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July 3, 2024

Ms. Sarah Riordan
City of Indianapolis Controller
Marion County, Indiana

We have received the Annual Comprehensive Financial and Single Audit Reports of the City of Indianapolis which have been opined on by Forvis Mazars, LLP, Independent Public Accountants, for the period January 1, 2023 to December 31, 2023. Per the *Independent Auditor's Report*, the financial statements included in the Annual Comprehensive Financial Report present fairly the financial condition of the City of Indianapolis, 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.

In our opinion, Forvis Mazars, LLP prepared the audit reports in accordance with the guidelines established by the Indiana State Board of Accounts.

The audit reports are 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



Indianapolis

Joe Hogsett, Mayor

Sarah Riordan, Controller



City of Indianapolis, Indiana

(Component Unit of the Consolidated City of Indianapolis-Marion County)

Annual Comprehensive Financial Report

Year Ended December 31, 2023

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

**City of Indianapolis, Indiana
(A Component Unit of the Consolidated City of Indianapolis – Marion County)**

Year Ended December 31, 2023

Office of Finance and Management

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Introductory Section

Introductory Section



June 26, 2024

To the Honorable Mayor Joe Hogsett, Members of the City-County Council, and Citizens of Indianapolis, Indiana:

I submit to you the Annual Comprehensive Financial Report (“ACFR”) of the City of Indianapolis (“City”) for the fiscal year ended December 31, 2023. The City is a component unit of the Consolidated City of Indianapolis – Marion County Reporting Entity. This report was prepared by the Office of Finance and Management (“OFM”). Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Controller of the City of Indianapolis. The data, as presented, is accurate in all material respects. It is presented in a manner designed to set forth the financial position and results of operations of the City. Disclosures necessary to enable the reader to gain the maximum understanding of the City’s financial affairs are included.

The ACFR conforms to the standards for financial reporting of the Governmental Accounting Standards Board (“GASB”) and the Government Finance Officers Association of the United States and Canada (“GFOA”). There are three main sections to this report. The Introductory Section includes this letter, the Certificate of Achievement for Excellence in Financial Reporting, a description of the government and related taxing districts, a list of elected officials, and the City’s organizational charts. The Financial Section includes the independent auditor’s report, management’s discussion and analysis (“MD&A”), the basic financial statements for the City, and supplementary information. The Statistical Section includes selected financial and demographic information presented on a multiyear basis. The MD&A can be found starting on page 4.

The City is required to undergo an annual single audit in conformity with the provisions of the *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and auditor’s reports on internal control and compliance with applicable laws and regulations, is included in a separate report.

This report contains all funds of the City. The City operates under an elected Mayor and City-County Council (25 members) form of government. The City provides services in public safety, public works, health and welfare, cultural and recreation, urban redevelopment and housing, and economic development.

ECONOMIC CONDITION AND OUTLOOK

Regional Economy

Indianapolis has a growing and diversified economy with employment and per capita income rates that historically have outperformed both state and national averages. The Indianapolis Chamber of Commerce reported 54 successful relocation and expansion projects in 2023, leading to 3,982 new jobs with an average wage of \$33.80 an hour and 8,797 retained jobs at an average of \$38.60 per hour with over \$1 billion in capital investment.¹ Three of Indiana's Fortune 500 companies are located in Indianapolis and the City is home to many of the State's largest public companies, including: Elevance Health (Anthem Inc.), Eli Lilly and Co., Simon Property Group Inc., Calumet Specialty Products Partners LP, Allison Transmission Holdings Inc., and Duke Realty Corp. The City is also a logistics center that features the world's second-largest FedEx Corp hub, United Parcel Service Inc., Schneider National Inc., and others.²

Known as the *Crossroads of America*, Indianapolis is connected to the rest of the nation by four major interstate highways, making it a prime location for distribution and shipping. Indianapolis is also home to the Indianapolis International Airport (IND), which averaged 117 daily flights to 47 nonstop destinations in 2023. Approximately 9.8 million passengers flew through IND in 2023, an increase in overall passenger traffic by 12.6% compared to 2022.³ In addition to providing a workforce of 22,500 jobs, IND is home to the world's second largest FedEx operation and the nation's eighth-largest cargo facility.⁴ IND recorded 1.25 million tons of total cargo in 2022 and 6.02 million tons of landed weight.⁵ In 2018, FedEx Corp announced a major expansion of its IND facility, and now has 1.9 million square feet with 80 gates, doubling capacity from two sorts to four sorts per day, with employment increasing to between 4,100 and 4,600 (subject to peak periods). FedEx Corp extended its land lease through 2053, with options for two 10-year renewals⁶. In 2022, FedEx funded \$45.6 million in improvements at its sorting facility and expanded capacity.⁷ In 2021 FedEx processed the highest volume of cargo in their history at IND.⁸ In 2023, FedEx announced it would consolidate its Los Angeles based maintenance operations to its Indianapolis facility, which has over 5,800 employees.⁹ In 2024, IND was voted Best Airport in North America by Airports Council International for the twelfth consecutive year¹⁰ and was listed among the Top 10 Best Domestic Airports by Travel+Leisure.¹¹ J.D. Power named IND as the best medium-sized airport for the sixth time in 2023.¹²

The City is home to 24 institutions of higher learning with over 143,000 students enrolled in the 2023-2024 academic year.¹³ Seventeen colleges within Marion County offer Associate's Degrees and 22 Universities offer Bachelor's Degrees or higher, supporting the high

¹ Data retrieved from: <https://indychamber.com/news/develop-indy-year-end-review-by-the-numbers/>

² The Indianapolis Chamber of Commerce. "Indianapolis Region Largest Logistics Companies." <https://indychamber.com/economic-development/indy-partnership/>.

³ Indianapolis Airport Authority, Annual Report, 2023

⁴ https://www.faa.gov/airports/planning_capacity/passenger_allcargo_stats/passenger/cy21_cargo_airports

⁵ [Indianapolis](#) Airport Authority. "December 2023 IND Airline Activity Report"

⁶ [Indianapolis Airport Authority Staff update](#)

⁷ Ibid.

⁸ IND "Indy Airport Ahead of Other Airports in Passenger Traffic Recovery" <https://www.ind.com/about/media/media-releases/indy-airport-ahead-of-other-airports-in-passenger-traffic-recovery>

⁹ Indianapolis Business Journal "FedEx plans to move LA maintenance operations to Indianapolis," <https://www.ijb.com/articles/fedex-plans-to-move-la-maintenance-operations-to-indianapolis>

¹⁰ Airports Council International. "ACI Reveals World's Best Airports for Customer Experience" <https://aci.aero/programs-and-services/asq/asq-awards-and-recognition/>

¹¹ Travel + Leisure. "The Top Ten Domestic Airports" <https://www.travelandleisure.com/worlds-best/airports-domestic>

¹² J.D. Power. "Despite Record Passenger Volumes, North American Airports Earn Higher Marks for Traveler Satisfaction, J.D. Power Finds" <https://www.jdpower.com/business/press-releases/2023-north-america-airport-satisfaction-study>.

¹³ Marion County Post-Secondary Education Student Enrollment: <https://nces.ed.gov/collegenavigator/?s=IN&of=1&od=0&pg=5>

educational attainment rate of 36.8% for Indianapolis' residents with bachelor's degree or higher.¹⁴ These include Indiana University-Purdue University Indianapolis (IUPUI), Butler University, University of Indianapolis, Marian University, Ivy Tech Community College and others.¹⁵ The Indianapolis area is served by 246 K-12 schools, 131 private schools, and 11 public school districts, with a population of 188,670 students distributed among all public and private schools.¹⁶

Indianapolis' healthcare sector has expanded in the past decade and continues to grow. Eskenazi Hospital, Indiana's largest public hospital, was completed in December 2013. The \$750 million state-of-the-art facility houses Level I Trauma and Burn Units, psychiatric, long-term, outpatient, and other care centers. Indiana University Health ("IU Health") continues to expand in the City. Previously, IU Health announced a \$1.6 billion expansion and in 2022 increased the expansion with an additional investment of \$1.08 billion citing increased patient demand. In 2023, IU Health announced an updated price tag of the expansion totaling \$4.3 billion. The three patient towers will now be 16-story towers up from the previously planned 12-story towers and patient rooms will be increased by 29% to 864 rooms from 672 rooms, for a total space of over 2 million square feet.¹⁷ The project also includes a new five-story office building and parking garage. The complex will consolidate the IU Health Methodist and IU Health University Hospitals into a 44-acre, integrated "green" campus and construction is underway.¹⁸ IU School of Medicine broke ground in 2022 on a new \$230 million medical education and research center.¹⁹ Riley Hospital completed a \$142 million expansion of a new maternity and newborn health center in 2021, serving as the largest NICU in Indiana and among the largest in the country.²⁰

In addition to the healthcare sector, Indianapolis employs nearly 25,000 people in the life sciences industry, with companies such as Corteva Agriscience (DowDuPont (DWDP)), Eli Lilly and Co. (LLY), and Elevance Health (Anthem Inc. (ELV)), headquartered in Indianapolis and Roche Diagnostics (RHHBY), Express Scripts (ESRX), and Covance Inc. (CVD) operating in the City. A report from the Indiana Business Research Center and BioCrossroads notes that Indiana is the third highest life science-exporting state in the United States. Indiana exported \$15 billion worth of life science products in 2023, an estimated \$95 billion in State economic impact. In 2023, 34 Indiana Life Science companies raised more than \$288 million in venture capital funding.²² In November 2019, Lilly announced \$400 million in new investments at the Lilly Technology Center in three phases to increase capacity for new medicines and future diabetes therapies, resulting in over 100 new, highly skilled jobs.²³ The company has invested roughly \$4.5 billion²⁴ in its Indianapolis facilities since 2012 and has over 2.7 million square feet of laboratory space.²⁵ Lilly continues to invest in the Indianapolis area and in 2022 announced a \$3.7 billion research and manufacturing facility in neighboring Boone County.²⁶

¹⁴ U.S. Census Bureau, 2021 ACS 1-Year Estimates and The Indy Partnership website: <https://properties.zoomprospector.com/indypartnership/community/Marion-County-IN/18097>.

¹⁵ National Center for Education Statistics, Indiana <https://nces.ed.gov/collegenavigator/?s=IN&zc=46204&zcd=15&of=3>

¹⁶ Public School Review "Top 10 Best Marion County Public Schools (2023)" <https://www.publicschoolreview.com/indiana/marion-county>.

¹⁷ *Indianapolis Business Journal*, "IU Health expands plan for downtown hospital, pushing price tag to \$4.3B" <https://www.ibj.com/articles/new-price-tag-of-iu-healths-downtown-hospital-4-3-billion>

¹⁸ *Inside Indiana Business*, "IU Health reevaluating scope of \$2.68B downtown campus" <https://www.insideindianabusiness.com/articles/iu-health-reevaluating-scope-of-2-68b-downtown-hospital-campus>

¹⁹ *Indianapolis Business Journal*, "IU School of Medicine to break ground on new, \$230M home" <https://www.ibj.com/articles/iu-school-of-medicine-to-break-ground-on-new-230m-home>

²⁰ *Indianapolis Business Journal*, Riley Hospital's new maternity tower strives for a smooth delivery <https://www.ibj.com/articles/riley-hospitals-new-maternity-tower-strives-for-a-smooth-delivery>

²² BioCrossroads, Indiana's Life Sciences Industry <https://biocrossroads.com/resources/reports/2023-annual-report-2>

²³ *WFYI Indianapolis*, "Eli Lilly To Invest \$400 Million Upgrading, Expanding Its Indiana Manufacturing", November 20, 2019 <https://www.wfyi.org/news/articles/eli-lilly-to-invest-400-million-upgrading-expanding-its-indiana-manufacturing>

²⁴ *IndyStar* "Eli Lilly seeks \$24 million in tax abatements for renovations and expansion" <https://www.indystar.com/story/news/local/marion-county/2020/07/21/eli-lilly-seeks-roughly-24-million-tax-abatements-over-decade/5442778002/>

²⁵ *IndyStar* "Lilly unveils new \$75M research building in Indianapolis" <https://www.ibj.com/articles/69436-lilly-unveils-new-75m-research-building-in-indianapolis>

²⁶ *IndyStar* "Lilly add another \$1.6B, 200 jobs to Boone County project" <https://www.indystar.com/story/news/local/indianapolis/2023/04/17/lilly-adds-1-6b-200-jobs-to-boone-county-project/70122119007/>

Indianapolis continues to be a major sports and convention destination. Indianapolis Motor Speedway is home to the Indy 500 race, Lucas Oil Stadium is home to the Indianapolis Colts, hosting Super Bowl XLVI and multiple NCAA Men’s Final Four tournaments and Big Ten Football Championships. Indianapolis annually hosts the Big Ten Football championship game and has won the bid for several large events including: the 2021 NBA All-Star Weekend; the Women’s Big Ten Basketball Tournament; the NCAA Men’s 2021 Final Four; and the NCAA College 2022 Football National Championship. Due to the COVID-19 Pandemic, the City hosted the 2021 Big Ten Men and Women’s Basketball Tournament, the entire 64-game NCAA Men’s Basketball Tournament and hosted the 2024 NBA All-Star Weekend that was originally scheduled to be hosted in Indianapolis in 2021. After a hiatus due to the pandemic, the NFL Combine returned to Indianapolis in 2022 and will stay through 2024. Indianapolis hosted the NBA2K League in 2022, the first year the League operated outside of New York City. The 2024 USA Swimming Olympic Team Trial will be at Lucas Oil Stadium. Additionally, Indianapolis will host the NCAA Basketball Final Four Men’s in 2026 and 2029 and the NCAA Basketball Final Four Women’s in 2028. Gainbridge Fieldhouse is home to the Indiana Pacers and the Indiana Fever, underwent a \$360 million renovation and expansion project with interior renovation completed in 2022 and outdoor expansion completed in the summer of 2023. Victory Field is home to the Indianapolis Indians, Pittsburgh’s Triple-A affiliate. All three major sports facilities are within walking distance or connected by the skywalk system to the Indiana Convention Center.

The Indiana Convention Center is the 25th largest convention center by exhibition size in the U.S. and is poised for another major expansion. The 300,000 square-foot expansion includes a 50,000 square-foot ballroom and new pedestrian skybridge and is scheduled to open in 2026. Indianapolis hosted 29.2 million visitors in 2023. The top annual conventions and events include Gen Con (70,000 visitors), National FFA Convention (64,000 visitors), Big Ten Championship (70,000 visitors), and the Indy 500 (up to 350,000 attending). For 2023, Visit Indy reported \$5.6 billion in economic impact from convention tourism, making a full recovery to pre-pandemic levels. Indianapolis is slated to host over 500 events in 2024.

Key cultural destinations include the Indianapolis Zoo, the Indiana State Museum, the NCAA Headquarters and Hall of Champions, the Eiteljorg Museum of American Indian and Western Art, the Children’s Museum of Indianapolis, Newfields: A Place for Nature & The Arts (previously known as the Indianapolis Museum of Art) and seven war memorials and monuments honoring our nation’s fallen service members. The Children’s Museum of Indianapolis, the largest of its kind,²⁷ was named USA Today’s best Children’s Museum in the U.S in 2023.²⁸ The City’s expanding culinary scene has been recognized by Condé Nast Traveler as “the most underrated food city in the U.S.” Forbes named Indianapolis one of the “25 Best Places to Visit in 2020”²⁹ and Travel and Leisure ranked Indianapolis #19 “50 Best Places to Travel in 2021”³⁰ citing the newly opened Bottlenworks development as a key destination to visit. In 2022, BestLife named Newfields’ 150-acre campus and gardens to the top of their “The 10 Best U.S. Gardens to Stroll Through – Even in Cold Weather.”³¹ Food & Wine named Indianapolis as one of “America’s Next Great Food Cities” in 2022, noting the City’s “real diversity of cuisines; an abundance of affordable, quality dining options; and a vibrant mix of personalities championing food access for all.”³²

²⁷ Wikipedia “The Children’s Museum of Indianapolis” https://en.wikipedia.org/wiki/The_Children%27s_Museum_of_Indianapolis

²⁸ USA Today “Best Children’s Museum (2023)” <https://www.10best.com/awards/travel/best-childrens-museum-2023/>

²⁹ Forbes “Best Places to Travel in 2020” <https://www.forbes.com/sites/laurabegleybloom/2019/12/19/best-places-travel-us-2020/?sh=55d493f84898>

³⁰ Travel and Leisure “21 Best Places to Travel in 2021” <https://www.travelandleisure.com/trip-ideas/best-places-to-travel-in-2021>

³¹ BestLife “The 10 Best U.S. Gardens To Stroll Through—Even in Cold Weather” <https://bestlifeonline.com/best-garden-in-us-news/>

³² Food & Wine “These Are America’s Next Great Food Cities” <https://www.foodandwine.com/travel/best-food-cities>

Economic Development

2023 continued to be a strong year for Indianapolis economic development with high job growth in emerging sectors like biopharmaceuticals, advanced manufacturing, logistics and distribution, and more. These year-end numbers indicate Indianapolis's economic development investment from growing industries, creating an environment that attracts employers, drives placemaking, and creates an opportunity for breakthrough innovations. 2023 was another record setting year for community and economic development across Indianapolis neighborhoods, from large-scale attraction projects to continually growing the stock of affordable housing, to the transformative wave of mixed-use campus and office redevelopment opportunities—Indianapolis is creating a better city for residents and businesses.

The City, in partnership with Develop Indy, operated for the fourth year under an “Inclusive Incentives” policy to advance job opportunities for Indianapolis residents and remove barriers to employment that prevent individuals from attaining and retaining good-paying jobs. The City's tax abatement policy continues to target industries that support the growth of jobs paying more than \$18 per hour and providing opportunities for both skilled and sub-baccalaureate workers. Businesses receiving incentives must also invest in social supports for their workforce, including transit, childcare, and training. These changes are supported by data-driven research from the City and Indy Chamber's engagement with the Brookings Institution and are intended to align the City's tax incentives with areas of growth and opportunity in the City's economy.

Since 2016, the City has favored the use of developer-backed bonds as a primary way to incentivize private mixed-use real estate economic development projects, a policy that limits the City's exposure by only pledging a portion of Tax Increment Finance revenues from the project toward debt, with the developer backing any shortfall. Other considerations for incentivization include downtown resiliency, transit-oriented development, the creation of affordable and workforce housing, and activation of vacant or under-performing parcels.

Develop Indy is also engaged in business and community development efforts beyond traditional corporate attraction. With the tight labor market, Develop Indy's Business Retention and Expansion manager worked with community and re-entry organizations such as Program of All-Inclusive Care for the Elderly (“PACE”), Indiana Department of Correction (“IDOC”), Helping Veterans and Families (“HVAF”), and the Indianapolis Urban League to help refer 500+ individuals into accessible jobs. As part of the Indy Chamber and a partner of the City, Develop Indy also continues to serve a customer service function to support the existing business community, while welcoming new businesses to the City.

2023 Job Commitments and Investments

In support of the primary economic development goals for the City, 12,779 job commitments (3,982 new jobs/8,797 current and retained jobs) and over \$1 billion in capital investment from 54 successful relocation and expansion projects were announced in 2023. The average wage for retained jobs was \$38.60 per hour and the average wage for new jobs was \$33.80 per hour. These successes were realized due to the partnership between the Mayor's Office and the Indy Chamber. The commitment from companies to add and retain over 12,779 jobs and invest more than \$1 billion in Indianapolis is a testament to the fact that the City continues to be a great place to live and do business. Companies benefit from Indianapolis' stable, affordable and pro-growth economic environment, skilled workforce, central location, and overall low cost of doing business.

2023 Notable Projects

Truck Country of Indiana, Inc: Truck Country, a prominent player in the Freightliner dealership industry, announced plans to redevelop a vacant industrial facility on the Southwest side of Indianapolis into a state-of-the-art 215,000-square-foot regional headquarters and training center. The company is making a \$50M investment for this redevelopment and will also be investing \$6.5M in a partnership with AES Indiana to install a solar grid on site as well as a \$1 million power generator/\$400,000 EV charging station that would supply power to the building. This allows Truck Country to retain 225 jobs and create 50 new positions by the end of 2024. In partnership with EmployIndy's Modern Apprenticeship Program, Truck Country will fund up to 12 apprentices in-house annually for seven years, including creating a new EV apprenticeship program.

Reyes Holdings: Monarch Distribution LLC, recently acquired by Reyes Holdings, LLC, sells and distributes the widest variety of imported craft and domestic beers, delivering over 16 million cases annually to more than 7,240 customers across central Indiana. To modernize its operations, the company is making a \$62M investment to relocate to a 400,000-square-foot building on the southwest portion of the former Ford Visteon redevelopment site, Lauth Group Inc's Thunderbird Commerce Center, which was mentioned in the 2022 report. Monarch Distribution will also be retaining 483 high-wage jobs as a part of this relocation.

Republic and Blue Polymers Centers: Republic Services Inc. broke ground this year on the nation's first integrated plastics recycling facility located on the south side of Indianapolis. The \$125 million recycling complex will contain two centers, the Polymer Center which will be dedicated to plastic recycling and Blue Polymers which will be used for plastic manufacturing. This initiative is a major step towards improving the City's recycling rates while also addressing the increasing demand for recycled plastics resulting from a growing number of companies committing to using recycled content in packaging. Operations at the Republic and Blue Polymers Centers will allow for the creation of 125 new jobs.

I-65 & County Line Road Industrial Park: GP-CM County Line Partners, LLC, a partnership between Indianapolis-based development firms Gershman Partners and Citimark, is developing a \$175 million multitenant industrial park on the northeast and northwest corners of the intersection of South Arlington Avenue and County Line Road. The 170-acre site tentatively branded I-65 & County Line Road Industrial Park is expected to be a 1,900,000-square-foot modern industrial park with build-to suit and speculative development options available across 5 structures ranging from 100,000-square-feet to nearly 575,000-square-feet. The development will also include commercial and retail spaces and is expected to be developed in phases and completed by 2030.

Bila Solar, Inc.: Bila Solar is an innovative solar energy company that manufactures ultralight solar modules that transcend the limitations of traditional solar modules by enabling installations on low load-bearing roofs and curved surfaces. The company launched this year and is locating its U.S. headquarters in Indianapolis, creating more than 240 new jobs by the end of 2026. Bila Solar announced an investment of more than \$35 million for the redevelopment and equipping of a 150,000-square-foot manufacturing facility into a state-of-the-art solar module manufacturing facility.

Major Tool & Machine, Inc.: Advanced manufacturing company Major Tool & Machine, Inc. already has more than 400 employees at its Indianapolis office on the northeast side and plans to create up to an additional 21 new, high-wage jobs over the next four years. This \$16 million expansion is a response to the global push that increased research and development investments in the semiconductor and microchip industry. Major Tool & Machine plans to increase its capacity and capabilities in the production of modern equipment to support the

manufacturing of High NA EUV lithography systems that are used to more efficiently print tiny patterns on microchips. Advancements in microchips are a key piece to powering the technology of the future.

GeniPhys: Start-up biosciences business developing its headquarters, research and initial manufacturing facility in Indianapolis in order to commercialize a patented polymerized collagen technology that promotes human tissue generation while avoiding inflammation and scarring. The start-up will be investing \$9.82 million over the next four years to create 43 new jobs and establish its operations in Indianapolis.

Hall Place Apartments: In a partnership formed by two local companies, Arrow Street Development and Chatham Park Development, in partnership with Standard Real Estate Investments broke ground this year on Hall Place Apartments a \$79 million multifamily project with 273-units, contributing to the momentum of IU Health's campus expansion, a \$4.3 billion development to be located southwest of the apartment complex. 41 of the 273 units will be reserved for households earning less than Area Median Income (AMI) and will remain affordable for 15 years.

