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June 26, 2024

Board of Directors
Indianapolis Local Public Improvement Bond Bank
Marion County, Indiana

We have reviewed the audit report of the Indianapolis Local Public Improvement Bond Bank, which was opined upon by Mayer Hoffman McCann P.C., Independent Public Accountants, for the period January 1, 2023 to December 31, 2023. Per the *Independent Auditors' Report*, the financial statements included in the report present fairly the financial condition of the Indianapolis Local Public Improvement Bond Bank as of December 31, 2023, and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

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

Tammy R. White, CPA
Deputy State Examiner



**THE INDIANAPOLIS LOCAL PUBLIC
IMPROVEMENT BOND BANK**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

December 31, 2023 and 2022

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

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Independent Auditors' Report

**To the Board of Directors
Indianapolis Local Public Improvement Bond Bank
Indianapolis, Indiana**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Indianapolis Local Public Improvement Bond Bank (the "Bond Bank"), which comprise the statement of net position as of December 31, 2023, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net position of the Bond Bank as of December 31, 2023, and the results of its revenues, expenses and changes in net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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* (GAGAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Bond Bank 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 opinion.

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 Bond Bank'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.

Auditors' 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 opinion. 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 GAGAS 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 GAGAS, 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 Bond Bank'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 Bond Bank's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (Unaudited), Schedule of the Bond Bank's Proportionate Share of the Net Pension Liability (Unaudited), and Schedule of the Bond Bank's Contributions (Unaudited) 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2024, on our consideration of Indianapolis Local Public Improvement Bond Bank’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and other matters. The purpose of that report is 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 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 Indianapolis Local Public Improvement Bond Bank’s internal control over financial reporting and compliance.

Other Matter - Report on the 2022 Financial Statements

The financial statements of Indianapolis Local Public Improvement Bond Bank as of and for the year ended December 31, 2022, were audited by other auditors whose report dated July 27, 2023, expressed an unmodified opinion on those financial statements.



Indianapolis, Indiana
May 20, 2024

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited) DECEMBER 31, 2023 and 2022

As management of The Indianapolis Local Public Improvement Bond Bank (Bond Bank), we offer readers of the Bond Bank's financial statements this narrative overview and analysis of the financial activities of the Bond Bank as of and for the years ended December 31, 2023 and 2022. All amounts, unless otherwise indicated, are expressed in thousands of dollars and are approximate.

FINANCIAL HIGHLIGHTS

- For 2023 and 2022, revenues exceeded expenses by \$228K and \$365K, respectively, which is reflected in the increase in net position.
- Total assets increased from \$4.80 billion at December 31, 2022 to \$5.66 billion at December 31, 2023. This is an increase of approximately \$860 million. This increase occurred primarily in restricted cash and loans receivable.
- During 2022, the Bond Bank issued \$594 million in new and refunding bonds. The Bond Bank's Series 2022 B bonds, Series 2022 C Stormwater bonds, Series 2022 F bonds, and Series 2022 H bonds accounted for \$290 million of the refunding bonds issued. The proceeds of Series 2022 B bonds, \$128 million, were used to refund Elanco Headquarters and Bridge Projects. The proceeds of Series 2022 C Stormwater bonds, \$50 million, were used to refund the Stormwater Project. The proceeds of Series 2022 F bonds, \$70 million, were used to refund the outstanding SWAPs related to the Indianapolis Airport Authority Project. The proceeds of Series 2022 H bonds, \$42 million, were used to refund the One America Garage Project, 16 Tech Project and Fire Station Project. The Bond Bank's Series 2022 D and G bonds accounted for \$65 million and \$175 million, respectively, of the new bonds issued. The proceeds of Series 2022 D were used to fund the Indianapolis Public Transportation Corporation Project. The proceeds of Series 2022 G bonds were used to fund the Indianapolis Airport Authority Project.
- During 2023, the Bond Bank issued \$1.05 billion in new and refunding bonds. The Bond Bank's Series 2023 A bonds, Series 2023 B bonds, Series 2023 C bonds, and Series 2023 I bonds amounted to \$425 million and accounted for the refunding bonds issued. The proceeds of Series 2023 A bonds, \$33 million, were used to refund bonds outstanding related to the Wishard Hospital Projects. The proceeds of Series 2023 B bonds, \$92 million, were used to refund notes outstanding related to the Circle City Forward Phase II Project. The proceeds of Series 2023 C, \$94 million, and Series 2023I, \$206 million, were used to refund multiple bonds outstanding related to the Indianapolis Airport Authority Project. The Bond Bank's Series 2023 D bonds, Series 2023 E bonds, Series 2023 F bonds, and Series 2023 G bonds accounted for \$603 million of the new bonds issued. The proceeds of Series 2023 D, Series 2023 E, Series 2023 F, Series 2023 G were used to fund the Expansion of the Indiana Convention Center and Hotel on Pan Am Plaza Project.
- During 2022, there was a \$4.89 million draw on the 2019 A Notes, \$0.74 million draw on the 2021 A Notes and \$0.85 million draw on the 2022 A Notes. During 2023, there was \$16.85 million drawn on the 2021 A Notes and \$14.12 million drawn on the 2022 A Notes.
- During 2022, the Bond Bank made principal payments of \$323 million on bonds payable and \$57 million on notes payable. During 2023, the Bond Bank made principal payments of \$317.54 million on bonds payable and \$14.97 million on notes payable.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Bond Bank's basic financial statements. The Bond Bank is an instrumentality of the City of Indianapolis and is maintained as a Proprietary Fund. Proprietary Funds are used to report any activities for which income fees are charged to external users for goods and services. In addition, Proprietary Funds must be used in situations where debt is backed solely by fees and charges. A Proprietary Fund is accounted for in a manner similar to a commercial enterprise on the accrual basis of accounting.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The Bond Bank's financial statements include statements of net position, statements of revenues, expenses and changes in net position, statements of cash flows, and the notes to the financial statements. All information included in this discussion and analysis is presented for the three most recent fiscal years to provide the opportunity for comparison between the years.

The *statements of net position* present information on all of the Bond Bank's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position.

The *statements of revenues, expenses and changes in net position* present information showing how the Bond Bank's net position changed during each year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

In contrast, the *statements of cash flows* are concerned solely with flows of cash and cash equivalents. Transactions are recorded when cash is received or exchanged, without concern of when the underlying event causing the transactions occurred.

These audited financial statements can be found on pages 10 to 12 of this report.

The *notes to the financial statements* provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 13 to 45 of this report.

FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of an entity's financial position. In the case of the Bond Bank, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$6.82 million at the close of the most recent fiscal year.

The Indianapolis Local Public Improvement Bond Bank's Net Position (In Thousands of Dollars)

	2023	2022	2021
Current assets	\$ 855,852	\$ 551,454	\$ 533,560
Noncurrent assets	4,804,500	4,247,877	3,988,281
Total Assets	<u>5,660,352</u>	<u>4,799,331</u>	<u>4,521,841</u>
Deferred Outflows of Resources	<u>671</u>	<u>714</u>	<u>18,227</u>
Current liabilities	940,984	667,687	679,367
Long-term liabilities	4,713,190	4,125,705	3,854,221
Total Liabilities	<u>5,654,174</u>	<u>4,793,392</u>	<u>4,533,588</u>
Deferred Inflows of Resources	<u>29</u>	<u>61</u>	<u>253</u>
Net Position	<u>\$ 6,820</u>	<u>\$ 6,592</u>	<u>\$ 6,227</u>

FINANCIAL ANALYSIS (CONTINUED)

Loans receivable vary year to year as the Bond Bank issues debt funding the projects of the qualified entities. As new and existing projects are undertaken and completed, additional bonds are issued on behalf of the qualified entities to fund the projects. Current bond and note balances decrease as scheduled debt service is made and issues mature. During the years ending December 31, 2023 and 2022, bonds and notes issued exceeded the pay down of principal balances outstanding.

The Indianapolis Local Public Improvement Bond Bank's Statements of Revenue, Expenses and Changes in Net Position (In Thousands of Dollars)

	2023	2022	2021
Operating Revenues:			
Interest	\$ 156,283	\$ 143,134	\$ 143,414
Fees	3,805	3,140	3,033
Other	315	92	5
Total Operating Revenues	<u>160,403</u>	<u>146,366</u>	<u>146,452</u>
Operating Expenses:			
Interest	155,998	143,058	143,400
Administrative costs	1,652	1,462	1,256
Total Operating Expenses	<u>157,650</u>	<u>144,520</u>	<u>144,656</u>
Operating Income	2,753	1,846	1,796
Non-Operating Activities	<u>(2,525)</u>	<u>(1,481)</u>	<u>(1,930)</u>
Increase (Decrease) in Net Position	228	365	(134)
Net Position:			
Beginning of Year	<u>6,592</u>	<u>6,227</u>	<u>6,361</u>
End of Year	<u>\$ 6,820</u>	<u>\$ 6,592</u>	<u>\$ 6,227</u>

The Bond Bank's net position increased by approximately \$228 thousand during 2023. Key elements of this increase are as follows:

Total operating revenues increased by \$14.04 million. Interest income is received on loans receivable, as well as investments, and increased \$2.53 million. Interest income increased an additional \$10.62 million as a result of the current year including income related to termination fees for the City of Indianapolis, Indianapolis Airport Authority Bonds, Series 2010 L bonds paid by proceeds of the Indianapolis Airport Authority Refunding Revenue Bonds, Series 2023 A. Operating fees revenue increased by \$665 thousand. Other revenue increased by \$223 thousand.

Total operating expenses increased by \$13.13 million. Interest expense on bonds payable increased \$2.32 million. Interest expense increased an additional \$10.62 million as a result of the current year including expense related to termination fees for Bond Banks Series 2010 L bonds paid by proceeds of Bond Bank's Series 2023 C refunding bonds. The remainder of the operating expenses consists of administrative expenses, trustee fees and professional fees and increased \$190 thousand.

Total non-operating activities increased by \$1.04 million.

FINANCIAL ANALYSIS (CONTINUED)

The Bond Bank's net position increased by approximately \$365 thousand during 2022. Key elements of this increase are as follows:

Total operating revenues decreased by \$86 thousand. Interest income is received on loans receivable, as well as investments, and decreased \$280 thousand. Operating fees revenue increased by \$107 thousand. Other revenue increased by \$87 thousand.

Total operating expenses decreased by \$136 thousand. Interest expense on bonds payable decreased \$343 thousand. The remainder of the operating expenses consists of administrative expenses, trustee fees and professional fees and increased \$206 thousand.

Total non-operating expenses decreased by \$449 thousand.

The figures above include all trust activity whose revenues and expenses, primarily interest-related, depend solely on the timing and payment structure of the bond and note issues. Remove all trust activity, and the Bond Bank's day-to-day operational division remains. The Bond Bank's operations experienced an overall net income of \$222 thousand in 2023 and \$356 thousand in 2022.

The Bond Bank provides financial support to certain City of Indianapolis initiatives and properties. They include Develop Indy, which offers a number of strategic resources to make doing business in Indianapolis profitable; Union Station, which leases out space for a wide variety of purposes, including retail and office use. Furthermore, the Bond Bank provides funding to aid the City with certain contracts, professional services, sponsorships, and causes throughout the year.

The Bond Bank is able to help fund these initiatives, amongst others, with the revenue it generates via new issuance fees and its yearly continual fees on the outstanding debt balance of each bond or note issue at the beginning of the year (ranging from 5 to 10 basis points in 2023, with some issues having their fee waived altogether). The fee revenue earned from those issues in which the City of Indianapolis serves as the qualified entity is offset by the monetary assistance the Bond Bank then provides back to the City. In 2023 and 2022, the financial support supplied to the aforementioned initiatives, properties, contracts, sponsorships, and causes exceeded the fee revenues earned from bond and note issues in which the City of Indianapolis is the qualified entity, resulting in a net loss of \$174 thousand and \$9 thousand, respectively.

DEBT ADMINISTRATION

Long-term Debt: At the end of the current fiscal year, the Bond Bank had bonds and notes payable net of premium/discount of approximately \$5.08 billion. The bonds and notes payable are secured by specified revenue sources.

The Indianapolis Local Public Improvement Bond Bank's Outstanding Debt (In Thousands of Dollars)

	2023	2022	2021
Bonds payable	\$ 5,059,514	\$ 4,326,323	\$ 4,026,583
Notes payable	17,931	1,936	52,550

During 2023, the Bond Bank issued \$1.05 billion in new and refunding bonds. In addition, approximately \$31 million was drawn on existing notes payable. During 2022, the Bond Bank issued \$594 million in new and refunding bonds and \$0.85 million in new notes payable. In addition, approximately \$5.63 million was drawn on existing notes payable.

