		22,501		556		646		160
Prepaid items																
Total assets	\$	43,680	\$	26,062	\$	13,068	\$	83,807	\$	232,306	\$	27,039	\$	121,024	\$	20,544
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities																
Accounts payable	\$	994	\$	700	\$	1,040	\$	1,936	\$	-	\$	98	\$	1,667	\$	1,318
Salaries and payroll deductions payable		-		-		-		-		-		-		-		-
Interfund payable		-		-		-		-		-		-		-		-
Unearned revenue												-				
Total liabilities		994		700		1,040		1,936		-		98		1,667		1,318
Deferred Inflows of Resources																
Unavailable revenues																
Total deferred inflows of resources		-		-		-		-		-		-		-		-
Fund balances																
Nonspendable		-		-		-		-		-		-		-		-
Restricted - Grant expenses		-		-		-		-		-		-		-		-
Assigned - Food services		-		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-		-
Assigned - Instruction		42,686		25,362		12,028		81,871		232,306		26,941		119,357		19,226
Assigned - Other		-		-		-		-		-		-		-		-
Unassigned										-		-				
Total fund balance		42,686		25,362		12,028		81,871		232,306		26,941		119,357		19,226
Total liabilities, deferred inflows of resources and fund balance	\$	43,680	\$	26,062	\$	13,068	\$	83,807	\$	232,306	\$	27,039	\$	121,024	\$	20,544
		,	<u> </u>	,=	<u> </u>	,	<u> </u>	,	Ť		<u> </u>	_:,::0	<u> </u>	.=.,.=.	<u> </u>	

Assets	Ele	theastern mentary Fund	Ele	er Creek ementary Fund	Innov	of Fishers vation Grant Fund		Settlement Fund		oility 2023-24 Fund	Achieve	Literacy ment Grant und	Compe	Robotics etition Grant Fund		l 2023-2024 Fund
Cash and investments	\$	15,963	\$	19,868	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Cash and investments - restricted	•	-	•	-	·	80,595	•	36.240	·	11.677		-	·	-		-
Receivables, net						,										
Interest receivable		144		113		-		-		-		-		-		-
Intergovernmental receivable		-		-		-		-		9,806		-		52,671		148,773
Other receivables		334		209		-		-		-		-		-		-
Prepaid items		-		-						-						-
Total assets	\$	16,441	\$	20,190	\$	80,595	\$	36,240	\$	21,483	\$	-	\$	52,671	\$	148,773
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities																
Accounts payable	\$	60	\$	658	\$	21,978	\$	-	\$	28	\$	-	\$	3,466	\$	1,767
Salaries and payroll deductions payable		-		-		-		-		4,905		-		-		55,628
Interfund payable		-		-		-		-		-		-		49,205		93,145
Unearned revenue		-								11,677		*		-		-
Total liabilities		60	-	658		21,978	-	-		16,610			-	52,671		150,540
Deferred Inflows of Resources																
Unavailable revenues		-				-				4,905		<u> </u>		3,466		55,628
Total deferred inflows of resources		-		-												
Fund balances																
Nonspendable		-		-		-		-		-		-		-		-
Restricted - Grant expenses		-		-		58,617		36,240		-		-		-		-
Assigned - Food services		-		-		-		-		-		-		-		-
Assigned - Textbook program		-		-		-		-		-		-		-		-
Assigned - Instruction		16,381		19,532		-		-		-		-		-		-
Assigned - Other		-		-		-		-		-		-		-		-
Unassigned						-				(32)				(3,466)		(57,395)
Total fund balance		16,381		19,532		58,617		36,240		(32)				(3,466)		(57,395)
Total liabilities, deferred inflows of resources and fund balance	•	16,441	\$	20,190	\$	80,595	\$	36,240	\$	21,483	\$	_	\$	52,671	\$	148,773
or resources and fully balance	Ψ	10,441	Ψ	20,190	Ψ	00,090	<u> </u>	50,240		21,400	Ψ		Ψ	JZ,011	Ψ	170,773

Assets	Para Assur	I Spec Ed ance 2023-24 und	20	al Preschool 123-2024 Fund	Part	al Special Ed B 2023-2024 Fund		/ 2023-2025 Fund		art A 2023-2025 Fund		III 2023-2025 Fund	Childre	omeless en/Youth und		Total Nonmajor Cial Revenue Funds
Cash and investments	\$	_	\$		\$	_	\$	_	\$	_	\$	_	\$	_	\$	13.686.887
Cash and investments - restricted	Ψ	-	Ψ		Ψ		Ψ	_	Ψ	-	Ψ	-	Ψ	_	Ψ	2,965,713
Receivables, net																2,000,710
Interest receivable		_		_		_		_		_		_		_		18,343
Intergovernmental receivable		1,824		11,021		782,312		38,605		47,547		48,339		_		1,837,055
Other receivables		-		,52		-		-		-		-		_		449,094
Prepaid items		_		_		8,027		_		53,351		_		_		827,120
Total assets	\$	1,824	\$	11,021	\$	790,339	\$	38,605	\$	100,898	\$	48,339	\$		\$	19,784,212
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities																
Accounts payable	\$	-	\$	48	\$	26,001	\$	-	\$	3,654	\$	1,298	\$	-	\$	1,541,002
Salaries and payroll deductions payable		-		9,803		357,579		-				6,644		-		597,652
Interfund payable		1,824		1,216		406,807		38,605		43,893		41,696		-		1,205,863
Unearned revenue		-		-		-		-		-		-		-		11,677
Total liabilities		1,824		11,067		790,387		38,605	_	47,547		49,638				3,356,194
Deferred Inflows of Resources																
Unavailable revenues		-		2,630		333,190				3,654		2,317				476,779
Total deferred inflows of resources																476,779
Fund balances																
Nonspendable		-		-		8,027		-		53,351		-		-		827,120
Restricted - Grant expenses		-		-		-		-		-		-		-		2,849,006
Assigned - Food services		-		-		-		-		-		-		-		7,812,573
Assigned - Textbook program		-		-		-		-		-		-		-		1,202,439
Assigned - Instruction		-		-		-		-		-		-		-		3,947,450
Assigned - Other		-		-		-		-		-		-		-		70,915
Unassigned				(2,676)		(341,265)				(3,654)		(3,616)				(758,264)
Total fund balance				(2,676)		(333,238)				49,697		(3,616)				15,951,239
Total liabilities, deferred inflows of resources and fund balance	\$	1,824	\$	11,021	\$	790,339	\$	38,605	\$	100,898	\$	48,339	\$		\$	19,784,212

Other Supplementary Information

Revenues	Food Services Fund	<u>Textbook</u> <u>Rental</u> <u>Fund</u>	<u>Coca-Cola</u> <u>Fund</u>	Gifts & Donations Fund	High Ability 2021-22 Fund	High Ability 2022-23 Fund	Formative Assessment Fund
State basic aid	\$ 166,780	\$ 3,307,895	\$ -	\$ -	\$ -	\$ -	\$ 240,228
Investment income	Φ 100,700	φ 3,307,693	φ -	Φ -	Φ -	φ -	φ 240,220
Federal sources	3,902,583	_	-	_	_	_	-
Other revenues	7,559,049	429,298	138,000	728,993	-	-	-
Total revenues	11,628,412	3,737,193	138,000	728,993			240,228
101011000	11,020,112	0,707,100	100,000	120,000			210,220
Expenditures							
Current:							
Instruction	-	-	-	28,503	(4,581)	(20)	253,995
Support services	225,963	2,679,959	116,242	18,002	-	-	-
Operation of noninstructional services	9,788,825	-	-	129,411	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-
Capital outlays	26,560	-	-	120,915	-	-	-
Total expenditures	10,041,348	2,679,959	116,242	296,831	(4,581)	(20)	253,995
Excess (deficiency) of revenues over							
(under) expenditures	1,587,064	1,057,234	21,758	432,162	4,581	20	(13,767)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	807	-
Transfers out							
Total other financing sources (uses)						807	
Net change in fund balances	1,587,064	1,057,234	21,758	432,162	4,581	827	(13,767)
Fund balances at beginning of year	6,225,509	826,776	49,157	982,896	(4,581)	(827)	74,800
Fund balances at end of year	\$ 7,812,573	\$ 1,884,010	\$ 70,915	\$ 1,415,058	\$ -	\$ -	\$ 61,033

Other Supplementary Information

Revenues	I-R	Ahead ead nd	Reimb	edicaid oursement Fund	Scho	Secured ools Safety Fund	Gra	Acceleration ant 2020 Fund	Ed	Alternative ucation Fund	<u> </u>	ntervention Grant Jund	Speaki	English ing FY22 und
State basic aid	\$		\$	45,995	\$	100.000	\$		\$	63,212	\$		\$	
Investment income	φ	-	Ψ	45,995	Ψ	100,000	Ψ	-	φ	03,212	Ψ	-	Ψ	_
Federal sources		_		_		_		_		_		_		_
Other revenues		_		_		_		_		_		_		_
Total revenues			-	45,995	-	100,000				63,212	-			
			-	,		,								
Expenditures														
Current:														
Instruction		-		-		- -		-		-		183		-
Support services		-		-		100,000		-		-		-		-
Operation of noninstructional services		-		-		-		-		-		-		-
Nonprogrammed charges		-		-		-		-		-		-		-
Capital outlays		-												
Total expenditures	-					100,000		-				183		
Excess (deficiency) of revenues over (under) expenditures				45,995						63,212		(183)		
Other financing sources (uses)														
Transfers in														
Transfers out				_		_		_		_		_		_
Total other financing sources (uses)	•					-		-		-				
• , ,	-													
Net change in fund balances		-		45,995		-		-		63,212		(183)		-
Fund balances at beginning of year		903		12,512				1_				183		1
Fund balances at end of year	\$	903	\$	58,507	\$	-	\$	1	\$	63,212	\$		\$	1

Other Supplementary Information

Revenues	Speal	English king FY23 und	P	r/Technical erform Fund	_	N School ntive Awards Fund	Gra	Connectivity Int (E-rate) Fund		<u>Title I</u> 022-2023 <u>Fund</u>	4	<u>Project</u> <u>Aware</u> Fund		Violence Grant Fund
State basic aid	\$	_	\$	2,361	\$	782,334	\$	638,107	\$	_	\$	_	\$	_
Investment income	Ψ	_	Ψ	2,501	Ψ	702,554	Ψ	-	Ψ	_	Ψ	_	Ψ	_
Federal sources		_		_		_		_		258,958		40,568		_
Other revenues		_		_		_		_		-		-		_
Total revenues		-		2,361		782,334		638,107		258,958		40,568		-
Expenditures														
Current:														
Instruction		163,621		-		780,312		-		39,642		5,888		-
Support services		8,738		-		1,580		-		1,627		23,772		-
Operation of noninstructional services		-		-		-		-		327		-		-
Nonprogrammed charges		-		-		-		-		-		-		-
Capital outlays								259,120						
Total expenditures		172,359		-		781,892		259,120		41,596		29,660		-
Excess (deficiency) of revenues over														
(under) expenditures		(172,359)		2,361		442		378,987		217,362		10,908		-
Other financing sources (uses)														
Transfers in		-		-		-		-		-		-		35,237
Transfers out		-												
Total other financing sources (uses)				-		-		-		-		-		35,237
Net change in fund balances		(172,359)		2,361		442		378,987		217,362		10,908		35,237
Fund balances at beginning of year		172,359		17,956		(442)		561,664		(217,362)		(10,908)		(35,237)
Fund balances at end of year	\$		\$	20,317	\$	-	\$	940,651	\$	-	\$		\$	

Other Supplementary Information Combining Statement of Revenues, Expenses and Changes in Fund Balance Nonmajor Governmental Funds – Special Revenue June 30, 2024

	Federal Preschool 2022-2023 Fund	Federal Special Ed Part B 2021-2022 Fund	Federal Special Ed Part B 2022-2023 Fund	Federal Special Ed Part B 2019-2020 Fund	Federal Special Ed Part B 2020-2021 Fund	<u>Title IV</u> 2021-2023 <u>Fund</u>	<u>Title IV</u> 2022-2024 <u>Fund</u>
Revenues							
State basic aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	-	-	-
Federal sources	-	45,638	748,043	-	-	1,100	29,132
Other revenues							
Total revenues		45,638	748,043			1,100	29,132
Expenditures							
Current:							
Instruction	(6,821)	36,586	79,574	(21,835)	(13,207)	432	-
Support services	-	1,271	90,793		11	149	29,131
Operation of noninstructional services	-	-	-	-	-	-	· <u>-</u>
Nonprogrammed charges	-	_	-	_	-	_	-
Capital outlays	-	-	-	-	-	_	_
Total expenditures	(6,821)	37,857	170,367	(21,835)	(13,196)	581	29,131
Excess (deficiency) of revenues over							
(under) expenditures	6,821	7,781	577,676	21,835	13,196	519	1
Other financing sources (uses)							
Transfers in	_	_	-	_	_	_	_
Transfers out	_	_	-	_	_	_	_
Total other financing sources (uses)				-			
Net change in fund balances	6,821	7,781	577,676	21,835	13,196	519	1
Fund balances at beginning of year	(6,821)	(7,780)	(581,021)	(21,836)	(13,196)	(519)	
Fund balances at end of year	\$ -	\$ 1	\$ (3,345)	\$ (1)	\$ -	\$ -	\$ 1