Waterway Labs @ 16 Tech: NexCore Science & Tech announced the development of a 5-story, 100,000-square-foot life science lab building on the 16 Tech campus, a 50-acre technology-focused development located northwest of downtown. In addition to contributing to the flourishing 16 Tech ecosystem, the development branded Waterway Labs would also complement other neighboring research and development institutions such as IU Indianapolis and Purdue in Indianapolis, IUSM Biotechnology & Research Training Center, Lilly Technology Center, Cook Medical, Eli Lilly & Company World Headquarters, and the aforementioned \$4 billion IU Health hospital campus.

The Stutz Motor Car Co. Factory Redevelopment: The Indianapolis City County Council authorized up to \$12.3 million in Economic Development Tax Increment Revenue Bonds to SomeraRoad Inc., for the redevelopment of the former Stutz Motor Car factory, located at approximately 1060 Capitol Ave. SomeraRoad spent about \$100 million on phase I of the project, transforming the site into a mixed-used campus with a dozen attractive amenities designed to attract and keep people downtown. Future plans call for an additional \$100 million to be invested in several new phases over the next 10 years. The renovated Stutz Motor Car Co. factory complex opened in May 2023 and tenants include The Stutz Car Museum, Industrious Co-working, St'artup317, Myriad Health + Fitness, and Café Patachou.

City Market + Gold Building Redevelopment: The City-County Council also authorized up to \$18.8 million in Economic Development Tax Increment Revenue Bonds to a joint venture between Citimark and Gershman Partners, for the redevelopment of the City Market and Gold buildings, located at approximately 251 E. Ohio St. and 151 E. Ohio St. Citimark and Gershman Partners plan to spend about \$200 million to develop the project. Current plans call for the conversion of the 47-year-old Gold office building into a more modern 350-unit residential tower, expanding the main City Market building along East Market Street, and construction of an 11-story apartment tower with 60 multifamily units, 8,000-square-foot of office space and 22,000-square-foot of retail space on the east wing of the City Market. Additionally, plans call for the activation of existing alleyways into pedestrian-only pathways to connect more people with the City Market and offer new spaces for local designers, artists and entrepreneurs to showcase their work. Construction at the site is set to begin in 2024.

LONG-TERM FINANCIAL PLANNING

The Office of Finance and Management (“OFM”) is responsible for financial planning for the City and Marion County. OFM is also responsible for the annual budgets of all agencies, both the development and the execution. OFM employs a sophisticated modeling system to estimate property tax revenues for both the current budget year and future years. With this tool, the City has more ability to model the effects of property tax caps and tax increment capture than any other municipality in the State of Indiana.

Property Tax

The City collected \$398 million in net property tax revenue in 2023, including TIF. The City expects to collect \$422 million in net property tax revenue in 2024. The Circuit breaker impact is estimated to be \$29 million in 2024, approximately 10% of certified property tax levies. This represents a decrease from the \$35 million loss in property tax revenue experienced in 2023.

This revenue loss is due to House Enrolled Act 1001, enacted by the Indiana General Assembly in 2008, which limits the property tax liability of each parcel. The law set a three (3) tiered cap on property tax liability covering the five (5) property classes – homesteads, other residential, agricultural, commercial, and industrial. These tiers are structured as follows:

Maximum liability equals 1% of parcel Gross Assessed Value (“GAV”) – homesteads;

Maximum liability equals 2% of parcel GAV – agricultural and other residential;

Maximum liability equals 3% of parcel GAV – commercial and industrial.

Local Income Tax (“LIT”)

LIT is an income tax based revenue stream with a flat rate structure, imposed on state adjusted gross income of County taxpayers. The tax rate is imposed based on the residency of the taxpayer, not the county of employment. The tax is authorized by statute and is applicable to all Indiana municipalities. The tax does not sunset. The LIT rate is established by the Marion County Income Tax Council. In Indiana, the State Department of Revenue serves as the collection agent for all County income taxes. Thus, each county relies on annual distributions of county income tax revenues from the State. The State Budget Agency (“SBA”), in collaboration with the State Department of Revenue and the Department of Local Government Finance, administers these annual distributions. These annual distributions are shared among the county government, all townships, and the municipalities located within the county, including the City. For Marion County, OFM is responsible for calculating the allocation of county income tax revenues to all eligible entities pursuant to a Marion County specific formula found in State statute. OFM works very closely with the State Budget Agency to track and forecast income tax collections and annual certified distributions.

The certified distribution is a guaranteed amount of LIT revenue remitted by the State Auditor to the County Treasurer monthly in 1/12th increments based on total income tax returns processed from July-December of the prior fiscal year and January-June of the current fiscal year. For 2023, total LIT revenue distributed to the City attributed to the annual certified distribution was \$295 million, which includes the three components of the income taxes, the total rate in 2023 was 1.7306%: County Option Income Tax (“COIT”) (1.0107%), Public Safety Income Tax (“PSIT”) (0.5000%), and the Local Option Income Tax (“LOIT”) Levy Freeze (0.2199%). In 2022, total City income taxes distributed attributed to the annual certified distribution were \$278 million, the \$17 million increase from 2022 is mainly attributable to

organic growth in income taxes. Per statute, when the balance exceeds 15% of the certified distribution, supplemental distributions are released based upon the balance in the Trust Account reported two years prior to the certified distribution year. Every April, the SBA reviews the amount each local entity has generated in the State-held Trust Fund and, if applicable, distributes any excess in May. In May 2023, the City received a supplemental amount of \$34 million, bringing total income taxes received in 2023 to \$329 million.

5 Year Forecasting

As part of the long-term financial planning for the City, the City Controller has developed a 5-year financial plan focusing on available funds over the next 5 years. The 5-year financial plan will provide projections of major revenue sources such as property taxes, income taxes, other major miscellaneous revenue sources, and the impact of the circuit breaker. In addition, the plan makes various assumptions for major expenditures such as personnel costs, contractual obligations, and capital needs. The 5-year financial plan will be reviewed and updated quarterly to monitor and respond to changes in fund balances, revenues, and expenditures.

RELEVANT FINANCIAL POLICIES

Internal Control Structure

Management of the City is responsible to establish and maintain an internal control structure that ensures the assets of the government are protected from loss, theft, or misuse and ensures that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

Budgetary control is maintained for certain funds, at the object level of expenditure by the encumbrance of purchase orders against available appropriations. The City uses the Government Accounting Standards Board (“GASB”) expenditure terminology (object) for financial reporting purposes and State of Indiana expenditure terminology (character) for internal accounting purposes. Capital projects reimbursable by grant revenues are encumbered for the total amount of the estimated project cost. Outstanding encumbrances to be financed from future revenues, other than approved grant revenues and certain Consolidated County budgetary account reimbursements, are recorded in their entirety as assigned fund balances.

MAJOR INITIATIVES

The City continues to identify ways to create efficiencies and improve delivery of services. OFM works closely with City departments and City administration to create opportunities to reduce expenditures and identify new revenue sources, providing the ability to increase investments across Indianapolis-Marion County to benefit residents and taxpayers. As a result of strong fiscal policy and management, the City has received multiple credit rating upgrades since 2017, maintaining a AAA credit rating by showing solid cash reserves, including the Fiscal Stability fund, where we continue to keep a targeted unassigned fund balance of at least \$80 million. The Fiscal Stability Fund was established by law and has the primary purpose of supporting a solid credit rating for the City.

The City's fund balance policy also establishes a minimum level of funding reserves and the requirement that, if used, the City must establish a plan to replenish reserves in the following year. In addition, legislation passed by the Indiana General Assembly Senate Enrolled Act 621-2013, provided that budgets may be allocated on a semiannual basis as determined by the Controller. In addition, if revenues and fund balance are less than budgeted expenditures, the Controller can reduce agency budgets to create a funded budget. Under SEA 621, the City may impose management reserves, which places a percentage of each department's budget into reserve and does not allow for expenditure unless the Controller believes the appropriation is fully supported by a combination of current revenues and existing fund balance. This statute gives OFM and the Controller the authority needed to maintain strong financial management practices and policies, providing for a strong framework for solid fiscal operations.

The 2023 budget was a structurally balanced budget. The a 2023 budget increases investments across the City to benefit residents and taxpayers, maintains positive fund balances, protects the Fiscal Stability fund, and continues to operate an efficient City-County government – without raising taxes or selling off assets. The 2023 budget is guided by the priorities of Mayor Joe Hogsett and the City-County Council. It keeps Indianapolis-Marion County on a path of strong fiscal stability while making strategic investments in public safety, infrastructure, neighborhoods, and economic development and other forward-looking projects that will shape Indianapolis' future.

The 2023 budget funds the following initiatives:

- \$5 million for the Crime Guns Task Force, a Central Indiana partnership staffed by more than 35 officers, detectives, agents, analysts, and prosecutors focused on reducing gun violence by removing illegally possessed guns from the community
- Investment in community programs that help reduce the prevalence of homelessness, treat addiction, and address mental health challenges
- \$2 million to hire the City's first team of mental health professionals to respond when residents experience mental health crises
- New and existing violence reduction and intervention initiatives managed by the Office of Public Health and Safety (OPHS), including the Witness Protection Program and the Group Violence Intervention program
- \$250 thousand in continued funding for the Tenant Legal Assistance Project and the Eviction Avoidance Project with Indiana Legal Services
- Funding for 1,743 police officers and 1,220 firefighters
- \$287.7 million for roads, bridges, and greenway improvements across Indianapolis neighborhoods in 2023
- \$156.7 million for storm water systems improvements across Indianapolis neighborhoods in 2023
- An additional \$500 thousand for the Indy Achieves program to provide scholarships for Indianapolis residents pursuing a post-secondary degree or credential

- \$1.3 million for direct grants to more than 100 Indianapolis arts organizations including increased funding access for People of Color Conference (“PoCC”) institutions
- \$1.2 million for IMPD patrol vehicles and \$2 million for IFD apparatuses
- \$575 thousand in additional funding for Public Works equipment needs, specifically for the solid waste, grounds maintenance, and fleet services programs

The City is continuing to deploy Coronavirus State and Local Fiscal Recovery funds made available through the American Rescue Plan Act. The City and County’s direct allocation is \$419 million, which has all been received. The Administration, in conjunction with the Council, has allocated funds to address important priorities including violence reduction, affordable housing, hunger, and homelessness, as well as economic and community development initiatives.

The adopted 2024 budget is structurally balanced and as a result of strong revenue growth, this budget prioritizes critical investments in public safety, community violence reduction, infrastructure, and neighborhoods along with improvements in general government services. Further, this budget pays off existing debt, maintains the Fiscal Stability fund above \$80 million, and makes critical investments across the enterprise.

The 2024 budget funds the following initiatives:

- \$3.8 million for the Crime Guns Task Force, a Central Indiana partnership staffed by more than 35 officers, detectives, agents, analysts, and prosecutors focused on reducing gun violence by removing illegally possessed guns from the community
- Funding a fully staffed IMPD, which includes salary increase for first- and second-year officers to assist in recruiting efforts
- Funding for 1,270 firefighters, which includes budget for an expanded recruit class to begin in January 2024
- 3 Special Assistant US Attorney positions located in the Office of Corporation Counsel to focus on investigating and prosecuting gun crimes
- Significant technology investments for the Indianapolis Metropolitan Police Department, which include;
 - 150 additional license plate readers
 - 50 additional public safety cameras
 - 750 dash cameras
- Expansion of the auxiliary pilot program to train 30 additional officers and ensure 24/7 coverage in each police district
- An additional \$1.8 million to complete the transition to 24-hour, 60-bed availability at the Assessment and Intervention Center
- An additional million dollars to expand the Clinician Led Community Response team, the City’s first team of mental health professionals to respond when residents experience mental health crises
- Investment in community programs that help reduce the prevalence of homelessness, treat addiction, and address mental health challenges
- New and existing violence reduction and intervention initiatives managed by the Office of Public Health and Safety (OPHS), including the Witness Protection Program and the Group Violence Intervention program
- \$250,000 in continued funding for the Tenant Legal Assistance Project and the Eviction Avoidance Project with Indiana Legal Services

- Increasing funding for the Drug Free grant program, which is aimed at preventing and reducing the impact of substance use on crime, health, and individuals in our community
- Increased funding for community mental health centers operating in Marion County
- \$325.7 million for roads, bridges, and greenway improvements across Indianapolis neighborhoods in 2024
- \$85 million for storm water systems improvements across Indianapolis neighborhoods in 2024
- \$2.5 million for the Indy Achieves program to provide scholarships for Indianapolis residents pursuing a post-secondary degree or credential
- \$1.3 million for direct grants to more than 75 Indianapolis arts organizations including increased funding access for POC institutions
- An expansion of Indy Parks maintenance budget, to keep up with improvements from investment via Lilly Endowment grant funding, American Rescue Plan funds, and Circle City Forward funding.
- \$5.9 million for IMPD patrol vehicles
- \$7.2 million for IFD apparatuses
- \$6.1 million for Public Works equipment needs, specifically for the solid waste, street and stormwater operations and fleet services programs

In addition, the 2024 budget includes a \$25 million commitment to residential street maintenance and repair and \$2 million for alleyway repairs. For residential streets, this marks the third round of funding done through supplemental income tax and surplus fund balances that have allowed for significant investment in neighborhoods.

The City continues to deploy Coronavirus State and Local Fiscal Recovery funds made available through the American Rescue Plan Act. Funds have been allocated to address important priorities including violence reduction, affordable housing, hunger, and homelessness, as well as economic and community development initiatives. These stimulus funds must be obligated by December 31, 2024. The Administration is in the process of evaluating the program efficacy to determine projects that should be continued at the close of the federal funding. The 2024 budget makes a \$4.5 million investment in continuing the gun violence reduction programming, which was originally funded through federal stimulus funds.

OTHER INFORMATION

Audit Committee

The Consolidated City-County’s Audit Committee was formalized by City-County Council ordinance to provide an independent review body for the audit activities of the City. As of December 31, 2023, the Audit Committee members were:

Mr. David Reynolds, <i>Chairperson</i>	Policy Analytics, Senior Vice President
Mr. Matthew Speckman	Certified Public Accountant-Advantage Through Accounting
Mr. Michael Claytor	Retired Accountant, Active Attorney
Ms. Emily Stump	Mayor’s Office – Project Manager
Mr. Daniel Boots	City-County Councilor, City of Indianapolis – Marion County
Ms. Tanya Ndiaye	The Organizer, Accountant
Mr. Michael-Paul Hart	City-County Councilor, City of Indianapolis – Marion County

Certificate of Achievement

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Indianapolis for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement for Excellence in Financial Reporting Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgment

This report is the combined effort of many people: Office of Finance and Management accountants, internal auditors, departmental chief fiscal officers, and others. I appreciate their diligent and conscientious work, as well as the efforts of our independent auditors, Forvis Mazars.

Mayor Hogsett, I also appreciate your continued guidance, interest, and support of excellence in accounting and financial reporting.

Respectfully submitted,



Sarah Riordan

Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Indianapolis
Indiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO

CITY OF INDIANAPOLIS

ORGANIZATION OF LOCAL GOVERNMENT AND TAXING DISTRICTS

Introduction

The City of Indianapolis (City) was originally incorporated in 1832. It is the largest city in the State of Indiana (“State”) and the 16th largest city in the nation with a population of 879,293³³ and a metropolitan area population of approximately 2.1 million people. The City encompasses a land area of 402 square miles. The City, located at the geographic center of the State, is the State capital and also serves as the physical, economic, and cultural capital. Indianapolis has a stable and diversified economy with employment rates and income levels consistently above the national averages.

Form of Government

On January 1, 1970, the governments of the City and that of Marion County (“County”) were unified and their form of service delivery consolidated, thereby extending the City’s boundaries to generally coincide with those of the County. Four municipalities (Beech Grove, Lawrence, Speedway, and Southport) located within the County boundaries were specifically excluded from most functions of the consolidated City by the consolidating act. The consolidated government provides for a Mayor and a 25-member legislative council. The City-County Council consists of 25 councillors elected from single-member districts. Because the Mayor’s powers extend to the entire county, residents of the Town of Speedway and the Cities of Beech Grove, Lawrence, and Southport, the municipalities not affected by the reorganization, vote for the Mayor as Chief County Executive.

Since adoption of the consolidated form of government for the City, governmental services within the area of Unigov are provided by 46 different units of local government, including the consolidated City, the County, five independent municipal corporations, 11 school corporations, nine townships, 12 towns, the four municipalities excluded from the consolidated City of Indianapolis, two library boards, and one conservancy district. Within the consolidated City, special taxing districts were created to coincide with user benefit district boundaries then existing or as extended by the consolidating act. Boundaries of the various districts are such that a resident may be a member of one district and not another. Therefore, the resident’s geographic location within the County determines the governmental unit and taxing district rates to be combined in calculating the specific tax rate. As a result of the varying areas in which services are provided by the 46 different governmental units, the County is broken down into 61 different geographical areas for purposes of tax rate determination.

The maps on pages XVII and XVIII illustrate the relationship of the described taxing units.

³³ US Census Bureau, Annual Estimates of the Resident Population for Incorporated Places of 50,000 or More, Ranked by July 1, 2023 Population

The following taxing units are within the consolidated City, and all except the consolidated County and the special service districts can issue bonds:

	<u>Map</u>		<u>Map</u>
Civil City	2	Flood Control District	1
Consolidated County	1	Metropolitan Thoroughfare District	1
Redevelopment District	2	Police Special Service District	5
Solid Waste Special Service District	7	Fire Special Service District	6
Public Safety Communications & Computer Facilities District	1	Park District	1

The Metropolitan Thoroughfare District, Flood Control District, Park District, and Public Safety Communications & Computer Facilities District are special taxing districts, the boundaries of which are coterminous with the boundaries of Marion County.

The Redevelopment District and the Solid Waste Disposal District are special taxing districts, the boundaries and taxable property of which are coterminous with the boundaries of the City. The Redevelopment District includes a Consolidated Tax Allocation Area, which captures incremental increases in assessed valuation for the repayment of the Tax Increment Finance Bonds.

Other Governmental Units

The consolidated City of Indianapolis is within the boundaries of Marion County, as are the following:

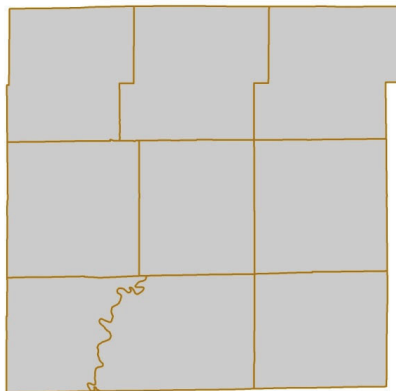
- **Marion County** as a governmental unit provides services such as courts, sheriff, tax assessment, collection, etc., not otherwise provided by other governmental units.
- The **Capital Improvement Board of Managers of Marion County** (“CIB”) is a separate and distinct municipal corporation with territory coterminous to the territory of Marion County. The CIB is authorized to finance, construct, equip, operate, and maintain any capital facilities or improvements of general public benefit or welfare, which would tend to promote cultural, recreational, public, or civic well-being of the community. The CIB operates facilities used for sports, recreation, and convention activities in downtown Indianapolis. The **Marion County Convention and Recreational Facilities Authority** was created in 1985 under applicable State statutes to provide certain financing for projects of the Board.
- The **Indianapolis Airport Authority** (“Airport Authority”) and the **Health and Hospital Corporation of Marion County** (“HHC”) are separate and distinct municipal corporations with territory coterminous to the territory of Marion County. The Airport Authority was established for the general purpose of acquiring, maintaining, operating, and financing airports and landing fields in and bordering on Marion County. HHC was given the mandate to provide preventative and curative health programs for the residents of the County, including indigent health care.

- The **Indianapolis-Marion County Building Authority** (“Building Authority”) is a separate and distinct municipal corporation that acts as landlord for the City-County Building. The Building Authority has outstanding bonds payable from lease payments from the City for the Assessment and Intervention Center and from the County for the Adult Detention Center and Courthouse.
- The **Indianapolis Public Transportation Corporation** (“IndyGo”) is a separate and distinct municipal corporation with territory coterminous to the territory of the consolidated Civil City of Indianapolis. IndyGo provides public transportation service within the County.
- The **Indianapolis Marion County Public Library** is a separate and distinct municipal corporation, the territory of which includes the property in Marion County, excluding the Town of Speedway.

There are also several separate school districts in Marion County. In addition to the general obligation bonds of these school districts, various school building corporations have outstanding bonds payable from lease rentals (which are paid from taxes levied) from school districts for the lease of school buildings constructed by the building corporations.

See page XII for the Unigov Organizational Chart and page XIII for the City of Indianapolis Organizational Chart.

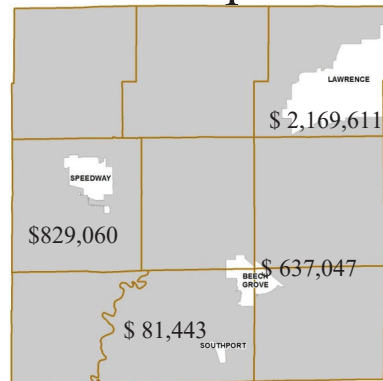
Map 1



**MARION COUNTY
AND OTHER INCLUDED
TOWNS**

Marion County \$57,338,125

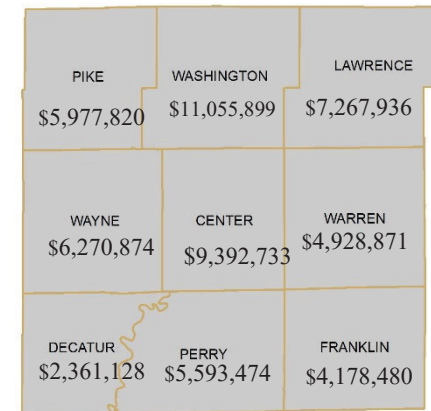
Map 2



**CONSOLIDATED
CITY OF INDIANAPOLIS**

City of Indianapolis \$53,621,964
Excluded Cities and Towns \$3,716,161

Map 3



TOWNSHIPS

NOTE: See Statistical Schedule 13 of Section III of this annual report. The assessed valuation figures are for January 1, 2022 valuations for taxes collectible in 2023.