DEBT ADMINISTRATION (CONTINUED)

Following is a summary of the new bonds and notes issued in the current fiscal year.

Bond Series 2023 A (\$32,765,000) was used to refund the outstanding principal amount of Indianapolis Local Public Improvement Bond Bank Bonds, Series 2013 A plus any accrued interest, as well as purchase the Indianapolis-Marion County Building Authority Wishard Hospital Project Refunding Bonds, Series 2023 A. A portion of the proceeds was used to pay the cost of issuance of the Series 2023 A (Wishard Hospital Project) Bonds as well.

Bond Series 2023 B (\$92,665,000) was used to refund the outstanding principal amount of Indianapolis Local Public Improvement Bond Bank Notes, Series 2022 A plus any accrued interest, as well as purchase the Indianapolis-Marion County Building Authority Lease Rental Revenue Bonds, Series 2023 A (Circle City Forward Phase II Project). A portion of the proceeds was used to fund the debt service reserve fund surety policies to replace moneys on deposit in the debt service reserve fund upon completion of each Series 2023 B Project and pay capitalized interest as well as the cost of issuance of the Series 2023 B Bonds.

Bond Series 2023 C (\$93,700,000) was used to refund the outstanding principal amount of Indianapolis Local Public Improvement Bond Bank Bonds, Series 2010 L-3, Series 2010 L-4 and Series 2010 L-5. and pay the costs to terminate associated interest rate swaps, as well as purchase the Indianapolis Airport Authority Revenue Refunding Bonds, Series 2023 A. A portion of the proceeds was used to pay the cost of issuance on the Series 2023 C Bonds and pay any costs of terminating or novating and swap transactions related to the Refunded Airport Obligations.

Bond Series 2023 D (\$155,000,000) was used to purchase the City of Indianapolis Redevelopment District Ad Valorem Property Tax Bonds, Series 2023 A (Ad Valorem Property Tax Funded Project) for the Expansion of the Indiana Convention Center on Pan Am Plaza. A portion of the proceeds was used to pay the premium for a municipal bond insurance debt service reserve fund surety policy and pay capitalized interest as well as the cost of issuance of the Series 2023 D Bonds.

Bond Series 2023 E (\$208,860,000) was used to purchase City of Indianapolis Redevelopment District Convention Center Hotel Senior Revenue Bonds, Series 2023 A. A portion of the proceeds was used to fund a reserve allocable to the Series 2023 E Bonds and pay capitalized interest and fees, as well as the cost of issuance of the Series 2023 E Bonds.

Bond Series 2023 F (\$214,500,000) was used to purchase City of Indianapolis Redevelopment District Convention Center Hotel Subordinate Revenue Bonds, Series 2023 B-1 (City Moral Obligation) and the Convention Center Hotel Subordinate Revenue Bonds, Series B-2. A portion of the proceeds was used to fund a reserve allocable to the Series 2023 F Bonds, pay the premium for a municipal bond insurance debt service reserve fund surety policy and pay capitalized interest and fees, as well as the cost of issuance of the Series 2023 F Bonds.

Bond Series 2023 G (\$25,000,000) was used to purchase City of Indianapolis Redevelopment District Convention Center Hotel Junior Revenue Bonds, Series 2023 C. A portion of the proceeds was used to fund a reserve allocable to the Series 2023 G Bonds and pay capitalized interest and fees, as well as the cost of issuance of the Series 2023 G Bonds.

Bond Series 2023 H (\$21,980,000) was used to purchase the City of Indianapolis Redevelopment District Bonds, Series 2023 B (Broad Ripple Park Family Center Project). A portion of the proceeds was used to fund a reserve allocable to the Series 2023 H Bonds and pay capitalized interest as well as the cost of issuance of the Series 2023 H Bonds.

Bond Series 2023 I (\$205,715,000) was used to refund the outstanding and callable principal portion of the Indianapolis Local Public Improvement Bond Bank Bonds, Series 2014 D plus any accrued interest, as well as purchase the Indianapolis Airport Authority Revenue Bonds, Series 2023 B-1 and Indianapolis Airport Authority Revenue Bonds, Series 2023 B-2. A portion of the proceeds was used to pay capitalized interest as well as the cost of issuance on the Series 2023 I Bonds and certain program expenses of the Bond Bank.

REQUESTS OF INFORMATION

This financial report is designed to provide a general overview of the Bond Bank's finances. Questions concerning any of this information should be addressed to the Indianapolis Local Public Improvement Bond Bank, 200 East Washington Street, Suite 2260, Indianapolis, IN 46204. Additional information is available at www.indianapolisbondbank.com.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

STATEMENTS OF NET POSITION

December 31, 2023 and 2022

	2023	2022
ASSETS		
Current Assets:		
Cash and equivalents	\$ 7,612,509	\$ 7,295,923
Cash and equivalents-restricted	402,289,392	267,108,853
Interest receivable	77,828,905	69,677,073
Investments held by trustee, at fair value	3,160,000	3,160,000
Loans receivable from qualified entities	364,806,760	203,385,940
Receivables and advances to qualified entities-net of allowance for doubtful accounts of \$0 in 2023 and 2022	14,729	698,677
Prepaid expenses and other assets	139,712	127,800
Total Current Assets	855,852,007	551,454,266
Noncurrent Assets:		
Long term restricted investments	79,077,196	110,184,972
Long term investments held by trustee, at fair value	13,012,359	13,012,359
Loans receivable from qualified entities	4,712,410,890	4,124,679,178
Total Noncurrent Assets	4,804,500,445	4,247,876,509
TOTAL ASSETS	5,660,352,452	4,799,330,775
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding of debt-net	512,458	580,406
Deferred outflows of resources related to pensions	158,623	133,878
Total Deferred Outflows of Resources	671,081	714,284
LIABILITIES		
Current Liabilities:		
Interest payable	77,819,631	69,635,884
Accounts payable and accrued expenses	318,027	487,217
Unearned revenue - current	388,990	407,100
Funds held for qualified entities	497,835,412	393,901,373
Notes payable - current	17,930,975	854,033
Bonds payable - current	346,690,785	202,401,907
Total Current Liabilities	940,983,820	667,687,514
Noncurrent Liabilities:		
Notes payable	-	1,081,973
Bonds payable	4,712,823,079	4,123,921,093
Unearned revenue	-	388,990
Pension liability	367,404	312,545
Total Noncurrent Liabilities	4,713,190,483	4,125,704,601
Total Liabilities	5,654,174,303	4,793,392,115
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	29,170	60,842
NET POSITION, UNRESTRICTED	\$ 6,820,060	\$ 6,592,102

See accompanying notes.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended December 31, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Interest	\$ 156,283,167	\$ 143,134,240
Fees	3,804,905	3,140,055
Other	314,716	91,742
Total Operating Revenues	160,402,788	146,366,037
OPERATING EXPENSES		
Interest	155,997,897	143,058,275
Administrative costs	1,651,540	1,462,534
Total Operating Expenses	157,649,437	144,520,809
OPERATING INCOME	2,753,351	1,845,228
NON-OPERATING ACTIVITIES		
Allowance and expenditures for the City	1,528,005	900,995
Allowance and expenditures for Union Station	997,388	579,622
Total Non-Operating Activities	2,525,393	1,480,617
INCREASE IN NET POSITION	227,958	364,611
NET POSITION		
Beginning of Year	6,592,102	6,227,491
End of Year	\$ 6,820,060	\$ 6,592,102

See accompanying notes.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

STATEMENTS OF CASH FLOWS Years Ended December 31, 2023 and 2022

	2023	2022
OPERATING ACTIVITIES		
Fees received	\$ 3,397,805	\$ 2,715,720
Cash payments for salaries, administrative and other expenses	(1,519,484)	(1,222,413)
Maturities of loans to qualified entities	332,643,111	375,555,709
Issuance of loans to qualified entities	(1,081,795,643)	(629,372,807)
Deferred loss on refunding of debt	67,948	79,676
Proceeds from debt issuance	1,081,698,944	629,246,087
Principal payments to reduce indebtedness	(332,513,111)	(380,120,709)
Interest received on loans and investments	148,131,335	140,203,339
Interest paid on bonds and notes payable	(147,814,150)	(140,098,519)
Net Cash Provided By (Used In) Operating Activities	2,296,755	(3,013,917)
INVESTING ACTIVITIES		
Decrease in investments	31,107,776	29,563,010
Net Cash Provided by Investing Activities	31,107,776	29,563,010
NON-CAPITAL FINANCING ACTIVITIES		
Transfers and expenditures for qualified entities	102,092,594	23,564,103
Net Cash Provided By Non-Capital Financing Activities	102,092,594	23,564,103
NET INCREASE IN CASH AND EQUIVALENTS	135,497,125	50,113,196
CASH AND EQUIVALENTS		
Beginning of Year	274,404,776	224,291,580
End of Year	\$ 409,901,901	\$ 274,404,776
CASH AND EQUIVALENTS		
Cash and equivalents	\$ 7,612,509	\$ 7,295,923
Cash and equivalents-restricted	402,289,392	267,108,853
	\$ 409,901,901	\$ 274,404,776
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 2,753,351	\$ 1,845,228
Adjustments to reconcile operating income to net cash provided by operating activities:		
Change in prepaid expenses and other assets	(11,912)	(25,066)
Change in accounts payable and accrued expenses	(169,190)	202,831
Change in unearned revenue	(407,100)	(424,335)
Change in pension liability	54,859	154,117
Change in deferred outflows of resources related to pensions	(24,745)	8,184
Change in deferred inflows of resources related to pensions	(31,672)	(191,687)
Change in loans receivable from qualified entities	(749,152,532)	(253,817,098)
Change in interest receivable	(8,151,832)	(2,930,901)
Change in deferred loss on refunding of debt-net	67,948	79,676
Change in bonds and notes payable	749,185,833	249,125,378
Change in interest payable	8,183,747	2,959,756
Net Cash Provided By Operating Activities	\$ 2,296,755	\$ (3,013,917)

See accompanying notes.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

NOTES TO FINANCIAL STATEMENTS Years Ended December 31, 2023 and 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: The Indianapolis Local Public Improvement Bond Bank (the Bond Bank) was created in 1985 under applicable State of Indiana statutes. The Bond Bank is an instrumentality of the City of Indianapolis (City) but is not a City agency and has no taxing power. It has separate corporate and sovereign capacity and its board is composed of five directors appointed by the Mayor of the City. The Bond Bank is authorized to buy and sell securities for the purpose of providing funds to the following:

- City of Indianapolis, including all special taxing districts
- Health and Hospital Corporation of Marion County
- Indianapolis Public Transportation Corporation (IndyGo)
- Capital Improvement Board of Managers (Marion Co., IN)
- Marion Co. Convention & Recreational Facilities Authority
- Charter Schools (Sponsored by the Mayor's Office of Education)
- Marion County, Indiana
- Indianapolis Airport Authority
- Indianapolis-Marion Co. Building Authority
- Fort Harrison Reuse Authority
- Citizens Energy Group

The Bond Bank enables the qualified entities to issue debt, in some circumstances, at a lower cost of borrowing and on more favorable terms than would be possible by financing on their own. To accomplish its purpose, the Bond Bank may issue its own bonds or notes. It also has general powers to enter into, make, and perform contracts of every lawful kind to accomplish its purpose. Bonds and notes are issued by the Bond Bank to provide funds to loan to the qualified entities and are limited obligations of the Bond Bank. They are secured and payable solely from principal and interest payments received by the Bond Bank on loans to qualified entities (evidenced by bonds and notes issued by the qualified entities) that were made from proceeds of the issuance of particular bonds or notes, and in certain issues, from designated funds and earnings held in trust. Owners of the Bond Bank bonds and notes have a claim solely against the payments received on the respective loans to qualified entities made by the Bond Bank with proceeds from the issuance of particular bonds or notes (and other funds held in trust when applicable) and have no claims or rights against any other assets held by the Bond Bank. Indiana statutes permit the Bond Bank to invest in securities authorized by its respective fiduciary documents. These investments include obligations of the U.S. Treasury and U.S. agencies, commercial paper, certificates of deposit, repurchase agreements, passbook savings, money market deposit accounts, guaranteed investment contracts and negotiable order of withdrawal accounts. Repurchase agreements are required to be fully collateralized by interest-bearing obligations as determined by the current market value computed on the day the agreement is effective.