Other Supplementary Information Combining Statement of Revenues, Expenses and Changes in Fund Balance Nonmajor Governmental Funds – Special Revenue June 30, 2024

D	Mental Health Grant Fund	Medicaid Reimbursement Federal Fund	Title II Part A 2021-2023 Fund	Title II Part A 2022-2024 Fund	<u>Title III</u> <u>2020-2022</u> <u>Fund</u>	Immigrant Influx 2020-2022 Fund	Immigrant Influx 2018-2021 Fund
Revenues	¢	¢.	r.	¢	r.	œ.	\$ -
State basic aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income Federal sources	4 400 404	-	400.040		-	-	-
Other revenues	1,122,191	90,903	186,913	231,059	-	-	-
Total revenues	1,122,191	90,903	186,913	231,059			
rotal revenues	1,122,191	90,903	100,913	231,039			
Expenditures							
Current:							
Instruction	_	_	_	_	_	_	_
Support services	1,153,991	21,860	86,270	235,452	_	_	_
Operation of noninstructional services	-		-		_	_	_
Nonprogrammed charges	_	_	_	_	_	_	_
Capital outlays	_	-	_	_	_	-	_
Total expenditures	1,153,991	21,860	86,270	235,452			-
Excess (deficiency) of revenues over							
(under) expenditures	(31,800)	69,043	100,643	(4,393)			
Other financing sources (uses)							
Transfers in	_	_	_	_	6,005	-	-
Transfers out	_	_	_	_	-	-	_
Total other financing sources (uses)		-			6,005		-
Net change in fund balances	(31,800)	69,043	100,643	(4,393)	6,005	-	-
Fund balances at beginning of year	(20,898)	125,417	(100,643)	(561)	(6,005)	1	1
Fund balances at end of year	\$ (52,698)	\$ 194,460	\$ -	\$ (4,954)	\$ -	\$ 1	\$ 1

Other Supplementary Information

Revenues	202	itle III 22-2024 und		<u>7907</u> Fund		ore, Engage nce (3E) Gran Fund	t Sc	RP/IDEA hool Age Fund	Pre	P/IDEA eschool und		<u>7921</u> Fund		SSER III Fund
State basic aid	\$		\$		\$		\$		\$		\$		\$	
Investment income	Ф	-	Ф	-	Ф	-	Ф	-	Ф	-	Ф	-	Ф	-
Federal sources		- 112,759		- 170,487		538,287		449,252		31,766		1,423,000		- 791,612
Other revenues		112,739		170,407		330,207		449,232		31,700		1,423,000		791,012
Total revenues		112,759		170,487		538,287		449,252		31,766		1,423,000		791,612
Total Teveriues		112,739		170,407		556,267	-	449,232		31,700		1,423,000		791,012
Expenditures														
Current:														
Instruction		62,460		170,487		_		394,410		31,766		_		216,054
Support services		14,152		-		183,018		24,377		-		1,323,000		296,952
Operation of noninstructional services		643		_		-		-		_		-		-
Nonprogrammed charges		-		-		-		-		-		_		_
Capital outlays		-		-		99,611		-		-		100,000		_
Total expenditures		77,255		170,487		282,629		418,787		31,766		1,423,000		513,006
Excess (deficiency) of revenues over (under) expenditures		35,504		_		255,658		30,465		_				278,606
(didei) experianares	-	33,304				200,000	-	30,403	-				-	270,000
Other financing sources (uses)														
Transfers in		-		-		-		-		-		-		-
Transfers out				-										
Total other financing sources (uses)				-				-				-		-
Net change in fund balances		35,504		-		255,658		30,465		-		-		278,606
Fund balances at beginning of year		(41,954)		-		(282,377)		(30,465)		1				(202,946)
Fund balances at end of year	\$	(6,450)	\$		\$	(26,719)	\$		\$	1	\$		\$	75,660

Other Supplementary Information

Parameter	ESS Fu		Educ Stab	ulus 18003 ilization Re	<u> A</u>	oaid Lunch ccounts Fund	Ele	Brooks mentary Fund	Elei	rland Road mentary Fund	Elei	II Creek mentary Fund	Inte	II Creek rmediate Fund
Revenues State basic aid	Φ.		Φ.		\$		Φ.		Φ.		\$		Φ.	
Investment income	\$	-	\$	-	Ф	-	\$	-	\$	-	ф	-	\$	-
		-		-		-		-		12		-		38
Federal sources		35,331		-		-		-		455,000		405.000		-
Other revenues						383,717		505,398		155,669		195,926		506,792
Total revenues		35,331				383,717		505,398		155,681		195,926		506,830
Expenditures														
Current:														
Instruction		1,165		-		-		515,880		155,107		213,026		510,979
Support services		´-		-		-		´-		· -		· -		· -
Operation of noninstructional services		-		-		-		-		-		-		-
Nonprogrammed charges		-		-		627,199		-		-		-		-
Capital outlays		-		-		-		-		-		-		-
Total expenditures		1,165		-		627,199		515,880		155,107		213,026		510,979
Excess (deficiency) of revenues over														
(under) expenditures		34,166				(243,482)		(10,482)		574		(17,100)		(4,149)
Other financing sources (uses)														
Transfers in		-		_		-		_		_		-		-
Transfers out		-		_		-		_		_		-		-
Total other financing sources (uses)										-				
Net change in fund balances		34,166		-		(243,482)		(10,482)		574		(17,100)		(4,149)
Fund balances at beginning of year		(34,166)		1				133,873		12,400		35,387		123,274
Fund balances at end of year	\$		\$	1	\$	(243,482)	\$	123,391	\$	12,974	\$	18,287	\$	119,125

Other Supplementary Information

Revenues	Fall Creek Junior High Fund		Fishers Elementary Fund		Fishers Junior High Fund			Fishers High Fund	Ele	Geist mentary Fund	_	Hamilton heastern High Fund	_	on Southeastern Junior High Fund
State basic aid	\$		\$		\$		\$		\$		\$		\$	
Investment income	Ψ	-	φ	7	φ	- 56	Ψ	-	Ψ	- 29	φ	-	Ψ	-
Federal sources		_		_ ′		-		_		-		_		_
Other revenues		792,741		132,301		604,453		3,088,366		238,474		3,605,895		843,405
Total revenues		792,741		132,308		604,509	-	3,088,366		238,503		3,605,895		843,405
				,			-	2,000,000				2,000,000		
Expenditures														
Current:														
Instruction		852,265		131,621		592,270		3,140,820		235,786		3,727,702		877,748
Support services		-		-		-		-		-		-		-
Operation of noninstructional services		-		-		-		-		-		-		-
Nonprogrammed charges		-		-		-		-		-		-		-
Capital outlays		_		-		-								
Total expenditures		852,265		131,621		592,270		3,140,820		235,786		3,727,702		877,748
Excess (deficiency) of revenues over														
(under) expenditures		(59,524)		687		12,239		(52,454)		2,717		(121,807)		(34,343)
Other financing sources (uses)														
Transfers in		_		_		_		_		_		_		_
Transfers out		_		_		_		_		-		_		_
Total other financing sources (uses)							-							-
3 ()		-	-	_					-		-			
Net change in fund balances		(59,524)		687		12,239		(52,454)		2,717		(121,807)		(34,343)
Fund balances at beginning of year		152,672		16,740		175,000		1,199,475		32,854		1,478,858		190,126
Fund balances at end of year	\$	93,148	\$	17,427	\$	187,239	\$	1,147,021	\$	35,571	\$	1,357,051	\$	155,783

Other Supplementary Information

Revenues	Harrison Parkway Elementary Fund		ay <u>Hoosier Road</u> <u>Elementary</u> <u>Fund</u>		<u>Lantern Road</u> <u>Elementary</u> <u>Fund</u>		New Britton Elementary Fund		Riverside Intermediate Fund				Sand Creek Elementary Fund		Inte	nd Creek ermediate Fund
State basic aid	\$		\$		\$		\$		\$	_	\$		\$		\$	
Investment income	Ψ	_	Ψ	_	Ψ	_	Ψ	_	Ψ	_	Ψ	39	Ψ	_	Ψ	13
Federal sources		_		_		_		_		_		-		_		-
Other revenues		168,840		140,019		189,133		125,813		353,290		749,214		128,391		364,747
Total revenues		168,840		140,019		189,133		125,813		353,290		749,253		128,391		364,760
Expenditures																
Current:																
Instruction		178,566		151,039		211,012		133,360		373,622		707,991		134,936		369,625
Support services		-		-		-		-		-		-		-		-
Operation of noninstructional services		-		-		-		-		-		-		-		-
Nonprogrammed charges		-		-		-		-		-		-		-		-
Capital outlays								-								
Total expenditures		178,566		151,039		211,012		133,360		373,622		707,991		134,936		369,625
Excess (deficiency) of revenues over (under) expenditures		(9,726)		(11,020)		(21,879)		(7,547)		(20,332)		41,262		(6,545)		(4,865)
Other financing sources (uses)																
Transfers in		-		-		-		-		-		-		-		-
Transfers out Total other financing sources (uses)	-												-		-	
Total other infalleting sources (uses)														<u>-</u>	-	
Net change in fund balances		(9,726)		(11,020)		(21,879)		(7,547)		(20,332)		41,262		(6,545)		(4,865)
Fund balances at beginning of year		94,469		53,706		47,241		19,575		102,203		191,044		33,486		124,222
Fund balances at end of year	\$	84,743	\$	42,686	\$	25,362	\$	12,028	\$	81,871	\$	232,306	\$	26,941	\$	119,357

Other Supplementary Information

Revenues	Thorpe Creek Elementary Fund	Southeastern Elementary Fund	Deer Creek Elementary Fund	City of Fishers Innovation Grant Fund	JUUL Settlement Fund	High Ability 2023-24 Fund	Early Literacy Achievement Gran Fund	K-12 Robotics Competition Grant Fund
State basic aid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 165.688	\$ 72,960	\$ -
Investment income	Ψ -	49	16	Ψ - -	Ψ -	ψ 100,000 -	Ψ 72,300	Ψ -
Federal sources	_	-	-	_	_	_	_	_
Other revenues	200,575	339,213	203,067	80,595	37,240	_	_	49,205
Total revenues	200,575	339,262	203,083	80,595	37,240	165,688	72,960	49,205
Expenditures								
Current:								
Instruction	213,411	340,554	204,787	21,978	1,000	106,364	72,960	52,671
Support services	-	-	-	-	-	58,549	-	-
Operation of noninstructional services	-	-	-	-	-	-	-	-
Nonprogrammed charges	-	-	-	-	-	-	-	-
Capital outlays								
Total expenditures	213,411	340,554	204,787	21,978	1,000	164,913	72,960	52,671
Excess (deficiency) of revenues over								
(under) expenditures	(12,836)	(1,292)	(1,704)	58,617	36,240	775		(3,466)
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	<u> </u>				<u> </u>	(807)		
Total other financing sources (uses)					-	(807)		-
Net change in fund balances	(12,836)	(1,292)	(1,704)	58,617	36,240	(32)	-	(3,466)
Fund balances at beginning of year	32,062	17,673	21,236					
Fund balances at end of year	\$ 19,226	\$ 16,381	\$ 19,532	\$ 58,617	\$ 36,240	\$ (32)	\$ -	\$ (3,466)