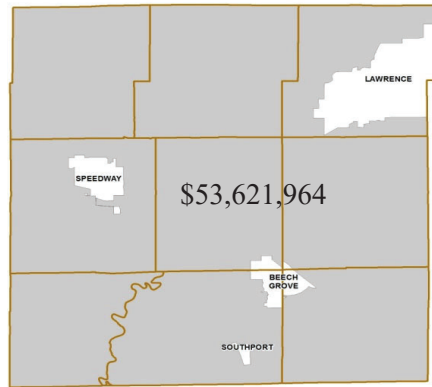
Map 4



LIBRARIES

Speedway \$829,060
 Marion County Libraries \$56,509,065

Map 5

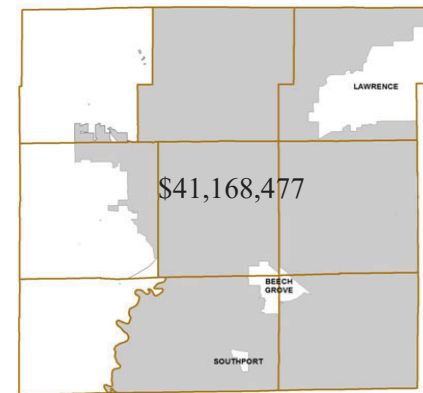


INDIANAPOLIS

POLICE SERVICE DISTRICT

(Outside of this district, the four excluded cities provide their own police service)

Map 6

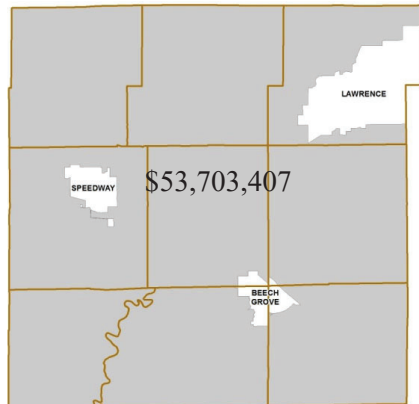


INDIANAPOLIS

FIRE SERVICE DISTRICT

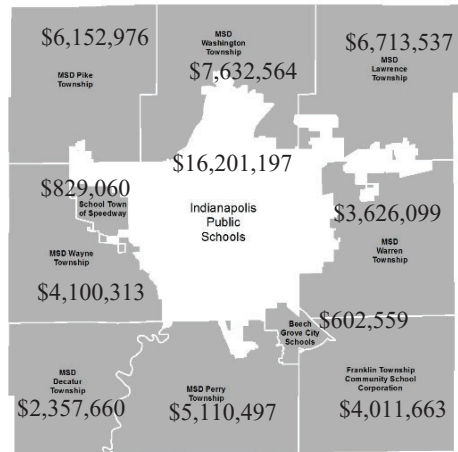
(Outside of this district, townships and excluded cities provide the fire service)

Map 7



**INDIANAPOLIS SOLID WASTE
 SPECIAL SERVICE DISTRICT**

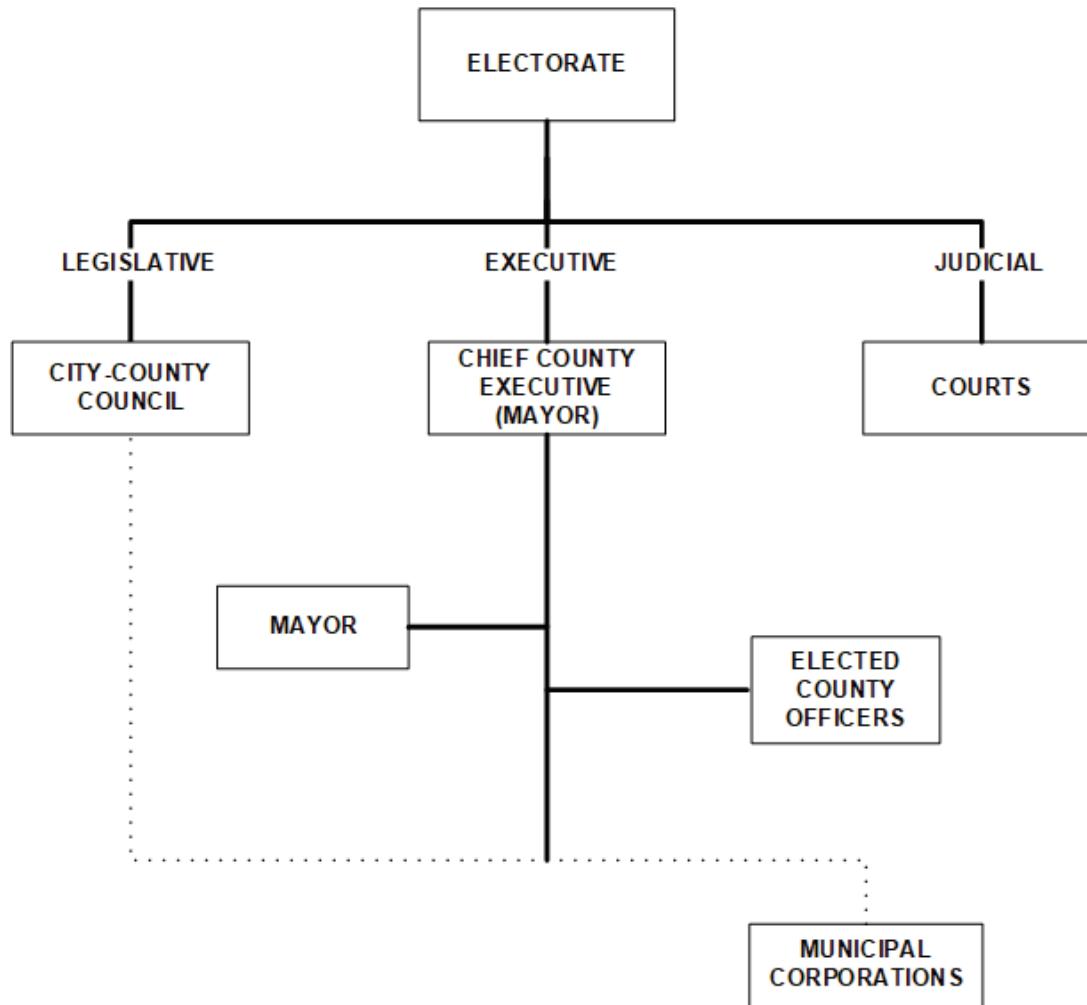
Map 8



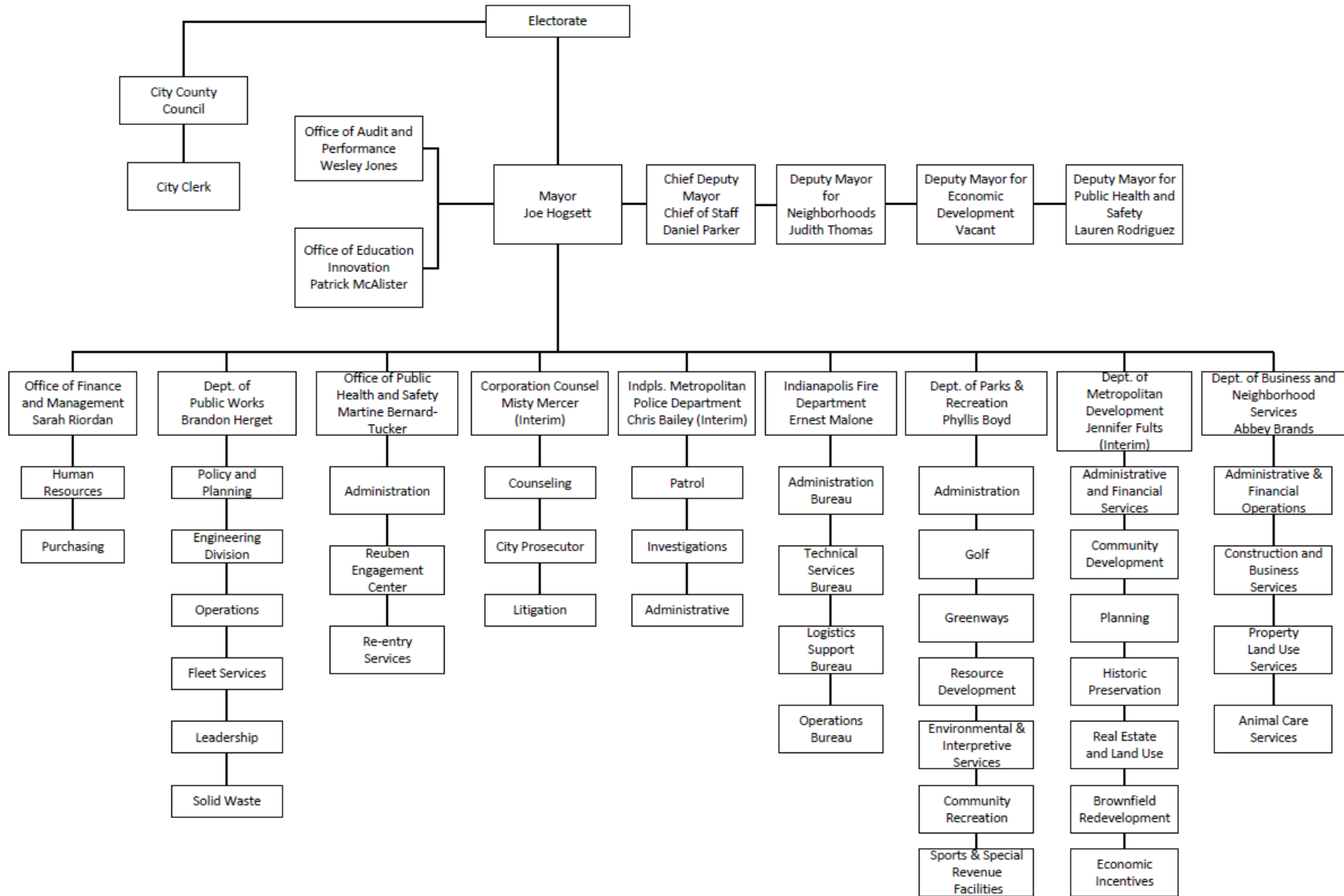
SCHOOL DISTRICTS

NOTE: See Statistical Schedule 13 of Section III of this annual report. The assessed valuation figures are for January 1, 2022 valuations for taxes collectible in 2023.

UNIGOV ORGANIZATIONAL CHART
CONSOLIDATED GOVERNMENT FOR INDIANAPOLIS – MARION COUNTY



City of Indianapolis Organization Chart December 31, 2023



CITY OF INDIANAPOLIS
SCHEDULE OF ELECTED AND APPOINTED OFFICIALS

December 31, 2023

Elected Officials*



Joe Hogsett, Mayor
8 Years of Service
Mayor and Chief County Executive



Barbara Lawrence, Ex-Officio City Treasurer
3 Year of Service
Marion County Treasurer

City-County Councillors



Vop Osili, Council President
District 11
13 Years of Service
Architect/Principal
A+X Design and Development



Zach Adamson, Council Vice President
District 17
12 Years of Service
Owner
Urban Designs



Maggie Lewis, Council Majority Leader
District 10
15 Years of Service
CEO & Executive Director
Boys and Girls Club of Indianapolis



Brian Mowery, Council Minority Leader
District 25
8 Years of Service
Financial Wellness Consultant
Key Bank

CITY OF INDIANAPOLIS
SCHEDULE OF ELECTED AND APPOINTED OFFICIALS (Cont.)

December 31, 2023



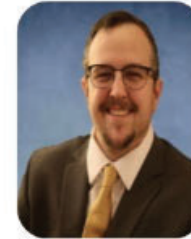
Leroy Robinson
 District 1
 13 Years of Service
 Director of Major Gifts
 CICF



Keith Potts
 District 2
 4 Years of Service
 City-County Councillor



Dan Boots
 District 3
 4 Years of Service
 Partner
 Dentons Law



Ethan Evans
 District 4
 4 Years of Service
 Attendance Assistant
 North Central High School



Alison Brown
 District 5
 4 Years of Service
 Executive Director
 Rebuilding Together



Crista Carlino
 District 6
 4 Years of Service
 Director of Development and Communications
 Workforce Inc. DBA RecycleForce



John Barth
 District 7
 4 Years of Service
 Healthcare CEO



Monroe Gray Jr.
 District 8
 33 Years of Service
 Retired



William C. Oliver
 District 9
 20 Years of Service
 Retired



Jason Larrison
 District 12
 4 Years of Service
 Assistant Vice President
 J.S. Held LLC



Keith L. Graves
 District 13
 5 Years of Service
 Financial Services Professional
 TD Ameritrade



La Keisha Jackson
 District 14
 9 Years of Service
 Executive Director
 Pathway Resource Center

CITY OF INDIANAPOLIS
SCHEDULE OF ELECTED AND APPOINTED OFFICIALS (Cont.)
December 31, 2023



Jessica McCormick
 District 15
 4 Year of Service
 Academic Program Coordinator
 IUPUI—Indiana University



Kristin Jones
 District 16
 4 Years of Service
 Executive Director
 Indiana Senate Democratic Committee



Michael-Paul Hart
 District 18
 4 Years of Service
 Pre-Sales Solutions Architect
 SHI International



David Ray
 District 19
 8 Years of Service
 Administrative Manager
 Electrical Workers Benefit and Trust Fund



Joshua Bain
 District 20
 4 Year of Service
 Legislative Assistant
 IN House of Representatives



Frank Mascari
 District 21
 13 Years of Service
 Jeweler
 Spalding Jewelry



Jared Evans
 District 22
 8 Years of Service
 Consultant



Paul Annee
 District 23
 4 Years of Service
 Executive Director
 Marion County Agricultural Fair Association



Michael Dilk
 District 24
 4 Year of Service
 Property Manager
 American Homes 4 Rent

*The term of office for all elected officials expires December 31, 2023 except for the Marion County Treasurer, whose term expires December 31, 2024.

CITY OF INDIANAPOLIS
SCHEDULE OF ELECTED AND APPOINTED OFFICIALS (cont.)
December 31, 2023

APPOINTED OFFICIALS

<u>Name</u>	<u>Position</u>	<u>Number of Years in This Position</u>	<u>Number of Years Associated with City of Indianapolis – Marion County</u>
Daniel Parker	Chief Deputy Mayor/Chief of Staff	2	7
Judith Thomas	Deputy Mayor for Neighborhoods	3	3
Vacant	Deputy Mayor for Economic Development	-	-
Lauren Rodriguez	Deputy Mayor for Public Health and Safety	1	3
Patrick McAlister	Director of Office of Education Innovation	8	8
Sarah Riordan	Controller - Office of Finance and Management	1	8
Misty Mercer	Interim-Corporation Counsel	1	7
Jennifer Fults	Interim-Director of Metropolitan Development	1	30
Brandon Herget	Director of Public Works	2	4
Phyllis Boyd	Director of Parks and Recreation	3	3
Abbey Brands	Director of Business and Neighborhood Services	1	9
Martine Bernard-Tucker	Director of Office of Public Health and Safety	1	11
Yulonda Winfield	Clerk of the City-County Council	1	5
Wesley Jones	Director of Office of Audit and Performance	1	3

CERTIFIED PUBLIC ACCOUNTANTS

Forvis Mazars

Financial Section

Financial Section

Independent Auditor's Report

To the Honorable Mayor and Members of the City-County Council
City of Indianapolis, Indiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Indianapolis (City), a component unit of the Consolidated City of Indianapolis-Marion County, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2023, the City adopted Governmental Accounting Standards Board Statement No 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Indianapolis, Indiana
June 26, 2024**

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Management's
Discussion and Analysis

Management's Discussion and Analysis

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Management’s Discussion and Analysis
Year ended December 31, 2023

This Annual Comprehensive Financial Report presents an analysis of the financial activities of the City of Indianapolis (“City”) for the year ended December 31, 2023 based on currently known facts, decisions, and conditions. For a comprehensive understanding of the financial statements, please review the transmittal letter at the front of this report, along with the City’s financial statements, including the footnotes that follow the basic financial statements.

FINANCIAL HIGHLIGHTS

- On a government-wide basis, the City’s assets and deferred outflows exceeded its liabilities and deferred inflows at December 31, 2023 by \$660 million, which represents the total net position of the City’s governmental activities. Included in this net position amount is a \$864.2 million unrestricted deficit, due mainly to an unfunded net pension liability of \$811.1 million and an unfunded postemployment benefit obligation of \$287.3 million. The State of Indiana, in 2008, agreed to reimburse the cities and towns of Indiana for pension costs for members of the pre-1977 pensions plans, effective January 1, 2009. Therefore, although unfunded, these pension benefits, which represent \$543.2 million, or 67%, of the total net pension liabilities, will be covered by the State of Indiana. Regarding the unfunded postemployment benefit obligation, there is no intent by the City or legal requirement to fund this long-term liability beyond the annual payments required by existing labor agreements. See footnotes 14 and 15 to the financial statements for further discussion of the City’s other postemployment benefits and pension plans, respectively.
- On a government-wide basis, for 2023, the City’s total expenses were \$1,307.5 million or \$174.2 million less than the \$1,481.7 million generated in charges for services, grants, taxes, and other revenues.
- As of December 31, 2023, the City’s governmental funds reported combined ending fund balances of \$1,655.6 million. Of this amount, \$0.4 million was nonspendable, \$1,369.0 million was restricted, \$83.9 million was committed, \$66.9 million was assigned, and \$135.4 million was unassigned.
- The unassigned fund balance for the general fund was \$146.6 million or 18% of total general fund expenditures. The City’s policy is to maintain an unassigned general fund balance of at least 10% of total general fund expenditures. The unrestricted fund balance, which includes the committed, assigned, and unassigned fund balances, was \$219.4 million or 27% of total general fund expenditures. The City’s policy is to maintain an unrestricted general fund balance of at least 17% of total general fund expenditures. These policies were formally adopted in ordinance by the City-County Council in 2016.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements.

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Government-wide Financial Statements

The first set of financial statements are the government-wide statements, which report information about the City as a whole using accounting methods similar to those used by private sector companies. The two government-wide statements, **Statement of Net Position** and **Statement of Activities**, report the City’s net position and how it has changed. Governmental activities are those normally associated with the operation of a government, such as public safety, parks, and public works. The remaining discussions and analysis focuses on the primary government only.

The **Statement of Net Position** presents information on all of the City’s assets, deferred outflows, liabilities, and deferred inflows, with the remainder being reported as net position. Increases and decreases in net position may serve as a useful indicator of whether or not the financial position of the City is improving or deteriorating. The statement of net position also provides information on unrestricted and restricted net position and the net investment in capital assets.

The **Statement of Activities** presents information showing how the City’s net position changed during the year. All current year’s revenues and expenses are accounted for in the statement of activities regardless of the timing of related cash flows. The statement of activities presents the various functions of the City and the extent to which they are supported by charges for services, grants and contributions, taxes, and investment income. The governmental activities of the City include: general government, public safety, public works, health and welfare, cultural and recreation, urban redevelopment and housing, and economic development and assistance.

Fund Financial Statements

The second set of financial statements is the fund financial statements, which provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The City uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the City’s most significant funds – not the City as a whole. The funds of the City can be divided into the following three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

1. *Governmental Funds*. Governmental funds tell how general government services were financed in the short term, as well as what financial resources remain available for future spending to finance City programs.

The City maintains several individual governmental funds according to their type (general, special revenue, debt service, capital projects, and permanent). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Federal Grants, State of Indiana Grants, Coronavirus Federal Stimulus Fund, Revenue Bond Debt Service Fund, and Convention Center Hotel Capital Project, which are considered to be major funds. Individual fund data for each of the nonmajor governmental funds are provided in the form of combining statements as supplementary information.

2. *Proprietary Funds*. Proprietary funds offer short-term and long-term financial information about services for which the City charges customers, both external customers and internal departments of the City. The City maintains the following type of proprietary funds:

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- *Internal Service Funds* are used to report activities that provide services for certain City programs and activities. The City uses internal service funds to provide for the financing of workers’ compensation, auto liability, employee health insurance, and public liability self-insurance for all City departments, as well as for the centralization of certain payments of awards, refunds, and indemnities.
3. *Fiduciary Funds*. Fiduciary funds are used to account for resources held for the benefit of individuals or units of other governments. The City is the trustee or fiduciary responsible for assets that can be used for the trust beneficiaries per trust arrangements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All the City’s fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The City’s pension trust funds and custodial funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the City’s own programs, they are not reflected in the government-wide financial statements.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements and notes to the basic financial statements, this report presents required supplementary information concerning the City’s budgetary comparisons for the general fund and major special revenue funds, as well as required supplementary information pertaining to the City’s progress in funding its obligation to provide pension and other postemployment benefits to its employees.

Additional Supplementary Information

The combining statements provide subfund-level detail for the general fund and fund-level detail for all nonmajor governmental funds, internal service funds, pension trust funds, and custodial funds. Also in this section are comparisons of actual to budget for all other annually budgeted funds.

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FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net position. The City’s governmental activities net position at December 31, 2023 and 2022 was \$660 million and \$485.8 million, respectively.

Statement of Net Position
(In thousands)

	Governmental activities 2023	Governmental activities 2022 (1)
Assets:		
Current and other assets	\$ 2,081,923	\$ 1,590,470
Capital, leased and subscription assets, net of accumulated depreciation and amortization	2,031,952	1,806,559
Total assets	4,113,875	3,397,029
Deferred outflows of resources		
Total assets and deferred outflows of resources	4,455,211	3,660,957
Liabilities:		
Other liabilities	366,772	478,782
Long-term liabilities	3,341,168	2,577,415
Total liabilities	3,707,940	3,056,197
Deferred inflows of resources		
Total liabilities and deferred inflows of resources	87,280	116,065
	3,795,220	3,172,262
Net position:		
Net investment in capital assets	1,043,190	973,164
Restricted	480,954	433,235
Unrestricted (deficit)	(864,153)	(920,638)
Total net position	\$ 659,991	\$ 485,761

(1) The balances at December 31, 2022 have not been restated to reflect the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. See Note 1 for additional information regarding adoption of this standard.

ANALYSIS OF NET POSITION

As noted earlier, net position may serve as a useful indicator of a government’s financial position. The largest portion of the City’s net position reflects its investments of \$1,043.2 million in capital assets (e.g., net book value of land, buildings, equipment, and infrastructure, less related outstanding debt used to acquire those assets). The 2022 balance was \$973.2 million. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated

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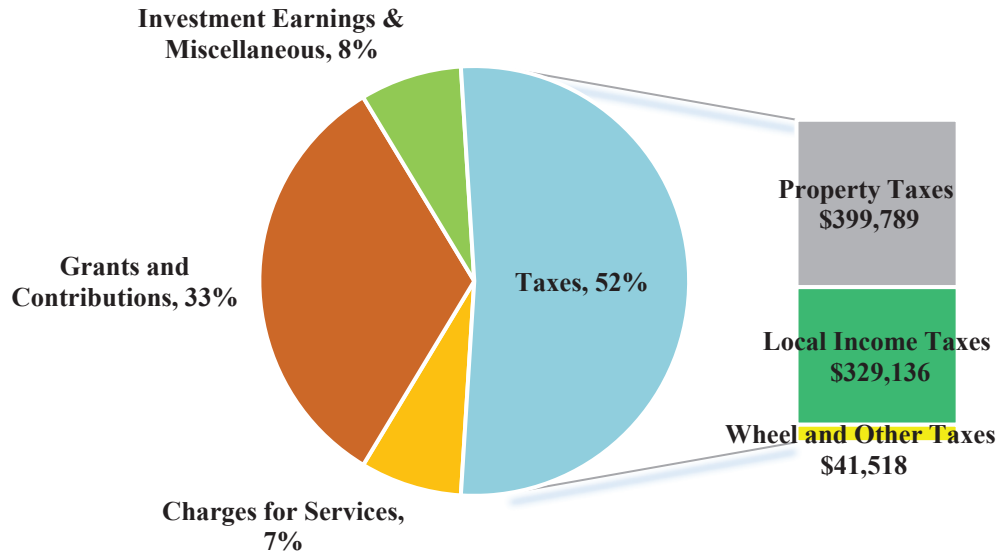
for these liabilities. Included in the City’s total net position is \$481.0 million, versus \$433.2 million in 2022, which represents resources that are subject to external restrictions on how they may be used.

All net position generated by governmental activities are either externally restricted, restricted by enabling legislation, or invested in capital assets.

Consequently, unrestricted governmental net position showed a \$864.2 million deficit at the end of the year as compared to a \$920.6 million deficit for the prior year. This deficit does not mean the City does not have resources available to pay its bills. Rather, it is the result of having long-term commitments that are greater than currently available resources, mainly net pension liabilities of \$811.1 million and postemployment obligations of \$287.3 million.

Change in net position. The City’s total revenue (including transfers) on a government-wide basis for 2023 was \$1,481.7 million and \$1,339.9 million for 2022. Taxes represent 52% of the City’s revenue (53% for 2022). Another 7% of revenue (9% in 2022) came from fees charged for services, and the remainder came from grants and contributions, interest earnings, and miscellaneous revenues.