The Bond Bank was established to develop infrastructure, promote education and tourism, and assist in the economic development of the City of Indianapolis. Accordingly, financial support is provided to certain city initiatives and properties. Such support indirectly maintains the credit rating of the Bond Bank, and helps it achieve its statutory purpose. Board approved financial support expenditures represent support of historical city properties and economic development initiatives.

Basis of Presentation: The Bond Bank is accounted for as a Proprietary Fund. The financial statements of the Bond Bank have been prepared on the accrual basis of accounting and using the economic resources measurement focus. Accordingly, the Bond Bank recognizes revenue in the period earned and expenses in the period incurred. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The proprietary statement of revenues, expenses and changes in net position is segregated into operating and non-operating sections. Operating activities are a direct result from the provision of goods and services and are directly related to the principal and usual activity of a fund. Non-operating income is the portion of the organization's income that is derived from activities not related to its core business operations. As the Bond Bank's main business activities include financing and investing in bonds and notes, the income and expenses related to these activities are classified in the operating category.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Cash Equivalents: The Bond Bank considers all investments in commercial paper, certificates of deposit, and money market deposits with original maturities of three months or less to be cash equivalents.

Investments: The Bond Bank categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Changes in the fair value of investments are included in the statement of revenues, expenses and changes in net position.

Loans to Qualified Entities: Loans to qualified entities are recorded at cost and adjusted for amortization of discounts/premiums on a basis approximating a constant return rate over the remaining life of the loan.

Deferred Outflows of Resources: The Bond Bank reports decreases in net position that relate to future periods as deferred outflows of resources in a separate section of its statement of net position.

Deferred Inflows of Resources: The Bond Bank's statement of net position reports a separate section for deferred inflows of resources, which reflects an increase in net position that applies to future periods.

Debt Disclosures for Direct Borrowings: In accordance with GASB Statement No. 88, the Bond Bank discloses unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. This Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

Pension Plan: The employees of the Bond Bank participate in the Indiana Public Retirement System (INPRS). The Bond Bank recognizes its proportionate share of the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to the pension and pension expense. Deferred outflows and inflows represent changes in the Bond Bank's allocated proportion from the previous year; differences between the Bond Bank's contributions to the Plan and its proportionate share, actual Plan investment earnings and expected amounts, and expected and actual experience on the Plan included in determining pension expense; and the impact of changes in assumptions on the net pension liability, all of which are being amortized into pension expense over four and a half years. Deferred outflows of resources also include contributions made to the Plan between the Plan's measurement date for the net pension liability and the end of the Bond Bank's fiscal year.

Original Issue Premiums and Discounts: Original issue premiums and discounts on bonds are amortized using a method that approximates the effective interest method over the life of the bonds to which they relate.

Bond Issuance Costs: Bond issuance costs are financed through proceeds from the sale of the bonds and included in loans receivable from qualified entities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position: In the proprietary fund financial statements, the components of net position are categorized as follows:

- *Net Investment in capital assets* – This category is comprised of capital assets including lease assets, net of accumulated depreciation and amortization, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition or construction of those assets.
- *Restricted* – This category represents resources that have external restrictions imposed by outside parties (e.g., creditors, grantors, contributors) or by law through constitution provisions or enabling legislation.
- *Unrestricted* – This category represents resources that are not subject to externally imposed restrictions and that may be used to meet ongoing obligations to the public and creditors.

When both restricted and unrestricted resources are available for use, it is the Bond Bank's policy to use restricted resources first, then unrestricted resources as they are needed. The Bond Bank's resources and net position is categorized as unrestricted as of December 31, 2023 and 2022.

Income Taxes: The Bond Bank is exempt from federal and state income taxes.

Defeasance of Debt: Subject to specific covenants with bond or note holders, the Bond Bank considers debt to be defeased when cash or other assets are deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on a specific obligation. The related liability and assets held in trust for the related bonds are removed from the financial statements. The difference between the cost of escrowed funds to defease debt and the net carrying amount of defeased debt is amortized as a component of interest expense over the life of the new debt or the defeased debt, whichever is shorter.

New Accounting Principles Applicable to Bond Bank: In 2022, the GASB issued Statement No 100: "*Accounting Changes and Error Corrections – An Amendment of GASB Statement No 62.*" The statement is effective for fiscal years beginning after June 15, 2023, with earlier adoption encouraged. This Statement requires that changes in accounting principles and error corrections be reported retroactively by restating prior periods and changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement apply to implementation of a new pronouncement in the absence of specific transition provisions and require the aggregate amount of adjustments to and restatements of beginning balances by displayed by reporting unit in the financial statements. The statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice.

In 2022, the GASB issued Statement No 101: "*Compensated Balances.*" The statement is effective for fiscal years beginning after December 15, 2023, with earlier adoption encouraged. The statement better meets the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and amending certain previously required disclosures.

In 2023, the GASB issued Statement No 102: "*Certain Risk Disclosures.*" The statement is effective for fiscal years beginning after June 15, 2024, with earlier adoption encouraged. The statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The statement will provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

The effect of implementation of these Statements has not yet been determined.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events: The Bond Bank has evaluated the financial statements for subsequent events occurring through May 17, 2024, the date the financial statements were available to be issued. See Note 14.

NOTE 2 - DEPOSITS AND INVESTMENTS

Proceeds of certain note and bond issues are invested with various banks in their capacity as trustees under trust agreements executed concurrently with the indentures and are pledged to the repayment of certain notes payable and bonds payable. The Bond Bank Act permits funds to be invested as provided in trust indentures executed by the Bond Bank and based on resolutions of its Board of Directors.

As of December 31, 2023 and 2022, the Bond Bank held certain financial assets that are required to be measured at fair value on a recurring basis. The guaranteed investment contracts are considered to be a Level 2 in the fair value hierarchy defined in Note 1. All remaining assets are considered to be Level 1, except for cash which is reported at cost.

The Bond Bank's deposits and investments at December 31, 2023, are summarized as follows:

	Cost	Fair Value
U.S. Government agency obligations	\$ 340,103,755	\$ 329,809,579
Money market funds	151,557,009	151,557,009
Guaranteed investment contracts	16,172,359	16,172,359
Cash	7,612,509	7,612,509
Total Deposits and Investments	<u>\$ 515,445,632</u>	<u>\$ 505,151,456</u>

The Bond Bank's deposits and investments at December 31, 2022, are summarized as follows:

	Cost	Fair Value
U.S. Government agency obligations	\$ 272,502,478	\$ 257,109,402
Money market funds	120,184,408	120,184,423
Guaranteed investment contracts	16,172,359	16,172,359
Cash	7,295,923	7,295,923
Total Deposits and Investments	<u>\$ 416,155,168</u>	<u>\$ 400,762,107</u>

Deposits with Financial Institutions

Custodial risk is the risk that in the event of bank failure, the Bond Bank's deposits may not be returned to it. The Bond Bank's cash deposits are insured by Federal Deposit Insurance Corporation (FDIC). Any cash deposits in excess of the \$250K FDIC limits are partially or fully collateralized by the depository institution and insured by the Indiana Public Deposits Insurance Fund (PDIF) via the pledged collateral from the institutions securing deposits of public funds. The PDIF is a multiple financial institution collateral pool as provided under Indiana Code ("IC"), Section 5-13-12-1.

The 2019 A Bond Trust Indenture provides for the establishment and maintenance of a Debt Service Reserve Account for the purpose of assuring the adequacy of funds for the payment of interest on and principal of the bonds. A Reserve Policy was put in place upon the closing of the Debt Service Reserve Agreement dated September 30, 2019. The Reserve Policy was to be held by U.S. Bank National Association, as trustee on the Bonds. The trustee, in turn, released the funds held in the "Bond Issuance Expense Account" to make payment to cover the cost of Reserve Policy upon the closing of the Agreement. The Debt Service Reserve Fund was fully funded at closing and remained funded until the completion of projects were certified and the springing surety went into effect in October 2022. Upon effectiveness, the funds held in the Debt Service Reserve Fund were released to the qualified entity. As of December 31, 2023 and 2022, total current and non-current restricted investments amounted to \$37,277,975. All investments are reported at fair value as reported by the external fiscal agent.

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

The 2023 D Trust Indenture provides for the establishment and maintenance of a Debt Service Reserve for the purpose of assuring the adequacy of funds for the payment of interest on and principal of the bonds. A portion of the Bond proceeds were used to pay the premium on a municipal bond insurance debt service reserve fund surety bond policy issued by Build America Mutual Assurance Company and satisfying this requirement. Total current and non-current restricted investments amounted to \$17,673,077 as of December 31, 2023. All investments are reported at fair value as reported by the external fiscal agent.

The 2023 F Trust Indenture establishes a Debt Service Reserve Requirement with respect to the Series 2023 F-1 bonds for the purpose of assuring the adequacy of funds for the payment of interest on and principal of the bonds. To satisfy this requirement Bond proceeds were used to fund a municipal bond insurance debt service reserve fund surety bond policy, issued by Build America Mutual Assurance Company. Total current and non-current restricted investments fair value amounted to \$2,195,641 as of December 31, 2023.

Investments

It is the Bond Bank's policy to invest funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Bond Bank. These investment securities can mean any of the following: i) Governmental Obligations, ii) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by respective federal agencies, iii) certificates of deposit, savings accounts, deposit accounts, iv) commercial paper rated at the time of purchase in the single highest full classification by Fitch, Moody's and/or S&P and which matures not more than 270 days after date of purchase, v) investment agreements fully and properly secured at all times, vi) repurchase agreements with any bank or trust company organized under the laws of any state of the United States of America, and vii) shares of a money market mutual fund. Investments are restricted for repayment of bonds and notes payable issued under the respective programs (see Note 5). Funds deposited under investment agreements with banks and insurance companies earn a fixed interest rate and generally expire upon extinguishment of the debt issues to which they relate. Investments are also restricted to authorized investments per the applicable trust indentures.

The primary objectives, in priority order, of the Bond Bank's investment activities shall be:

- **Safety:** Safety of principal is the foremost objective of the investment program. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
- **Liquidity:** The Bond Bank's investment portfolio will remain sufficiently liquid to enable the Bond Bank to meet all operating requirements that might be reasonably anticipated.
- **Return on Investments:** The Bond Bank's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the Bond Bank's investment risk constraints and the cash flow characteristics of the portfolio.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Funds deposited under investment agreements with banks and insurance companies are unsecured.

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

As of December 31, 2023, the Bond Bank had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
U.S. Government agency obligations	\$ 329,809,579	\$ 250,732,383	\$ 79,077,196	\$ -	\$ -
Money market funds	151,557,009	151,557,009	-	-	-
Guaranteed investment contracts	16,172,359	3,160,000	13,012,359	-	-
	<u>\$ 497,538,947</u>	<u>\$ 405,449,392</u>	<u>\$ 92,089,555</u>	<u>\$ -</u>	<u>\$ -</u>

As of December 31, 2022, the Bond Bank had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
U.S. Government agency obligations	\$ 257,109,402	\$ 146,924,430	\$ 61,799,151	\$ 48,385,821	\$ -
Money market funds	120,184,423	120,184,423	-	-	-
Guaranteed investment contracts	16,172,359	3,160,000	13,012,359	-	-
	<u>\$ 393,466,184</u>	<u>\$ 270,268,853</u>	<u>\$ 74,811,510</u>	<u>\$ 48,385,821</u>	<u>\$ -</u>

Custodial Credit Risk of Investments

Custodial credit risk is the risk that the Bond Bank will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party if the counterparty fails. Investment securities are exposed to risk if the securities are uninsured, are not registered in the name of the Bond Bank and are held by either the counterparty or the counterparty's trust department or agent but not in the Bond Bank's name.

Credit Risk Disclosure

The following table provides information on the credit ratings associated with the Bond Bank's investments at December 31, 2023:

Credit Ratings	S&P	Fitch	Moody's	Fair Value
U.S. Government agency obligations	AA+	AA+	Aaa	\$ 329,809,579
Money market funds	AAA	AAA	Aaa	151,557,009
FSA Cap Mgmt Serv LLC GIC	AA+	AA+	Aa3/Ba3	16,172,359
Total Rated Investments				<u>\$ 497,538,947</u>

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

There are no limits on the amount that may be invested in any one issuer. The following shows an investment in an issuer that represents 5% or more of the total investments at December 31, 2023:

Bank of New York Cash Reserve	14%
U.S. Government	65%
US Bank Money Market	7%

NOTE 3 - LOANS TO QUALIFIED ENTITIES

The Board of Directors of the Bond Bank authorizes all purchases of qualified obligations. Prior to presentation to the Board of Directors, Bond Bank management and independent consultants make an evaluation of each purchase. Repayment of these obligations by the qualified entities is funded by many sources, including property tax revenues and user fees. Loans to qualified entities, registered to the Bond Bank, are either serial, term or serial and term maturities.