Other Supplementary Information

	2023-2024 Fund	Para Assu	al Spec Ed urance 2023-2 Fund		Federal lool 2023-2024 Fund	Part	Il Special Ed 3 2023-2024 Fund		V 2023-2025 Fund	Title II F	Part A 2023-2025 Fund	2023-2025 und	Childre	omeless en/Youth ind	Total Nonmajor Special Revenue <u>Funds</u>
Revenues															
State basic aid	\$ -	\$	-	\$	-	\$	-	\$	-	\$	-	\$ -	\$	-	\$ 5,585,560
Investment income	-				-		.							.	259
Federal sources	463,257		22,671		108,028		3,821,236		38,647		129,798	67,731		30,842	14,891,792
Other revenues	 -		1,824		-						<u> </u>	 			23,039,643
Total revenues	 463,257		24,495		108,028		3,821,236		38,647		129,798	 67,731		30,842	43,517,254
Expenditures															
Current:															
Instruction	518,446		-		110,704		3,557,677		38,647		-	35,558		-	20,706,726
Support services	2,206		24,495		-		596,797		-		80,101	34,808		30,842	7,464,108
Operation of noninstructional services	-		-		-		-		-		-	981		-	9,920,187
Nonprogrammed charges	-		-		-		-		-		-	-		-	627,199
Capital outlays	-		-		-		-		-		-	-		-	606,206
Total expenditures	520,652		24,495		110,704		4,154,474		38,647		80,101	71,347		30,842	39,324,426
Excess (deficiency) of revenues over															
(under) expenditures	 (57,395)				(2,676)		(333,238)				49,697	 (3,616)			4,192,828
Other financing sources (uses)															
Transfers in	_		_		-		_		-		_	_		-	42,049
Transfers out	_		_		_		_		_		-	_		-	(807)
Total other financing sources (uses)	 		-	-	_			-		_	-		-	-	41,242
3 (,										-	_				
Net change in fund balances	(57,395)		-		(2,676)		(333,238)		-		49,697	(3,616)		-	4,234,070
Fund balances at beginning of year	 											 			11,717,169
Fund balances at end of year	\$ (57,395)	\$		\$	(2,676)	\$	(333,238)	\$		\$	49,697	\$ (3,616)	\$		\$ 15,951,239

	_	Taxable sion Bonds Fund	Del	Total onmajor ot Service Funds
Assets				
Cash and investments - restricted	\$	104,987	\$	104,987
Receivables, net				
Taxes receivable		42,580		42,580
Total assets	\$	147,567	\$	147,567
Liabilities, Deferred Inflows of Resources, and Fund Balance Liabilities Interfund payable Total liabilities	\$	150,000 150,000	\$	150,000 150,000
Deferred Inflows of Resources				
Unavailable revenues		42,580		42,580
Total deferred inflows of resources		42,580		42,580
Fund balances Unassigned Total fund balance Total liabilities, deferred inflows		(45,013) (45,013)		(45,013) (45,013)
of resources and fund balance	\$	147,567	\$	147,567

Other Supplementary Information
Combining Statement of Revenues, Expenses and Changes in Fund Balance
Nonmajor Governmental Funds – Debt Service
June 30, 2024

	<u>Taxable</u> <u>Pension Bonds</u> <u>Fund</u>	Total Nonmajor Debt Service <u>Funds</u>
Revenues		
Property taxes	\$ 179,380	\$ 179,380
Other taxes	12,281	12,281
Total revenues	191,661	191,661
Expenditures		
Current:		
Debt service:		
Principal payments on debt	375,000	375,000
Interest on debt	15,000	15,000
Total expenditures	390,000	390,000
Excess (deficiency) of revenues over		
(under) expenditures	(198,339)	(198,339)
Net change in fund balances	(198,339)	(198,339)
Fund balances at beginning of year, as previously stated	153,326	12,051,934
Fund balances at beginning of year	153,326	153,326
Fund balances at end of year	\$ (45,013)	\$ (45,013)

Hamilton Southeastern Schools

Single Audit Report

June 30, 2024

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Hamilton Southeastern Schools Schedule of Expenditures of Federal Awards Year Ended June 30, 2024

Federal Grantor	Pass-Through Grantor	Pass-Through Identifying Number	Program Title	Federal Assistance Listing Number	Passed Through to Subrecipients	2024 Total Federal Expenditures
U.S. Department of Agric	culture Child Nutrition Cluster:					
	Indiana Department of Education Indiana Department of Education	3005 3005	School Breakfast Program School Lunch Program	10.553 10.555	\$ - -	\$ 442,798 4,235,290
	Total Child Nutrition Cluster					4,678,088
				Total U.S. Department of Agriculture		4,678,088
Federal Communications	s Commission Indiana Department of Education	ECF202106788	COVID-19 Emergency Connectivity Fund	32.009 Total Federal Communications Commission		1,423,000
U.S. Department of Educ	eation					1, 120,000
0.5. Department of Educ	Indiana Department of Education Indiana Department of Education	S010A220014 S010A230014	Title I Grants to Local Education Agencies Title I Grants to Local Education Agencies	84.010 84.010	- - -	43,345 463,257 506,602
	Special Education Cluster:					
	Indiana Department of Education Indiana Department of Education Indiana Department of Education Indiana Department of Education Indiana Department of Education	22611-101-PN01 23611-101-PN01 24611-101-PN01 A58-4-24DL-031 H027X210084	Special Education Part B Special Education Part B Special Education Part B Special Education Part B COVID-19 Special Education Part B	84.027 84.027 84.027 84.027 84.027	: :	38,004 166,429 4,154,426 24,495 425,136 4,808,490
	Indiana Department of Education Indiana Department of Education	24619-101-PN01 H173X210104	Special Education Preschool COVID-19 Special Education Preschool	84.173 84.173	-	110,656 31,766 142,422
	Total Special Education Cluster					4,950,912

Hamilton Southeastern Schools Schedule of Expenditures of Federal Awards Year Ended June 30, 2024

(Continued)

Federal Grantor	Pass-Through Grantor	Pass-Through Identifying Number	Program Title	Federal Assistance Listing Number	Passed Through to Subrecipients	2024 Total Federal Expenditures
U.S. Department of Educa	ation Direct	N/A	School Based Mental Health Provider	84.184	\$ -	\$ 1.149.808
					·	, ,,,,,,,,,,
	Indiana Department of Education	S365A220014	English Language Acquisition State Grants	84.365	-	148,834
	Indiana Department of Education	7000-S367A210013	Improving Teacher Quality State Grants	84.367		103,136
	Indiana Department of Education	S367A220013	Improving Teacher Quality State Grants	84.367	-	235,452
	Indiana Department of Education	S367A210013	Improving Teacher Quality State Grants	84.367		133,452 472,040
	Indiana Department of Education	S424A230015	Student Support and Academic Enrichment Program	84.424		38,647
	Indiana Department of Education	S424A190015	Student Support and Academic Enrichment Program	84.424	-	581
	Indiana Department of Education	S424A200015	Student Support and Academic Enrichment Program	84.424		29,131 68,359
	Indiana Department of Education	S425U210013	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization F		170,487	170,487
	Indiana Department of Education	S425U200013	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization F		-	599,028
	Central Indiana Educational Service Center Hamilton County Economic Development Corporation	7000S425U210013 7000S425U210013	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization F COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization F		-	153,662 386.648
	Indiana Department of Education	S425D200013	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization F		-	1,165
	Indiana Department of Education	7000S425W210015	COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization F	84.425W		30,842
					170,487	1,341,832
U.S. Department of Health	h and Human Services		Total U.S. Depar	tment of Education	170,487	8,638,387
·	Indiana Department of Education	6H79SM080975-04	Substance Abuse and Mental Health Services Projects	93.243	_	29,660
	'		•			29,660
	Medicaid Cluster:					
	Indiana Department of Education	FY2023	Medical Assistance Program (Medicaid Cluster)	93.778		1,860
						1,860
			Total U.S. Department of Health and Human Services		-	31,520
			Total Federal Expenditures Department of Health a	nd Human Services	\$ 170,487	\$ 14,770,995

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of Hamilton Southeastern Schools (School Corporation) under programs of the federal government for the year ended June 30, 2024. 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 the School Corporation, it is not intended to and does not present the financial position, changes in net position or cash flows of the School Corporation.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the 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.

Note 3. Indirect Cost Rate

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

Note 4. Federal Loans Programs

HSE had no federal loans that they were administering as of June 30, 2024.

Forvis Mazars, LLP 820 Massachusetts Avenue, Suite 1370 Indianapolis, IN 46204 P 317.383.4000 | F 317.383.4200 forvismazars.us



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 (*Government Auditing Standards*), 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, 2024, and the related notes to the financial statements, which collective comprise the School Corporation's basic financial statements, and have issued our report thereon dated January 29, 2025, 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

School Corporation's Response to the Finding

Government Auditing Standards requires the auditor to perform limited procedures on management'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 Mazars, LLP

Indianapolis, Indiana January 29, 2025 Forvis Mazars, LLP 820 Massachusetts Avenue, Suite 1370 Indianapolis, IN 46204 P 317.383.4000 | F 317.383.4200 forvismazars.us



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 the School Corporation's major federal programs for the year ended June 30, 2024. 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 Schools 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, 2024.

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 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, 2024, and the related notes to the financial statements, which collectively comprise School Corporation's basic financial statements. We have issued our report thereon dated January 29, 2025, 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Forvis Mazars, LLP

Indianapolis, Indiana January 29, 2025

Section I – Summary of Auditor's Results

Financial Statements

1.	Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:						
	□ Unmodified	Qualified	Adverse	Disclaimer			
2.	Internal control over	financial reporting	:				
	Significant deficienc	y(ies) identified?		☐ Yes	None reported		
	Material weakness(es) identified?		⊠ Yes	□ No		
3.	Noncompliance mat	erial to the financia	al statements noted	?	S ⊠ No		
Fede	eral Awards						
4.	Internal control over	major federal awa	rds programs:				
	Significant deficienc	y(ies) identified?		☐ Yes	None reported		
	Material weakness(es) identified?		☐ Yes	⊠ No		
5.	Type of auditor's rep (Check each descrip major program by th	otion that applies.	If any other than un	modified apply, a	: also list the name of each		
	□ Unmodified	Qualified	Adverse	Disclaimer			
6.	Any audit findings of 2 CFR 200.516(a)?		equired to be report	ted by	s 🛚 No		

(Continued)

7. Identification of major federal programs:

Assistance Listing Numbers

Name of Federal Program or Cluster

10.553 & 10.555

Child Nutrition Cluster

84.184

School Safely National Activities

84.425D, 84.425U & COVID-19 Elementary and Secondary School Emergency Relief Fund (Education Stabilization Fund)

- 8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000
- 9. Auditee qualified as a low-risk auditee?

(Continued)

Section II – Financial Statement Findings

Reference Number

Finding

2024-001 **Criteria or Specific Requirement:** Management is responsible for establishing and maintaining effective internal controls over financial reporting.

Condition: The School Corporation's internal control environment over financial reporting did not detect certain adjustments to cash that were needed to prevent the financial statements from being misstated for the School Corporation's reporting in accordance with accounting principles generally accepted in the United States of America (GAAP). (Material Weakness)

Context: The School Corporation's accounting and finance team is primarily responsible for the financial reporting process, including maintaining and reconciling the cash records. An adjustment totaling approximately \$32 million was not identified by management in a timely manner as part of their reconciliation process of the GAAP financial statements.

Effect: Misstatement in the financial statements.

Cause: Annually, the School Corporation converts the internal reporting from a statutory basis to a GAAP basis in preparation for audit. Internal control procedures related to review of the GAAP financial statements did not identify this adjustment in a timely manner because certain account reconciliations or reports were not always completed or subjected to a timely secondary review.

Recommendation: The School Corporation should continue to establish and maintain an effective process whereby all account balances reflected in the GAAP financial statements are reconciled to the accounting system on a regular basis while ensuring a secondary review of these reconciliations is completed.

Views of Responsible Officials and Planned Corrective Action: See corrective action plan prepared by management attached.

(Continued)

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, 2024

Reference		
Number	Summary of Finding	Status

No matters are reportable.



13485 Cumberland Road Fishers, IN 46038 P 317.594.4100 F 317.594.4109 www.hseschools.org

Corrective Action Plan

Finding 2024-001

During our annual audit, it was determined that due to a timing issue the cash balance on the financial statements was misstated.

In June 2024 new bonds were issued to refund previously issued bonds, refinancing the debt at a lower interest rate. The old bonds were paid in full in July 2024. The misstatement of the cash balance was due to a timing issue in recognizing the cash received from the new bonds sold and the repayment of the old bonds in the next fiscal period.

Beginning immediately, both the Chief Financial Officer and Director of Business will carefully review and verify any refunding bonds issued and the corresponding bonds to be repaid are accurately accounted for on the financial statements.