Revenues by Source - Governmental Activities
(In thousands)



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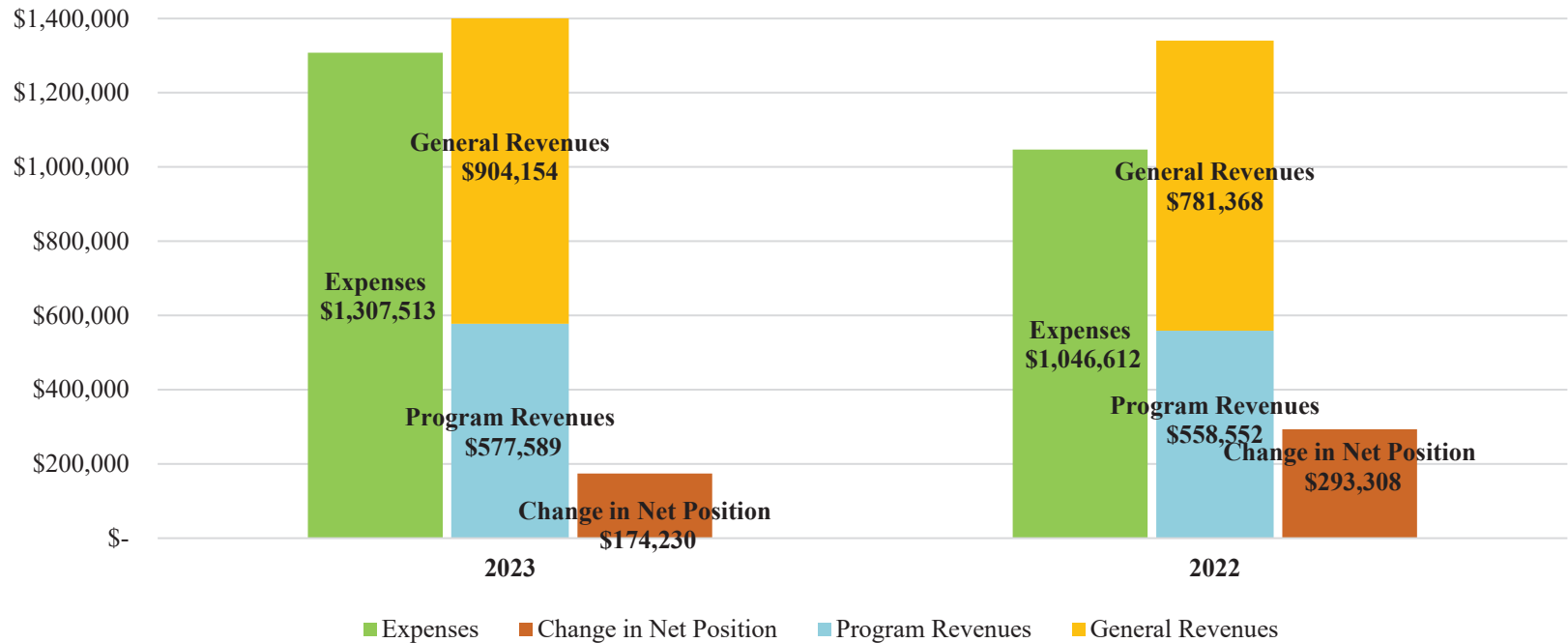
The changes in net position for the years ended December 31, 2023 and 2022 are as follows (in thousands):

	<u>Governmental activities 2023</u>	<u>Governmental activities 2022 (1)</u>
Revenues:		
Program revenues		
Charges for services	\$ 113,339	\$ 117,440
Operating grants and contributions	420,640	431,033
Capital grants and contributions	43,610	10,079
General revenues:		
Property tax	399,789	372,310
Local income tax	329,136	297,989
Other taxes	41,518	42,827
Other general revenues	133,711	68,242
Total revenues	<u>1,481,743</u>	<u>1,339,920</u>
Expenses:		
General government	95,607	144,690
Public safety	622,108	427,683
Public works	294,088	268,945
Health and welfare	15,490	21,141
Cultural and recreation	28,040	33,593
Urban redevelopment and housing	41,272	63,483
Economic development and assistance	140,219	30,375
Interest	70,689	56,702
Total expenses	<u>1,307,513</u>	<u>1,046,612</u>
Change in net position	<u>174,230</u>	<u>293,308</u>
Net position, beginning of year, as previously reported	485,761	174,630
Change in accounting principle	-	17,823
Net position, beginning of year, as restated	<u>485,761</u>	<u>192,453</u>
Net position, ending	<u>\$ 659,991</u>	<u>\$ 485,761</u>

(1) The balances for the year ended December 31, 2022 have not been restated to reflect the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. See Note 1 for additional information regarding adoption of this standard.

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Governmental Activities Change in Net Position
(In thousands)



Governmental activities. The City’s governmental activities net position increased by \$174.2 million compared to an increase of \$293.3 million in the prior year. Key elements of the increase are as follows:

Total expenses for governmental activities for 2023 were \$1,307.5 million, an increase of \$260.9 million from the prior year, attributed to the following:

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- General Government expenditures decreased \$49.1 million; there was a \$36 million decrease in general government expenditures in the Coronavirus Federal Stimulus fund associated with expenditures related to American Rescue Plan Act (“ARPA”) programs. In addition, there was a decrease of \$54 million in general government expenditures. In 2022, there was planned spenddown of funds that have been set aside since the inception of the Community Justice Campus (“CJC”) project. These excess funds were committed to the completion of the Adult Detention and Courthouse Facilities as well as costs associated with opening the Community Justice Campus.
- Public safety expenditures increased \$194.4 million, mainly attributable to an increase in pension expense of \$186.1 million, the changes in pension expense from year to year are a direct result of the assumptions used in the actuarial valuations for the City’s pension plans.
- Public works expenditures increased \$25 million, which is mainly attributed to adjustments made related to infrastructure additions.
- Health and welfare expenditures decreased \$5.7 million, this is mainly related to programs associated with federal funding received under the ARPA program.
- Culture and recreation expenditures decreased \$5.6 million, which is mainly attributed to adjustments related to capital assets.
- Urban redevelopment and housing expenditures decreased \$22.2 million, which is mainly related to federal funding that was deployed in 2022, received under the American Rescue Plan Act, which established rental assistance for Marion County residents who were economically impacted because of the COVID-19 crisis.
- Economic development expenditures increased \$109.8 million, attributable to a \$28.2 million increase in expenditures related to the ARPA property tax relief program. In addition, we saw an increase of \$69.5 million, mainly associated with the Elanco project, where bond proceeds will be used to acquire, construct, and equip facilities related to Elanco US, Inc., redevelopment and operation of a new global headquarters in the City, and related infrastructure improvements located on approximately 39 acres of a larger 91 acre site, commonly known as the former GM Stamping Plant. Economic development expenditures fluctuate from year to year based on the timing of economic development and tax increment financing project activity.

Total governmental activities revenues in 2023 were \$1,481.7 million, an increase of \$141.8 million from the prior year, attributed to the following:

- The City saw an increase in property taxes of \$27.5 million, which was driven by overall growth in assessed values and strong collections in 2023.
- The City experienced a \$31.1 million increase in certified local income tax distribution, attributed to organic growth in income tax revenue.
- The City saw an increase in capital grants and contributions of \$33.5 million mainly attributable to an increase in contributed revenue from the State of Indiana, related to INDOT projects. The contributions can vary from year to year based on timing of projects and completion of those projects.

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- The City saw an increase in investment earnings of \$55.3 million related to the increased interest rate environment, driven by the Federal Reserve’s policies aimed at controlling inflation.

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

The focus of the City’s governmental funds is to provide information on inflows and balances of resources that are available for spending. An unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the year. At December 31, 2023, the unassigned fund balance of the General Fund was \$146.6 million (as compared to \$118.6 million in 2022) while the total General Fund balance was \$293.8 million (as compared to \$327.8 million in 2022). As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents 18% of total General Fund expenditures and transfers out (as compared to 13% for 2022), while total fund balance represents 36% (35% for 2022) of total General Fund expenditures and transfers out.

The fund balance in the City’s General Fund decreased by \$34.0 million or 10% during the year ended December 31, 2023.

Total general fund revenues, not including other financing sources, totaled \$795.1 million, an increase of \$42.7 million or 6%. Significant revenues in the general fund that increased from 2022 to 2023 include:

- Taxes increased by \$33.4 million, \$11 million was attributable to an increase in property taxes, due to growth in assessed values and strong property tax collection rates. We also saw a \$23.3 million increase in income taxes, attributable to organic growth.

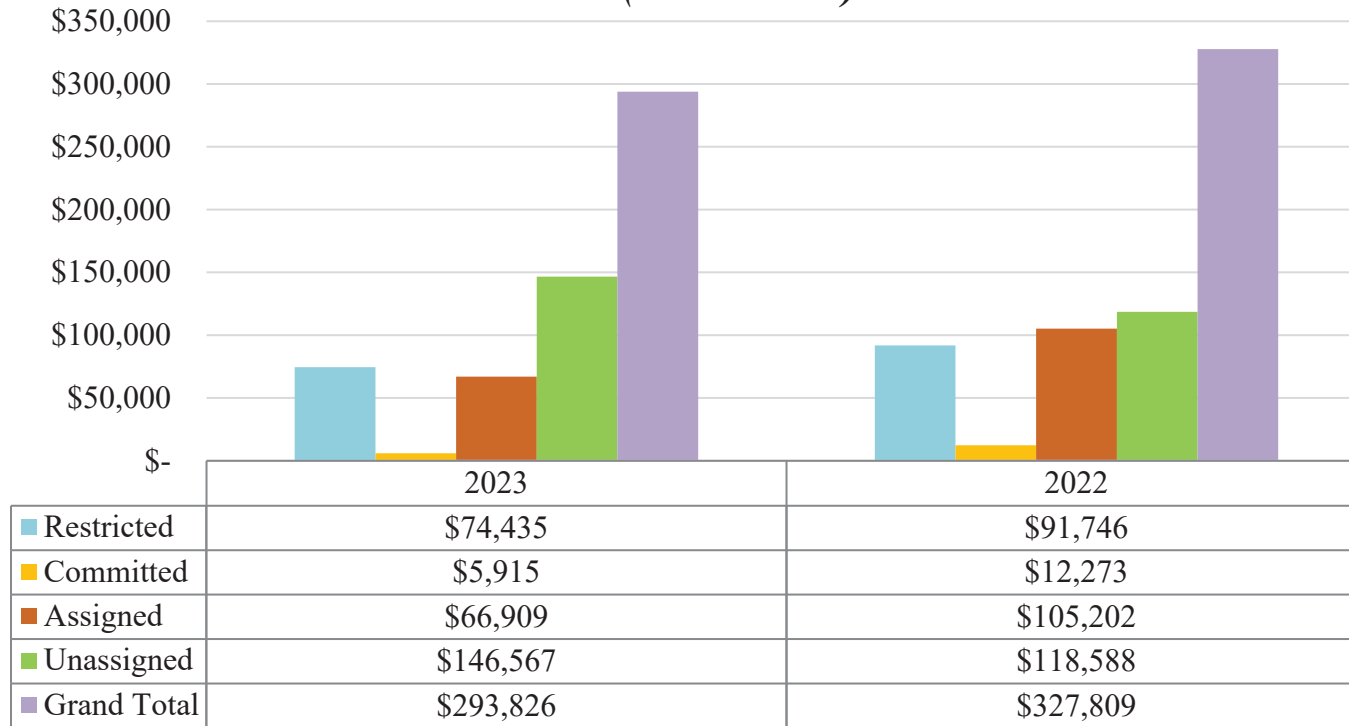
Interest and other operating revenues increased by \$13 million, primarily due to a higher interest rate environment driven by the Federal Reserve’s policies aimed at controlling inflation.

Total general fund expenditures, not including other financing uses, totaled \$805.6 million, a decrease of \$60.3 million or 7%, which is mainly attributed to the following:

- General government expenditures decreased by \$49.5 million, this is attributed to the planned spenddown of funds that have been set aside since the inception of the Community Justice Campus project. These excess funds were committed to the completion of the Adult Detention and Courthouse Facilities as well as costs associated with opening the Community Justice Campus and were spent in 2022.
- Public Safety expenditures decreased by \$26.2 million. In 2023, eligible public safety salaries were moved from the general fund to the Coronavirus Federal Stimulus Fund in the amount of \$54.3, this shift in expenditures plus the annual salary increases for public safety sworn personnel in accordance with collective bargaining agreements, resulted in a net decrease of expenditures in 2023 of \$26.2 million.

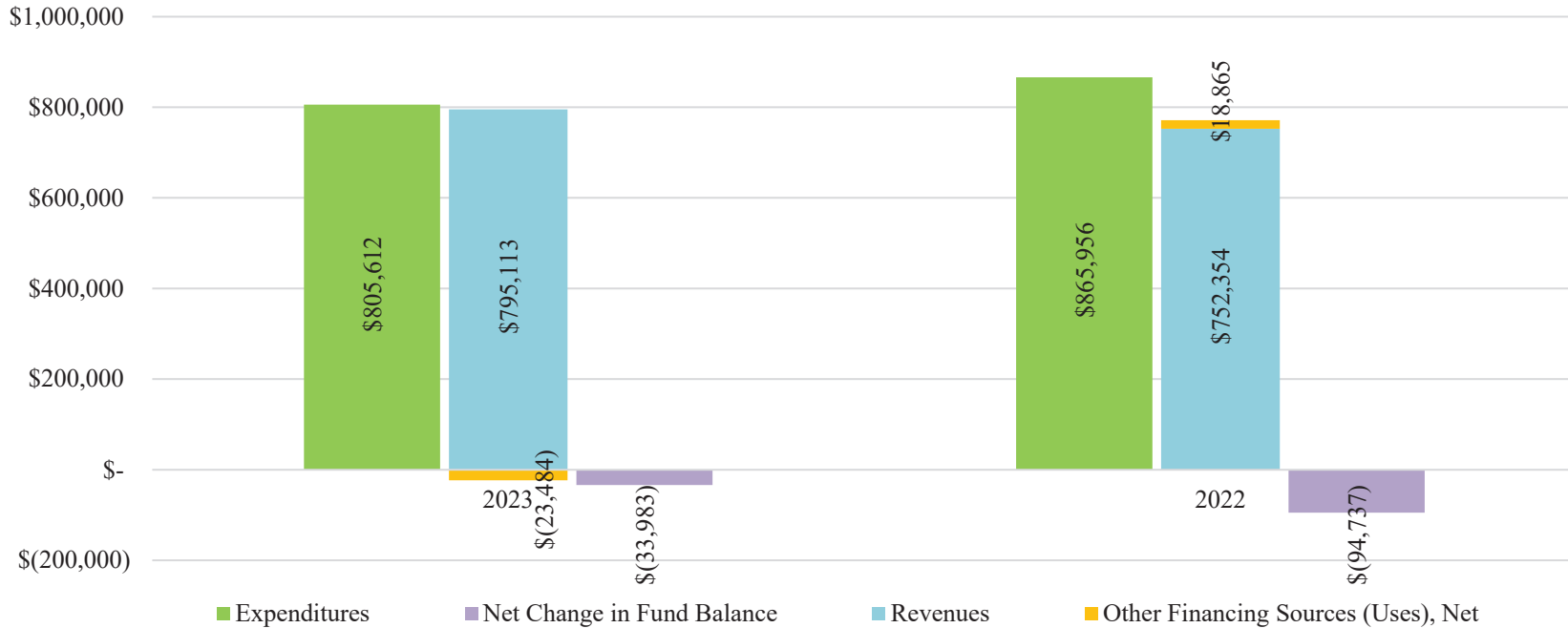
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General Fund Fund Balance Breakdown
(In thousands)



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General Fund Change in Fund Balance
(In thousands)



The Federal Grants Fund ended the year with a \$11.2 million deficit fund balance (as compared to \$8.9 million deficit in 2022). The fund balance decreased by \$2.3 million, which is mainly attributed to the timing of reimbursement from the federal government for grant programs.

The State of Indiana Grants Fund ended the year with a \$12.5 million fund balance (as compared to \$10.4 million in 2022). The fund balance increased by \$2.1 million, which is mainly attributed to the timing of grant awards and their related expenditures.

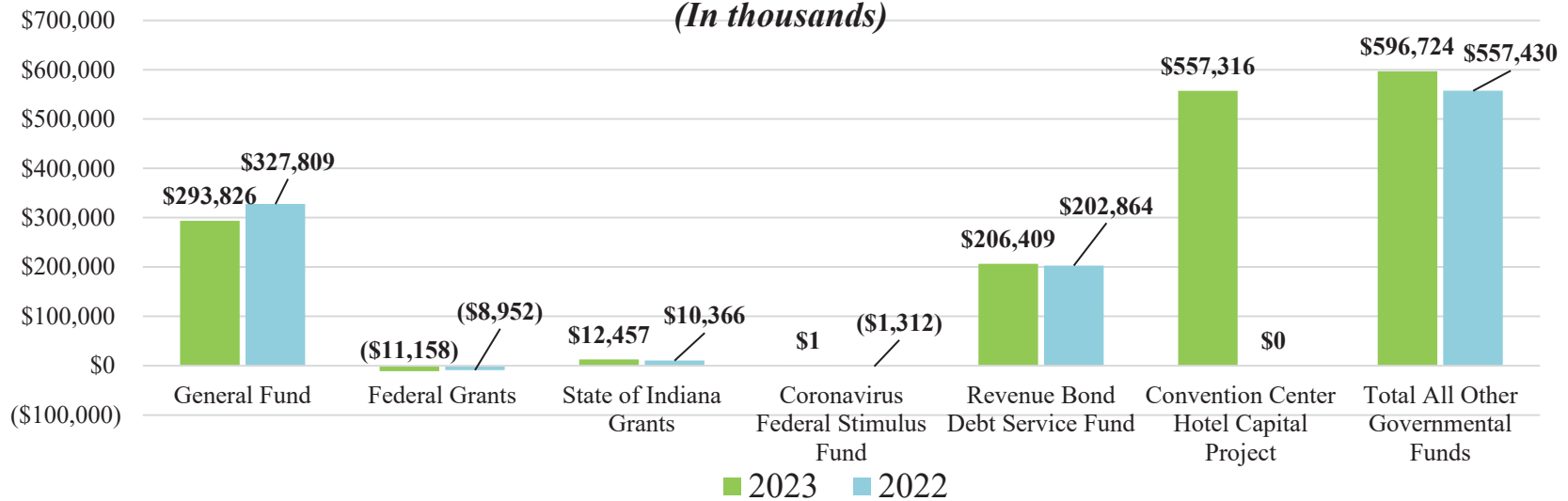
The Coronavirus Federal Stimulus Fund ended the year with a \$.1 fund balance (as compared to \$(1.3) million in 2022). During 2022, the City received the final stimulus distribution in the amount of \$210 million via the Coronavirus State and Local Fiscal Recovery Funds authorized by the American Rescue Plan Act. The \$210 million represents the second 50% installment of the City’s entire \$420 million allocation. The federal dollars related to the program are reported as unearned income on the balance sheet.

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The Revenue Bond Debt Service Fund ended the year with a \$206.4 million fund balance (as compared to \$202.9 million in 2022), which was restricted for debt service. The fund balance for the Revenue Debt Service Fund increased by \$3.5 million, of which \$12.7 million is attributed to growth in tax increment revenues and interest earnings due to the increased interest rate environment. In addition, there was a decrease in transfers out of \$25 million when compared to 2022, attributed to the timing and funding of eligible tax increment projects.

The Convention Center Hotel Capital Project fund ended the year with a \$557.3 million fund balance. This was a newly created fund in 2023, which accounts for all financial resources related to construction of the hotel and convention center expansion located on Pan Am Plaza. The City issued revenue bonds in 2023 to fund the project.

Governmental Funds – Fund Balances
(In thousands)

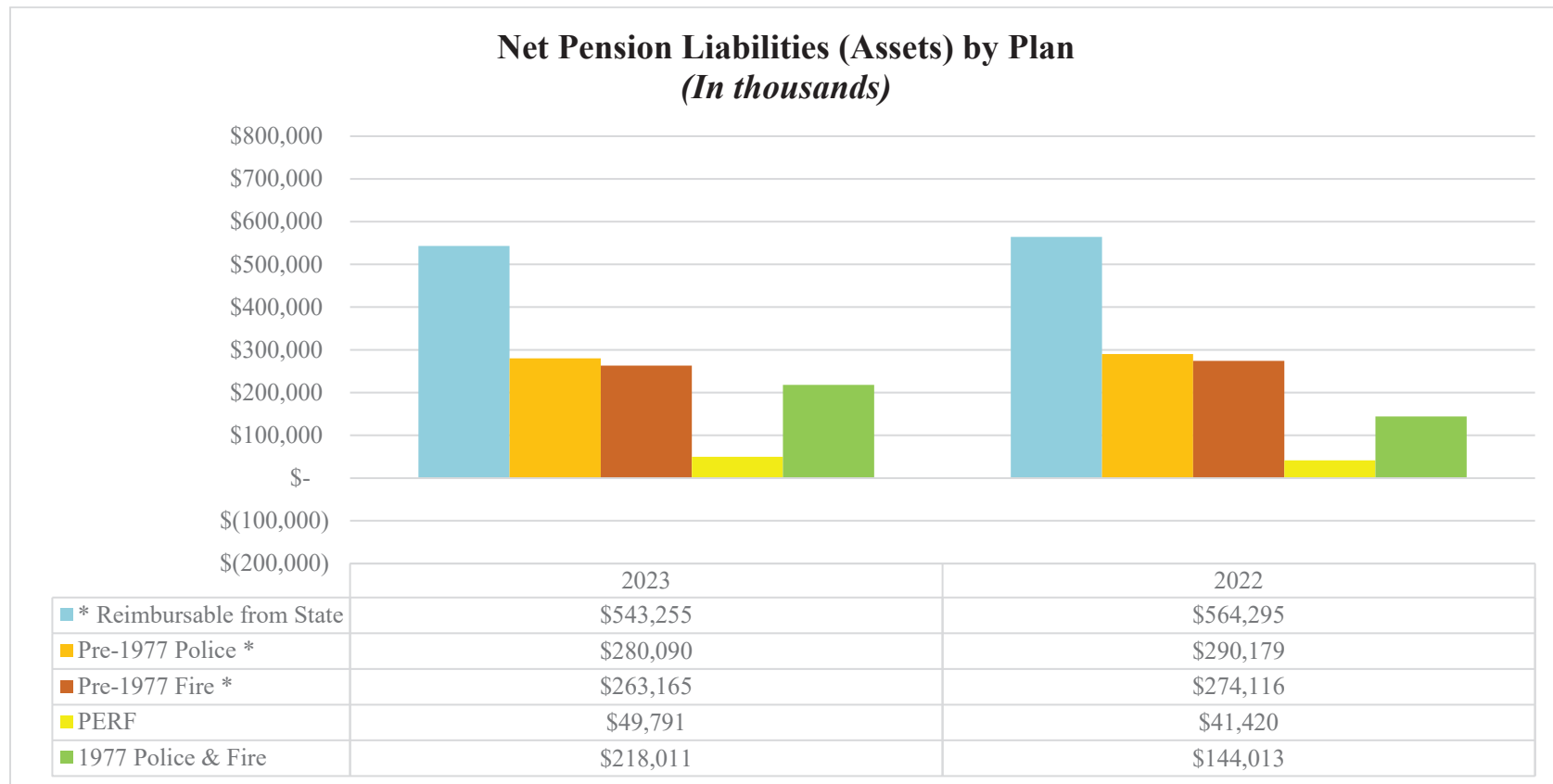


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Fiduciary Funds

The City maintains fiduciary funds for the assets of the pension trust funds for police and firefighters hired before May 1, 1977. At the end of 2023, the net position of these pension funds amounted to \$(.3) million, which represents a decrease of \$1.9 million in total net position during the year. Effective January 1, 2009, all pension payments are funded by the State of Indiana for the Pre-1977 pension plans. No further funding is required by the City.

The PERF and 1977 Police and Fire Plan net pension liabilities (assets) listed below are not a part of the fiduciary funds but are included in governmental activities.



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The City is the custodian of certain custodial funds, and the most common use of custodial funds is for pass-through activity. At the end of 2023, the net position of the custodial funds was \$6.1 million. At the end of 2023, the combined gross assets of the custodial funds totaled \$7.4 million (\$7.3 million in 2022). This amount is composed of activity from the following custodial funds: Sanitation 15 Year Law, E-911 Allocation, Police and Fire Retiree Health Insurance, Indianapolis Metropolitan Police Department Confiscated Cash, and Other.

General Fund Budgetary Highlights

The final budget for the City’s General Fund represents the original budget plus any adjustments to appropriations during the year. It does not include encumbrances carried over from the prior year. In 2023, there was a \$65.0 million increase in appropriations during the year to the original General Fund budget, or an increase of 9%.