The Bond Bank's loans to qualified entities at December 31, 2023 and 2022, are as follows:

	Balance Outstanding as of	
	December 31,	
	2023	2022
City of Indianapolis Redevelopment District Subordinate Tax Increment Revenue and Refunding Bonds Series 1999 A, maturing 2008 through 2029, yields on capital appreciation bonds ranging from 4.70% to 5.82%.	\$ 151,325,000	\$ 179,970,000
Health and Hospital Corporation of Marion County Series 2005, maturing 2008 through 2025, with interest ranging from 3.50% to 5.00%.	3,400,000	5,535,000
Citizens Energy Group (formally City of Indianapolis, Waterworks District) Net Revenue Refunding Bonds, Series 2007 B, (also known as 2011 D) maturing 2022 through 2025, with interest at 5.25%.	35,720,000	57,195,000
City of Indianapolis, Taxable Economic Development Revenue Bonds, Series 2007 C, maturing 2009 through 2035, with interest at 5.90%.	52,890,000	55,390,000
City of Indianapolis, Taxable Economic Development Revenue Bonds, 2007, maturing 2008 through 2027, with interest ranging from 5.45% to 6.21%.	1,555,000	1,940,000
City of Indianapolis, Taxable Economic Development Revenue Bonds, Series 2007 (PRF Accelerator) bearing interest rate at 6.20%, maturing 2009 through 2023.	-	515,000

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Indianapolis Local Public Improvement Bond Bank Bonds, Series 2010 A, issued by the Health and Hospital Corporation of Marion County, IN, maturing 2013 through 2040 with interest ranging from 4.00% to 6.00%.	149,950,000	154,200,000
Indianapolis Local Public Improvement Bond Bank Bonds, Series 2010 B, issued by the Indianapolis-Marion County Building Authority, maturing 2013 through 2040 with interest ranging from 2.00% to 6.12%.	359,330,000	373,875,000
City of Indianapolis, Redevelopment District Tax Increment Revenue Bonds, Series 2010 A, 2010 through 2025, with interest at 5.00%.	982,343	1,598,120
Indianapolis Local Public Improvement Bond Bank Bonds, Series 2010 A, issued by the City of Indianapolis, IN, maturing 2015 through 2025, with interest ranging from 3.00% to 5.13%.	4,090,000	6,020,000
City of Indianapolis, Economic Development Tax Increment Revenue Bonds, Series 2010 D, maturing 2015 through 2035, with interest ranging from 2.60% to 5.15%.	3,455,000	3,665,000
City of Indianapolis, Indianapolis Airport Authority Bonds, Series 2010 L, maturing 2011 through 2037, with a variable interest rate, were remarketed in 2012, 2015, 2017, 2019 and 2021, partially refunded during 2019 by the Indianapolis Airport Authority Revenue Refunding Bonds, Series 2019 B and 2022 by the Indianapolis Airport Authority Revenue Refunding Bonds, Series 2022 A. Remaining portions maturing 2030 through 2037, with interest at 5.20%, were refunded in 2023 by Indianapolis Airport Authority Refunding Revenue Bonds, Series 2023 A.	-	83,085,000
City of Indianapolis, Redevelopment District Tax Increment Revenue Multipurpose Bonds, Series 2011 A, maturing 2011 through 2024, with interest ranging from 1.00% to 5.00%.	2,710,000	6,680,000
City of Indianapolis, Stormwater District Bonds, Series 2011, amended August 4, 2015, maturing 2012 through 2041, with interest ranging from 2.13% to 5.00%.	11,885,000	12,330,000
City of Indianapolis, Economic Development District Taxable Special Program Refunding Bonds, Series 2012 I (formally 2004 B), maturing 2013 through 2030, with interest ranging from 0.60% to 3.60%.	3,520,000	3,965,000

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
City of Indianapolis, Economic Development District Special Program Refunding Bonds, Series 2012 J (formally 2004 C), maturing 2013 through 2039, with interest ranging from 2.00% to 5.00%.	13,800,000	14,115,000
Indianapolis-Marion County Building Authority Qualified Obligation Bonds, Series 2013 A, maturing 2014 through 2040, with interest ranging from 3.00% to 5.00%, refunded in 2023 by Indianapolis-Marion County Building Authority Wishard Hospital Project Refunding Bonds, Series 2023 A.	-	33,235,000
City of Indianapolis, Indiana, Stormwater District, Refunding Revenue Bonds of 2013, Series A, maturing 2014 through 2026, with interest ranging from 2.00% to 5.00%.	13,335,000	17,385,000
Indianapolis-Marion County Building Authority Bonds, Series 2013 (also known as 2003 B) maturing 2014 through 2023, with interest ranging from 4.00% to 5.00%.	-	905,000
City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2014 A, 2014 C, and 2014 D, maturing 2015 through 2031, with interest ranging from 2.00% to 5.00%.	39,140,000	40,340,000
City of Indianapolis, Indiana Taxable Economic Development Tax Increment Revenue Bonds, Series 2014 B and 2014 E, maturing 2019 through 2024, with interest ranging from 2.30% to 3.43%.	640,000	1,260,000
City of Indianapolis, Indiana Redevelopment District Tax Increment Revenue Refunding Bonds, Series 2014, maturing 2015 through 2029, with interest ranging from 0.45% to 4.50%.	4,595,000	5,465,000
Indianapolis Airport Authority Series 2014 A Refunding Bonds, maturing 2017 through 2034, with interest ranging from 3.00% to 5.00%, refunded in 2024 by Indianapolis Airport Authority Revenue Bonds, Series 2023 B-1 and B-2.	137,105,000	144,290,000
City of Indianapolis, Indiana IndyRoads Revenue Bonds, Series 2015 A, maturing 2020 through 2035, with interest ranging from 3.00% to 5.00%, was partially refunded during 2020 by City of Indianapolis, Indiana IndyRoads Metropolitan Thoroughfare District Bonds, Series 2020 B, with remaining portion maturing 2021 through 2025, with interest at 5.00%.	3,680,000	5,390,000
City of Lawrence, Indiana Fort Harrison Reuse Authority Fort Harrison Military Base Reuse District Tax Increment Revenue Bonds, 2015 A, maturing 2015 through 2035, with interest ranging from 3.00% to 4.00%.	6,920,000	6,920,000

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
City of Lawrence, Indiana Fort Harrison Reuse Authority Fort Harrison Military Base Reuse District Tax Increment Revenue Refunding Bonds, 2015 B, maturing 2015 through 2027, with interest ranging from 3.00% to 4.00%.	2,995,000	3,480,000
City of Indianapolis, Indiana IndyRoads Revenue Bonds, Series 2015 B, maturing 2017 through 2035, with interest ranging from 3.00% to 5.00%, was partially refunded during 2020 by City of Indianapolis, Indiana IndyRoads Metropolitan Thoroughfare District Bonds, Series 2020 B, with remaining portion maturing 2021 through 2026, with interest at 5.00%.	5,205,000	6,775,000
City of Indianapolis Redevelopment District Tax Increment Revenue Bonds 2015, maturing 2016 through 2030 with interest at 3.25%.	794,000	894,000
Indianapolis Airport Authority Series 2015 A Refunding Bonds, maturing 2023 through 2033, with interest from 4.00% to 5.00%.	171,920,000	178,690,000
Indianapolis Airport Authority Refunding Revenue Bonds, Series 2016 A, maturing 2017 through 2036, with interest ranging from 2.68% to 5.00%.	51,320,000	67,070,000
City of Indianapolis Redevelopment District Refunding Bonds, Series 2016 A, maturing 2021 through 2038, with interest ranging from 3.00% to 5.00%.	44,480,000	46,630,000
City of Indianapolis, Indiana Consolidated City General Obligation Bonds, Series 2017 A, maturing 2019 through 2038, with interest ranging from 3.13% to 5.00%.	14,230,000	15,720,000
City of Indianapolis, Indiana Metropolitan Thoroughfare District General Obligation Bonds, Series 2017 A, maturing 2019 through 2032, with interest ranging from 3.13% to 5.00%.	17,575,000	19,115,000
City of Indianapolis, Indiana Parks District General Obligation Bonds, Series 2017 A, maturing 2019 through 2028, with interest ranging from 4.00% to 5.00%.	2,760,000	3,235,000
City of Indianapolis, Indiana Public Safety Communications Systems and Computer Facilities District, General Obligation Bonds, Series 2017 A, maturing 2024 through 2028, with interest at 5.00%.	7,835,000	7,835,000
City of Indianapolis, Indiana Taxable Public Safety Communications Systems and Computer Facilities District Bonds, Series 2017 B, maturing 2019 through 2024, with interest ranging from 1.60% to 3.05%.	2,025,000	4,090,000

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
City of Indianapolis, Indiana, PILOT Revenue Refunding Bonds, Series 2017 A, maturing 2021 through 2040, with interest at 5.00%.	138,020,000	143,135,000
Fort Harrison Reuse Authority Refunding Bonds, Series 2017, maturing 2018 through 2033, with interest at 3.08%.	5,900,000	6,465,000
Indianapolis Public Transportation Corporation Local Income Tax Revenue Bonds, Series 2018 A, maturing 2019 through 2028, with interest at 5.00%.	13,900,000	16,610,000
City of Indianapolis, Indiana IndyRoads Revenue Bonds, Series 2018 A, maturing 2021 through 2039, with interest ranging from 4.00% to 5.00%, was partially refunded during 2020 by City of Indianapolis, Indiana IndyRoads Metropolitan Thoroughfare District Bonds, Series 2020 B, with remaining portion maturing 2021 through 2029, with interest ranging from 4.00% to 5.00%.	855,000	985,000
Indianapolis Marion County Building Authority Lease Rental Revenue 2019 Bonds, Series A, maturing 2023 through 2054, with interest ranging from 3.84% to 5.25%.	602,345,000	610,645,000
Indianapolis Marion County Building Authority Lease Rental Revenue 2019 Bonds, Series B, maturing 2022 through 2039, with interest ranging from 2.00% to 5.00%.	12,650,000	13,205,000
City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2019 C, maturing 2020 through 2040, with interest ranging from 3.00% to 5.00%.	27,545,000	28,585,000
Indianapolis Airport Authority Revenue Refunding Bonds, Series 2019 B, maturing 2020 through 2035, with interest at 5.00%.	128,375,000	134,790,000
City of Indianapolis, Indiana IndyRoads Revenue Bonds, Series 2019 A, maturing 2021 through 2040, with interest at 5.00%, was partially refunded during 2020 by City of Indianapolis, Indiana IndyRoads Metropolitan Thoroughfare District Bonds, Series 2020 B, with remaining portion maturing 2021 to 2029, with interest at 5.00%.	7,810,000	8,900,000
City of Indianapolis, Indiana, Stormwater District, Refunding Revenue Bonds of 2019, Series F, maturing 2027 through 2041, with interest ranging from 4.00% to 5.00%.	50,000,000	50,000,000
City of Indianapolis, General Obligation Bonds, Series 2019 A, maturing 2020 through 2033, with interest at 2.01%.	10,775,000	11,800,000