Timpte P. Brown	_
Signature	
Chief Financial Officer	
Title	
1/8/25	
Date	

Forvis Mazars Report to the School Board and Management

Hamilton Southeastern Schools

Results of the 2024 Financial Statement Audit, Including Required Communications

June 30, 2024

Required Communications Regarding Our Audit Strategy & Approach (AU-C 260)

Overview & Responsibilities

Matter	Discussion
Scope of Our Audit	This report covers audit results related to your financial statements and supplementary information:
	 As of and for the year ended June 30, 2024
	Conducted in accordance with our contract dated April 10, 2024
Our Responsibilities	Forvis Mazars is responsible for forming and expressing opinions about whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).
Audit Scope & Inherent Limitations to Reasonable Assurance	An audit performed in accordance with auditing standards generally accepted in the United States of America (GAAS) and <i>Government Auditing Standards</i> issued by the Comptroller General of the United States (GAGAS) is designed to obtain reasonable, rather than absolute, assurance about the financial statements. The scope of our audit tests was established in relation to the opinion unit being audited and did not include a detailed audit of all transactions.
Extent of Our Communication	In addition to areas of interest and noting prior communications made during other phases of the engagement, this report includes communications required in accordance with GAAS that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process, including audit approach, results, and internal control. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.
Independence	The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.
Your Responsibilities	Our audit does not relieve management or those charged with governance of your responsibilities. Your responsibilities and ours are further referenced in our contract.

Matter	Discussion
Distribution Restriction	This communication is intended solely for the information and use of the following and is not intended to be, and should not be, used by anyone other than these specified parties:
	School Board
	Management and others within the School Corporation

Government Auditing Standards

Matter	Discussion
Additional	We also provided reports as of June 30, 2024, on the following as required by GAGAS:
GAGAS Reporting	 Internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with GAGAS
Reporting Limitations	Our consideration of internal control over financial reporting and our tests of compliance were not designed with an objective of forming an opinion on the effectiveness of internal control or on compliance, and accordingly, we do not express such an opinion.

Uniform Guidance Overview & Responsibilities

Matter	Discussion
Scope of Our Audit	We also provided reports as of June 30, 2024, on the following as required by U.S. Office of Management and Budget (OMB) Uniform Guidance:
	Opinion on compliance for each major federal award program
	Report on internal control over compliance
	Schedule of Expenditures of Federal Awards
Audit Scope & Inherent Limitations to Reasonable Assurance	A compliance audit performed in accordance with OMB Uniform Guidance is designed to obtain reasonable, rather than absolute, assurance about whether noncompliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on a major federal award program occurred.

Qualitative Aspects of Significant Accounting Policies & Practices

Significant Accounting Policies

Significant accounting policies are described in Note 1 of the audited financial statements.

With respect to new accounting standards adopted during the year, we call to your attention the following topics detailed in the following pages:

· No matters are reportable

Unusual Policies or Methods

With respect to significant unusual accounting policies or accounting methods used for significant unusual transactions (significant transactions outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature), we noted the following:

· No matters are reportable

Alternative Accounting Treatments

We had discussions with management regarding alternative accounting treatments within GAAP for policies and practices for material items, including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies, as follows:

• No matters are reportable

Management Judgments & Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. Significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates include:

- Estimated useful lives assigned to capital assets
- Receivable balances, including allowances related to uncollectible balances
- Self-insurance claims payable
- · Actuarial assumptions used to estimate net pension liabilities and associated deferred inflows/outflows of resources
- Actuarial assumptions used to estimate other postemployment benefit obligations (OPEB) and associated deferred inflows/outflows of resources

Financial Statement Disclosures

The following areas involve particularly significant or sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Capital assets
- · Long-term liabilities
- · Pension plans
- · Other post-employment benefits



Our Judgment About the Quality of the School Corporation's Accounting Principles

During the course of the audit, we made the following observations regarding the School Corporation's application of accounting principles:

· No matters are reportable

Adjustments Identified by Audit

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.

A misstatement is a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

Proposed & Recorded Adjustments

Auditor-proposed and management-recorded entries include the following:

- Adjust accounts payable and associated expenditures
- · Adjust retainage payable to recognize at the fund level of reporting
- · Adjust cash balances associated with bonds refunded during the fiscal year

Uncorrected Misstatements

There were no uncorrected misstatements identified during the audit.

Other Required Communications

Consultation with Other Accountants

During our audit, we became aware that management had consulted with other accountants about the following auditing or accounting matters:

• We are aware that the School Corporation employs Crowe LLP to prepare financial statements as of year-end. Therefore, throughout the audit, Forvis Mazars consulted with Crowe LLP, along with management for clarification of any financial statement matters.

Significant Issues Discussed with Management

Prior to Retention

During our discussion with management prior to our engagement, the following issues regarding application of accounting principles or auditing standards were discussed:

No matters are reportable

During the Audit Process

During the audit process, the following issues were discussed or were the subject of correspondence with management:

· No matters are reportable



Difficulties Encountered in Performing the Audit

Our audit requires cooperative effort between management and the audit team. During our audit, we received excellent cooperation from management and staff. We appreciate all of the assistance provided to us throughout the audit process.

Other Material Communications

Listed below are other material communications between management and us related to the audit:

• Management representation letter (see Attachments)



Required Communications Regarding Internal Control (AU-C 265)

Consideration of Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of Hamilton Southeastern Schools as of and for the year ended June 30, 2024, in accordance with GAAS and GAGAS, we considered the School Corporation's internal control over financial reporting (internal control).

This consideration served as a basis for designing audit procedures that are appropriate in the circumstance for the purpose of expressing our opinion on the financial statements.

However, this consideration was **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.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs 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.

Categorizing Deficiencies by Severity

Deficiency

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.



Significant Deficiency

A significant deficiency is a deficiency, or 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.



Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material misstatements of the Entity's financial statements will not be prevented or detected and corrected on a timely basis.



Identified Deficiencies

We identified certain deficiencies in internal control, one that we consider to be a material weakness.

Material Weakness

Refer to the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*.

Deficiency

Financial Reporting – As noted above, audit procedures identified adjustments recorded during fiscal year 2024 for
accounts payable balances and retainage payable balances as of year-end. As the School Corporation continues to
refine its processes and controls related to reporting under GAAP, it is important that management continue to work
to ensure proper and accurate reporting of all financial balances.



Attachments

Management Representation Letter (Attachment A)

As a material communication with management, included herein is a copy of the representation letter provided by management at the conclusion of our engagement.



Attachment A

Management Representation Letter

Representation of: Hamilton Southeastern Schools 13485 Cumberland Rd Fishers, Indiana 46038

Provided to:

Forvis Mazars, LLP
Certified Public Accountants
201 N. Illinois Street, Suite 700
Indianapolis. IN 46204

The undersigned ("We") are providing this letter in connection with Forvis Mazars' audit of our financial statements as of and for the year ended June 30, 2024.

We are also providing this letter in connection with your audit of our compliance with requirements applicable to each of our major federal awards programs as of and for the year ended June 30, 2024.

Our representations are current and effective as of the date of Forvis Mazars' report: January 29, 2025.

Our engagement with Forvis Mazars is based on our contract for services dated: April 10, 2024.

Our Responsibility & Consideration of Material Matters

We confirm that we are responsible for the fair presentation of the financial statements subject to Forvis Mazars' report in conformity with accounting principles generally accepted in the United States of America.

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

Confirmation of Matters Specific to the Subject Matter of Forvis Mazars' Report

We confirm, to the best of our knowledge and belief, the following:

Broad Matters

- 1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
- 2. We acknowledge our responsibility for the design, implementation, and maintenance of:
 - a. Internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
 - b. Internal control to prevent and detect fraud.

- We have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. All minutes of the School Board meetings held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the School Board, if applicable, and maintained as part of our records.
 - e. All significant contracts and grants.
- 4. We have responded fully and truthfully to all your inquiries.

Government Auditing Standards

- 5. We acknowledge that we are responsible for compliance with applicable laws, regulations, and provisions of contracts and grant agreements.
- 6. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determination of amounts in our financial statements or other financial data significant to the audit objectives.
- 7. We have identified and disclosed to you any violations or possible violations of laws, regulations, including those pertaining to adopting, approving, and amending budgets, and provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for recognition and/or disclosure in the financial statements or for your reporting on noncompliance.
- 8. We have taken or will take timely and appropriate steps to remedy any fraud, abuse, illegal acts, or violations of provisions of contracts or grant agreements that you or other auditors report.
- 9. We have a process to track the status of audit findings and recommendations.
- 10. We have identified to you any previous financial audits, attestation engagements, performance audits, or other studies related to the objectives of your audit and the corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements, or other studies.
- 11. We have provided our views on any findings, conclusions, and recommendations, as well as our planned corrective actions with respect thereto, to you for inclusion in the findings and recommendations referred to in your report on internal control over financial reporting and on compliance and other matters based on your audit of the financial statements performed in accordance with Government Auditing Standards.

Federal Awards Programs (Uniform Guidance)

- 12. We have identified in the schedule of expenditures of federal awards all assistance provided (either directly or passed through other entities) by federal agencies in the form of grants, contracts, loans, loan guarantees, property, cooperative agreements, interest subsidies, commodities, insurance, direct appropriations, or in any other form.
- 13. We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.
- 14. We have reconciled the schedule of expenditures of federal awards (SEFA) to the financial statements.
- 15. Federal awards-related revenues and expenditures are fairly presented, both in form and content, in accordance with the applicable criteria in the entity's financial statements.
- 16. We have evaluated all recipient organizations that received federal funding and have correctly identified all subrecipients on the schedule of expenditures of federal awards.
- 17. We have identified the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* regarding activities allowed or unallowed; allowable cost principles; cash management; eligibility; equipment and real property management; matching, level of effort, earmarking; period of performance of federal funds; procurement and suspension and debarment; program income; reporting; subrecipient monitoring; and special tests and provisions that are applicable to each of our federal awards programs. We have identified to you our interpretation of any applicable compliance requirements subject to varying interpretations.
- 18. We are responsible for complying, and have complied, with the requirements of Uniform Guidance.
- 19. We are responsible to understand and comply with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal awards programs and have disclosed to you any and all instances of noncompliance with those requirements occurring during the period of your audit or subsequent thereto to the date of this letter of which we are aware. Except for any instances of noncompliance we have disclosed to you, we believe the entity has complied with all applicable compliance requirements.
- 20. We are responsible for the design, implementation, and maintenance of internal controls over compliance that provide reasonable assurance we have administered each of our federal awards programs in compliance with federal statutes, regulations, and the terms and conditions of the federal awards.
- 21. We have made available to you all federal awards (including amendments, if any) and any other correspondence or documentation relevant to each of our federal awards programs and to our compliance with applicable requirements of those programs.
- 22. The information presented in federal awards program financial reports and claims for advances and reimbursements is supported by the books and records from which our financial statements have been prepared.
- 23. The costs charged to federal awards are in accordance with applicable cost principles.
- 24. The reports provided to you related to federal awards programs are true copies of reports

- submitted or electronically transmitted to the federal awarding agency, the applicable payment system, or pass-through entity in the case of a subrecipient.
- 25. Amounts claimed or used for matching were determined in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) regarding cost principles.
- 26. We have monitored any subrecipients to determine that they have expended federal awards in accordance with federal statutes, regulations, and the terms and conditions of the subaward and have met the audit and other requirements of the Uniform Guidance.
- 27. We have taken appropriate corrective action on a timely basis after receipt of any subrecipient's auditor's report that identified findings and questioned costs pertaining to federal awards programs passed through to the subrecipient by us.
- 28. We have considered the results of any subrecipient's audits received and made any necessary adjustments to our books and records.
- 29. We have disclosed to you any communications from federal awarding agencies and passthrough entities concerning possible noncompliance with the applicable compliance requirements for each of our federal awards programs, including any communications received from the end of the period of your audit through the date of this letter.
- 30. We have identified to you any previous compliance audits, attestation engagements, and internal or external monitoring related to the objectives of your compliance audit, including findings received and corrective actions taken to address any significant findings and recommendations made in such audits, attestation engagements, or other monitoring.
- 31. Except as described in the schedule of findings and questioned costs, we are in agreement with the findings contained therein and our views regarding any disagreements with such findings are consistent, as of the date of this letter, with the description thereof in that schedule.
- 32. We are responsible for taking corrective action on any audit findings and have developed a corrective action plan that meets the requirements of Uniform Guidance.
- 33. The summary schedule of prior audit findings correctly states the status of all audit findings of the prior audit's schedule of findings and questioned costs and any uncorrected open findings included in the prior audit's summary schedule of prior audit findings as of the date of this letter.
- 34. The reporting package does not contain any protected personally identifiable information.
- 35. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance subsequent to the period covered by the auditor's report.

Misappropriation, Misstatements, & Fraud

- 36. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
 - a. Misappropriation of assets.
 - b. Misrepresented or misstated assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position or fund balance.