Excluding prior year encumbrances, the original General Fund expenditures budget for 2023 was \$714.6 million. The final General Fund expenditures budget was \$779.6 million. Actual expenditures were \$715.1 million. The majority of the \$64.2 million underspent from the final budget is due to public safety expenditures being reallocated to the Coronavirus Federal Stimulus Fund. This shift was made to reimburse eligible public safety salaries under the ARPA program.

General revenues were originally estimated at \$718.2 million, final estimated at \$745.6 million, and the actual was \$737.9 million, which was \$7.7 million lower than budgeted. Overall, we saw \$9.1 million lower than budgeted in intragovernmental revenues, due to the timing of reimbursements related to infrastructure capital projects with the Indianapolis Public Transportation Corporation (“IndyGo”) and other intergovernmental units. We saw an increase of \$10.9 million in interest and other operating revenues, which is attributable to our conservative approach to budgeting interest.

Actual expenditures were \$22.8 million less than revenues. However, if other financing sources are taken into account, the net of revenues plus other financing sources is \$5.4 million less than expenditures. This is largely due to the \$54.3 million reallocation of public safety expenditures to the Coronavirus Federal Stimulus Fund. Additionally, transfers were made to the nonmajor Capital Asset Development and Lifecycle Fund for further investment in thoroughfare and residential road infrastructure. The transfers out were part of a one-time planned spend-down of excess fund balance generated from the supplemental income tax distribution received in 2023. There were also transfers out of the stormwater general subfund into the Capital Asset Development and Lifecycle Fund to support the ongoing stormwater capital improvement plan.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Management’s Discussion and Analysis
Year ended December 31, 2023

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

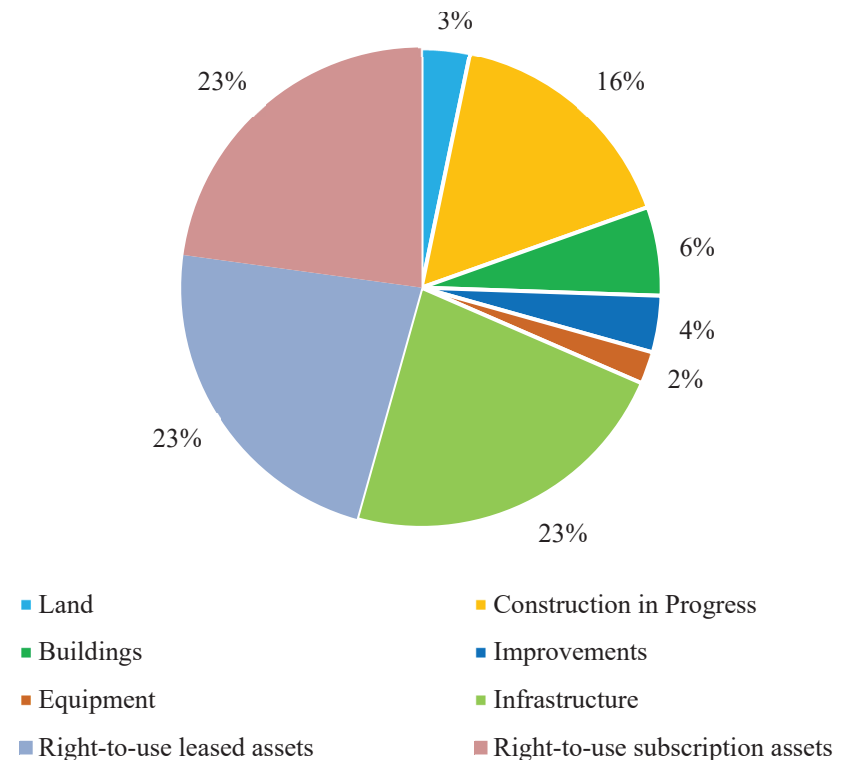
The City had a net investment of \$2.03 billion in capital assets at December 31, 2023 (net of accumulated depreciation and amortization of \$3.44 billion) in a broad range of capital assets. This amount represents a net increase for the current year (including additions and deductions) of \$225.4 million.

Schedule of Capital Assets
(In thousands)

	Governmental activities 2023	Governmental activities 2022 (1)
Land	\$ 158,446	\$ 94,198
Construction in progress	425,621	526,832
Buildings	213,260	183,785
Improvements	156,783	120,111
Equipment	85,254	63,861
Infrastructure	931,578	762,263
Right-to-use leased assets	42,897	55,509
Right-to-use subscription assets	18,113	-
Total	<u>\$ 2,031,952</u>	<u>\$ 1,806,559</u>

(1) The balances at December 31, 2022 have not been restated to reflect the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. See Note 1 for additional information regarding adoption of this standard.

2023 Capital Assets



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Major capital asset additions in 2023 for governmental activities included:

- \$265.7 million of additions to construction in progress, principally infrastructure and improvements. Reductions to construction in progress were \$366.9 million, of which \$277.7 million was transferred into infrastructure, \$7.4 million into equipment, \$41.1 million into parks facilities upgrades and trails, and \$35.2 million into buildings
- \$35.7 million of additions to buildings, principally related to the parking garages to serve the CJC campus.
- \$50.3 million of additions to improvements, principally upgrades at parks and recreation facilities.
- \$36.9 million of additions to equipment, principally for public safety and public works vehicles.
- \$296.8 million of additions to infrastructure, principally \$51.3 million for storm sewers, \$173.1 million for streets, curbs, and sidewalks, \$6.9 million for traffic signals, and \$65.5 million for bridges
- \$64.2 million of additions to land, principally related to the PanAm Convention Center Hotel Project.

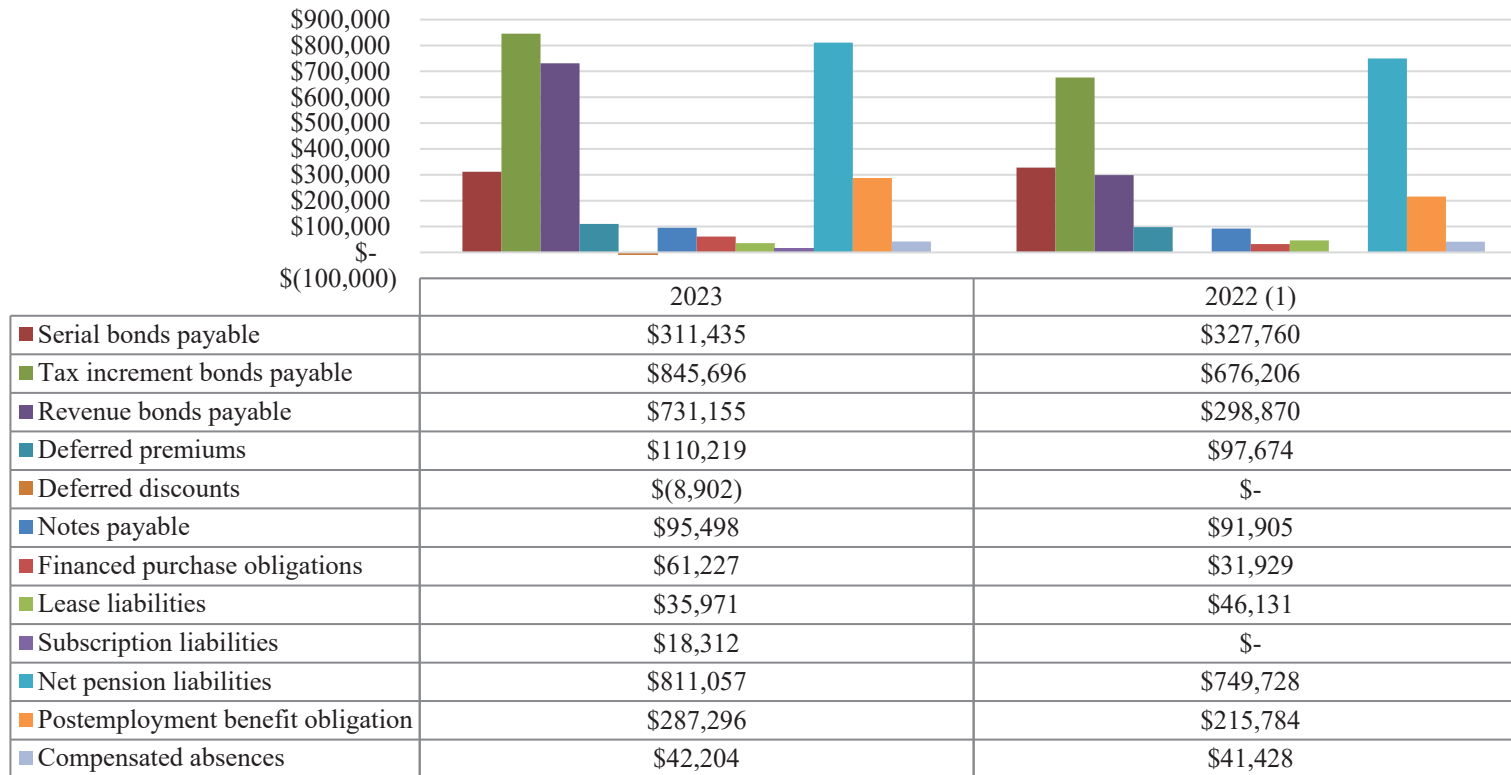
Donated capital assets for governmental activities were \$34.9 million, mainly attributable to capital contributions from the State of Indiana for public works projects built on the City’s behalf. Depreciation and amortization expense for 2023 for governmental activities was \$173.4 million. At December 31, 2023, the City had commitments related to ongoing capital asset construction projects of \$189.6 million. See footnote 9 to the basic financial statements for more information regarding capital assets.

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Long-Term Obligations

At the end of 2023, the City had outstanding long-term debt and other long-term obligations for governmental activities of \$3.34 billion, compared to \$2.58 billion at December 31, 2022 as shown below:

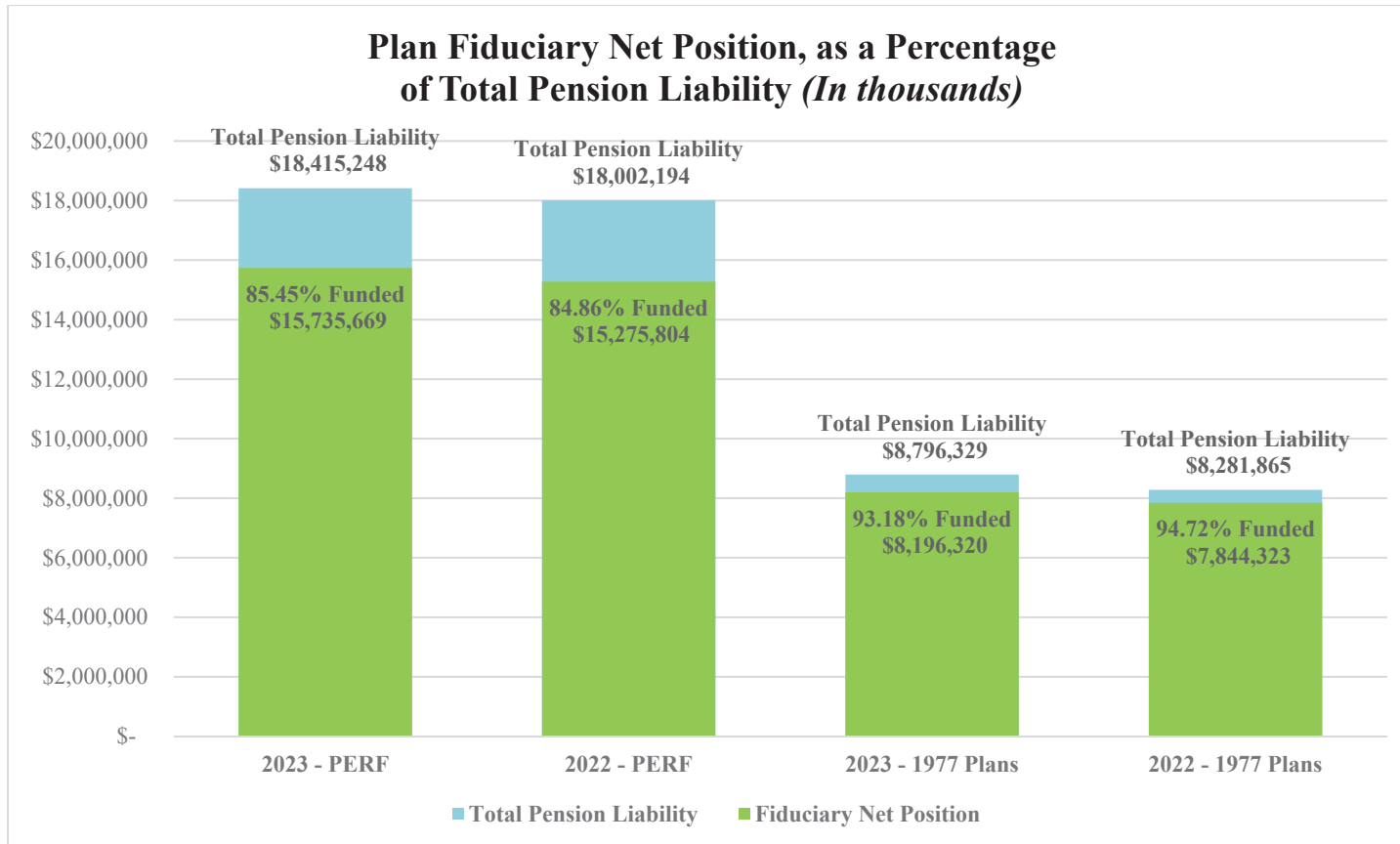
Schedule of Long-Term Debt and Other Obligations
(In thousands)



(1) The balances at December 31, 2022 have not been restated to reflect the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. See Note 1 for additional information regarding adoption of this standard.

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The chart below demonstrates that, for the pension plans that must be funded by the City and not the State of Indiana, the City’s percentage of funded status slightly increased for the PERF plan and slightly decreased for the 1977 Police and Fire pension plans from 2022 to 2023.



The increase in the postemployment benefit obligation on the previous page relates to changes in actuarial assumptions. The City continues to fund this on a pay-as-you-go-basis, as contractually required in the union collective bargaining agreements.

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Bonds and Notes Issued

Tax Increment Revenue Bonds

On December 7, 2023, the City issued its Redevelopment District Ad Valorem Property Tax Bonds, Series 2023A (Convention) in an amount of \$155.0 million. The proceeds will be used for the purpose of procuring funds to be applied to the cost of the expansion of the Indiana Convention Center on Pan Am Plaza to include an approximately 50,000 square foot ballroom, and additional meeting space and common facilities. The bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on February 1, 2048 and have an interest rate of 6.0%.

On December 11, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023A and Series 2023B (Taxable ILMAR/KG 220 Projects) in amounts of \$9.0 million and \$7.9 million, respectively. The proceeds were used to redeem the City’s Economic Development Tax Increment Revenue Bond Anticipation Note, Series 2018 in an amount of \$15.9 million, which matured on December 14, 2023. The bonds mature on August 1, 2048 and have interest rates of 7.750%.

On December 21, 2023, the City issued its Redevelopment District Bonds, Series 2023B (Broad Ripple Park Family Center Project) in an amount of \$22.0 million. The proceeds will be used to acquire the Broad Ripple Park Family Center. The bonds mature on February 1, 2042 and have an interest rate of 4.95%.

Developer Backed Bonds

On May 3, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (1827 Lofts Project) in an amount of \$4.4 million. The proceeds will be provided to the developer for the purposes of providing funds to pay for the construction, acquisition and equipping of a multi-family residential development known as the 1827 Lofts Project and consisting of approximately 166 new construction, high-quality apartment units with associated parking and amenities, as well as approximately 1,500 square feet of retail and commercial space, and costs incurred in connection with the issuance of the bonds. The bonds mature on February 1, 2048 and have an interest rate of 8%.

On May 9, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable-Guildford Midtown Project) in an amount of \$5.8 million. A portion of the proceeds will be provided to the developer to finance the acquisition, construction, equipping and preservation of approximately 232 residential rental units ranging from studios with 523 square feet to a 3-bedroom unit with 2,025 square feet; approximately 250 parking spaces; and approximately 3,820 square feet of retail/commercial space with outdoor seating. A portion of the proceeds will also be used to pay all or a portion of capitalized interest on the bonds through February 1, 2026. On the closing date, \$1,000 was paid to the developer; the 2nd installment of \$5.8 million will be made upon the developers’ fulfillment of its obligation to invest an amount greater than or equal to the purchase price of the project from sources other than principal of the bonds. The bonds mature on February 1, 2048 and have an interest rate of 6.85%.

On August 18, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable - Indy Innovation Apartments, LLC Project), in the amount of \$12.5 million. The proceeds will be provided developer to finance a portion of the construction of a

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Year ended December 31, 2023

new mixed-use development which includes a multifamily housing facility, consisting of approximately 279 units, providing approximately 226,000 square feet of residential space, a parking garage facility with approximately 290 parking spaces, and approximately 1,875 square feet of commercial or retail space, together with any related sidewalk, bike path and streetscape projects and improvements to integrate the mixed-used development into the City’s 16 Tech Innovation District, located at 1350 Waterway Boulevard in the City. The bonds are draw bonds, and as of December 31, 2023, no draws have been made. The bonds mature on February 1, 2048 and have an interest rate of 5.0%.

On September 21, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable-Shortee's Real Estate Project), in the amount of \$8.0 million. A portion of the proceeds will be provided developer to finance a portion of the costs of the public improvements which will support construction of new single-family homes, townhomes, apartments with parking facilities, and a club house located at approximately 1775 Real Street. The bonds are draw bonds, and as of December 31, 2023, \$3.4 million had been drawn. The bonds mature on August 1, 2048 and have an interest rate of 6.5%.

Revenue Bonds

On December 7, 2023, the City issued its Convention Center Hotel Senior Revenue Bonds, Series 2023A in an amount of \$208.9 million. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately 800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. A portion of the bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on March 1, 2057 and have an interest rate of 5.0%-6.125%.

On December 7, 2023, the City issued Convention Center Hotel Subordinate Revenue Bonds, Series 2023B-1 (City Moral Obligation) in an amount of \$180.0 million. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately 800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. A portion of the bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on March 1, 2067 and have an interest rate of 5.0-5.25%.

On December 7, 2023, the City issued Convention Center Hotel Subordinate Revenue Bonds, Series 2023B-2 in an amount of \$34.5 million. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately 800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. A portion of the bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on March 1, 2067 and have an interest rate of 7.75%.

On December 7, 2023, the City issued its Convention Center Hotel Junior Revenue Bonds, Series 2023C in an amount of \$25.0 million. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Management’s Discussion and Analysis
Year ended December 31, 2023

800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. The bonds mature on March 1, 2067 and have an interest rate of 8.0%.

Note Payable

On February 15, 2022, the City executed a public-private build-operate-transfer agreement with Garmong & Son, Inc. in amount not to exceed \$36.1 million for the design, construction, and financing of a judicial and professional building parking garage, located at the Community Justice Campus. The installment purchase agreement matures on January 30, 2027 and has a balloon principal payment of \$33.0 million due on that date, interest is due annually at a rate of 1.9%. The outstanding balance at December 31, 2023, is \$35.1 million, which represents the cost of the construction for the garages as of year-end.

Lease Liabilities, Subscription Liabilities, and Financed Purchase Obligations

During 2022, the City implemented GASB Statement No. 87, *Leases* (GASB No. 87). This statement requires governments to recognize certain lease assets and liabilities for leases that previously were classified as operating leases and recognize as inflows of resources or outflows of resources based on the payment provisions of the contract. As of December 31, 2023 the City has recorded a long-term lease liability of \$36.0.

During 2023, the City implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB No. 96). This statement requires governments to recognize certain subscription assets and liabilities. As of December 31, 2023 the City has recorded a long-term subscription liability of \$18.3 million.

On July 13, 2022, the City entered into a financed purchase obligation with JP Morgan Chase Bank in the amount of \$10.3 million. The proceeds will be used to purchase pursuit vehicles for the police department. The outstanding balance at December 31, 2023, is \$7.8 million and matures on June 1, 2028. The stated interest rate is 2.56%. At December 31, 2023, the City has recorded \$483,000 of cash in escrow related to the finance purchase obligation.

On November 18, 2022, the City entered into a financed purchase obligation with JP Morgan Chase Bank in the amount of \$22.5. The proceeds were used to purchase fire apparatus vehicles for the fire department. The stated interest rate is 3.62%. The outstanding balance at December 31, 2023, is \$21.4 million and matures on September 1, 2030.

On June 13, 2023, the City entered into a financing agreement with the Building Authority to finance a new neighborhood and family recreation center at Frederick Douglass Park. The finance purchase obligation for Frederick Douglass Park is a 30-year financed purchase obligation with payments beginning on August 1, 2024. At December 31, 2023, as reported in the City’s statement of net position, capitalizable assets associated with the financed purchase obligation were \$16.7 million and the financed purchase obligation outstanding was \$20.5 million, with a receivable for the remaining construction to be completed of \$3.3 million. \$490,000 of the financed purchase obligation relates to interest expense as a result of payments under the financed purchase obligation being deferred until completion of the project. In the City’s statement of revenues, expenditures

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Year ended December 31, 2023

and changes in fund balance, \$16.7 million was recognized as current year capital outlays, which was offset by an other financing source of \$20.0 million in connection with this financed purchase obligation.

On July 13, 2022, the City entered into a financed purchase obligation with JP Morgan Chase Bank in the amount of \$12.5 million. The proceeds will be used to purchase pursuit vehicles for the police department. The outstanding balance at December 31, 2023, is \$11.5 million and matures on June 15, 2029. The stated interest rate is 3.814%. At December 31, 2023, the City has recorded \$1.4 million of cash in escrow related to the finance purchase obligation.

Bond ratings. The City’s general obligation bonds are rated AA+ by Standards & Poor’s, AAA by Fitch, Aaa by Moody’s, and AAA by Kroll. The City’s other debt, principally revenue bonds and notes, are rated to reflect the creditworthiness of the supporting revenue.

Limitations on debt. The state limits the amount of general obligation debt the City can issue to varying percentages of assessed value, by taxing district, as shown in the statistical section. The City’s outstanding debt is well below the limit in each case.

See footnote 11 to the basic financial statements for more information regarding long-term debt.

ECONOMIC FACTORS AND THE 2024 BUDGET

The 2024 original budget for all annually council appropriated funds was \$97 billion. Revisions of \$0 million have been made through May 2024.

The 2024 General Fund original budget was \$755.5 million, an increase of 5% from the 2023 General Fund original budget of \$714.5 million.

Unemployment rates were as follows:

	April 2024	April 2023
City of Indianapolis	3.1%	2.4%
State of Indiana	3.6%	3.0%
United States	3.9%	3.4%

Source: United States Department of Labor, www.bls.gov

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City’s finances and to demonstrate the City’s accountability for the money it receives. If you have any questions about this report or need additional information, please contact the City of Indianapolis, Office of Finance and Management, 200 East Washington Street, Suite 2222, Indianapolis, Indiana 46204.