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Indianapolis Airport Authority Revenue Bonds, Series 2019 C, maturing 2021 through 2050, with interest ranging from 4.00% to 5.00%.	65,695,000	66,380,000
City of Indianapolis Public Safety Communications Systems and Computer Facilities District Refunding Bonds, Series 2020 A, maturing 2020 through 2029, with interest at 1.88%.	23,415,000	28,025,000
City of Indianapolis Redevelopment District Refunding Bonds, Series 2020 B, maturing 2023 through 2025, with interest at 0.93%.	14,700,000	22,200,000
City of Indianapolis Redevelopment District Refunding Bonds, Series 2020 C, maturing 2020 through 2023, with interest at 1.58%.	-	2,200,000
City of Indianapolis, Indiana IndyRoads Metropolitan Thoroughfare District Bonds, Series 2020 A, maturing 2025 through 2041, with interest ranging from 4.00% to 5.00%.	50,000,000	50,000,000
City of Indianapolis, Indiana IndyRoads Metropolitan Thoroughfare District, Series 2020 B Refunding Bonds, maturing 2022 through 2040, with interest ranging from 0.38% to 2.47%.	130,470,000	132,935,000
Marion County Convention and Recreational Facilities Authority Excise Taxes Lease Rental Revenue Bonds, Series 2021, maturing 2029 through 2041, with interest ranging from 4.00% to 5.00%.	284,150,000	284,150,000
Marion County Convention and Recreational Facilities Authority Excise Taxes Rental Revenue Refunding Bonds, Series 2021, maturing 2022 through 2027, with interest at 5.00%.	81,915,000	100,025,000
Marion County, Indiana Excise Taxes Revenue Bonds, Series 2021, maturing 2028 through 2029, with interest at 5.00%.	22,925,000	22,925,000
City of Indianapolis, Indiana, Stormwater District Notes, Series 2021, maturing in, 2024, with interest at SOFR plus 11.48 basis points.	17,930,975	1,081,973
City of Indianapolis, Indiana, Economic Development Revenue Refunding Bonds, Series 2021 A, maturing 2024 through 2036, with interest at 5.00%.	72,950,000	72,950,000
City of Indianapolis, Indiana, Taxable Economic Development Revenue Refunding Bonds, Series 2021 B, maturing in 2024, with interest at 1.00%.	115,000	115,000

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Indianapolis Public Transportation Corporation Local Income Tax Revenue Bonds, Series 2021 A, maturing 2021 through 2033, with interest at 4.00%.	17,735,000	19,240,000
City of Indianapolis Parks District G.O. Bonds, Series 2021 A, maturing 2023 through 2041, with interest ranging from 3.00% to 5.00%.	20,155,000	20,695,000
City of Indianapolis Civil City District G.O. Bonds, Series 2021 A, maturing 2023 through 2041, with interest ranging from 3.00% to 5.00%.	14,935,000	15,570,000
City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2022 A, maturing 2023 through 2042, with interest at 2.31%.	17,500,000	18,225,000
City of Indianapolis, Indiana, Economic Development Tax Increment Revenue Bonds, Series 2022 B, maturing 2023 through 2047, with interest ranging from 4.00% to 5.00%.	126,940,000	127,785,000
City of Indianapolis, Indiana Stormwater District Revenue Bonds of 2022 (Green Bonds), maturing 2024 through 2052, with interest ranging from 4.00% to 5.00%.	50,000,000	50,000,000
City of Indianapolis, Economic Development North Midtown Tax Increment District Revenue Bonds, Series 2022 C, maturing 2022 through 2025, with interest at 2.25%.	1,752,708	2,888,924
Indianapolis Public Transportation Corporation Local Income Tax Revenue Bonds, Series 2022 A, maturing 2022 through 2034, with interest at 5.00%.	24,150,000	25,860,000
Indianapolis Public Transportation Corporation Local Income Tax Revenue Bonds, Series 2022 B, maturing 2022 through 2042, with interest ranging from 4.00% to 5.00%.	38,250,000	38,565,000
Indianapolis-Marion County Building Authority Bond Anticipation Notes, Series 2022 A, maturing in 2023, with interest at 79% of daily SOFR plus 25 basis points, was refunded in 2023 by Indianapolis-Marion County Building Authority Lease Rental Revenue Bonds, Series 2023 A.	-	854,033

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
City of Indianapolis, Indiana Economic Development Tax Increment Revenue Bonds, Series 2022 D, maturing 2031 through 2039, with interest at 3.77%.	19,530,000	19,530,000
Indianapolis Airport Authority Revenue Refunding Bonds, Series 2022 A, maturing 2024 through 2033, with interest at 2.79%.	69,755,000	69,755,000
Indianapolis Airport Authority Revenue Bonds, Series 2022 B-1, maturing 2028 through 2053, with interest ranging from 5.00% to 5.25%.	81,950,000	81,950,000
Indianapolis Airport Authority Revenue Bonds, Series 2022 B-2, maturing 2025 through 2053, with interest ranging from 5.00% to 5.25%.	67,245,000	67,245,000
Indianapolis Airport Authority Revenue Bonds, Series 2022 B-3, maturing 2025 through 2032, with interest ranging from 4.90% to 5.18%.	25,445,000	25,445,000
City of Indianapolis, Indiana, Economic Development Tax Increment Revenue Refunding Bonds, Series 2022 E, maturing 2023 through 2030, with interest at 3.28%.	14,425,000	14,460,000
City of Indianapolis, Indiana, Economic Development Tax Increment Revenue Refunding Bonds, Series 2022 F, maturing 2023 through 2030, with interest at 3.28%.	1,885,000	1,890,000
City of Indianapolis, Redevelopment District Subordinate Tax Increment Revenue Refunding Bonds of 2022, Series A, maturing 2023 through 2030, with interest at 3.28%.	3,955,000	3,970,000
City of Indianapolis, Redevelopment District Subordinate Tax Increment Revenue Refunding Bonds of 2022, Series B, maturing 2023 through 2029, with interest at 3.28%.	22,165,000	22,220,000
City of Indianapolis Civil City District Government Obligation Bonds, Series 2022 A, maturing 2035 through 2043, with interest ranging from 5.25% to 5.50%.	11,500,000	11,500,000
City of Indianapolis Civil City District Taxable Government Obligation Bonds, Series 2022 B, maturing 2024 through 2035, with interest ranging from 4.80% to 5.34%.	12,000,000	12,000,000

NOTE 3 - LOANS TO QUALIFIED ENTITIES (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Indianapolis-Marion County Building Authority Wishard Hospital Project Refunding Bonds, Series 2023 A, maturing 2024 through 2040, with interest at 4.07%.	32,765,000	-
Indianapolis-Marion County Building Authority Lease Rental Revenue Bonds, Series 2023 A, maturing 2025 through 2052, with interest ranging from 4.13% to 5.25%.	92,665,000	-
Indianapolis Airport Authority Refunding Revenue Bonds, Series 2023 A, maturing 2024 through 2037, with interest at 3.83%.	93,700,000	-
City of Indianapolis Redevelopment District Ad Valorem Property Tax Bonds, Series 2023 A, maturing 2037 through 2048, with interest at 6.00%.	155,000,000	-
City of Indianapolis Convention Center Hotel Senior Revenue Bonds, Series 2023 A, maturing 2030 through 2057, with interest ranging from 5.00% to 6.13%.	208,860,000	-
City of Indianapolis Convention Center Hotel Subordinate Revenue Bonds, Series 2023 B-1, maturing 2032 through 2067, with interest ranging from 5.00% to 5.25%.	180,000,000	-
City of Indianapolis Convention Center Hotel Subordinate Revenue Bonds, Series 2023 B-2, maturing 2057 through 2067, with interest at 7.75%.	34,500,000	-
City of Indianapolis Convention Center Hotel Junior Revenue Bonds, Series 2023 C, maturing in 2067, with interest at 8.00%.	25,000,000	-
City of Indianapolis Redevelopment District Bonds, Series 2023 B, maturing 2026 through 2042, with interest at 4.95%.	21,980,000	-
Indianapolis Airport Authority Revenue Bonds, Series 2023 B-1, maturing 2026 through 2053, with interest at 5.00%.	67,930,000	-
Indianapolis Airport Authority Revenue Bonds, Series 2023 B-2, maturing 2025 through 2053, with interest ranging from 5.00% to 5.25%.	137,785,000	-
	<u>4,775,065,026</u>	<u>4,026,557,050</u>
Plus: Unamortized discount/premium	302,152,624	301,508,068
	<u>5,077,217,650</u>	<u>4,328,065,118</u>
Less: Current Portion of Loans Receivable	(364,806,760)	(203,385,940)
Long-term Portion of Loans Receivable	<u>\$ 4,712,410,890</u>	<u>\$ 4,124,679,178</u>

NOTE 4 – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the Bond Bank for the year ended December 31, 2023:

	Balance January 1, 2023	Additions	Reductions	Balance December 31, 2023	Due within One Year
Bonds Payable:					
General obligation bonds payable	\$ 269,975,000	\$ -	\$ (13,905,000)	\$ 256,070,000	\$ 13,145,000
General obligation bonds from direct borrowing and direct placements	39,825,000	-	(5,635,000)	34,190,000	6,695,000
Tax increment bonds payable	531,028,924	155,000,000	(43,276,216)	642,752,708	46,241,925
Tax increment bonds from direct borrowing and direct placements	117,832,120	21,980,000	(12,540,777)	127,271,343	12,203,860
Local income tax bonds payable	64,425,000	92,665,000	(2,025,000)	155,065,000	2,135,000
Revenue bonds payable	2,931,355,000	629,075,000	(240,160,000)	3,320,270,000	263,825,000
Revenue bonds from direct borrowing and direct placements	69,755,000	151,465,000	-	221,220,000	2,445,000
Unamortized amounts:				-	
Premiums	302,126,956	36,381,555	(35,833,698)	302,674,813	
Total bonds payable	4,326,323,000	1,086,566,555	(353,375,691)	5,059,513,864	346,690,785
General obligation notes payable	854,033	14,117,085	(14,971,118)	-	-
Notes payables from direct borrowings and direct placements	1,081,972	16,849,003	-	17,930,975	17,930,975
Unearned revenue	796,090	-	(407,100)	388,990	388,990
Pension liability	312,545	54,859	-	367,404	
Total liabilities	\$ 4,329,367,640	\$ 1,117,587,502	\$ (368,753,909)	\$ 5,078,201,233	\$ 365,010,750

NOTE 5 - BONDS AND NOTES PAYABLE

The faith, credit, and taxing power of the City of Indianapolis or any political subdivision thereof are not pledged to the payment of principal and interest on these obligations. However, certain series of Bond Bank bonds were fully insured at December 31, 2023 and 2022, by private insurance policies. All of the bonds issued listed below are either serial or serial and term maturities.

The Bond Bank's bonds payable at December 31, 2023 and 2022, are summarized as follows:

	Balance Outstanding as of December 31,	
	2023	2022
Series 1999 E Refunding Bonds, maturing 2008 through 2029, yields on capital appreciation bonds ranging from 4.70% to 5.82%.	\$ 151,325,000	\$ 179,970,000
Series 2007 B Bonds, maturing 2022 through 2025, with interest at 5.25%. The Series 2007 B Bonds have an unamortized gain on defeasance of \$1,921 and \$7,482, included in deferred loss on refunding of debt-net on the balance sheet, at December 31, 2023 and 2022, respectively.	35,720,000	57,195,000
Series 2007 C (Indianapolis Colts, Inc. Project), maturing 2009 through 2035, with interest at 5.90%.	52,890,000	55,390,000
Glendale Mall Taxable Bonds, 2007 G, maturing 2008 through 2027, with interest ranging from 5.45% to 6.21%.	1,555,000	1,940,000

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Series 2007 K Bonds, maturing 2009 through 2023, with interest at 6.20%.	-	515,000
Series 2010 A Bonds, maturing 2013 through 2040, with interest ranging from 4.00% to 6.00%.	149,950,000	154,200,000
Series 2010 B Bonds, maturing 2013 through 2040, with interest ranging from 2.00% to 6.12%.	359,330,000	373,875,000
Series 2010 C Bonds, maturing 2010 through 2025, with interest at 5.00%.	982,343	1,598,120
Series 2010 D Bonds, maturing 2015 through 2025, with interest ranging from 3.00% to 5.13%.	4,090,000	6,020,000
Series 2010 E Bonds, maturing 2015 through 2035, with interest ranging from 2.60% to 5.15%.	3,455,000	3,665,000
Series 2010 L Bonds, maturing 2011 through 2037, with a variable interest rate, were remarketed in 2012, 2015, 2017, 2019 and 2021, partially refunded during 2019 by the Indianapolis Local Public Improvement Bond Bank Bonds Series, Series 2019 D, and 2022 by the Indianapolis Local Public Improvement Bond Bank Bonds Series 2022 F. Remaining portions maturing 2030 through 2037, with interest at 5.20%, were refunded in 2023 by the Indianapolis Local Public Improvement Bond Bank Bonds Series, Series 2023 C.	-	83,085,000
Series 2011 C Bonds, maturing 2011 through 2024, with interest ranging from 1.00% to 5.00%.	2,710,000	6,680,000
Series 2012 I Bonds, maturing 2013 through 2030, with interest ranging from 0.60% to 3.60%.	3,520,000	3,965,000
Series 2012 J Bonds, maturing 2013 through 2039, with interest ranging from 2.00% to 5.00%.	13,800,000	14,115,000
Series 2013 A Bonds, maturing 2014 through 2040, with interest ranging from 3.00% to 5.00%, refunded in 2023 by Indianapolis Local Public Improvement Bond Bank Bonds, Series 2023 A.	-	33,235,000
Series 2013 D Bonds, maturing 2014 through 2026, with interest ranging from 2.00% to 5.00%.	13,335,000	17,385,000
Series 2013 E Bonds, maturing 2015 through 2023, with interest at 2.14%.	-	925,000