- 37. We have no knowledge of fraud or suspected fraud affecting the entity involving:
 - Management or employees who have significant roles in internal control over financial reporting, or
 - b. Others when the fraud could have a material effect on the financial statements.
- 38. We understand that the term "fraud" includes misstatements arising from fraudulent financial reporting and misstatements arising from misappropriation of assets. Misstatements arising from fraudulent financial reporting are intentional misstatements, or omissions of amounts or disclosures in financial statements to deceive financial statement users. Misstatements arising from misappropriation of assets involve the theft of an entity's assets where the effect of the theft causes the financial statements not to be presented in conformity with accounting principles generally accepted in the United States of America.
- 39. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, customers, analysts, or other regulators, suppliers, or others.
- 40. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.

Ongoing Operations

41. We have evaluated whether there are conditions or events known or reasonably knowable, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year of the date of this letter without consideration of potential mitigating effects of management's plans not yet fully implemented and concluded substantial doubt does not exist.

Related Parties

42. We have disclosed to you the identity of all of the entity's related parties and all the related-party relationships of which we are aware.

In addition, we have disclosed to you all related-party transactions and amounts receivable from or payable to related parties of which we are aware, including any modifications during the year that were made to related-party transaction agreements which existed prior to the beginning of the year under audit, as well as new related-party transaction agreements that were executed during the year under audit.

Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

- 43. We understand that the term <u>related party</u> refers to:
 - Affiliates
 - Trusts for the benefits of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management
 - Management and members of their immediate families
 - Any other party with which the entity may deal if one party can significantly influence the
 management or operating policies of the other to an extent that one of the transacting
 parties might be prevented from fully pursuing its own separate interests.

Another party is also a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The term <u>affiliate</u> refers to a party that directly or indirectly controls, or is controlled by, or is under common control with, the entity.

44. Related-party transactions asserted to or disclosed in the financial statements as arm's length were conducted on terms equivalent to those prevailing for comparable transactions with unrelated parties or, in the absence of comparable transactions, terms that would be offered in good faith to unrelated parties, and support regarding the assertion has been provided.

Litigation, Laws, Rulings & Regulations

- 45. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.
- 46. We have provided you with all examination reports, agreements, and related correspondence from regulatory agencies and any related findings.
- 47. We have no knowledge of communications, other than those specifically disclosed, from regulatory agencies, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws and regulations, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
- 48. We have disclosed to you all known instances of violations or noncompliance or possible violations or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements or as a basis for recording a loss contingency.
- 49. There are no regulatory examinations currently in progress for which we have not received examination reports.
- 50. We have no reason to believe the entity owes any penalties or payments under the Employer Shared Responsibility Provisions of the *Patient Protection and Affordable Care Act*, nor have we received any correspondence from the IRS or other agencies indicating such payments may be due.
- 51. We have not been designated as a potentially responsible party (PRP or equivalent status) by the Environmental Protection Agency (EPA) or other cognizant regulatory agency with authority to enforce environmental laws and regulations.

Nonattest Services

- 52. You have provided nonattest services, including the following, during the period of this engagement:
 - Completing the auditee portion of the Form SF-SAC (Data Collection Form) through the Federal Audit Clearinghouse
 - Preparing a draft of the schedule of expenditures of federal awards, including footnotes, based on the schedule prepared by the district

53. With respect to these services:

- a. We have designated a qualified management-level individual to be responsible and accountable for overseeing the nonattest services.
- b. We have established and monitored the performance of the nonattest services to ensure they meet our objectives.
- c. We have made any and all decisions involving management functions with respect to the nonattest services and accept full responsibility for such decisions.
- d. We have evaluated the adequacy of the services performed and any findings that resulted.
- We have established and maintained internal controls, including monitoring ongoing activities.
- f. When we receive final deliverables from you, we will store those deliverables in information systems controlled by us. We have taken responsibility for maintaining internal control over these deliverables.

Financial Statements & Reports

- 54. We have reviewed and approved a draft of the financial statements and related notes referred to above, which you prepared, with the assistance of Crowe LLP, in connection with your audit of our financial statements. We acknowledge that we are responsible for the fair presentation of the financial statements and related notes.
- 55. We acknowledge our responsibility for presenting the supplementary information in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP.
- 56. We do not issue an annual report, nor do we have plans to issue an annual report at this time.

Transactions, Records, & Adjustments

- 57. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 58. The entity has appropriately reconciled its general ledger accounts to their related supporting information. All related reconciling items considered to be material were identified and included on the reconciliations and were appropriately adjusted in the financial statements. All intracompany (and intercompany) accounts have been eliminated or appropriately measured and considered for disclosure in the financial statements.
- 59. We have everything we need to keep our books and records.
- 60. We have disclosed any significant unusual transactions the entity has entered into during the period, including the nature, terms, and business purpose of those transactions.
- 61. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the entity's accounts.
- 62. We are not aware of any uncorrected financial statement misstatments or omitted disclosures.

Governmental Accounting & Disclosure Matters

- 63. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 64. With regard to deposit and investment activities:
 - a. All deposit, repurchase and reverse repurchase agreements, and investment transactions have been made in accordance with legal and contractual requirements.
 - b. Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
 - c. Disclosures of deposit and investment balances and risks in the financial statements are consistent with our understanding of the applicable laws regarding enforceability of any pledges of collateral.
 - d. We understand that your audit does not represent an opinion regarding the enforceability of any collateral pledges.
- 65. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 66. We have identified and evaluated all potential fiduciary activities. The financial statements include all fiduciary activities required by GASB Statement No. 84, *Fiduciary Activities*, as amended.
- 67. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 68. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 69. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance is available and have determined that net position is properly recognized under the policy.
- 70. The entity has properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in debt agreements related to significant default or termination events with finance-related consequences, and significant subjective acceleration clauses in accordance with GASB Statement No. 88.
- 71. We have identified and evaluated all potential tax abatements, and we believe there are no material tax abatements.
- 72. The entity's ability to continue as a going concern was evaluated and that appropriate disclosures are made in the financial statements as necessary under GASB requirements.
- 73. The supplementary information required by the Governmental Accounting Standards Board, consisting of management's discussion and analysis, budgetary comparisons, pension, and other postemployment benefit information), has been prepared and is measured and presented in

conformity with the applicable GASB pronouncements, and we acknowledge our responsibility for the information. The information contained therein is based on all facts, decisions, and conditions currently known to us and is measured using the same methods and assumptions as were used in the preparation of the financial statements. We believe the significant assumptions underlying the measurement and/or presentation of the information are reasonable and appropriate. There has been no change from the preceding period in the methods of measurement and presentation.

- 74. With regard to pension and other postretirement benefits (OPEB):
 - a. We believe the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
 - b. We have provided you with the entity's most current pension and OPEB plan instrument for the audit period, including all plan amendments.
 - c. The participant data provided to you related to pension and OPEB plans are true copies of the data submitted or electronically transmitted to the plan's actuary.
 - d. The participant data that we provided the plan's actuary for the purposes of determining the actuarial present value of accumulated plan benefits and other actuarially determined amounts in the financial statements were complete.

General Government Matters

- 75. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as amended.
- 76. All funds that meet the quantitative criteria in in GASB Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, as amended, and No. 37, Basic Financial Statements—and Management's Discussion and Analysis-for State and Local Governments: Omnibus—an Amendment of GASB Statements No. 21 and No. 34, for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 77. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 78. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 79. We have appropriately disclosed that the entity is following either its established accounting policy regarding which governmental fund resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or is following paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes and have determined that fund balance is properly recognized under the policy.

Accounting & Disclosure

- 80. All transactions entered into by the entity are final. We are not aware of any unrecorded transactions, side agreements or other arrangements (either written or oral) that are in place.
- 81. Except as reflected in the financial statements, there are no:
 - Plans or intentions that may materially affect carrying values or classifications of assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position or fund balance.
 - b. Material transactions omitted or improperly recorded in the financial records.
 - c. Material unasserted claims or assessments that are probable of assertion or other gain/loss contingencies requiring accrual or disclosure, including those arising from environmental remediation obligations.
 - d. Events occurring subsequent to the balance sheet date through the date of this letter, which is the date the financial statements were available to be issued, requiring adjustment or disclosure in the financial statements.
 - e. Agreements to purchase assets previously sold.
 - f. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, lines of credit, or similar arrangements.
 - g. Guarantees, whether written or oral, under which the entity is contingently liable.
 - Known or anticipated asset retirement obligations.
- 82. Except as disclosed in the financial statements, the entity has:
 - a. Satisfactory title to all recorded assets, and those assets are not subject to any liens, pledges, or other encumbrances.
 - b. Complied with all aspects of contractual and grant agreements, for which noncompliance would materially affect the financial statements.
- 83. We agree with the findings of specialists in evaluating the describe assertion and have adequately considered the qualification of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.

Revenue, Accounts Receivable, & Inventory

- 84. Adequate provisions and allowances have been accrued for any material losses from:
 - a. Uncollectible receivables.
 - b. Purchase commitments in excess of normal requirements or at prices in excess of prevailing market prices.

Estimates

- 85. We have identified all accounting estimates that could be material to the financial statements and we confirm the appropriateness of the methods and the consistency in their application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by us in making the accounting estimates, including those measured at fair value reported in the financial statements.
- 86. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that "near term" means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations, which refer to volumes of revenues, available sources of supply, investments, or deposits, existing at the date of the financial statements that would make the entity vulnerable to the risk of severe impact in the near term that have not been properly disclosed in the financial statements.

Fair Value

- 87. With respect to the fair value measurements of financial and nonfinancial assets and liabilities, if any, recognized in the financial statements or disclosed in the notes thereto:
 - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated course of action.
 - b. The measurement methods and significant assumptions used in determining fair value are appropriate in the circumstances for financial statement measurement and disclosure purposes and have been consistently applied.
 - c. The significant assumptions appropriately reflect market participant assumptions.
 - The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
 - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

Tax-Exempt Bonds

- 88. Tax-exempt bonds issued have retained their tax-exempt status.
- 89. We have notified you of any instances of noncompliance with applicable disclosure requirements of the SEC Rule 15c2-12 and applicable state laws.

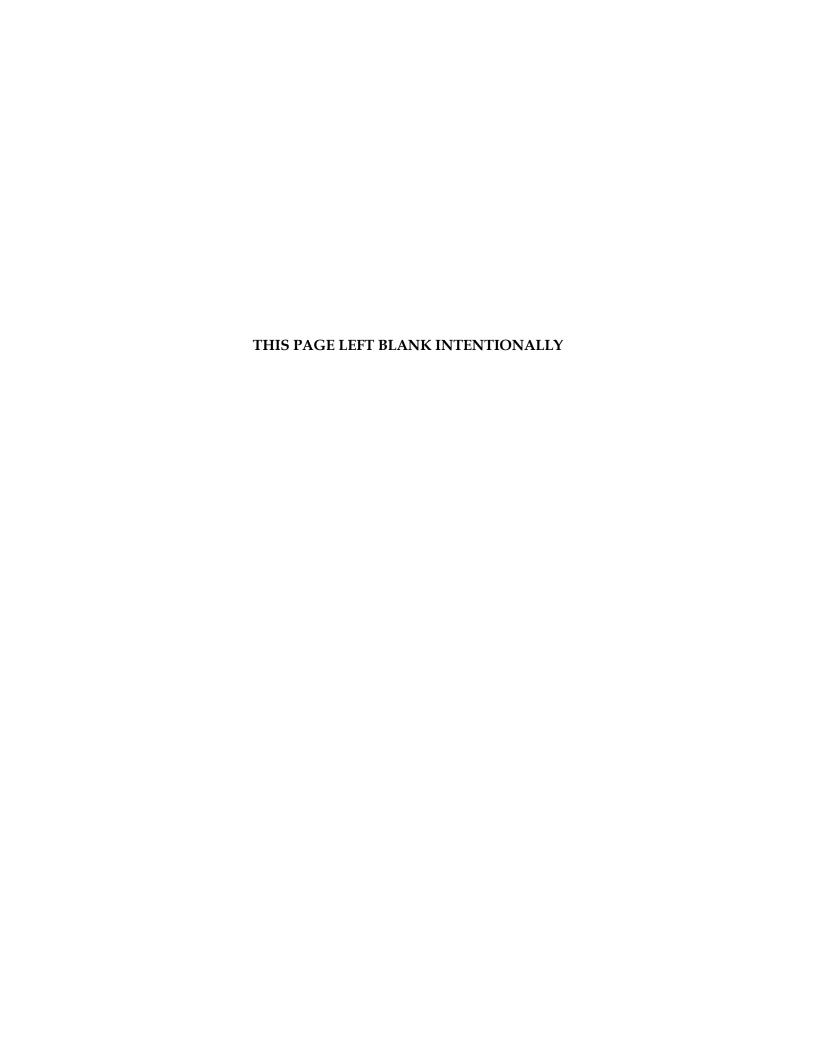
Patrick W. Mapes
Patrick W. Mapes (Jan 30, 2025 07:18 EST)

Patrick Mapes, Superintendent pmapes@hse.k12.in.us

*Tim Brown*Tim Brown (Jan 30, 2025 06:48 EST)

Tim Brown, Chief Financial Officer tpbrown@hse.k12.in.us

APPENDIX F SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE



SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

THE FOLLOWING IS A SUMMARY OF CERTAIN PROVISIONS CONTAINED IN THE TRUST INDENTURE. THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE DESCRIPTION AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE TRUST INDENTURE. CAPITALIZED TERMS NOT DEFINED IN THIS SUMMARY WILL HAVE THE MEANINGS SET FORTH ELSEWHERE IN THIS OFFICIAL STATEMENT.