Basic Financial Statements

Basic Financial Statements

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Net Position
December 31, 2023
(In thousands)

		<u>Primary Government</u>
		<u>Governmental activities</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets:		
Equity in pooled cash	\$	78,216
Cash and investments with fiscal agents		995,034
Investments		847,749
Accrued interest receivable		6,639
Property taxes receivable		9,944
Accounts receivable, less allowance for uncollectibles		33,503
Due from federal and state governments		28,343
Financed purchase obligation receivable		3,252
Due from other governments		387
Long-term receivables, less allowance for uncollectibles		78,856
Capital assets:		
Land		158,446
Infrastructure, net of accumulated depreciation		931,578
Other capital assets, net of accumulated depreciation		455,297
Construction in progress		425,621
Right-to-use leased assets, net of accumulated amortization		42,897
Right-to-use subscription assets, net of accumulated amortization		18,113
Total assets		<u>4,113,875</u>
Deferred outflows of resources:		
OPEB		70,275
Pensions		252,125
Losses on refundings		18,936
Total deferred outflows of resources		<u>341,336</u>
Total assets and deferred outflows of resources		<u>4,455,211</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Net Position
December 31, 2023
(In thousands)

		<u>Primary Government</u>
		<u>Governmental activities</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Liabilities:		
Accounts payable and other current liabilities	\$	171,353
Accrued interest payable		15,457
Unearned revenue		179,962
Long-term liabilities:		
Due within one year		136,790
Due in more than one year		3,204,378
Total liabilities		<u>3,707,940</u>
Deferred inflows of resources:		
OPEB		64,846
Pensions		7,634
Parking meter concession agreement		14,800
Total deferred inflows of resources		<u>87,280</u>
Total liabilities and deferred inflows of resources		<u>3,795,220</u>
NET POSITION (DEFICIT)		
Net investment in capital assets		1,043,190
Restricted for:		
Capital projects		211,710
Debt service		147,855
Other purposes by grantors		1,862
Other purposes by contributor – nonexpendable		395
Future opioid remediation efforts		36,892
Statutory restrictions		82,240
Unrestricted (deficit)		<u>(864,153)</u>
Total net position	\$	<u>659,991</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Activities
Year ended December 31, 2023
(In thousands)

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program revenues</u>			<u>Net (expense) revenue and changes in net position</u>
		<u>Charges for services</u>	<u>Operating grants and contributions</u>	<u>Capital grants and contributions</u>	<u>Primary Governmental activities</u>
Governmental activities:					
General government	\$ 95,607	\$ 14,046	\$ 84,009	\$ —	\$ 2,448
Public safety	622,108	27,194	60,914	5,437	(528,563)
Public works	294,088	64,308	79,221	34,899	(115,660)
Health and welfare	15,490	47	173,860	—	158,417
Cultural and recreation	28,040	4,019	782	1,437	(21,802)
Urban redevelopment and housing	41,272	1,779	20,798	1,837	(16,858)
Economic development and assistance	140,219	1,946	1,056	—	(137,217)
Interest	70,689	—	—	—	(70,689)
Total governmental activities	<u>\$ 1,307,513</u>	<u>\$ 113,339</u>	<u>\$ 420,640</u>	<u>\$ 43,610</u>	<u>(729,924)</u>
General revenues:					
Taxes:					
Property taxes					399,789
Wheel taxes					15,661
Local income taxes					329,136
Other taxes					25,857
Grants and contributions not restricted to specific programs					20,193
Investment earnings not restricted to specific programs					78,103
Miscellaneous					35,415
Total general revenues					<u>904,154</u>
Change in net position					<u>174,230</u>
Net position – beginning of year					<u>485,761</u>
Net position – end of year					<u>\$ 659,991</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Balance Sheet – Governmental Funds
December 31, 2023
(In thousands)

	General	Federal Grants	State of Indiana Grants	Coronavirus Federal Stimulus	Revenue Bond Debt Service	Convention Center Hotel Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Equity in pooled cash	\$ 31,938	\$ —	\$ 1,861	\$ —	\$ 7,292	\$ —	\$ 33,126	\$ 74,217
Cash and investments with fiscal agents	2,002	—	—	—	161,336	568,861	262,096	994,295
Investments	272,312	—	11,029	172,607	43,199	—	324,918	824,065
Accrued interest receivable	2,083	79	109	—	485	—	3,649	6,405
Property taxes receivable	8,736	—	—	—	—	—	1,208	9,944
Accounts receivable, less allowance of \$1,585	30,173	3	—	—	—	—	927	31,103
Due from other funds	20,191	38	—	—	—	—	—	20,229
Due from federal and state governments	—	28,343	—	—	—	—	—	28,343
Financed purchase obligation receivable	—	—	—	—	—	—	3,252	3,252
Long-term receivables, less allowance of \$26,772	100	4,647	43,402	—	—	—	30,707	78,856
Total assets	<u>\$ 367,535</u>	<u>\$ 33,110</u>	<u>\$ 56,401</u>	<u>\$ 172,607</u>	<u>\$ 212,312</u>	<u>\$ 568,861</u>	<u>\$ 659,883</u>	<u>\$ 2,070,709</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Matured bonds and notes payable	\$ —	\$ —	\$ —	\$ —	\$ 5,645	\$ —	\$ 7,501	\$ 13,146
Matured interest payable	—	—	—	—	250	—	3,090	3,340
Accounts payable and other accrued liabilities	37,787	10,643	532	18,577	8	11,545	50,566	129,658
Accrued payroll and payroll taxes	17,197	166	10	—	—	—	16	17,389
Due to other funds	—	19,674	—	—	—	—	168	19,842
Unearned revenue	2,450	728	—	154,029	—	—	—	157,207
Bond anticipation notes	—	—	—	—	—	—	—	—
Total liabilities	<u>57,434</u>	<u>31,211</u>	<u>542</u>	<u>172,606</u>	<u>5,903</u>	<u>11,545</u>	<u>61,341</u>	<u>340,582</u>
Deferred inflows of resources - unavailable revenues	<u>16,275</u>	<u>13,057</u>	<u>43,402</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,818</u>	<u>74,552</u>
Fund balances:								
Nonspendable	—	—	—	—	—	—	395	395
Restricted	74,435	—	12,457	1	206,409	557,316	518,366	1,368,984
Committed	5,915	—	—	—	—	—	77,963	83,878
Assigned	66,909	—	—	—	—	—	—	66,909
Unassigned	146,567	(11,158)	—	—	—	—	—	135,409
Total fund balances	<u>293,826</u>	<u>(11,158)</u>	<u>12,457</u>	<u>1</u>	<u>206,409</u>	<u>557,316</u>	<u>596,724</u>	<u>1,655,575</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 367,535</u>	<u>\$ 33,110</u>	<u>\$ 56,401</u>	<u>\$ 172,607</u>	<u>\$ 212,312</u>	<u>\$ 568,861</u>	<u>\$ 659,883</u>	<u>\$ 2,070,709</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Reconciliation of the Balance Sheet for Governmental Funds
to the Statement of Net Position
December 31, 2023
(In thousands)

Fund balances – total governmental funds		
Amounts reported for governmental activities in the statement of net position are different because:	\$	1,655,575
Capital assets not reported in the fund statements		1,970,942
Right-to-use leased assets not reported in the fund statements		42,897
Right-to-use subscription assets not reported in the fund statements		18,113
Net position of internal service funds not recorded in the fund statements		11,110
Deferred outflows of resources - OPEB not recorded in the fund statements		70,275
Deferred outflows of resources - pensions not recorded in the fund statements		252,125
Deferred outflows of resources - loss on refundings not recorded in the fund statements		18,936
Deferred inflows of resources - parking meter concession agreement not recorded in the fund statements		(14,800)
Deferred inflows of resources - OPEB not recorded in the fund statements		(64,846)
Deferred inflows of resources - pensions not recorded in the fund statements		(7,634)
Long-term liabilities not in the fund statements (excludes matured bonds payable of \$13,146)		(3,328,022)
Other liabilities not in the fund statements		(4,360)
Deferred inflows of resources in the fund statements not in the statement of net position		74,552
Unearned revenue in the statement of net position not in the fund statements		(22,755)
Accrued interest payable not in the fund statements (excludes matured interest payable)		(12,117)
Net position of governmental activities	\$	<u><u>659,991</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year ended December 31, 2023
(In thousands)

	General	Federal Grants	State of Indiana Grants	Coronavirus Federal Stimulus	Revenue Bond Debt Service	Convention Center Hotel Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	\$ 512,543	\$ —	\$ —	\$ —	\$ 124,787	\$ —	\$ 131,610	\$ 768,940
Licenses and permits	15,704	—	—	—	—	—	—	15,704
Charges for services	82,487	—	—	—	—	—	2,574	85,061
Other intergovernmental revenues:								
Federal revenues	4,090	48,443	1,000	143,691	—	—	—	197,224
State revenues	133,881	—	1,195	—	—	—	—	135,076
Other revenues	4,676	—	—	—	—	70,500	12,479	87,655
Intragovernmental revenues								
Intragovernmental revenues	8,045	—	—	—	5	—	—	8,050
Traffic violations and court fees	1,412	1,677	1,367	—	—	—	548	5,004
Interest and other operating revenues	32,275	3	710	11,466	8,998	3,828	60,502	117,782
Total revenues	795,113	50,123	4,272	155,157	133,790	74,328	207,713	1,420,496
Expenditures:								
Current:								
General government	54,082	1,959	995	17,781	196	3,657	168	78,838
Public safety	490,152	9,136	1,081	75,178	—	—	—	575,547
Public works	125,546	301	—	—	—	—	1,069	126,916
Health and welfare	1,438	12,062	—	1,342	—	—	—	14,842
Cultural and recreation	28,027	939	—	280	—	—	—	29,246
Urban redevelopment and housing	6,430	20,617	105	10,244	—	—	—	37,396
Economic development and assistance	2,941	339	—	31,272	8,000	—	83,466	126,018
Debt service:								
Redemption of bonds, notes and financed purchase and subscription obligations	5,374	5	—	—	54,894	—	58,374	118,647
Interest on bonds and notes	1,217	1	—	—	6,616	—	42,506	50,340
Bond and note issuance costs	—	—	—	—	—	12,058	3,690	15,748
Lease payments and other	5,970	161	—	—	337	—	16,912	23,380
Capital outlays	84,435	5,535	—	17,747	—	42,993	246,561	397,271
Total expenditures	805,612	51,055	2,181	153,844	70,043	58,708	452,746	1,594,189
Excess (deficiency) of revenues over (under) expenditures	(10,499)	(932)	2,091	1,313	63,747	15,620	(245,033)	(173,693)

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year ended December 31, 2023
(In thousands)

	General	Federal Grants	State of Indiana Grants	Coronavirus Federal Stimulus	Revenue Bond Debt Service	Convention Center Hotel Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Other financing sources (uses):								
Issuance of lease and subscription liabilities	\$ 1,726	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,726
Sales of capital assets	425	—	—	—	—	—	—	425
Bonds, notes and financed purchase obligations issued	—	—	—	—	—	448,360	277,739	726,099
Premium on bonds and notes issued	—	—	—	—	—	—	21,731	21,731
Discount on bonds and notes issued	—	—	—	—	—	(8,675)	(243)	(8,918)
Transfers in	84,625	1	—	—	26,522	193,593	295,113	599,854
Transfers out	(110,260)	(1,275)	—	—	(86,724)	(91,582)	(310,013)	(599,854)
Total other financing sources (uses)	<u>(23,484)</u>	<u>(1,274)</u>	<u>—</u>	<u>—</u>	<u>(60,202)</u>	<u>541,696</u>	<u>284,327</u>	<u>741,063</u>
Net change in fund balances	(33,983)	(2,206)	2,091	1,313	3,545	557,316	39,294	567,370
Fund balances at beginning of year	327,809	(8,952)	10,366	(1,312)	202,864	—	557,430	1,088,205
Fund balances at end of year	<u>\$ 293,826</u>	<u>\$ (11,158)</u>	<u>\$ 12,457</u>	<u>\$ 1</u>	<u>\$ 206,409</u>	<u>\$ 557,316</u>	<u>\$ 596,724</u>	<u>\$ 1,655,575</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year ended December 31, 2023
(In thousands)

Net change in fund balances – total governmental funds	
Amounts reported for governmental activities in the statement of activities are different because:	\$ 567,370
Depreciation expense reported in the statement of activities but not in the fund statements	(163,749)
Amortization expense reported in the statement of activities but not in the fund statements	(9,655)
Capital outlay expenditures, exceeding capitalization threshold, reported in the fund statements but reported as additions to capital assets in the statement of net position	360,590
Donations of capital assets not recorded in the fund statements	33,659
Loss on disposals of capital assets not recorded in the fund statements	(4,683)
Revenues in the statement of activities that do not provide current financial resources and are deferred inflows in the fund statements	74,552
Revenues in the fund statements but not in the current year statement of activities due to the current financial resources focus of the governmental funds	(49,631)
Remediation settlement accruals not recorded in the fund statements but reported as an increase in a liability in the statement of net position	(653)
Bond and notes issued, including premiums, reported as financing sources in the fund statements but as additions to long-term liabilities in the statement of activities	(739,401)
Inception of lease and subscription liabilities recorded as other financing sources in the fund statements but as an increase in long-term liabilities in the statement of net position	(1,726)
Bond, note and financed purchase obligation payments reported as expenditures in the fund statements but as reductions of long-term liabilities in the statement of net position	118,648
Lease liability payments reported as expenditures in the fund statements but as reduction of long-term liabilities in the statement of net position	10,274
Amortization of deferred inflows of resources related to the parking meter agreement reported as income in the statement of activities but not in the fund statements	400
Change in net position of internal service funds reported with governmental activities	7,339
Amortization of bond premium, discount, and loss on refunding reported in the statement of activities but not in the fund statements	7,605
Decrease in compensated absences that is not reported in the fund statements	(776)
Capital appreciation bond interest expense that is reported in the statement of activities but not the fund statements, as there is no cash outflow	(7,579)
Accrued interest on bonds and notes payable through December 31, 2023 reported as expenses in the statement of activities but not the fund statements, net of matured interest payable	(12,117)
Accrued interest at December 31, 2023 not reported in the current year statement of activities but reported in the fund statements, as amounts were paid in the current year	9,246
Net decrease in the other postemployment benefit liability that is not reported in the fund statements	(11,186)
Pension contributions recognized as expenditures in the fund statements in excess of pension expense recognized in the statement of activities	<u>(14,297)</u>
Change in net position of governmental activities	<u>\$ 174,230</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Net Position
Proprietary Funds
December 31, 2023
(In thousands)

		<u>Governmental activities – Internal Service Funds</u>
ASSETS		
Current assets:		
Equity in pooled cash	\$	3,999
Cash with fiscal agents		739
Investments		23,684
Accrued interest receivable		234
Accounts receivable		2,400
Due from other funds		<u>—</u>
Total current assets		<u>31,056</u>
LIABILITIES		
Accounts payable and other current accrued liabilities		<u>19,946</u>
Total current liabilities		<u>19,946</u>
NET POSITION		
Unrestricted net position		<u>11,110</u>
Total net position	\$	<u><u>11,110</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year ended December 31, 2023
(In thousands)

		Governmental activities – Internal Service Funds
Operating revenues:		
Charges to other funds	\$	118,964
Operating expenses:		
Claims		112,865
Administration		206
Total operating expenses		113,071
Operating income		5,893
Nonoperating revenue:		
Investment income		1,446
Changes in net position		7,339
Net position, beginning of year		3,771
Net position, end of year	\$	11,110

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Statement of Cash Flows
Proprietary Funds
Year ended December 31, 2023
(In thousands)

		Governmental activities – Internal Service Funds
Cash flows from operating activities:		
Receipts from users	\$	119,013
Payments for administration		(206)
Payments for claims		<u>(116,335)</u>
Net cash provided by operating activities		<u>2,472</u>
Cash flows from investing activities:		
Sales and maturities of investments		3,934
Investment purchases		(5,358)
Investment income		<u>1,212</u>
Net cash used in investing activities		<u>(212)</u>
Net increase in cash		2,260
Cash, beginning of year		<u>2,478</u>
Cash, end of year	\$	<u><u>4,738</u></u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$	5,893
Adjustments to reconcile operating income to net cash provided by operating activities:		
Change in assets and liabilities:		
Decrease in accounts receivable		49
Decrease in accounts payable		<u>(3,470)</u>
Net cash provided by operating activities	\$	<u><u>2,472</u></u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2023
(In thousands)

	Pension (and Other Postemployment Benefit) Trust Funds	Custodial Funds
ASSETS		
Equity in pooled cash	\$ —	\$ 881
Investments		
Pooled investments	—	5,549
Accounts receivable	—	969
Total assets	—	7,399
LIABILITIES		
Accounts payable and other accrued liabilities	—	1,250
Due to other funds	349	—
Total liabilities	349	1,250
NET POSITION		
Restricted for:		
Pensions (deficit)	(349)	—
Individuals, organization, and other governments	—	6,149
Total restricted net position (deficit)	\$ (349)	\$ 6,149

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
Year ended December 31, 2023
(In thousands)

	Pension (and Other Postemployment Benefit) Trust Funds	Custodial Funds
ADDITIONS		
Employer contributions	\$ 50,599	\$ 4,073
Police confiscations	—	1,834
Fees collected for other governments	—	7,422
Total additions	50,599	13,329
DEDUCTIONS		
Benefits paid to participants or beneficiaries	52,517	4,073
Payments of fees collected to other governments	—	7,422
Court released confiscations	—	1,891
Total deductions	52,517	13,386
Net decrease in net position	(1,918)	(57)
Net position – beginning of year	1,569	6,206
Net position (deficit)– end of year	\$ (349)	\$ 6,149

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Financial Statements
December 31, 2023
(Dollars in Thousands)

1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Indianapolis (“City”), located in Marion County, Indiana, was originally incorporated in 1832. On January 1, 1970, the government of the City, as defined by the Consolidated First-Class Cities and Counties Act, adopted by the 1969 Indiana General Assembly, and Marion County (“County”) were unified (“Consolidated City”). Their form of service delivery was consolidated and certain of the City’s service boundaries were extended to generally coincide with those of the County. Four other municipalities (Speedway, Lawrence, Southport, and Beech Grove) located within the County boundaries are specifically excluded from most functions of the Consolidated City by the consolidating act.

The City operates under an elected Mayor/City-County Council (25 members) form of government and provides the following services: public safety (police and fire), culture and recreation, community development and welfare (including planning and zoning), highways and streets, environmental service (solid waste collection and disposal), and general administrative services.

For financial reporting purposes, the City is considered to be a component unit of the Consolidated City of Indianapolis – Marion County Reporting Entity (unified government, commonly referred to as “Unigov”), as defined by Governmental Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity*. The elected officials and the Mayor serve as the executive body for both the City and the County while the City-County Council (“Council”) serves as the legislative body for both the City and the County. The City is considered a legally separate organization for which its elected officials are financially accountable. This accountability is evidenced by the elected officials’ ability to: (a) approve the budget of the City; (b) veto, override, or modify the budget; and (c) establish tax levies. Additionally, the Mayor appoints the City’s deputy mayors and the City’s department directors subject to the approval of the Council, and also appoints the City Controller and Corporation Counsel.

Component Unit

The City’s financial reporting entity also includes the Circle Area Community Development Corporation (“CAC”), which was incorporated on July 22, 1997. The Mayor appoints the entire CAC board and may remove board members at will. The total outstanding debt of the CAC is expected to be repaid entirely with the resources of the City of Indianapolis and is therefore presented as a blended component unit. The CAC issues separate financial statements, which can be obtained by writing to Circle Area Community Development Corporation, 200 East Washington Street, Indianapolis, Indiana 46204.

Related Organization

The Mayor appoints the five members of the board of the Indianapolis Local Public Improvement Bond Bank (“Bond Bank”), but the City’s accountability for this organization does not extend beyond making such appointments.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Financial Statements
December 31, 2023
(Dollars in Thousands)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its discretely presented component unit. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. However, the City currently has no business-type activities.

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

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the period in which the tax levy and rates are certified, which is the period for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this basis of accounting, revenues are recognized as they become susceptible to accrual; generally, as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property taxes to be available if they are collected and distributed within 60 days of the end of the current fiscal period. For all other revenue items, including taxes other than property taxes, the City considers revenue to be available if they are collected within 90 days of the end of the current fiscal period. Significant revenues susceptible to accrual include property and other taxes, grants, and interest on investments. Bonds and notes issued are recorded as other financing sources, along with any related premium or discounts.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include:

- 1) Debt service fund bond principal and interest expenditures due through January 15 are recorded on the preceding December 31. Expenditures related to compensated absences and claims and judgments are recorded only when payment is due (i.e., matured).
- 2) Prepaid expenditures are not recorded as an asset in the fund financial statements.

For financial reporting purposes, nonexchange transactions are grouped into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government-mandated nonexchange transactions, and voluntary nonexchange transactions.

The City recognizes assets from derived tax revenue transactions (such as local income tax) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the resources are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred, and the resources are available. Resources received in advance in relation to derived tax revenue nonexchange transactions are reported as liabilities until the period of exchange.

The City recognizes assets from imposed nonexchange revenue transactions in the period when an enforceable legal claim to the resources arises or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used or the first period that use is permitted. The City recognizes revenues from property taxes, net of estimated refunds and estimated uncollectible amounts, in the period in which the tax levy and rates are certified, which is the period for which the taxes are levied. Imposed nonexchange revenues also include taxes such as wheel, auto excise, and financial institutions.

Voluntary nonexchange transactions, such as grants and assistance received from other governmental units, and government-mandated nonexchange transactions are generally recognized as revenues in the period when all eligibility requirements have been met. For these types of transactions, resources received before eligibility requirements are met (excluding time requirements) are reported as liabilities, while resources received before time requirements are met, but after all other eligibility requirements have been met, are reported as deferred inflows of resources.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Financial Statements
December 31, 2023
(Dollars in Thousands)

Charges for services in the governmental funds, which are exchange transactions, are recognized as revenues when received in cash because they are generally not measurable until actually received.

All proprietary funds and fiduciary funds (with an exception for custodial funds that are compelled to disburse resources), are accounted for using the same measurement focus and basis of accounting as the government-wide financial statements. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred, except as to the accounting for certain pension and other postemployment benefit costs. The City records pension payments reimbursed by the State of Indiana as both revenue and expenditures/expense. Unfunded pension and other postemployment benefit obligations are recorded in the government-wide statements in the long-term liabilities due in more than one year.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Federal Grants Fund* accounts for all grants received from the U.S. Departments of Housing and Urban Development, Justice, Transportation, Homeland Security, and other miscellaneous federal agencies.

The *State of Indiana Grants Fund* accounts for all grants received from the State of Indiana.

The *Coronavirus Federal Stimulus Fund* accounts for the resources received and payments made related to the Coronavirus pandemic and federal funding provided from the American Rescue Plan Act (ARPA).

The *Revenue Bond Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on debt of the Tax Increment Districts and on debt issued for certain other public works projects.

The *Convention Center Hotel Capital Project Fund* accounts for all financial resources related to construction of the hotel and convention center expansion located on Pan Am Plaza.

Additionally, the City reports the following fund types:

Internal Service Funds account for the accumulation of resources to provide for the financing of workers' compensation and auto liability, and health self-insurance for all City departments, as well as provide for the centralization of certain payments of awards, refunds, and indemnities.

Fiduciary Funds are classified into subgroupings – Custodial Funds and Pension and Other Postemployment Benefit Trust Funds. Funds in this classification are used to account for assets held by the City in a fiduciary capacity. Custodial Funds are custodial in nature and account for monies held on behalf of contractors, the E-911 dispatch program, and for confiscated items related to public safety activities. Pension and Other Postemployment Benefit Trust Funds are those funds held in trust for disbursement to covered employees with certain balances going to union trust funds. The City records deductions for pension and other postemployment benefit obligations as payments become due.

Amounts reported as *program revenues* include: (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all local taxes. State-shared revenues, such as cigarette taxes, are reported as grants and contributions not restricted to specific functions, unless they are restricted to specific functions, such as gasoline taxes, in which case they are reported as operating grants and contributions.

Indirect costs are included as part of the program expenditures reported for individual functions and activities.

D. Cash and Investments

The City's cash resources are combined to form a cash and investment pool managed by the City Controller. Excluded from this pool are the investments in TrustIndiana and certain legally restricted funds. Income from the pooled investments is allocated to the funds based on the participating fund's average daily equity balance. An individual fund's negative position in the pool is reflected as an interfund liability.

Investments are stated at fair value and are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statement of net position.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Financial Statements
December 31, 2023
(Dollars in Thousands)

E. Receivables

All receivables are shown net of an allowance, if any, for uncollectible balances.