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Series 2014 A Bonds, maturing 2015 through 2031, with interest ranging from 2.00% to 5.00%.	39,140,000	40,340,000
Series 2014 B Bonds, maturing 2019 through 2024, with interest ranging from 2.30% to 3.43%.	640,000	1,260,000
Series 2014 C Bonds, maturing 2015 through 2029, with interest ranging from 0.45% to 4.50%.	4,595,000	5,465,000
Series 2014 D Bonds, maturing 2017 through 2034, with interest ranging from 3.00% to 5.00%, refunded in 2024 by Indianapolis Local Public Improvement Bond Bank Bonds, Series 2023 I.	137,105,000	144,290,000
Series 2015 A Bonds, maturing 2020 through 2035, with interest ranging from 3.00% to 5.00%, was partially refunded during 2020 by Indianapolis Local Public Improvement Bond Bank Bonds, Series 2020 E, with remaining portion maturing 2021 through 2025, with interest at 5.00%.	3,680,000	5,390,000
Series 2015 B Bonds, maturing 2016 through 2025, with interest ranging from 1.00% to 5.00%. The Series 2015 B Bonds have an unamortized loss on defeasance of \$6,922 and \$27,394, included in deferred loss on refunding of debt-net on the balance sheet, at December 31, 2023 and 2022, respectively.	3,105,000	5,090,000
Series 2015 C Bonds, maturing 2015 through 2035, with interest ranging from 3.00% to 4.00%.	6,920,000	6,920,000
Series 2015 D Bonds, maturing 2015 through 2027, with interest ranging from 3.00% to 4.00%.	2,995,000	3,480,000
Series 2015 E Bonds, maturing 2017 through 2035, with interest ranging from 3.00% to 5.00%, was partially refunded during 2020 by Indianapolis Local Public Improvement Bond Bank Bonds, Series 2020 E, with remaining portion maturing 2021 through 2026, with interest at 5.00%.	5,205,000	6,775,000
Series 2015 F Bonds, maturing 2016 through 2030, with interest at 3.25%.	794,000	894,000
Series 2015 H Bonds, maturing 2016 through 2041, with interest ranging from 2.13% to 5.00%. The Series 2015 H Bonds have an unamortized loss on defeasance of \$507,457 and \$560,494, included in deferred loss on refunding of debt-net on the balance sheet, at December 31, 2023 and 2022, respectively.	11,885,000	12,330,000

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Series 2015 I Bonds, maturing 2023 through 2033, with interest ranging from 4.00% to 5.00%.	171,920,000	178,690,000
Series 2016 A Bonds, maturing 2017 through 2036, with interest ranging from 2.68% to 5.00%.	51,320,000	67,070,000
Series 2016 B Bonds, maturing 2021 through 2038, with interest ranging from 3.00% to 5.00%.	44,480,000	46,630,000
Series 2017 A Bonds, maturing 2019 through 2038, with interest ranging from 3.13% to 5.00%.	42,400,000	45,905,000
Series 2017 B Bonds, maturing 2019 through 2024, with interest ranging from 1.60% to 3.05%.	2,025,000	4,090,000
Series 2017 C Bonds, maturing 2021 through 2040, with interest at 5.00%.	138,020,000	143,135,000
Series 2017 D Bonds, maturing 2018 through 2033, with interest at 3.08%.	5,900,000	6,465,000
Series 2018 A Bonds, maturing 2019 through 2028, with interest at 5.00%.	13,900,000	16,610,000
Series 2018 B Bonds, maturing 2021 through 2039, with interest ranging from 4.00% to 5.00%, was partially refunded during 2020 by Indianapolis Local Public Improvement Bond Bank Bonds, Series 2020 E, with remaining portion maturing 2021 through 2029, with interest ranging from 4.00% to 5.00%.	855,000	985,000
Series 2019A Bonds, maturing 2023 through 2054, with interest ranging from 3.84% to 5.25%.	602,345,000	610,645,000
Series 2019 B Bonds, maturing 2022 through 2039, with interest ranging from 2.00% to 5.00%.	12,650,000	13,205,000
Series 2019 C Bonds, maturing 2020 through 2040, with interest ranging from 3.00% to 5.00%.	27,545,000	28,585,000
Series 2019 D Bonds, maturing 2020 through 2035, with interest at 5.00%.	128,375,000	134,790,000
Series 2019 E Bonds, maturing 2021 through 2040, with interest at 5.00%, was partially refunded during 2020 by Indianapolis Local Public Improvement Bond Bank Bonds, Series 2020 E, with remaining portion maturing 2021 to 2029, with interest at 5.00%.	7,810,000	8,900,000

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

	Balance Outstanding as of	
	December 31,	
	2023	2022
Series 2019 F Bonds, maturing 2027 through 2041, with interest ranging from 4.00% to 5.00%.	50,000,000	50,000,000
Series 2019 G Bonds, maturing 2020 through 2033, with interest at 2.01%.	10,775,000	11,800,000
Series 2019 I Bonds, maturing 2021 through 2050, with interest ranging from 4.00% to 5.00%.	65,695,000	66,380,000
Series 2020 A Bonds, maturing 2020 through 2029, with interest at 1.88%.	23,415,000	28,025,000
Series 2020 B Bonds, maturing 2023 through 2025, with interest at 0.93%.	14,700,000	22,200,000
Series 2020 C Bonds, maturing 2020 through 2023, with interest at 1.58%.	-	2,200,000
Series 2020 D Bonds, maturing 2025 through 2041, with interest ranging from 4.00% to 5.00%.	50,000,000	50,000,000
Series 2020 E Bonds, maturing 2022 through 2040, with interest ranging from 0.38% to 2.47%.	130,470,000	132,935,000
Series 2021 A Bonds, maturing 2022 through 2041, with interest ranging from 4.00% to 5.00%.	388,990,000	407,100,000
Series 2021 B Bonds, maturing 2024 through 2036, with interest at 5.00%.	72,950,000	72,950,000
Series 2021 C Bonds, maturing in 2024, with interest at 1.00%.	115,000	115,000
Series 2021 D Bonds, maturing 2021 through 2033, with interest at 4.00%.	17,735,000	19,240,000
Series 2021 E Bonds, maturing 2023 through 2041, with interest ranging from 3.00% to 5.00%.	35,090,000	36,265,000
Series 2022 A Bonds, maturing 2023 through 2042, with interest at 2.31%.	17,500,000	18,225,000
Series 2022 B Bonds, maturing 2023 through 2047, with interest ranging from 4.00% to 5.00%.	126,940,000	127,785,000
Series 2022 C Stormwater Bonds, maturing 2024 through 2052, with interest ranging from 4.00% to 5.00%.	50,000,000	50,000,000

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Series 2022 C Midtown Bonds, maturing 2022 through 2025, with interest at 2.25%.	1,752,708	2,888,924
Series 2022 D Bonds, maturing 2022 through 2042, with interest ranging from 4.00% to 5.00%.	62,400,000	64,425,000
Series 2022 E Bonds, maturing 2031 through 2039, with interest at 3.77%.	19,530,000	19,530,000
Series 2022 F Bonds, maturing 2024 through 2033, with interest at 2.79%.	69,755,000	69,755,000
Series 2022 G Bonds, maturing 2025 through 2053, with interest ranging from 4.90% to 5.25%.	174,640,000	174,640,000
Series 2022 H Bonds, maturing 2023 through 2030, with interest at 3.28%.	42,430,000	42,540,000
Series 2022 I Bonds, maturing 2035 through 2043, with interest ranging from 5.25% to 5.50%.	11,500,000	11,500,000
Series 2022 J Bonds, maturing 2024 through 2035, with interest ranging from 4.80% to 5.34%.	12,000,000	12,000,000
Series 2023 A Bonds, maturing 2024 through 2040, with interest at 4.07%.	32,765,000	-
Series 2023 B Bonds, maturing 2025 through 2052, with interest ranging from 4.13% to 5.25%.	92,665,000	-
Series 2023 C Bonds, maturing 2024 through 2037, with interest at 3.83%.	93,700,000	-
Series 2023 D Bonds, maturing 2037 through 2048, with interest at 6.00%.	155,000,000	-
Series 2023 E Bonds, maturing 2030 through 2057, with interest ranging from 5.00% to 6.13%.	208,860,000	-
Series 2023 F Bonds, maturing 2032 through 2067, with interest ranging from 5.00% to 7.75%.	214,500,000	-
Series 2023 G Bonds, maturing in 2067, with interest at 8.00%.	25,000,000	-

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

	Balance Outstanding as of December 31,	
	2023	2022
Series 2023 H Bonds, maturing 2026 through 2042, with interest at 4.95%.	21,980,000	-
Series 2023 I Bonds, maturing 2025 through 2053, with interest ranging from 5.00% to 5.25%.	205,715,000	-
	<u>4,756,839,051</u>	<u>4,024,196,044</u>
Plus: Unamortized discount/premium	302,674,813	302,126,956
	<u>5,059,513,864</u>	<u>4,326,323,000</u>
Less: Current Portion of Bonds of Payable	<u>(346,690,785)</u>	<u>(202,401,907)</u>
Long-term Portion of Bonds Payable	<u>\$ 4,712,823,079</u>	<u>\$ 4,123,921,093</u>

The Bond Bank's notes payable at December 31, 2023 and 2022, are summarized as follows:

	Balance Outstanding as of December 31,	
	2023	2022
Series 2021 A Notes, maturing in 2024, with interest at SOFR plus 11.48 basis points.	\$ 17,930,975	\$ 1,081,973
Series 2022 A Notes, maturing in 2023, with interest at 79% of daily SOFR plus 25 basis points, refunded in 2023 by Indianapolis Local Public Improvement Bond Bank Bonds Series 2023 B.	-	854,033
	<u>17,930,975</u>	<u>1,936,006</u>
Less: Current Portion of Notes Payable	<u>(17,930,975)</u>	<u>(854,033)</u>
Long-term Portion of Notes Payable	<u>\$ -</u>	<u>\$ 1,081,973</u>

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

Scheduled debt service payments due on bonds and notes payable outstanding at December 31, 2023, are summarized as follows, with interest paid semiannually:

Payable In	Principal	Interest	Debt Service
2024	\$ 364,621,760	\$ 197,121,367	\$ 561,743,127
2025	210,392,266	209,593,495	419,985,761
2026	205,105,000	195,878,389	400,983,389
2027	212,338,000	187,415,555	399,753,555
2028	207,237,000	178,862,169	386,099,169
2029-2033	1,072,471,692	749,440,993	1,821,912,685
2034-2038	880,459,308	509,069,937	1,389,529,245
2039-2043	638,495,000	317,646,468	956,141,468
2044-2048	412,415,000	204,369,663	616,784,663
2049-2053	332,005,000	106,608,994	438,613,994
2054-2058	115,410,000	47,940,952	163,350,952
2059-2063	59,155,000	28,195,431	87,350,431
2064-2068	64,665,000	7,955,119	72,620,119
	<u>4,774,770,026</u>	<u>2,940,098,532</u>	<u>7,714,868,558</u>
Plus: Unamortized discount on bonds	<u>302,674,813</u>	<u>-</u>	<u>302,674,813</u>
	<u>\$ 5,077,444,839</u>	<u>\$ 2,940,098,532</u>	<u>\$ 8,017,543,371</u>

During 2019, the Bond Bank's Series 2019 A Notes were issued to purchase the City of Indianapolis, Indiana, Anticipation Notes, Series 2019 (Stormwater Project). It functions similar to a line of credit with a maximum amount of funds available of \$50 million. The notes bear interest of 2.70%. On February 24, 2022, the Bond Bank's Series 2022 C Stormwater Bonds were issued for a total of \$50 million and the proceeds were used to refund the 2019 A Notes and continue to fund the Stormwater project.