Creation of Funds and Accounts

The Trust Indenture establishes the following funds and accounts to be held by the Trustee:

- (i) Construction Fund;
- (ii) Project Fund;
- (iii) Sinking Fund;
- (iv) Rebate Fund;
- (v) Operation Fund; and
- (vi) Redemption Fund.

Operation of Funds and Accounts

<u>Construction Fund</u>. As of the date that the 2025B Bonds are issued, there will be no money in the Construction Fund or any account previously established under the Construction Fund. The Building Corporation has used the Construction Fund from time to time to fund various improvements to the Mortgaged Property and to pay costs of issuance related to Bonds issued prior to the issuance of the 2025B Bonds.

<u>Project Fund</u>. At the time of issuance of the 2025B Bonds, there will be established a 2025B Construction Account within the Project Fund. All of the proceeds of the 2025B Bonds received by the Building Corporation will be deposited in the 2025B Construction Account of the Project Fund and without any further written authorization immediately transferred to the School Corporation as payment for an extension of the ownership of the Leased Premises and as reimbursement for improvements made to the Leased Premises by the School Corporation since it has been owned by the Building Corporation. Immediately after making such transfer, the 2025B Construction Account will be closed.

<u>Sinking Fund</u>. The Trustee will deposit in the Sinking Fund from each rental payment received by the Trustee pursuant to the Lease, and from proceeds of rental value insurance which represents lease rental payments under the Lease, all of such rental payment or if less an amount which, when added to the amount in the Sinking Fund on the deposit date, equals the sum of

(i) principal due on the Bonds on the next principal payment date or sinking fund redemption date and (ii) interest on the Bonds due within twenty (20) days after the date such rental payment becomes due. Any portion of a rental payment remaining after such deposit will be deposited by the Trustee in the Operation and Reserve Fund. The Trustee will pay from the Sinking Fund the principal of the Bonds at maturity or upon mandatory sinking fund redemption and the interest on the Bonds as the same falls due. Investment earnings may be used for deposits in the Rebate Fund.

Rebate Fund. If in order to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the Building Corporation determines upon the advice of counsel that it is required to cause to be calculated amounts to be rebated to the United States government, the Building Corporation will cause to be computed the amount required to be rebated, or if the Building Corporation determines upon the advice of counsel to pay a penalty in lieu of rebate, the Building Corporation will cause to be computed the amount of the penalty to be paid. The Trustee will deposit such amounts, at the direction of the Building Corporation, in the Rebate Fund from the Project Fund, the Operation and Reserve Fund or investment earnings on the Sinking Fund. The Trustee will pay required amounts from the Rebate Fund as directed by the Building Corporation and as required by Section 148 of the Code.

Operation Fund. The Operation Fund will be used only for the payment of necessary incidental expenses of the Building Corporation, such as Trustee's, Registrar's and Paying Agent's fees, expenses incurred in connection with any continuing disclosure obligations, the payment of any rebate or penalties to the United States government, to transfer funds to the Redemption Fund if so directed by the Building Corporation, the payment of principal of and premium, if any, and interest on the Bonds upon redemption or the purchase price of Bonds purchased as provided in the Trust Indenture, and if the amount in the Sinking Fund at any time is less than the required amount, the Trustee will transfer funds from the Operation Fund to the Sinking Fund in an amount sufficient to raise the amount in the Sinking Fund to the required amount. Incidental expenses will be paid by the Trustee upon the presentation of an affidavit (except in the case of amounts owing to the Trustee, which may be withdrawn from the Fund when due without presentation of an affidavit) stating the character of the expenditure, the amount thereof and to whom due.

<u>Redemption Fund</u>. The Trustee and the Building Corporation will use funds in the Redemption Fund to call the Bonds for redemption or to purchase the Bonds.

Investment of Funds. All funds will be invested by the Trustee in Qualified Investments. Until the filing of the Affidavit of Completion all investment earnings from all of the funds will be deposited into the Construction Account. After such filing, investment earnings will be allocated to the fund or account to which the earnings are allocable. Funds invested for the Sinking Fund and Rebate Fund will mature prior to the time the funds invested will be needed for payment of principal of and interest on the Bonds or rebate to the United States government. The Trustee is authorized to sell any securities so acquired from time to time in order to make required payments from a particular fund or account.

<u>Redemption of Bonds</u>. Whenever the amounts contained in the Sinking Fund, Redemption Fund and Operation and Reserve Fund are sufficient, together with any other funds deposited with

the Trustee by the Building Corporation (other than amounts deposited into the Rebate Fund), to redeem, upon the next redemption date, all Bonds then outstanding under the Trust Indenture, after accounting for the intervening uses of such amounts, the Trustee will apply the amounts in such funds to the redemption of the Bonds.

<u>Purchase of Bonds</u>. At the request of the Building Corporation, the Trustee will remove funds from the Operation and Reserve Fund or the Redemption Fund to be used for the redemption of the Bonds or for the purchase of the Bonds.

Additional Bonds

Additional Bonds may be issued under the Trust Indenture on a parity with the 2021 Refunding Bonds, the 2025B Bonds and all other Bonds issued under the Trust Indenture. Additional Bonds will be limited to amounts which can be repaid, along with all outstanding Bonds, from lease rentals paid by the School Corporation pursuant to the Lease.

Covenants of the Building Corporation

In the Trust Indenture, the Building Corporation makes certain covenants to the Trustee for the benefit of Bondholders, including but not limited to the following.

<u>Lease</u>. The Building Corporation covenants that it has entered into a valid and binding lease and will not modify or amend the terms of the Lease which would substantially impair or reduce the security of the owners of the Bonds or agree to a reduction of the lease rental other than in connection with a partial or total refunding of the Bonds or upon compliance with the other provisions of the Trust Indenture.

<u>Title to Mortgaged Property</u>. The Building Corporation covenants that it will preserve good and indefeasible title to the Mortgaged Property. The Building Corporation also covenants that it will not suffer any lien or charge equal or prior to the lien created by the Trust Indenture to be enforced or to exist against the Mortgaged Property or any part thereof, except the lien of current taxes not yet due.

Corporate Existence. The Building Corporation covenants that it will maintain its corporate existence. Nothing in the Trust Indenture prevents any consolidation or merger of the Building Corporation with or into, or any conveyance or transfer subject to the Trust Indenture of all the Mortgaged Property as an entirety to, any other Building Corporation; provided, however, that such consolidation, merger, conveyance or transfer must not impair the lien of the Trust Indenture or any of the rights or powers of the Trustee or the registered owners under the Trust Indenture; and provided, further, that upon any such consolidation, merger, conveyance or transfer, the due and punctual payment of the principal of and interest on all Bonds, and the performance and observance of all terms and covenants and conditions of the Trust Indenture and of the Lease to be kept or performed by the Building Corporation, must be assumed by the Building Corporation formed by such consolidation or into which such merger has been made, or to which the Mortgaged Property has been so conveyed and transferred.

Books of Record and Account. The Building Corporation covenants that proper books of record and account will be kept in which full, true and correct entries will be made of all dealings or transactions of or in relation to the properties, business and affairs of the Building Corporation. The Building Corporation will from time to time furnish the Trustee such information as to the property of the Building Corporation as the Trustee reasonably requests and such other information and reports as the Trust Indenture requires.

<u>Incurring Indebtedness</u>. The Building Corporation covenants that it will not incur any indebtedness other than the 2021 Refunding Bonds or the 2025B Bonds except Additional Bonds as permitted by the Trust Indenture or indebtedness payable from income of the Building Corporation from some source other than the rental payments under the Lease pledged under the Trust Indenture as long as any of the 2021 Refunding Bonds or the 2025B Bonds are outstanding under the Trust Indenture.

Tax Covenants. In order to preserve the exclusion of interest on the 2025B Bonds from gross income for federal income tax purposes, the Building Corporation represents, covenants and agrees that, among other things, it will not take any action or fail to take any action with respect to the 2025B Bonds that would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the 2025B Bonds pursuant to Section 103 of the Code, nor will the Building Corporation act in any other manner which would adversely affect such exclusion. The Building Corporation is not required to comply with one or more of these tax covenants to the extent the Building Corporation receives an opinion of nationally recognized bond counsel to the effect that any tax covenant is unnecessary to preserve the exclusion of interest on the 2025B Bonds from gross income under federal income tax law.

Insurance

Insurance Required During Construction, Renovation, Expansion and Equipping. During the construction, renovation, expansion and equipping of the Leased Premises, the Building Corporation was required to carry or cause other persons to carry for its benefit builder's risk insurance in the cumulative amount of one hundred percent (100%) of the insurable value of the Structures, physical loss or damage thereto, and bodily injury and property damage insurance. All contracts for the construction, renovation, expansion and equipping of the Structures will or do, require the contractor to carry such insurance as will protect the contractor from liability under Indiana Worker's Compensation and Worker's Occupations Diseases Acts.

Insurance Required After Completion of the Structures. In the Lease, the School Corporation has agreed to carry (i) insurance on the Mortgaged Property against physical loss or damage; (ii) rent or rental value insurance; and (iii) combined bodily injury insurance, including accidental death and property damage with references to the Mortgaged Property in an amount not less than One Million Dollars (\$1,000,000) CSL on account of each occurrence. See "SUMMARY OF CERTAIN PROVISIONS OF THE LEASE - Insurance" in Appendix G of this Official Statement.

<u>Use of Proceeds from Insurance</u>. Subject to the terms of the Lease, the proceeds of such insurance (other than rental value insurance which represents lease rental payments) received by

the Trustee will be applied to the repair, replacement or reconstruction of the damaged or destroyed property. In the event the Building Corporation does not commence to repair, replace or reconstruct the Mortgaged Property within ninety (90) days after damage or destruction, or the Building Corporation abandons or fails diligently to pursue the same, the Trustee may make or complete such repairs, replacements or reconstructions, unless the School Corporation instructs the Building Corporation not to undertake such work in accordance with the Lease (which may occur if, for example, the School Corporation anticipates that the cost of such repair, replacement or reconstruction exceeds the amount of insurance proceeds and other amounts available for such purpose, or that the repair, replacement or reconstruction cannot be completed within the period covered by rental value insurance). If the Building Corporation does not proceed in good faith with repair, replacement or reconstruction for one hundred twenty (120) days or if the School Corporation instructs the Building Corporation not to undertake such work in accordance with the Lease, the Trustee, upon receipt of the insurance moneys, must (unless the Trustee proceeds to make such repairs, replacements or reconstructions) apply the proceeds in the following manner: (i) if the proceeds are sufficient to redeem all the Bonds then outstanding under the Trust Indenture, the Trustee will apply the proceeds to the redemption of such Bonds in an extraordinary prepayment in the manner provided in the Trust Indenture as if redemption had been at the option of the Building Corporation, but without premium or penalty, and (ii) if the proceeds are not sufficient to redeem all the Bonds then outstanding under the Trust Indenture, the Trustee will apply the proceeds to the partial redemption of outstanding Bonds in an extraordinary prepayment, without premium or penalty, in the manner provided by the Trust Indenture in the case of proceeds from the sale of the Mortgaged Property, as described below under the heading "Events of Default and Remedies--Application of Proceeds from Sale of Mortgaged Property" in this Appendix F. Furthermore, if at any time the Mortgaged Property is totally or substantially destroyed and the amount of insurance money is sufficient to redeem all the Bonds then outstanding and such Bonds are then subject to redemption, the Building Corporation, at the written request of the School Corporation, will direct the Trustee to use said moneys for the purpose of redeeming all such Bonds outstanding at the then current redemption price. See "SUMMARY OF CERTAIN PROVISIONS OF THE LEASE - Damage and Destruction of Premises" in Appendix G of this Official Statement.