Noncurrent portions of long-term receivables in the governmental funds are reported in their respective balance sheets, notwithstanding their measurement focus. The noncurrent portions of receivables that will ultimately result in the recognition of revenue are reported as deferred inflows of resources. Noncurrent portions of other long-term receivables (e.g., loans receivable and nonfinancial assets held for sale) are offset by assigned fund balance in the general fund and restricted fund balance in funds other than the general fund.

F. Inventory

Inventories of the governmental funds are recorded as expenditures when purchased and are therefore not recorded in the statement of net position or the governmental funds balance sheet, as the associated amounts are not considered material.

G. Capital Assets

Capital Assets

Capital assets, which include land, construction in progress, improvements, buildings, equipment, and infrastructure (e.g., streets, bridges, storm drains, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with cost or donated value beyond prescribed levels and estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date of acquisition. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The prescribed capitalization levels for the City are as follows:

- All land acquired by the City is capitalized. Land improvements of \$25 or greater are capitalized.
- All new construction of City buildings is capitalized. Rehabilitation of \$75 or greater is capitalized.
- Equipment and vehicles of \$5 or greater are capitalized.
- Infrastructure projects of \$25 or greater are capitalized. Infrastructure assets acquired before January 1, 2002 have been capitalized if estimated historical cost or donated value was near or above the criteria for major infrastructure as defined by GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments (“GASB Statement No. 34”).
- Assets, such as computer software and easements, are required to be reported as capital assets under GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets. All permanent easements have historically been capitalized. Other intangible assets are capitalized if the historical cost or donated value is \$100 or greater. The City has chosen not to report, retroactively to 1980, intangible assets having indefinite useful lives and those considered to be internally generated, except for certain computer software and right-of-way easements to which recognition criteria could be effectively applied.

Depreciation is calculated using the straight-line method and no salvage value. Depreciation lives are as follows:

Land improvements	30 years individual depreciation
Buildings	50 years individual depreciation
Building improvements	20 years individual depreciation
Equipment and vehicles	3 to 20 years individual depreciation
Streets, curbs, sidewalks, and traffic signals	30 years group depreciation
Bridges and storm lift stations	60 years individual depreciation
Storm mains, manholes, inlets, and culverts	60 years group depreciation

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Financial Statements
December 31, 2023
(Dollars in Thousands)

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at, and certain prepayments made before the commencement of the Subscription-Based Information Technology Arrangement (“SBITA”) term, less any SBITA vendor incentives received at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying information technology asset.

H. Unearned Revenue

Unearned revenue is reported in the government-wide financial statements and in the balance sheet – governmental funds. The availability period does not apply; however, amounts may not be considered earned due to eligibility requirements.

I. Compensated Absences

City civilian employees earn benefit leave days (in lieu of all vacation, sick, and other accrued leave time), which accumulate to a maximum of 37 days per year, depending on length of service. A total of 160 hours earned benefit leave can be carried forward to subsequent years. Accumulated unused sick leave earned before September 1, 1994, is payable only upon the death or retirement of an employee, and only half the accumulated sick leave is then payable. Uniform Police and Fire employees earn vacation and sick leave and other accumulated leave time off. For certain employees, sick leave is payable upon the death or retirement of the employee at half of the accumulated value.

In accordance with the vesting method provided under GASB Statement No. 16, *Accounting for Compensated Absences*, accumulated benefit and sick leave days are accrued based on assumptions concerning the probability that certain employees will become eligible to receive these benefits in the future. The entire cost of benefit and sick leave is recorded in the government-wide financial statements. Certain amounts have been recorded in the governmental fund financial statements, since such amounts came due (matured, for example, as a result of employee resignations and retirements) during the year ended December 31, 2023.

J. Estimates and Uncertainties

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

K. Interfund Transactions

All outstanding balances between funds are reported as “due to/from other funds.”

Transfers

Legally authorized transfers are reported when incurred as transfers in by the recipient fund and as transfers out by the disbursing fund.

Interfund Services Provided/Used

Charges or collections for services rendered by one fund for another are recognized as revenues (interfund services provided) of the recipient fund and expenditures (interfund services used) of the disbursing fund. These transactions are recorded as interfund services because they would be treated as revenues and expenditures if they involved organizations external to the City. Certain internal payments are treated as a reduction of expense, such as reimbursements.

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

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Financial Statements
December 31, 2023
(Dollars in Thousands)

L. Bond Premiums, Discounts, and Issuance Costs

In the government-wide financial statements and the proprietary fund types in the fund financial statements, bond or note premiums and discounts are recorded as an addition or reduction to the debt obligation. Premiums and discounts are amortized as a component of interest expense over the term of the related bonds using the effective-interest method. Bond issuance costs, excluding bond insurance, are expensed as incurred.

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

M. Other Postemployment Benefit Plan

The City has a single-employer defined benefit other postemployment benefit (OPEB) plan. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

N. Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the 1953 Police Pension Fund, the 1937 Firefighters' Pension Fund, the 1977 Police Officers' and Firefighters' Pension and Disability Fund, and the Indiana Public Employees' Retirement Fund ("the plans"), and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are valued in accordance with the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*, and are predominantly at fair value.

O. Net Position/Fund Balances

In the government-wide and proprietary fund financial statements, the components of net position are categorized as follows:

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

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

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB Statement No. 54") requires fund balances for governmental funds to be classified based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Further, GASB Statement No. 54 establishes criteria for classifying fund balances and clarifies the definitions for governmental fund types.

Within the fund financial statements, the fund balances are classified in the following manner:

- 1) *Nonspendable* – This consists of resources that are either: (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- 2) *Restricted* – This consists of resources that can be spent only for the specific purpose stipulated by constitution, external parties (e.g., grantors, creditors, or other governments), or enabling legislation.

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- 3) *Committed* – This consists of resources that can only be used for specific purposes pursuant to formal action of the government’s highest level of decision-making authority. The City’s highest level of decision-making authority rests with the Council. Resources are reported as committed by the Council through passage of an ordinance. The Council can modify or rescind a commitment of resources through passage of a new ordinance.
- 4) *Assigned* – This consists of resources constrained by the government’s intention to use them for specific purposes but are neither restricted nor committed. By statute, the City Controller has the ability to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments are generally temporary and require no additional action to effect removal of the assignment. Within the assigned fund balance for the General Fund are encumbrances of \$30,414, which are assigned to cover future purchases.
- 5) *Unassigned* – This consists of residual fund balances that do not meet the criteria of nonspendable, restricted, committed, or assigned. The general fund is the only fund that reports a positive unassigned fund balance.

Effective August 2011, the Council established the Fiscal Stability Fund under Fiscal Ordinance No. 11, which is reported in the Consolidated County Subfund of the City’s General Fund. At December 31, 2023, the unassigned fund balance of the Fiscal Stability Fund is \$86,176. Such amount has been set aside by the City-County Council to be maintained as a general reserve until such time the Council takes action to appropriate all or a portion of the balance. The ordinance that created the Fiscal Stability Fund does not dictate the circumstance under which such monies may be spent or provide requirements for any further additions to the fund.

The City’s policy is to apply expenditures to restricted resources first, then committed, then assigned, and finally to unassigned, as applicable.

P. Deferred Outflows of Resources and Deferred Inflows of Resources

A deferred inflow of resources is an acquisition of net assets by the City that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net assets by the City that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the Statement of Net Position but are not recognized in the financial statements as revenues, expenses, and reduction of liabilities or increase in assets until the period(s) to which they relate.

The City reports both deferred outflows of resources and deferred inflows of resources in the statement of net position for the effects of certain changes in its net OPEB liability that is required to be included in OPEB expense over the current and future periods.

The City reports both deferred outflows of resources and deferred inflows of resources in the statement of net position for the effects of certain changes in its net pension liabilities that are required to be included in pension expense over the current and future periods.

The City defers recognition of losses incurred on bond refundings and reports such losses as deferred outflows of resources in the statement of net position. Deferred losses on refundings are amortized using the straight-line method over the lesser of the remaining life of the original bonds or the life of the new bonds.

In accordance with GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* (“GASB Statement No. 60”), the City has recorded upfront payments received under a parking meter concession agreement as a deferred inflow of resources in the government-wide statement of net position. This deferred inflow of resources is being amortized using the straight-line method over the term of the agreement.

Deferred inflows of resources are also reported in the fund financial statements for receivables that are unavailable to liquidate liabilities of the current period or for which eligibility requirements have not been met. In addition, for certain lease liabilities that have been issued but the City has yet to receive funds or equipment, a lease receivable and deferred inflow of resources are recorded. Finally, deferred inflows are also reported where the City is the lessor and has reported a lease receivable and a deferred inflow of resources at the commencement of a lease. In the fund statements, the deferred inflow of resources is all related to unavailable revenues.

Q. Adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

During 2023, the City adopted GASB Statement No 96. *Subscription-Based Information Technology Arrangements* (SBITAs). The adoption of GASB No. 96 resulted in an increase in right-to-use subscription assets and liabilities in governmental activities of \$19,532 as of January 1, 2023. Adoption of GASB No. 96 had no effect on beginning net position or fund balance at January 1, 2023. Refer to Notes 9 and 11 for the additional disclosures on these balances.

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R. Adoption of GASB Statement No. 100, Accounting Changes and Error Corrections

During 2023, the City adopted GASB Statement 100, *Accounting Changes and Error Corrections* (GASB No. 100). The following presents a change in reporting entity reported in accordance with GASB No. 100.

Change in Reporting Entity – Indianapolis Housing Agency

The Indianapolis Housing Agency (“Housing Agency”) was previously reported as a discretely presented component unit of the City because (a) it possessed the corporate powers that distinguished it as being a legally separate entity; and (b) the Mayor and Council appointed a voting majority of the Housing Agency’s board and could remove a board member at will. During 2023, the Housing Agency negotiated a cooperative endeavor agreement with the United States Department of Housing and Urban Development (“HUD”). Under the agreement, HUD took possession of the Housing Agency’s assets, projects, and programs while removing the Housing Agency’s board of commissioners. Based on these facts and circumstances, the Housing Agency no longer meets the criteria for inclusion as a component unit of the City as of December 31, 2023. The effects of the change to the financial reporting entity are as follows:

		Discretely Presented Component Unit
		<u>Indianapolis Housing Agency</u>
01/01/2023, total net position as previously reported	\$	166,086
Elimination of discretely presented component Unit		<u>(166,086)</u>
01/01/2023, total net position as restated	\$	<u><u>-</u></u>

S. Future Adoption of Accounting Standards

GASB has issued; GASB Statement No. 99, *Omnibus 2022* (partially implemented based on topic); GASB Statement No. 101, *Compensated Absences*; GASB Statement No. 102, *Certain Risk Disclosures*; and GASB Statement No. 103, *Financial Reporting Model Improvements*. The City intends to adopt these GASB Statements, as applicable, on their respective effective dates.

2. Cash Deposits and Investments

As of December 31, 2023, the City had the following cash deposits and investments:

Cash and investments	\$	925,965
Cash and investments with fiscal agents		995,034
Cash and investments - fiduciary funds		<u>6,430</u>
Total cash and investments	\$	<u><u>1,927,429</u></u>

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Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk requires compliance with the provisions of Indiana statutes.

The carrying amount of the City's total cash deposits at December 31, 2023, was \$167,745. The City's cash deposits are insured up to \$250 at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC"). Any cash deposits in excess of the \$250 FDIC limits are partially or fully collateralized by the depository institution and insured by the Indiana Public Deposits Insurance Fund via the pledged collateral from the institutions securing deposits of public funds. The Indiana Public Deposits Insurance Fund is a multiple financial institution collateral pool as provided under Indiana Code ("IC"), Section 5-13-12-1.

Investments

Indiana statutes authorize the City to invest in United States obligations and issues of federal agencies, secured repurchase agreements fully collateralized by U.S. Treasury or U.S. agency obligations, municipal securities of Indiana issuers that have not defaulted during the previous twenty years, certificates of deposit, and open-end money market mutual funds. Indiana statutes do not apply to the City's component unit, which may invest in securities other than the aforementioned types of investments. The City's investment policy provides that the City may invest in negotiable certificates of deposit having maturities of less than two years and in multiples of one million dollars providing that market yields on certificates of deposit exceed treasury bills of comparable maturity duration. The City has no investments in negotiable certificates of deposit at December 31, 2023.

It is the policy of the City to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state/local statutes governing the investment of public funds. The primary objectives, in priority order, of the City's investment activities shall be:

- **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the City shall be 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 City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated.
- **Return on Investments:** The City's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio.

Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates. The City's investment policy provides that the City seeks to minimize the risk that the fair value of securities in its portfolio will decrease due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The City may invest in securities for more than two years and not more than five years in accordance with IC 5-13-9-5.7. Under this policy, investments having maturities of more than two years are limited to 25% of the total portfolio. In accordance with Indiana statutes, this policy will expire four years from its original effective date, or December 1, 2026.

Below is a segmented time distribution for the City's debt investments at December 31, 2023:

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<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less than 1</u>	<u>1-2</u>	<u>Greater than 2</u>
U.S. Government-Sponsored Enterprise Securities:				
Federal Farm Credit Bank	\$ 4,099	\$ —	\$ 447	\$ 3,652
Federal Home Loan Bank	74,206	\$ 37,974	—	36,232
Federal National Mortgage Association	10,800	—	10,800	—
Total U.S. Government-Sponsored Enterprise Securities	<u>89,105</u>	<u>37,974</u>	<u>11,247</u>	<u>39,884</u>
United States Treasury Notes	838,886	311,314	\$ 434,536	\$ 93,036
United States Treasury Bills	12,686	12,686	—	—
Money Market Mutual Funds	264,348	264,348	—	—
State and Local Government Securities	88,031	20,880	21,312	45,839
State External Investment Pool – TrustINDiana	466,628	466,628	—	—
	<u>\$ 1,759,684</u>	<u>\$ 1,113,830</u>	<u>\$ 467,095</u>	<u>\$ 178,759</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies. The City uses the highest integrity when choosing an instrument of investment. The City keeps its credit risk as it pertains to investments at a low rate by requiring all investments of the City be rated in the three highest ratings categories by Moody's Investor Service ("Moody's"), Standard & Poor's Corporation ("S&P"), or Fitch's Ratings Service ("Fitch").

At December 31, 2023, the City's investments were rated by Moody's and S&P as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Ratings Moody's / S&P</u>
U.S. Government-Sponsored Enterprise Securities:		
Federal Farm Credit Bank	\$ 4,099	Aaa/AA+
Federal Home Loan Bank	74,206	Aaa/AA+
Federal National Mortgage Association	10,800	Aaa/AA+
Total U.S. Government-Sponsored Enterprise Securities	<u>89,105</u>	
United States Treasury Notes	838,886	Aaa/AAA
United States Treasury Bills	12,686	Aaa/AA+
Money Market Mutual Funds	264,348	Aaa/AAA
State and Local Government Securities	88,031	Not Rated
State External Investment Pool – TrustINDiana	466,628	Not Rated
	<u>\$ 1,759,684</u>	

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of the investments or collateral securities that are in the possession of the counterparty. The City's investment policy requires that repurchase agreements be covered by adequate pledge collateral. In order to anticipate market changes and provide a level of security for all funds, the fair value (including accrued interest) of the collateral should be at least 102%.

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At December 31, 2023, all City investments and all collateral securities pledged against City investments are held by the counterparty’s trust department or agent in the City’s name except for \$71,983, which is not held in the City’s name. The City’s investments in money market mutual funds and the state external investment pool were not subject to custodial credit risk at December 31, 2023, as their existence is not evidenced by securities that exist in physical book entry form.

Concentration of Credit Risk

The City places no limit on the amount that may be invested in any one issuer. At December 31, 2023, the City did not hold any investments that represent more than 5% of total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The City’s investment policy prohibits investment in foreign securities.

3. Disclosures About Fair Value of Assets

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2023:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
Investment by fair value level			
United States Treasury Notes	\$ 838,886	\$ 838,886	\$ —
United States Treasury Bills	12,686	12,686	
Federal Farm Credit Bank	4,099	—	4,099
Federal Home Loan Bank	74,206	—	74,206
Federal National Mortgage Association	10,800	—	10,800
State and Local Government Securities	88,031	88,031	—
Money Market Mutual Funds	264,348	264,348	—
Total investments measured at fair value	\$ 1,293,056	\$ 1,203,951	\$ 89,105
Investments measured at the net asset value (NAV) (a)			
State external investment pool - TrustIndiana	466,628		
Total	\$ 1,759,684		

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Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections, and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Investments at NAV

TrustIndiana, a local government investment pool, seeks to allow local units of government, as well as the State of Indiana, to invest in a common pool of investment assets that preserves the principal of the public's funds, remains highly liquid, and maximizes the return on the investment. There are no unfunded commitments or restrictions on redemptions.

4. Property Taxes

Property taxes levied for all governmental entities located within the County are collected by the Treasurer of Marion County, Indiana ("Treasurer"). These taxes are then distributed by the Auditor of Marion County, Indiana ("Auditor") to the City and the other governmental entities at June 30 and December 31 of each year. The City and the other governmental entities can request advances of their portion of the collected taxes from the Treasurer once the levy and tax rates are certified by the Indiana Department of Local Government Finance. The Indiana Department of Local Government Finance typically certifies the levy on or before January 15 of the year following the property tax assessment. Part of the budget certification process is to finalize the rates, which in turn gives units the ability to accurately project revenue loss due to the circuit breaker impact.

The City's 2023 property taxes were levied based on assessed valuations determined by the Auditor as of the 2022 assessed valuations, which were adjusted for estimated appeals, tax credits, and deductions. The lien date for the 2023 property taxes was January 1, 2022 (assessment date); however, the City does not recognize a receivable on the lien date, as the amount of property tax to be collected cannot be measured until the levy and tax rates are certified in the subsequent year. Taxable property is assessed at 100% of the true tax value. The first half of the year 2023 taxes were due and payable to the Treasurer in May 2023. The second half of the year 2023 taxes were due and payable to the Treasurer in November 2023. Property taxes outstanding at December 31, 2023, net of allowance for uncollectible accounts, are recorded as a receivable in the governmental fund and government-wide financial statements. However, for the governmental fund financial statements, all property tax receivable amounts are reported as deferred inflows of resources.

5. Tax Abatements

The City promotes a series of real and personal property tax abatement programs available under Indiana law, including:

Real Property Tax Abatement (IC 6-1.1-12.1)

Real property tax abatements are achieved through the phase-in of real property tax obligations from the improvements being made. The phase-in can span a period of one to ten years and is based on a declining percentage of the increase in assessed value of such improvements.

Tax abatement is granted based on qualifying new investment, retained and committed jobs, wages, and the economic impact of project. The City's Metropolitan Development Commission ("MDC") is responsible for approving the abatement and determining the time period for the abatement. In some cases, City-County Council approval is also required for the abatement. Required approval(s) must occur before construction permits are obtained.

Personal Property Tax Abatement (IC 6-1.1-12.1)

Similarly, personal property tax abatements for manufacturing, research and development, information technology, and logistics/distribution equipment are accomplished through the phase-in of personal property tax obligations over a one to ten year period, based on a declining percentage of the assessed value of the newly installed equipment.

Tax abatement is granted based on qualifying new investment, retained and committed jobs, wages, and the economic impact of project. MDC and possibly City-County Council approval is required and must occur prior to the equipment being operational, and the MDC determines the time period for the abatement.

Vacant Building Abatement (IC 6-1.1-12.1)

Up to a two-year real property tax abatement is available to a company, according to local qualifications, based on occupying a building that has been vacant for more than a year.

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The building must be used for commercial or industrial purposes and be located in a designated Economic Revitalization Area, as designated by the MDC. Prior approval of the MDC must occur before occupying the facility, and the MDC determines the time period for the abatement.

All of these programs are designed to spur job creation and retention, grow the income and property tax base, support the redevelopment of areas experiencing a cessation of growth, attract and retain businesses in targeted industries, and assist distressed businesses, among other objectives. Minimum eligibility criteria for such abatements vary by program, as noted above, but generally require that an investment in real or personal property be projected to increase assessed value, create, or retain jobs, and/or promote economic revitalization.

In return for such abatements, the City generally commits to permit, zoning, and job training assistance. An abatement can be terminated if the MDC determines that the commitments made by the company receiving the abatement were not met and, per statute, such non-compliance was not due to factors beyond the company’s control. Included in each abatement agreement are provisions specifying certain damages, among which may include a clawback of some or all of the taxes previously abated. If a company ceases operations or announces the cessation of operations at the facility for which the abatement was granted, termination of the abatement agreement is warranted and 100% clawback is required. Other clawbacks are calculated based on the highest level of non-compliance among the measured categories for that project.

Impact of Abatements on Revenues

Indiana property tax laws complicate the calculation of the exact impact of property tax abatements on the tax revenues of a given unit of local government. Constraints on the growth of the annual tax levy and constitutional limitations on taxes (also known as property tax caps) are the chief complicating factors. The increase in the annual tax levy is limited to the growth in the 6-year moving average of nonfarm personal income growth, which is known as the Assessed Value Growth Quotient (“AVGQ”). Statutory property tax caps for homesteads, agricultural and other residential, and commercial are equal to 1%, 2%, and 3%, respectively, of associated assessed valuations.

The tax rate, which is established for each taxing unit by the Department of Local Government Finance, is based on the tax levy requested by the taxing unit (as limited by the AVGQ) divided by the net assessed value of the property in a physical taxing district. The theory behind the AVGQ is that the costs of government should not be increasing at a greater rate than taxpayer incomes.

Tax abatements are granted on the assessed value of the property abated. The taxpayer’s taxes are then calculated based on this reduced assessment, thus resulting in a lower tax liability. But because a given district’s tax rate is calculated based on the total net assessed value in the district (net of abatements and other adjustments), the certified levy of each unit in the district is the same as if the abatements had not been granted.

Additionally, to the extent that parcels have reached the constitutional limit of tax liability as a percentage of gross assessed value, the property tax rate caps (“circuit breaker credits”) reduce the property tax collections of the affected taxing units. The degree to which property tax abatements exacerbate circuit breaker losses differs by parcel and is dependent on the proportion of abated assessed value to total gross assessed value, as well as prevailing property tax rates.

The estimated gross amount, on an accrual basis, by which the total property tax revenues for the abatement taxpayer recipient (payable 2023 taxes) were reduced as a result of the aforementioned abatement programs follows:

Real Property Tax Abatement	\$ 1,032,842
Personal Property Tax Abatement	1,924,501
Total	<u>\$ 2,957,343</u>

While the City has calculated the potential impact of existing tax abatements on total property tax revenues for 2023, as shown above, the actual extent of lost revenues may be something less than this amount and cannot be easily determined due to the application of circuit breaker credits.

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6. Receivables Disaggregation

Accounts receivable as of December 31, 2023, for the City, including the applicable allowances for uncollectible accounts, are as follows:

	Accounts	Due from Other Governments	Total Accounts Receivable
Governmental Activities:			
General Fund	\$ 8,794	\$ 22,964	\$ 31,758
Federal Grants	3	—	3
Other Nonmajor Governmental Funds	336	591	927
Internal Service Fund	2,400	—	2,400
Total receivables	11,533	23,555	35,088
Allowance for uncollectible accounts	(1,585)	—	(1,585)
Total governmental activities	\$ 9,948	\$ 23,555	\$ 33,503

Accounts receivable includes amounts due from other governments, which represent local income and other taxes (excluding property taxes).

7. Due from Federal and State Governments

Amounts due under federal, state, and local grants at December 31, 2023, for specific programs and capital projects include:

	Governmental Activities
	Federal Grants
Reimbursements under federal grants:	
Department of Housing and Urban Development (HUD)	\$ 19,715
Department of Justice (DOJ)	2,223
Environmental Protection Agency (EPA)	14
Department of Transportation (DOT)	343
Department of Health and Human Services (HHS)	24
U.S. Department of Commerce (DOC)	99
Department of Homeland Security (DHS)	4,195
U.S. Department of Agriculture	69
Corporation for National and Community Service	3
Reimbursements under State of Indiana/local grants	1,658
	\$ 28,343

At December 31, 2023, the City had available lines of credit or grant authorizations from HUD totaling \$55,731.