During 2020, the Bond Bank's Note Series 2020 A were issued in the amount of \$7,100,000 to purchase City of Indianapolis, Limited Recourse Refunding Notes, bearing interest at 2.20% and maturing February 1, 2022. On January 28, 2022, the Bond Bank's Series 2022 C Midtown Bonds were issued for a total of \$3.45 million and the proceeds, together with a cash contribution from the City of Indianapolis Redevelopment District, were used to refund the 2020 A Notes and continue to fund the Broad Ripple project.

During 2021, the Bond Bank's Series 2021 A Notes were issued to purchase the City of Indianapolis, Indiana, Stormwater District Notes, Series 2021. It functions similar to a line of credit with a maximum amount of funds available of \$50 million. The notes bear interest of SOFR plus 11.48 basis points. As of December 31, 2022, \$1,081,973 was outstanding. During 2023, \$16,849,002 was drawn and \$17,930,975 was outstanding as of December 31, 2023. The notes mature November 1, 2024.

During 2022, the Bond Bank's Series 2022 A Notes were issued to purchase the Indianapolis-Marion County Building Authority Bond Anticipation Notes, Series 2022 A. It functions similar to a line of credit with a maximum amount of funds available of \$25 million. The notes bear interest of SOFR plus 25 basis points. As of December 31, 2022, \$854,033 was outstanding. During 2023, an additional \$14,117,085 was drawn. As of June 2023, total outstanding balance of \$15 million was refunded by a portion of the proceeds of Series 2023 B bonds.

During 2022, the Bond Bank's Series 2022 B Bonds were issued for a total of \$127.79 million and the proceeds were used to refund the 2011 F bonds and continue to fund the Elanco and bridge projects. The cash flow difference between the debt service on the refunded bonds and the new debt was \$5,879,897 and the net present value savings amounted to \$4,174,967.

NOTE 5 - BONDS AND NOTES PAYABLE (CONTINUED)

During 2022, the Bond Bank's Series 2022 F Bonds were issued for \$69.76 million and the proceeds were used to refund the 2010 L-1 and 2010 L-2 variable SWAP rate portion of the outstanding 2010 L bond and continue to fund the Indianapolis Airport Authority project. The cash flow difference between the debt service on the refunded bonds and the new debt was \$9,747,851 and the net present value loss amounted to \$1,405,852.

During 2022, the Bond Bank's Series 2022 H Bonds were issued for a total of \$42.54 million and the proceeds were used to refund the 2013 F bonds and continue to fund the CityWay 1 project. The cash flow difference between the debt service on the refunded bonds and the new debt was \$4,799,872 and the net present value savings amounted to \$3,672,819.

During 2023, the Bond Bank's Series 2023 A Bonds were issued for a total of \$32.77 million and the proceeds were used to refund the 2013 A bonds and continue to fund the Wishard Hospital project. The cash flow difference between the debt service on the refunded bonds and the new debt was \$2,766,356 and the net present value savings amounted to \$1,856,104.

During 2023, the Bond Bank's Series 2023 C Bonds were issued for a total of \$93.70 million and the proceeds were used to refund the Series 2010 L-3, 2010 L-4 and 2010 L-5 bonds, to pay the swap counterparty \$10,615,000 to terminate the Authority's associated swaps with JP Morgan Chase and to continue to fund the Indianapolis Airport Authority project. Termination fees are included in interest income and expense on the statement of revenue, expenses and change in net position. The cash flow difference between the debt service on the refunded bonds and the new debt was \$6,805,962 and the net present value loss amounted to \$4,242,090.

During 2023, the Bond Bank's Series 2023 I Bonds were issued for a total of \$205.72 million and the proceeds were used to refund the 2014 D bonds and continue to fund the Indianapolis Airport Authority project. The cash flow difference between the debt service on the refunded bonds and the new debt was \$10,240,007 and the net present value savings amounted to \$8,303,488.

The Bond Bank's bonds and notes payable rollforward schedules at December 31, 2023 and 2022, are summarized as follows:

	<u>BONDS</u>	<u>NOTES</u>
Total Outstanding Debt at December 31, 2021	\$ 4,026,583,188	\$ 52,550,441
Total Additions 2022	594,422,570	6,485,565
Total Deductions 2022	<u>(323,020,709)</u>	<u>(57,100,000)</u>
Outstanding Debt	4,297,985,049	1,936,006
Add: Change In Unamortized Discount/Premium	<u>28,337,951</u>	<u>-</u>
Total Outstanding Debt at December 31, 2022	<u>\$ 4,326,323,000</u>	<u>\$ 1,936,006</u>
Total Additions 2023	1,050,185,000	30,966,087
Total Deductions 2023	<u>(317,541,993)</u>	<u>(14,971,118)</u>
Outstanding Debt	5,058,966,007	17,930,975
Add: Change In Unamortized Discount/Premium	<u>547,857</u>	<u>-</u>
Total Outstanding Debt at December 31, 2023	<u>\$ 5,059,513,864</u>	<u>\$ 17,930,975</u>

NOTE 6 - DIRECT BORROWINGS AND DIRECT PLACEMENTS

Bond Bank's outstanding bonds and notes from direct borrowings and direct placements related to governmental activities of \$400,612,318 contain a provision that in an event of default, outstanding amounts become immediately due if the Bond Bank is unable to make payment.

Changes in direct borrowings and direct placements for the year ended December 31, 2023, are as follows:

	Balance at January 1, 2023	Increases	Decreases	Balance at December 31, 2023	Due within One Year
Governmental activities:					
General obligation bonds	\$ 269,975,000	\$ -	\$ (13,905,000)	\$ 256,070,000	\$ 13,145,000
Direct placements	229,348,126	204,411,088	(33,146,896)	400,612,318	39,274,835
Total	\$ 499,323,126	\$ 204,411,088	\$ (47,051,896)	\$ 656,682,318	\$ 52,419,835

The 2021 A Notes operate similar to a line of credit with a maximum borrowing amount of \$50,000,000 with an outstanding balance of \$17,930,975 and \$1,081,973 as of December 31, 2023 and 2022, respectively.

The 2022 A Notes operate similar to a line of credit with a maximum borrowing amount of \$25,000,000 with an outstanding balance of \$854,033 as of December 31, 2022. During 2023, an additional \$14,117,085 was drawn. On June 13, 2023, the Indianapolis-Marion County Building Authority Lease Rental Revenue Bonds, Series 2023 A, were issued for a total of \$92.67 million and a portion of the proceeds were used to refund the \$15 million outstanding balance of the 2022 A Notes.

The Bond Bank's debt is collateralized primarily by the following repayment sources:

- Distributive shares of public safety and components of local income taxes of the City of Indianapolis and/or Marion County
- Tax incentive Funds
- Revenues from respective qualified entities
- Ad Valorem property and vehicle taxes
- Lease revenues
- Local option income tax revenues
- Excise revenues
- Parking garage revenues
- PILOT revenues (payment in lieu of tax)

Upon the occurrence of an event of default, the trustee shall notify the owners of all bonds and notes then outstanding of such event of default by registered or certified mail, and if such default continues for thirty days after written notice the Trustee may pursue any available remedy at law or in equity or by statute to enforce the payment of the principal of and interest on the bonds and notes then outstanding, including enforcement of any rights of the Bond Bank or the trustee under the qualified obligations.

NOTE 6 - DIRECT BORROWINGS AND DIRECT PLACEMENTS (CONTINUED)

Debt service requirements on bonds and notes payable outstanding at December 31, 2023, are summarized as follows, with interest paid semiannually:

Year Ending December 31,	Governmental Activities			
	Bonds		Direct Borrowings and Direct Placements	
	Principal	Interest	Principal	Interest
2024	\$ 13,145,000	\$ 13,414,762	\$ 39,274,835	\$ 12,743,704
2025	12,705,000	12,746,310	14,361,483	13,229,258
2026	14,545,000	12,017,242	10,060,000	13,100,497
2027	15,185,000	11,213,993	10,373,000	12,992,684
2028	14,175,000	10,417,126	10,742,000	12,885,972
2029-2033	67,685,000	41,031,791	214,256,692	46,433,218
2034-2038	75,880,000	21,786,685	82,529,308	10,339,143
2039-2043	42,750,000	3,076,472	19,015,000	1,199,348
	<u>\$ 256,070,000</u>	<u>\$ 125,704,381</u>	<u>\$ 400,612,318</u>	<u>\$ 122,923,824</u>

NOTE 7 - DEFEASED DEBT

The outstanding balance of defeased debt which is not included in the financial statements amounted to \$104,360,000 as of December 31, 2023 and \$172,840,720 as of December 31, 2022.

NOTE 8 - VARIABLE RATE DEMAND BONDS

As of December 31, 2021, \$152,840,000 was included in long-term debt related to Series 2010 L variable rate demand bonds. On August 25, 2022, these bonds were partially refunded by the Bond Bank Refunding Bonds, Series 2022 F (Indianapolis Airport Authority Project). The proceeds of the Bond Bank Series 2022 F Bonds were used to refund the Bond Bank's, Series 2010 L-1 and Series 2010 L-2 Bonds, and to pay associated costs to irrevocably terminate the interest rate swaps. As of December 31, 2022, outstanding principal on variable rate debt amounted to \$83,085,000, maturing at various dates from January 1, 2030 through January 1, 2037. On June 8, 2023, the outstanding principal on the 2010 L-3, 2010 L-4 and 2010 L-5 bonds was refunded by the Bond Bank Refunding Bonds, Series 2023 C and irrevocably terminating the associated swaps and converting the outstanding debt to fixed rate financing.

NOTE 9 - RETIREMENT PLAN

Plan Description

The Bond Bank contributed to the Public Employees' Retirement Fund (PERF), which is administered by INPRS as a cost-sharing, multiple-employer defined benefit plan. 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. There are two tiers to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the Public Employees' Defined Contribution Plan (My Choice Plan).

NOTE 9 - RETIREMENT PLAN (CONTINUED)

The PERF Hybrid Plan consists of two components: the defined benefit (PERF DB) component, funded by the employer, plus a defined contribution (PERF DC) component, funded by an employer and a member for the use of the member that supplements the defined benefit at retirement. The My Choice Plan, is a defined contribution plan funded by an employer and a member for the use of the member, or the member's beneficiaries or survivors, after the member's retirement. Upon employment, employees are eligible to enroll membership in either the PERF Hybrid Plan or the My Choice Plan within the first 60 days of employment. If an election is not made within this period, the employee is automatically and irrevocably enrolled in the My Choice Plan.

The PERF DC and My Choice Plan consists of the member's contributions, set by statute at 3 percent of compensation as defined by IC 5-10.2-3-2 for PERF plus the interest/earnings or losses credited to the member's account. The employer may elect to make the contributions on behalf of a member. In addition, under certain conditions, members may elect to make additional voluntary contributions of up to 10 percent of their compensation. A member's contributions and interest credits belong to the member and do not belong to the State or political subdivision.

The Bond Bank elected to contribute 1% of enrolled members' eligible compensation to the My Choice Plan and match 0% of member contributions to the plan. Employer contribution rates are set annually by the INPRS Board of Trustees and are subject to a five-year vesting schedule. There were no employees enrolled in this plan as of December 31, 2023 and one employee enrolled as of December 31, 2022.

Investments in the members' PERF DC accounts and My Choice Plan are individually directed and controlled by plan participants who direct the investment of their account balances among eight investment options, with varying degrees of risk and return potential. All contributions made to a member's account (member contribution subaccount and employer contribution subaccount) are invested as a combined total according to the member's investment elections. Members may make changes to their investment directions daily and investments are reported at fair value.

Retirement Benefits – Defined Benefit Pension

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 PERF DC account. Pension benefits (PERF DB only) vest after 10 years of creditable service. The vesting period is eight years for certain elected officials. Members are immediately vested in their PERF DC.

At retirement, a member may choose to annuitize their PERF DC account, rollover all or part of PERF DC to any qualified retirement plan, elect to defer distribution up to 100% of account to age 70 ½, or receive a distribution (full or partial). Members who are no longer in a PERF-covered position and have completely separated from their employer for at least 30 days, may take disbursement of the balance of their PERF DC in the form of a distribution or roll over to another qualified retirement plan.

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 consecutive calendar quarters. The same calendar quarter may not be included in two different groups. For PERF members who serve as an elected official, the highest one year (total of four 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.