Mortgaged Property

Unless an event of default under the Trust Indenture has occurred and continues beyond any applicable grace period, the Building Corporation may remain in full possession, enjoyment and control of all of the Mortgaged Property. While in possession of the Mortgaged Property and not in default under the Trust Indenture, the Building Corporation may alter, change, add to, repair or replace any of the Mortgaged Property, provided that the Building Corporation maintains and preserves the value of the Mortgaged Property from substantial impairment or reduction so that the security of the Bonds outstanding under the Trust Indenture is not thereby substantially impaired or reduced.

The Trustee has full power and authority to release from the lien of the Trust Indenture, in the manner and subject to the conditions as the Trustee deems proper, such portion of the Mortgaged Property that has become unfit or unnecessary for use. The proceeds from all sales of such Mortgaged Property which, within ninety (90) days after receipt, are not invested in other

property which becomes subject to the lien of the Trust Indenture will be deposited in the Operation and Reserve Fund.

Events of Default and Remedies

Events of Default. The following are each an "event of default" under the Trust Indenture:

- (i) Default in the payment on the due date of the interest on any Bond outstanding under the Trust Indenture;
- (ii) Default in the payment on the due date of the principal of or premium on any such Bond, whether at the stated maturity thereof, or upon proceedings for the redemption thereof, or upon the maturity thereof by declaration;
- (iii) Default in the performance or observance of any other of the covenants or agreements of the Building Corporation in the Trust Indenture or in the Bonds, and the continuance thereof for a period of sixty (60) days after written notice thereof to the Building Corporation by the Trustee;
- (iv) The Building Corporation: (a) admits in writing its inability to pay its debts generally as they become due, (b) files a petition in bankruptcy, (c) makes an assignment for the benefit of its creditors, or (d) consents to or fails to contest the appointment of a receiver or trustee for itself or of the whole or any substantial part of the Mortgaged Property;
- (v) (a) The Building Corporation is adjudged insolvent by a court of competent jurisdiction; (b) the Building Corporation, on a petition in bankruptcy filed against the Building Corporation, is adjudged a bankrupt; or (c) an order, judgment or decree is entered by any court of competent jurisdiction appointing, without the consent of the Building Corporation, a receiver or trustee of the Building Corporation or of the whole or any substantial part of the Mortgaged Property, and any of the aforesaid adjudications, orders, judgments or decrees is not vacated, set aside or stayed within sixty (60) days from the date of entry thereof;
- (vi) Any judgment is recovered against the Building Corporation or any attachment or other court process issues that becomes or creates a lien upon any of its property, and such judgment, attachment or court process is not discharged or effectually secured within sixty (60) days;
- (vii) The Building Corporation files a petition under the provisions of the United States Bankruptcy Code, or files an answer seeking the relief provided in said Bankruptcy Code;
- (viii) A court of competent jurisdiction enters an order, judgment or decree approving a petition filed against the Building Corporation under the

provisions of said Bankruptcy Code, and such judgment, order or decree is not vacated, set aside or stayed within one hundred twenty (120) days from the date of the entry thereof;

- (ix) Under the provisions of any other law now or hereafter existing for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the Building Corporation or of the whole or any substantial part of the Mortgaged Property, and such custody or control is not terminated within one hundred twenty (120) days from the date of assumption of such custody or control;
- (x) Failure of the Building Corporation to bring suit to mandate the School Corporation to levy a tax to pay the rental provided in the Lease, or such other action to enforce the Lease as is reasonably requested by the Trustee, if such rental is more than sixty (60) days in default; or
- (xi) Any event of default occurs under the Lease.

Remedies. In the case of the happening and continuance of any of the events of default, the Trustee, by notice in writing mailed to the Building Corporation, may, and upon written request of the registered owners of twenty-five percent (25%) in principal amount of the Bonds then outstanding under the Trust Indenture must, declare the principal of all such Bonds, and the interest accrued thereon, immediately due and payable. However, the registered owners of a majority in principal amount of all outstanding Bonds, by written notice to the Building Corporation and to the Trustee, may annul each declaration and destroy its effect at any time before any sale under the Trust Indenture if all agreements with respect to which default has been made are fully performed and all such defaults are cured, and all arrears of interest upon all Bonds outstanding and the reasonable expenses and charges of the Trustee, the Registrar and Paying Agent, its agents and attorneys, and all other indebtedness secured by the Trust Indenture, except the principal of any Bonds not then due by their terms and interest accrued thereon since the then last Interest Payment Date, are paid or the amount thereof is paid to the Trustee for the benefit of those entitled thereto. Interest shall be payable on overdue principal at the rate of interest set forth in each Bond.

Upon the occurrence of one or more events of default, the Building Corporation, upon demand of the Trustee, must surrender to the Trustee the actual possession of all the Mortgaged Property. In such event, the Trustee may, but is under no obligation to: (i) hold, operate and manage the same, and from time to time to make all needed repairs and such extensions, additions or improvements as the Trustee deems wise; (ii) receive the rents, revenues, issues, earnings, income, profits and proceeds thereof and out of the same pay all proper costs and expenses of so taking, holding and managing the same, including reasonable compensation to the Trustee, its agents and counsel, any charges of the Trustee, the Registrar and Paying Agent under the Trust Indenture, any taxes and assessments and other charges prior to the lien of the Trust Indenture which the Trustee may deem it wise to pay, and all expenses in connection therewith; and (iii) apply the remainder of the moneys so received by the Trustee, first, to the payment of the installments of interest which are due and unpaid in the order of their maturity, and next, if the principal of the Bonds is due, to the payment of the principal thereof and the accrued interest

thereon pro rata, without any preference or priority whatsoever except as aforesaid. Whenever all that is due upon the Bonds outstanding under the Trust Indenture and installments of interest and under any of the terms of the Trust Indenture have been paid, and all defaults made good, the Trustee will surrender possession to the Building Corporation, its successors or assigns.

Upon the occurrence of any one or more events of default, the Trustee may, if at the time such action is lawful, sell all the Mortgaged Property as an entirety, or in such parts or parcels as the registered owners of a majority in principal amount of the Bonds outstanding under the Trust Indenture may in writing request, or in the absence of such request as the Trustee may determine, at public auction.

In case of the happening and continuance of any event of default, the Trustee may, and will upon the written request of the registered owners of at least twenty-five percent (25%) in principal amount of the Bonds then outstanding under the Trust Indenture and upon being indemnified to its reasonable satisfaction, proceed to protect and enforce its rights and the rights of the registered owners of the Bonds by suit or suits in equity or at law, in any court of competent jurisdiction, whether for specific performance of any covenant or agreement contained in the Trust Indenture or in aid of any power granted in the Trust Indenture, or for any foreclosure of or under the Trust Indenture, or for the enforcement of any other appropriate legal or equitable remedy. Notwithstanding anything contained in the Trust Indenture to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any law, statute, regulation or similar requirement relating to the environment, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action.

<u>Application of Proceeds from Sale of Mortgaged Property</u>. The proceeds of any sale, together with any other amounts of cash which may then be held by the Trustee as a part of the Mortgaged Property, will be applied as follows:

- (i) to the payment of all costs and expenses of sale, and of all costs of the suit or suits wherein such sale may have been ordered, including all reasonable fees and expenses of the Trustee, and of any receiver or receivers appointed therein, together with reasonable attorneys' and agents' fees of the Trustee, and all costs of advertising and conveyance;
- (ii) to the payment of all other expenses of the trust hereby created, including all moneys paid or advanced by the Trustee, or the registered owners of any Bonds secured by the Trust Indenture, for taxes, tax deeds, assessments, abstracts, repairs, title insurance, insurance, mechanic's and other liens on the Mortgaged Property, or otherwise, in connection with the management or administration of the trusts created by the Trust Indenture, with interest thereon at the highest rate of interest on any of the Bonds when sold, whether then outstanding, from the date or dates paid or advanced;

- (iii) to the payment of all the principal and accumulated and unpaid interest on the Bonds then outstanding in full, if said proceeds are sufficient, but if not sufficient, then to the payment thereof ratably without preference or priority of any one Bond over any other or of interest over principal, or of principal over interest, or of any installment of interest over any other installment of interest; and
- (iv) any surplus thereof remaining, to the Building Corporation, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same.

Limitation on Rights of Bondholders. No owner of any Bond outstanding under the Trust Indenture has the right to institute any proceeding at law or in equity for the foreclosure of the Trust Indenture, or for the appointment of a receiver, or for any other remedy under the Trust Indenture, without first giving notice in writing to the Trustee of the occurrence and continuance of an event of default, and unless the registered owners of at least twenty-five percent (25%) in principal amount of the then outstanding Bonds have made written request to the Trustee and have offered it reasonable opportunity either to proceed to exercise the powers granted under the Trust Indenture or to institute such action, suit or proceeding in its own name, and without also having offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred by the Trustee; and such notice, request and offer of indemnity may be required by the Trustee as conditions precedent to the execution of the powers and trusts of the Trust Indenture or to the institution of any suit, action or proceeding at law or in equity for the foreclosure thereof, for the appointment of a receiver, or for any other remedy under the Trust Indenture, or otherwise, in case of any such default. No one or more registered owners of the Bonds outstanding under the Trust Indenture has any right in any manner whatsoever to affect, disturb or prejudice the lien of the Trust Indenture by such owner's or owners' action, or to enforce any right thereunder except in the manner therein provided, and all proceedings at law or in equity must be instituted, had and maintained in the manner therein provided, and for the equal benefit of all registered owners of outstanding Bonds. However, the right of any registered owner of any Bond outstanding under the Trust Indenture to receive payment of the principal of and interest on such Bond on or after the respective due dates therein expressed, or to institute suit for the recovery of any such payment on or after such respective dates, will not be impaired or affected without the consent of such registered owner.

No recourse under or upon any obligation, covenant or agreement contained in the Trust Indenture or in any Bond secured thereby, or because of the creation of any indebtedness thereby secured, may be had against any incorporator, member, officer, director, employee, or agent, present or future, of the Building Corporation or of any successor Building Corporation, either directly or through the Building Corporation, by the enforcement of any assessment or by any legal or equitable proceeding or by virtue of any statute or otherwise.

Supplemental Trust Indentures

The Building Corporation, Trustee, and the Registrar and Paying Agent may, without notice to or consent of any Bondholder, enter into supplemental trust indentures:

- (i) to cure any ambiguity or formal defect or omission in the Trust Indenture, or in any supplemental indenture; or
- (ii) to grant to or confer upon the Trustee, for the benefit of the registered owners, any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the registered owners or the Trustee; or
- (iii) to provide for the issuance of Additional Bonds as provided in the Trust Indenture; or
- (iv) to procure a rating on the Bonds from a nationally recognized securities rating agency designated in such supplemental indenture, if such supplemental indenture will not adversely affect the owners of the Bonds; or
- (v) to secure or maintain bond insurance with respect to any or all of the Bonds; or
- (vi) to provide for the refunding or advance refunding of any or all of the Bonds; or
- (vii) to evidence the appointment of a separate or co-trustee or the succession of a new Trustee or Paying Agent; or
- (viii) to make any other change which, in the determination of the Building Corporation and the School Corporation in their sole discretion, is not to the prejudice of the owners of the Bonds.

In addition, the registered owners of not less than sixty-six and two-thirds percent (66-2/3%) in aggregate principal amount of the Bonds then outstanding under the Trust Indenture may consent to and approve supplemental indentures as are deemed necessary or desirable by the Building Corporation for the purpose of modifying or amending in any particular any of the terms or provisions contained in the Trust Indenture or in any supplemental indenture; provided, however, that such supplemental indenture does not effect:

- (i) an extension of the maturity of the principal of or interest or premium, if any, on any Bond, or an advancement of the earliest redemption date on any Bond, without the consent of the holder of each Bond so affected; or
- (ii) a reduction in the principal amount of any Bond or the rate of interest thereon or the premium payable upon redemption thereof, or a change in the monetary medium in which such amounts are payable, without the consent of the holder of each Bond so affected; or

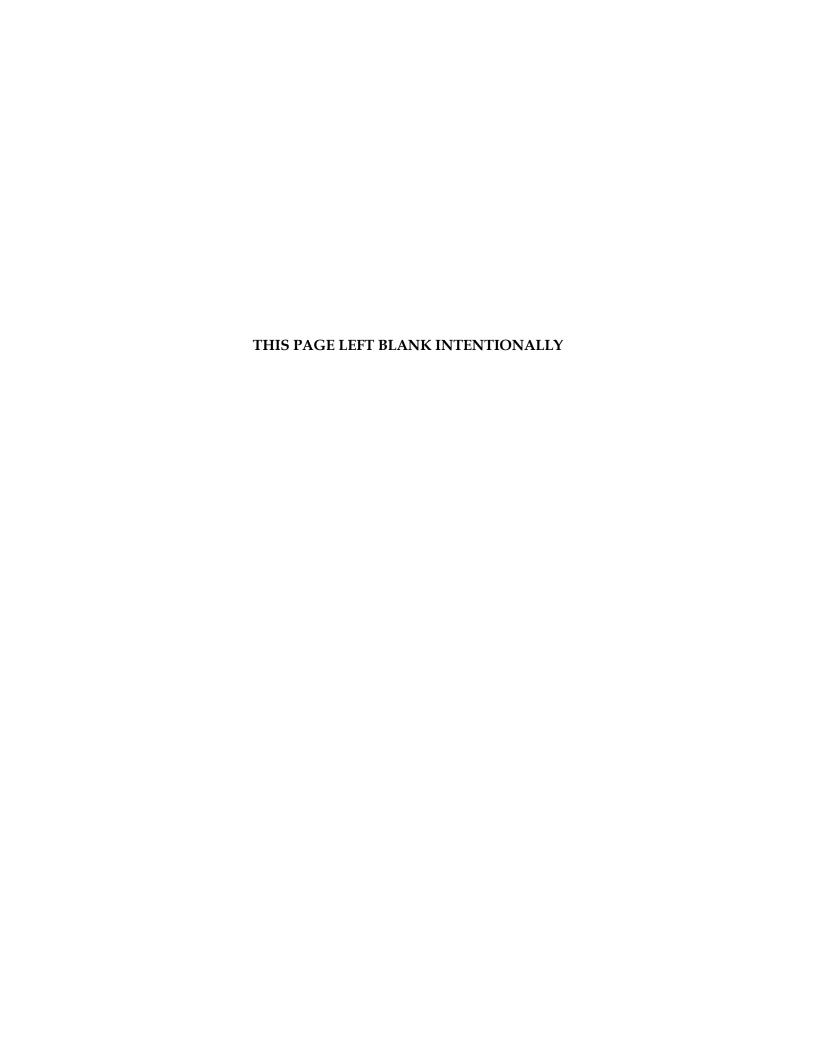
- (iii) the creation of a lien upon the Mortgaged Property ranking prior to or on a parity with the lien created by the Trust Indenture, without the consent of the holders of all Bonds then outstanding; or
- (iv) a preference or priority of any Bond over any other Bond, without the consent of the holders of all Bonds then outstanding; or
- (v) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental indenture, without the consent of the holders of all Bonds then outstanding.

Notwithstanding the foregoing, the rights, duties and obligations of the Building Corporation and of the registered owners of the Bonds, and the terms and provisions of the Bonds and the Trust Indenture, or any supplemental indenture, may be modified or amended in any respect with the consent of the Building Corporation and the consent of the registered owners of all the Bonds then outstanding under the Trust Indenture.

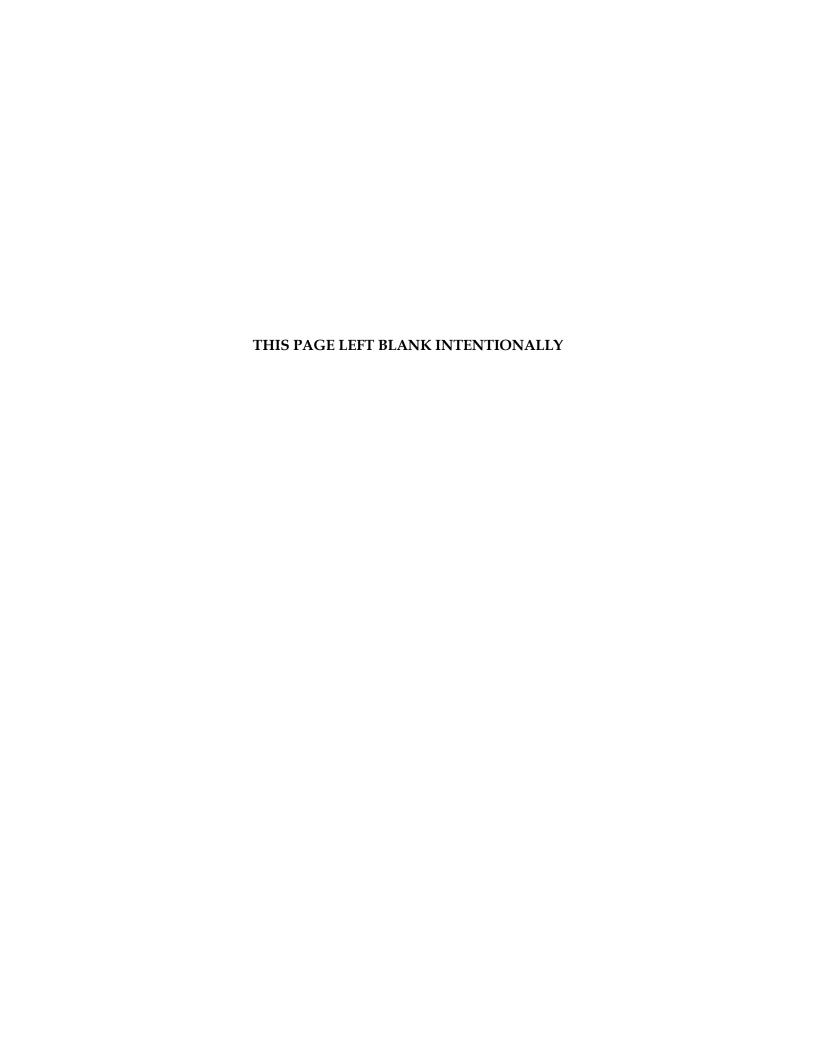
Defeasance

If, when the Bonds outstanding under the Trust Indenture or a portion thereof have become due and payable in accordance with their terms or have been duly called for redemption or irrevocable instructions to call such Bonds or any portion thereof for redemption have been given by the Building Corporation to the Trustee, and the whole amount of the principal, premium, if any, and the interest so due and payable upon such Bonds or any portion thereof then outstanding are paid or (i) sufficient money, or (ii) noncallable Government Obligations, the principal of and the interest on which when due, without reinvestment, will provide sufficient money, or (iii) a combination thereof, are held for such purpose under the provisions of the Trust Indenture, and provision is also made for paying all Trustee's and Paying Agents' fees and expenses and other sums payable under the Trust Indenture by the Building Corporation, the Building Corporation shall be released from all liability on such Bonds or portion thereof and such Bonds shall no longer be deemed to be outstanding under the Trust Indenture. In the event the foregoing applies to all Bonds secured by the Trust Indenture, the right, title and interest of the Trustee will thereupon cease, determine and become void.

Upon any such termination of the Trustee's title, on demand of the Building Corporation, the Trustee will turn over to the Building Corporation or to such officer, board or body as may then be entitled by law to receive the same, any surplus in the Sinking Fund and in the Operation and Reserve Fund and all balances remaining in any other funds or accounts, other than moneys and obligations held for the redemption or payment of the Bonds.



APPENDIX G SUMMARY OF CERTAIN PROVISIONS OF THE LEASE



SUMMARY OF CERTAIN PROVISIONS OF THE LEASE

THE FOLLOWING IS A BRIEF SUMMARY OF CERTAIN PROVISIONS CONTAINED IN THE LEASE. THIS SUMMARY DOES NOT PURPORT TO BE A COMPREHENSIVE DESCRIPTION AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE LEASE. CAPITALIZED TERMS NOT DEFINED IN THIS SUMMARY WILL HAVE THE MEANINGS SET FORTH ELSEWHERE IN THIS OFFICIAL STATEMENT.

General, Term and Rent

In the Lease, the Building Corporation leases to the School Corporation the Leased Premises. Except upon the occurrence and continuation of an event of default under the Lease, the term of the Lease will end on December 31, 20__. The School Corporation may renew for a further like or lesser term upon the same or like conditions established in the Lease.

Under the Lease, the School Corporation agrees to pay the Building Corporation lease rental at the rate per year during the term of the Lease in amounts sufficient to pay the principal of, and interest on the Bonds issued and outstanding under the Trust Indenture (the "Rent" or "Annual Rent"). Each rental installment is payable in advance in semi-annual installments on June 30 and December 31 of each year, with the next existing rental installment due on December 31, 2025, and the first increased rental installment due on June 30, 2026. All Annual Rent payable under the terms of the Lease are paid by the School Corporation to the Trustee.

The Lease provides that the School Corporation will pay as further rental for the Leased Premises all taxes and assessments levied against or on account of the Premises or the receipt of lease rental payments, and amounts required to be paid, after taking into account other available money, to the United States government to prevent the Bonds from becoming arbitrage bonds under Section 148 of the Code.

Operation, Maintenance and Repair of Leased Premises

The Lease provides that the School Corporation will operate, maintain and repair the Premises in good repair, working order and condition at its own expense. At the end of the term of the Lease, the School Corporation will deliver the Leased Premises to the Building Corporation in as good condition as at the beginning of the term of this Leases, reasonable wear and tear excepted.

The School Corporation may, at its own expense, install on any of the Leased Premises personal property which is not an addition or improvement to, modification of or substitution for the facilities comprising the Leased Premises, which will be the sole property of the School Corporation and in which the Building Corporation will have no interest. This additional property of the School Corporation may be modified or removed at any time if the School Corporation is not in default under the Lease.

Insurance

The School Corporation, at its own expense, will keep the Leased Premises insured against physical loss or damage in an amount at least equal to one hundred percent (100%) of the full replacement cost of the Leased Premises, with such exceptions as are ordinarily required by insurers of similar facilities. During the full term of this Leases, the School Corporation will also, at its own expense, carry combined bodily injury insurance, including accidental death, and property damage with references to the Leased Premises in an amount not less than One Million Dollars (\$1,000,000) CSL on account of each occurrence. The School Corporation will also, at its own expense, maintain rent or rental value insurance in an amount equal to the full rental value of the Leased Premises for a period of two (2) years against physical loss or damage.

Damage and Destruction of Leased Premises; Abatement of Rent

The Lease provide that, in the event the Leased Premises are partially or totally destroyed, whether by fire or any other casualty, so as to render the same unfit, in whole or part, for use by the School Corporation: (i) it will then be the obligation of the Building Corporation to restore and rebuild the Leased Premises as promptly as may be done, unavoidable strikes and other causes beyond the control of the Building Corporation excepted; provided, the Building Corporation will not be obligated to expend on such restoration or rebuilding more than the amount of the proceeds received by the Building Corporation from the insurance provided for in the Lease, and provided further, the Building Corporation will not be required to rebuild or restore the Leased Premises if the School Corporation instructs the Building Corporation not to undertake such work because the School Corporation anticipates that either the cost of such work exceeds the amount of insurance proceeds and other amounts available for such purpose, or the work cannot be completed within the period covered by rental value insurance; and (ii) the Rent will be abated, for the period during which the Leased Premises or any part thereof is unfit for use by the School Corporation, in proportion to the percentage of the area of the Leased Premises which is unfit for use by the School Corporation as it relates to the entire Leased Premises. If the School Corporation so instructs the Building Corporation not to undertake such work, the School Corporation will use the insurance proceeds and other amounts available to exercise its option to purchase under the Lease. (See "Option to Purchase Leased Premises" below)

In certain circumstances, proceeds of insurance may be used for redemption of Bonds. See "SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE--Insurance--Use of Proceeds from Insurance" in Appendix F of this Official Statement.

Option to Purchase Leased Premises

The School Corporation has the right and option, on any date prior to the expiration of the Lease, to purchase the Leased Premises at a price equal to the amount required to enable the Building Corporation to pay or defease all indebtedness related to the Leased Premises, including the Bonds as determined by the Building Corporation and the Trustee, and to enable the Building Corporation to liquidate, if the Building Corporation is to be liquidated, by paying the expense and charges of liquidation, and to pay the cost of transferring the Leased Premises.

Transfer of Ownership to School Corporation

In the event the School Corporation has not exercised its option to purchase all of the Leased Premises, or its option to renew the Lease, then upon expiration of the Lease and full performance by the School Corporation of its obligations under the Lease, the Leased Premises will become the absolute property of the School Corporation.

Defaults

The Lease provide that if the School Corporation defaults (i) in the payment of any rentals or other sums payable to the Building Corporation under the Lease, or (ii) in the observance of any other covenant, agreement or condition thereof and such default continues for ninety (90) days after written notice to correct the same, the Building Corporation may protect and enforce its rights by suit in equity or at law in any court of competent jurisdiction, or may authorize or delegate the authority to file a suit, or the Building Corporation, at its option and without further notice, may terminate the estate and interest of the School Corporation thereunder, and the Building Corporation may resume possession of the Leased Premises. The exercise by the Building Corporation of its right to terminate the Lease will not release the School Corporation from the performance of any obligation under the Lease maturing prior to the Building Corporation's actual entry into possession.