NOTE 9 - RETIREMENT PLAN (CONTINUED)

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 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. Legislation passed in 2021 provided a 1.00% COLA increase effective January 1, 2022 and no increase through the remainder of the biennium.

The PERF Hybrid Plan also provides disability and survivor benefits. A member who has at least five 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 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.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at <http://www.inprs.in.gov/>.

Significant Actuarial Assumptions

The total pension liability is determined by INPRS actuaries 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. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented as follows:

Asset valuation date: June 30, 2023

Liability valuation date and method: June 30, 2022 – The TPL as of June 30, 2023 was determined based on an actuarial valuation prepared as of June 30, 2022 rolled forward one year to June 30, 2023, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.

NOTE 9 - RETIREMENT PLAN (CONTINUED)

Actuarial cost method:	Entry age normal - level percent of payroll
Experience study date:	The most recent comprehensive experience study, based on member experience between June 30, 2014 and June 30, 2019, was completed in February 2020. The demographic assumptions were approved by the Board in June 2020 and were used beginning with the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.
Investment rate of return:	6.25%
COLA:	<p>As of June 30, 2023: No COLA was granted for the 2023-2025 biennium. Thereafter, the following COLAs, compounded annually, were assumed:</p> <p>0.4% beginning on January 1, 2026 0.5% beginning on January 1, 2034 0.6% beginning on January 1, 2039</p> <p>As of June 30, 2022: Members in pay were granted a 1.00% COLA on January 1, 2022 and no COLA on January 1, 2023. Thereafter, the following COLAs, compounded annually, were assumed:</p> <p>0.4% beginning on January 1, 2024 0.5% beginning on January 1, 2034 0.6% beginning on January 1, 2039</p>
Future salary increases, including inflation:	2.65% - 8.65% based on service
Inflation:	2.00%

The long-term return expectation for the defined benefit retirement plan 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.

	Target Allocation	Geometric Basis Long-term Expected Real Rate of Return
Public Equity	20.0%	3.7%
Private Markets	15.0%	6.4%
Fixed Income – Ex Inflation-Linked	20.0%	2.2%
Fixed Income – Inflation-Linked	15.0%	0.5%
Commodities	10.0%	1.1%
Real Assets	10.0%	3.4%
Absolute Return	5.0%	1.6%
Risk Parity	20.0%	5.9%
Cash and Cash Overlay	N/A	—

NOTE 9 - RETIREMENT PLAN (CONTINUED)

Total pension liability for the Plan was calculated using the discount rate of 6.25 percent. 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). Based on those assumptions, the 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 the Plan.

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability of the Plan calculated using the discount rate of 6.25 percent, as well as what the Plan's net pension liability 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:

1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
<u>\$598,751</u>	<u>\$367,404</u>	<u>\$174,505</u>

Investment Valuation and Benefit Payment Policies

The pooled and non-pooled investments are reported at fair value by INPRS. 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' annuity savings accounts. These distributions may be requested by members or auto-distributed by the fund when certain criteria are met.

Funding Policy

The State is obligated by statute to make contributions to the PERF Hybrid Plan or the My Choice Plan.

Any political subdivision that elects to participate in the PERF Hybrid Plan is obligated by statute to make contributions to the Plan. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 5-10.2-2-11. The funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to fund the pension benefits when they become due. As PERF is a cost-sharing plan, all risks and costs, including benefit costs, are shared proportionately by the participating employers. During the fiscal years ended June 30, 2023 and 2022, all participating employers were required to contribute 11.2 percent of covered payroll for members employed by the State. For the My Choice Plan, all participating employers were also required to contribute 11.2 percent of covered payroll. In accordance to IC 5-10.3-12-24, the amount credited from the employer's contribution rate to the member's account shall not be less than 3 percent and not be greater than the normal cost of the fund which was 4.7 percent for the fiscal years ended June 30, 2023 and 2022, and any amount not credited to the member's account shall be applied to the pooled assets of the PERF Hybrid Plan.

NOTE 9 - RETIREMENT PLAN (CONTINUED)

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

At December 31, 2023 and 2022, the Bond Bank reported a liability of \$367,404 and \$312,545, respectively, for its proportionate share of the net pension liability. The Bond Bank's proportionate share of the net pension liability was based on the Bond Bank's wages as a proportion of total wages for the PERF Hybrid Plan. The proportionate share used at the June 30, 2023 and 2022 measurement date was 0.0001041 and .0000991, respectively.

For the years ended December 31, 2023 and 2022, the Bond Bank recognized pension expense of \$88,606 and \$39,601, respectively, which included net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions of \$(6,876), and \$(362), respectively.

At December 31, 2023, the Bond Bank reported deferred outflows of resources and deferred inflows of resources related to the PERF Hybrid Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 7,517	\$ -
Net differences between project and actual earnings on pension plan investments	84,210	-
Changes of assumptions	20,035	-
Changes in proportion and differences between the Bond Bank's contributions and proportionate share of contributions	8,969	29,170
Total recognized in pension expense based on table	\$ 120,731	\$ 29,170
Pension contribution subsequent to measurement date	37,892	-
Total	<u>\$ 158,623</u>	<u>\$ 29,170</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Year Ending June 30,	Amount
2024	\$ 24,719
2025	(1,708)
2026	57,080
2027	11,470
	<u>\$ 91,561</u>

NOTE 9 - RETIREMENT PLAN (CONTINUED)

Deferred Compensation Plan

During 2022, The Bond Bank enrolled in the City of Indianapolis and Marion County, Indiana Deferred Compensation Plan ("Plan") which was adopted under the provision of Internal Revenue Code ("IRC") Section 457. The deferred compensation plan is available to all employees of the Bond Bank. Under this plan, employees may elect to make deferrals where a portion of their salaries are contributed to the Plan, either as pre-tax deferrals or as Roth deferrals. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseen emergency. Plan assets are held in trust by an independent trustee for the exclusive benefit of participants and their beneficiaries and are not included within the accompanying financial statements. The Bond Bank has elected to make a 100% matching contribution to employees up to but not exceeding \$1,200 per calendar year. As of December 31, 2023 and 2022, the employer contribution amounted to \$6,050 and \$3,000, respectively.

NOTE 10 - MATERIAL AGREEMENTS

The Bond Bank pays the annual property management and insurance costs for Union Station on behalf of the City of Indianapolis. Property management and insurance cost of \$997,388 and \$579,622 in 2023 and 2022, respectively, were paid under the terms of this one-year agreement. The property management agreement expired on December 31, 2023.

In 2021, the Bond Bank entered into an agreement to reimburse Develop Indy for costs incurred for a retail market analysis and optimization study for the properties known as Circle Centre Mall and Claypool Court with a maximum of \$155,000. Costs totaling \$80,000 were incurred and paid in 2022 under the terms of this agreement. The contract agreement was expired as of December 31, 2022.

In 2022, the Bond Bank entered into an agreement to reimburse Visit Indy for costs incurred for advertising and marketing expenses associated with the NBA 2K while in the City of Indianapolis with a maximum of \$250,000. Costs totaling \$250,000 were incurred and paid under the terms of this agreement as of December 31, 2022.

In 2022, the Bond Bank agreed to pay for legal services in connection with Downtown Indianapolis Redevelopment efforts. Costs totaling \$34,013 were incurred and paid under the terms of this agreement as of December 31, 2022.

In 2023, the Bond Bank agreed to pay for architectural services in connection with the Department of Public Works consolidated operations facility project. Costs totaling \$227,631 were incurred and paid under the terms of this agreement as of December 31, 2023.

In 2023, the Bond Bank agreed to pay for costs associated with contracted project manager services to assist the City of Indianapolis in the Tech Hub grant application process through December 31, 2024. Costs totaling \$24,140 were incurred and paid under the terms of this agreement as of December 31, 2023.

In 2023, the Bond Bank agreed to pay for costs associated with the assessment and establishment of long-term development and maintenance services of Union Station with a maximum of \$150,450 on behalf of the City of Indianapolis. Costs totaling \$2,474 were incurred and paid under the terms of this agreement as of December 31, 2023. Contract expires March 31, 2024.

Various recurring costs related to certain organizations, sponsorships, and awards are also funded by the Bond Bank. They amounted to \$1,273,760 and \$536,814 in 2023 and 2022, respectively.

NOTE 11 - CONTINGENCIES

In September 2019 and in May of 2023, the Bond Bank was awarded loss recoveries from litigation settlements amounting to \$340,792 and \$27,598, respectively. The full amounts are to be paid in varying installments at the discretion of the defendants. As the actual amount to be received is not estimable due to the unknown solvency of the defendant, revenue will be recognized as received. As of December 31, 2023 and 2022, the Bond Bank received \$1,535 and \$910, respectively.

In the normal course of business, there may be various claims and suits involving the Bond Bank. Management is of the opinion that these matters, if any, will not have a material adverse effect on the Bond Bank's net position at December 31, 2023.

NOTE 12 - CONCENTRATION OF CREDIT RISK

The Bond Bank has loans to qualified entities, all of whom are located in Marion County, Indiana.

NOTE 13 - RECLASSIFICATION

Certain amounts included in the prior year's financial statements have been reclassified to conform to the current year's presentation. The reclassifications have no effect on total assets, total liabilities, net position or change in net position as previously reported.

NOTE 14 - SUBSEQUENT EVENTS

In February 2024, the Bond Bank issued Series 2024 A in the amount of \$23,315,000 to purchase the City of Indianapolis, Indiana Facility Revenue Bonds, Series 2024 A, the proceeds of which will be used to fund the cost of renovating, repairing, improving or demolishing certain buildings and facilities of the consolidate City. The bonds bear interest at a rate of 3.69% and mature on January 15, 2042.

Payables and receivables listed in Notes 3 and 5 have been paid subsequent to year end in accordance with schedules maturities.

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

**SCHEDULE OF THE BOND BANK'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (UNAUDITED)**

**PUBLIC EMPLOYEE'S RETIREMENT FUND
Last 10 Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Bond Bank's proportion of the net position liability	0.01041%	0.00991%	0.01204%	0.01226%	0.01128%	0.01034%	0.01250%	0.01232%	0.01443%	0.01499%
Bond Bank's proportionate share of the net pension liability	\$ 367,404	\$ 312,545	\$ 158,428	\$ 370,300	\$ 372,811	\$ 351,254	\$ 557,693	\$ 559,136	\$ 587,720	\$ 393,927
Bond Bank's covered-employee payroll	\$ 654,592	\$ 570,319	\$ 663,819	\$ 661,952	\$ 587,484	\$ 527,628	\$ 620,124	\$ 590,417	\$ 691,222	\$ 731,734
Bond Bank's proportionate share of the net pension liability as a percentage of its covered-employee payroll	56.1%	54.8%	23.9%	55.9%	63.5%	66.6%	89.9%	94.7%	85.0%	53.8%
Plan fiduciary net position as a percentage of the total pension liability	80.8%	82.5%	92.5%	81.5%	80.1%	78.9%	76.6%	75.3%	77.3%	84.3%

THE INDIANAPOLIS LOCAL PUBLIC IMPROVEMENT BOND BANK

SCHEDULE OF THE BOND BANK'S CONTRIBUTIONS (UNAUDITED)

**PUBLIC EMPLOYEE'S RETIREMENT FUND
Last 10 Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 69,295	\$ 62,482	\$ 72,330	\$ 72,386	\$ 65,798	\$ 59,094	\$ 66,366	\$ 62,324	\$ 59,996	\$ 53,059
Contributions in relation to the contractually required contribution	(69,295)	(62,482)	(72,330)	(72,386)	(65,798)	(59,094)	(66,366)	(62,324)	(59,996)	(53,059)
Contribution deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Bond Bank's covered-employee payroll	\$ 654,592	\$ 570,319	\$ 663,819	\$ 661,952	\$ 587,484	\$ 527,628	\$ 620,124	\$ 590,417	\$ 691,222	\$ 731,734
Contributions as a percentage of covered-employee payroll	10.6%	11.0%	10.9%	10.9%	11.2%	11.2%	10.7%	10.6%	8.7%	7.3%



Independent Auditors' 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*

**To the Board of Directors
Indianapolis Local Public Improvement Bond Bank
Indianapolis, Indiana**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Indianapolis Local Public Improvement Bond Bank (the "Bond Bank"), which comprise the statement of net position as of December 31, 2023, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 20, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bond Bank'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bond Bank's internal control. Accordingly, we do not express an opinion on the effectiveness of Bond Bank'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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Mayer Hoffman McCann P.C.

Indianapolis, Indiana
May 20, 2024