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8. Long-Term Receivables

The City has receivables for U.S. Department of Housing and Urban Development (“HUD”) loans outstanding at December 31, 2023, of \$25,272, including accrued interest of \$12,869. The City has provided a reserve of \$25,272 for these receivables, given the uncertainty of collection. Many of these loans bear interest at rates ranging from 0% to 10% and mature over the next 25 years. Generally, principal and interest payments are based upon defined net cash flows and are deferred until sufficient cash flow is available. All deferred principal and interest amounts are due at maturity. Loan repayments to the City are restricted for community and economic development purposes that would otherwise be eligible for reimbursement by HUD under Title I of the Housing and Community Development Act of 1974.

The City has loaned Herron High School, Inc. \$1,500 under an Interlocal Agreement dated December 19, 2017, and the associated Loan Agreement. The loan proceeds were used to finance the construction, acquisition, design, renovation, and equipping of the Heslar Naval Armory. Over the term of this agreement, which expires in 2055, the City will forgive up to \$1,500 of the loan if certain percentages of the student population are eligible for the Free and Reduced Lunch program. At December 31, 2023, the City has recorded a \$1,500 reserve against the long-term receivable to fully reserve the loan.

On September 1, 2019, the City issued its Economic Development Revenue Bonds, Series 2019 PR Mallory Building Project in the amount of \$12,275. The proceeds will be used to acquire, rehabilitate, renovate, and equip two buildings on the PR Mallory Campus offering approximately 187,000 square feet of space to accommodate innovative educational facilities, commercial and office space, indoor hydroponic agricultural operations, and onsite parking. The bonds are secured by TIF revenues generated within the PR Mallory North Allocation Area and the PR Mallory South Allocation Area. Bonds are payable from payments made by the leverage lender and further secured by certain collateral and a reserve fund to be initially funded from funds on hand of the leverage lender. If draws are made on the reserve fund, it will be replenished from available PR Mallory TIF Revenues generated and collected in the PR Mallory North Allocation Area and PR Mallory South Allocation Area. At December 31, 2023, the long-term receivable is \$12,275.

In 2013, the City was awarded a \$39,000 Section 108 Loan to create the Community & Economic Development Loan Program (“CEDLP”). The City will loan these funds to entities with eligible projects for economic development and housing development activities to benefit low to moderate income individuals. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects or to aid in the prevention of slums. On March 31, 2016, the City loaned the Meadows Community Foundation \$1,600; the loan will mature on March 31, 2036. Principal payments are due annually and interest payments are due quarterly. The City will use the payments received from Meadows Community Foundation to repay the loan to HUD. The City repaid the loan in full early. At December 31, 2023, the long-term receivable and the outstanding balance is \$0. On October 20, 2017, the City loaned Ford TWG, LLC (Ford) \$4,650; the loan will mature on August 1, 2037. Principal payments are due annually and interest payments are due quarterly. The City will use the payments received from Ford to repay the loan to HUD. At December 31, 2023, the long-term receivable and the outstanding balance is \$4,650.

In 2015, the CAC loaned \$596 to a project investor, NOS Preferred Equity Investor, LLC. The advance to the project investor was made pursuant to a promissory note for \$18,250 dated December 31, 2016, between the CAC and the project investor. Additional proceeds under the note were drawn by the project investor in 2017 and 2018 to fund the City Way II project. Repayment terms included semi-annual interest only payments through January 2018 followed by principal and interest payments through maturity with a balloon payment due in December 2035. Repayment of the note is guaranteed by Buckingham Property Holdings, LLC, in the event that the property tax revenues generated by the project do not meet specified levels. NOS Preferred Equity Investor, LLC and Buckingham Property Holdings, LLC are related by common ownership. At December 31, 2023, the long-term receivable is \$12,864.

On May 15, 2018, the City issued its Economic Development Revenue Bonds, Series 2018 (Phoenix Theatre Project) in the amount of \$4,500. The proceeds will be used to provide funds to finance the construction of the Phoenix Theatre Education and Innovation Center. Bonds are payable from payments made by the developer, further secured by certain collateral, and a reserve fund funded by the developer upon closing. If draws are made on the reserve fund, it will be replenished from available consolidated TIF revenues generated and collected in the Consolidated TIF allocation area, if required, and the repayment obligations of the Phoenix bonds is evidenced by the Developers Note. At December 31, 2023, the long-term receivable is \$4,067.

In 2020, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2020 (421 N Penn Project) in the amount of \$9,852. As part of the arrangement, the City entered into a financing agreement with CSP 421 N. Penn Street, LLC, in which the Developer agreed to pay a commission fee totaling \$150 to the City. The amount due is scheduled to be paid in three equal installments – the first to be paid before or upon issuance of the bonds, and the second and third to be paid before or on the fourth and fifth anniversary of the bond issuance, respectively. At December 31, 2023, the long-term receivable is \$100.

In 2020, the City loaned the Housing Agency \$1,500. The loan was intended to provide financial aid to the Housing Agency, as they act on the guidelines established with IC 36-7-15.1 (the “Redevelopment Act”), which promotes the use of land in the manner that best serves the interests of the City and its inhabitants, to assess, clear, remediate, replan, and redevelop areas needing redevelopment, to remedy and control obsolescence and deteriorated conditions of improvements, environmental contamination, faulty land use, shifting of population, and technological and social

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changes, for the benefit of the health, safety, and welfare of the City and its inhabitants, and to protect and increase property values in the City. At December 31, 2023, the long-term receivable is \$1,500.

In 2021, nationwide settlements were reached to resolve all opioids litigation brought by states and local political subdivisions against three pharmaceutical distributors and one manufacturer of opioids. In all, the distributors and manufacturer will pay up to \$26,000,000 over 18 years in a multi-state agreement; the State of Indiana’s portion of the settlement is \$507,000. A second phase of settlements were reached in 2023 with five major drugstore chains. The new agreements will have varying lengths, and the estimated second phase settlement amount to be received by the City is \$30,757. The Indiana Attorney General’s office is consolidating the second phase with the 2021 original settlements, bringing the City and County total allocation to \$67,500, which will be paid over an 18-year period. The settlement was deemed available to be estimated during 2022, when allocations to the individual units were determined. In accordance with the terms of the settlement, 85% will be restricted for future opioid remediation, while 15% is unrestricted. The remaining long-term receivable at December 31, 2023, of \$43,402 has been discounted and recorded by the City. Any future allocation provided to the County will be determined on an annual basis.

The minimum future payments to be received as of December 31, 2023, on long-term receivables are as follows:

		Governmental Activities
2024	\$	9,403
2025		4,882
2026		3,846
2027		15,155
2028		4,915
2029-2033		24,812
2034-2038		25,131
2039-2043		751
2044-2048		16,358
2049-2053		250
2054-2058		125
		105,628
Less: allowance		(26,772)
Total	\$	78,856

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9. Capital Assets

Following is a summary of changes in capital assets for the City’s governmental activities for the year ended December 31, 2023:

	<u>Balance, January 1, 2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, December 31, 2023</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 94,198	\$ 64,248	\$ —	\$ 158,446
Construction in progress	526,832	265,716	366,927	425,621
Total capital assets not being depreciated	<u>621,030</u>	<u>329,964</u>	<u>366,927</u>	<u>584,067</u>
Capital assets being depreciated:				
Buildings	430,525	35,700	—	466,225
Improvements	263,607	50,290	—	313,897
Equipment	259,390	36,934	7,052	289,272
Infrastructure	3,452,162	296,809	4,585	3,744,386
Total capital assets being depreciated	<u>4,405,684</u>	<u>419,733</u>	<u>11,637</u>	<u>4,813,780</u>
Less accumulated depreciation:				
Buildings	244,391	8,574	—	252,965
Improvements	143,496	13,618	—	157,114
Equipment	191,926	18,648	6,556	204,018
Infrastructure	2,689,899	122,909	—	2,812,808
Total accumulated depreciation	<u>3,269,712</u>	<u>163,749</u>	<u>6,556</u>	<u>3,426,905</u>
Total capital assets being depreciated, net	<u>1,135,972</u>	<u>255,984</u>	<u>5,081</u>	<u>1,386,875</u>
Governmental activities capital assets, net	<u>\$ 1,757,002</u>	<u>\$ 585,948</u>	<u>\$ 372,008</u>	<u>\$ 1,970,942</u>

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	Balance, January 1, 2023 (1)	Additions	Reductions	Balance, December 31, 2023
Governmental Activities:				
Lease assets being amortized:				
Buildings	\$ 17,443	\$ 114	\$ 2,262	\$ 15,295
Equipment	38,066	—	556	37,510
Total lease assets being amortized	55,509	114	2,818	52,805
Less accumulated amortization:				
Buildings	2,349	2,329	2,111	2,567
Equipment	3,603	4,294	556	7,341
Total accumulated amortization	5,952	6,623	2,667	9,908
Total lease assets being amortized, net	49,557	(6,509)	151	42,897
Governmental activities lease assets, net	\$ 49,557	\$ (6,509)	\$ 151	\$ 42,897
 Governmental Activities:				
Subscription assets	\$ 19,532	\$ 1,613	\$ —	\$ 21,145
Less accumulated amortization for:				
Subscription assets	—	3,032	—	3,032
Net subscription assets	\$ 19,532	\$ (1,419)	\$ —	\$ 18,113
Total capital assets being depreciated and amortized, net	1,205,061	248,056	5,232	1,447,885
Governmental activities capital assets, net	\$ 1,826,091	\$ 578,020	\$ 372,159	\$ 2,031,952

(1) Beginning balances were restated due to the implementation of GASB 96 - *Subscription-Based Information Technology Arrangements (SBITAs)*

Within the statement of activities, depreciation and amortization expense were charged to functions/programs of the City during 2023 as follows:

	Depreciation	Amortization
Governmental Activities:		
General government	\$ 3,483	\$ 197
Public safety	13,032	6,935
Public works	133,436	2,478
Cultural and recreation	9,350	—
Urban redevelopment and housing	4,448	45
	\$ 163,749	\$ 9,655

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Construction in progress at December 31, 2023, consists of several ongoing projects. These types of projects include, but are not limited to, security upgrades, recreational facility improvements, and infrastructure improvements.

At December 31, 2023, the City’s commitments relating to construction in progress include the following:

	Accrued Expenditures		
	Authorized	Through December 31, 2023	Committed
Executive and Legislative	\$ 56,827	\$ 55,312	\$ 1,515
Indianapolis Metropolitan Police Department	17,598	17,376	222
Department of Metropolitan Development	22,106	14,613	7,493
Department of Public Works	407,652	271,997	135,655
Indianapolis Fire Department	22,842	22,819	23
Department of Parks and Recreation	88,182	43,504	44,678
Total Governmental Activities	<u>\$ 615,207</u>	<u>\$ 425,621</u>	<u>\$ 189,586</u>

10. Accounts Payable and Other Accrued Liabilities Disaggregation

Accounts payable and other current liabilities as of December 31, 2023, for the City are as follows:

	Vendors	Third-Party Contracts	Due to Other Governments	Claims and Settlements	Accrued Payroll and Taxes	Total Payables and Other Current Liabilities
Governmental Activities:						
General Fund	\$ 32,913	\$ 2,169	\$ 2,705	\$ —	\$ 17,197	\$ 54,984
Federal Grants	3,505	6,948	190	—	166	10,809
State of Indiana Grants	427	105	—	—	10	542
Coronavirus Federal Stimulus	10,647	4,020	3,910	—	—	18,577
Revenue Bond Debt Service	8	—	—	—	—	8
Convention Center Hotel Capital	11,545	—	—	—	—	11,545
Other Nonmajor Governmental	45,242	5,323	1	—	16	50,582
Internal Service Fund	2,004	—	—	17,942	—	19,946
Adjustment to government-wide	—	—	—	4,360	—	4,360
Total Governmental Activities	<u>\$ 106,291</u>	<u>\$ 18,565</u>	<u>\$ 6,806</u>	<u>\$ 22,302</u>	<u>\$ 17,389</u>	<u>\$ 171,353</u>

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11. Long-Term Liabilities

A. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the City’s governmental activities for the year ended December 31, 2023:

	<u>Balance, January 1, 2023 (1)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, December 31, 2023</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds payable	\$ 315,960	\$ —	\$ 15,300	\$ 300,660	\$ 8,565
General obligation bonds from direct borrowing and direct placements	11,800	—	1,025	10,775	1,045
Tax increment bonds payable	505,950	162,578	42,487	626,041	45,520
Tax increment bonds from direct borrowing and direct placements	170,256	63,662	14,263	219,655	14,161
Revenue bonds payable	286,985	448,360	15,615	719,730	790
Revenue bonds from direct borrowing and direct placements	11,885	—	460	11,425	—
Unamortized amounts:					
Less: discounts	—	(8,918)	(16)	(8,902)	—
Premiums	97,674	21,731	9,186	110,219	—
Total bonds payable	<u>1,400,510</u>	<u>687,413</u>	<u>98,320</u>	<u>1,989,603</u>	<u>70,081</u>
Notes payables from direct borrowings and direct placements	91,905	26,578	22,985	95,498	23,757
Financed purchase obligations	31,929	32,990	3,692	61,227	6,773
Lease liabilities	46,131	114	10,274	35,971	9,139
Subscription liabilities	19,532	1,612	2,832	18,312	3,133
Net pension liabilities	749,728	240,549	179,220	811,057	—
Other postemployment benefit liability	215,784	80,811	9,299	287,296	—
Compensated absences	41,428	36,093	35,317	42,204	23,907
Total governmental activities	<u>\$ 2,596,947</u>	<u>\$ 1,106,160</u>	<u>\$ 361,939</u>	<u>\$ 3,341,168</u>	<u>\$ 136,790</u>

(1) Beginning balances were restated due to the implementation of GASB 96 - *Subscription-Based Information Technology Arrangements* (SBITAs)

Included in additions to bonds payable is \$7,579 representing accretion on capital appreciation bonds and additions to financed purchase obligations is \$490 of deferred interest, which is not included in the statement of revenues, expenditures, and changes in fund balance. This amount plus \$726,099 of bonds, notes, and financed purchase obligations issued as reported in the statement of revenues, expenditures, and changes in fund balance amounts to the \$734,168 of related additions reflected in the roll forward above.

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B. General Obligation Bonds

The City's general obligation bonds provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds outstanding as of December 31, 2023, are as follows:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest (All Maturities)</u>	<u>Outstanding</u>
Civil City Bonds:				
Consolidated City, Series 2017A	02/01/2017	01/15/2038	3.125 – 5.000	14,230
Consolidated City, Series 2021A	12/14/2021	01/15/2041	3.000 – 5.000	14,935
Consolidated City, Series 2022A	12/15/2022	01/15/2043	5.250 – 5.500	11,500
Consolidated City, Taxable Series 2022B	12/15/2022	01/15/2035	4.798 – 5.337	12,000
<u>Direct borrowings and direct placements:</u>				
Fire Training Facility, Series 2019A*	11/26/2019	01/15/2033	2.010	<u>10,775</u>
Total Civil City Bonds				<u>63,440</u>
Public Safety Communication System Bonds:				
Public Safety Communication District Bonds, Series 2017A	02/01/2017	01/01/2028	5.000	7,835
Public Safety Communication District Bonds, Series 2017B	02/01/2017	01/01/2024	1.600 – 3.050	2,025
Public Safety Communication District Bonds, Series 2020A	01/22/2020	01/01/2029	1.881	19,650
Total Public Safety Communication System Bonds				<u>29,510</u>
Metropolitan Thoroughfare District Bonds:				
Metropolitan Thoroughfare District, Series 2017A	02/01/2017	01/11/2032	3.125 – 5.000	17,575
IndyRoads Metropolitan Thoroughfare District Bonds, Series 2020A	10/13/2020	01/01/2041	4.000 – 5.000	50,000
IndyRoads Metropolitan Thoroughfare District Refunding Bonds, Series 2020B	10/13/2020	01/01/2040	0.383 – 2.473	127,995
Total Metropolitan Thoroughfare District Bonds				<u>195,570</u>
Park District Bonds:				
Park District Bonds, Series 2017A	02/01/2017	01/01/2028	4.000 – 5.000	2,760
Park District Bonds, Series 2021A	12/14/2021	01/15/2041	3.000 – 5.000	20,155
Total Park District Bonds				<u>22,915</u>
Total general obligation bonds recorded in governmental activities				311,435
Less: matured bonds payable recorded in the debt service funds				<u>(7,200)</u>
				<u>\$ 304,235</u>

*These bonds are issued directly to a small number of investors rather than as a public offering.

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All principal and interest payments for the City’s general obligation bonds are due on January 1 and July 1 or January 15 and July 15 of the respective year. Accordingly, the City appropriates all payments due in January in the year before payment is due and provides the amount in the Debt Service Funds. All serial bond principal and interest payments due in January 2024 have been recorded as matured bonds payable and matured interest payable at December 31, 2023, within the fund financial statements. All general obligation bonds have pledges of all proceeds of the Trust Estate.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending December 31	Civil City		Direct Borrowing and Direct Placement - Civil City		Metropolitan Thoroughfare	
	Principal	Interest	Principal	Interest	Principal	Interest
	2024	\$ 1,955	\$ 2,367	\$ 1,045	\$ 211	\$ 1,615
2025	2,335	2,261	1,065	190	5,735	5,257
2026	2,450	2,144	1,085	169	7,900	5,060
2027	2,560	2,020	1,105	147	10,025	4,827
2028	2,710	1,890	1,125	125	10,280	4,564
2029 - 2033	10,210	7,948	5,350	271	60,075	18,279
2034 - 2038	16,555	5,005	—	—	59,895	10,666
2039 - 2043	13,890	1,395	—	—	40,045	2,121
Total	\$ 52,665	\$ 25,030	\$ 10,775	\$ 1,113	\$ 195,570	\$ 53,845

	Park		Public Safety Communications System		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
	2024	\$ 985	\$ 963	\$ 4,010	\$ 605	\$ 9,610
2025	860	917	6,005	648	16,000	9,273
2026	900	873	6,185	464	18,520	8,710
2027	950	826	6,380	273	21,020	8,093
2028	990	778	4,880	117	19,985	7,474
2029 - 2033	5,840	3,064	2,050	19	83,525	29,581
2034 - 2038	7,295	1,599	—	—	83,745	17,270
2039 - 2043	5,095	241	—	—	59,030	3,757
Total	\$ 22,915	\$ 9,261	\$ 29,510	\$ 2,126	\$ 311,435	\$ 91,375

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C. Tax Increment Revenue Bonds

These bonds are issued to provide funds for the construction and maintenance of the City’s infrastructure, such as streets and sidewalks and certain economic development projects. These bonds will be repaid from amounts levied against the property owners that will benefit by this construction. Tax increment revenue bonds outstanding as of December 31, 2023, are as follows:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest (All Maturities)</u>	<u>Outstanding</u>
Redevelopment District, Series 1999B:				
Capital appreciation	08/12/1999	02/01/2029	5.650% – 5.820%	\$ 151,325
Less: discount				(17,468)
				<u>133,857</u>
Redevelopment District Bonds, Series, 2007 (Glendale)	05/10/2007	02/01/2027	5.450 – 6.210	1,555
Redevelopment District Bonds, Series 2010 (Dow AgroSciences)	06/22/2010	02/01/2025	3.000 – 5.125	4,090
Redevelopment District Bonds, Series 2011A	03/10/2011	08/01/2024	0.500 – 5.000	2,710
Redevelopment District Bonds, Series 2011C	05/19/2011	02/01/2036	4.000 – 5.750	18,105
Redevelopment District Refunding Bonds, Series 2014 (Fall Creek Project)	06/26/2014	02/01/2029	0.450 – 4.500	4,595
Redevelopment District Refunding Bonds 2016A (Marriott)	10/19/2016	02/01/2038	3.000 – 5.000	44,480
Redevelopment District Refunding Bonds, Series 2018 (Taxable)(Market District Garage)	01/11/2018	01/15/2033	4.150	8,735
Redevelopment District Ad Valorem Property Tax Bonds, Series 2023A (Convention)	12/07/2023	02/01/2048	6.000	155,000
Economic Development Revenue Bonds, Series 2014A (Mass. Ave. Project)	09/03/2014	02/01/2031	5.000	27,320
Economic Development Revenue Bonds, Series 2014B Taxable (Mass. Ave. Project)	09/03/2014	02/01/2024	2.300 – 3.430	640
Economic Development Revenue Bonds, Series 2014C (MSA Project)	09/03/2014	02/01/2029	2.000 – 5.000	8,500
Economic Development Revenue Bonds, Series 2014D Taxable (Pulliam Project)	09/03/2014	02/01/2029	5.000	3,320
Economic Development Revenue Bonds, Series 2019A (16 Tech)	08/06/2019	02/01/2040	3.000 – 5.000	27,545
Economic Development Revenue Refunding Bonds, Series 2021 A (CityWay 1)	04/22/2021	02/01/2036	5.000	72,950
Economic Development Revenue Refunding Bonds, Series 2021 B Taxable (CityWay 1)	04/22/2021	02/01/2024	1.000	114
Economic Development Revenue Bonds, Series 2022 B (Elanco)	02/24/2022	02/01/2047	4.000 – 5.000	<u>112,525</u>
 Total Tax Increment Revenue Bonds				 626,041
 Direct Borrowings and Direct Placement Bonds:				
<i>These bonds are issued directly to a small number of investors rather than as a public offering.</i>				
Redevelopment District Bonds, Series 2010A	06/03/2010	02/01/2025	5.000	982
Redevelopment District Bonds, Series 2010 (AIT Laboratories)	11/04/2010	02/01/2035	2.600 – 5.150	3,455
Redevelopment District Refunding Bonds, Series 2015A (Brokenburr Project)	08/06/2015	02/01/2030	3.250	794
Redevelopment District Project and Refunding Bonds, Series 2020B (Infosys Project)	03/01/2020	01/15/2025	0.930	14,700
Redevelopment District Refunding Bonds, Series 2022 A	11/03/2022	02/01/2030	3.280	26,120
Redevelopment District Bonds, Series 2023B (Broad Ripple Park Family Center Project)	12/22/2023	02/01/2042	4.950	21,980
Economic Development Revenue Bonds, 2015A (Broad Ripple Project)	05/20/2015	02/01/2025	2.250	1,753
Economic Development Revenue Bonds, Series 2022 D (16 Tech Project)	06/30/2022	02/01/2039	3.770	19,530
Economic Development Refunding Revenue Bonds, Series 2022 C	11/03/2022	02/01/2030	3.280	16,310

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	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest (All Maturities)</u>	<u>Outstanding</u>
Developer Backed Bonds				
Economic Development Tax Increment Revenue Bonds, Series 2017 (Bethel AME Project)	09/19/2017	02/01/2042	5.500	7,400
Economic Development Revenue Bonds, Series 2018 (Phoenix Theatre Project)	05/15/2018	02/01/2040	3.610 – 4.500	4,067
Economic Development Tax Increment Revenue Bonds, Series 2018 (Goodwill Riverview Project)	05/25/2018	01/15/2043	5.000	3,915
Economic Development Tax Increment Revenue Bonds, Series 2018 (River House Broad Ripple Project)	06/07/2018	01/15/2040	5.000	2,413
Economic Development Tax Increment Revenue Bonds, Series 2018 (Duke Headquarters Project-Draw Bonds)	06/28/2018	01/15/2043	4.000	2,803
Economic Development Tax Increment Revenue Bonds, Series 2018 (Ardmore Project- Draw Bonds)	11/30/2018	01/15/2043	5.000	7,075
Economic Development Tax Increment Revenue Bonds, Series 2018 (Ford Assembly Plant Project)	12/11/2018	01/15/2043	4.300	3,528
Economic Development Tax Increment Revenue Bonds, Series 2019 (PR Mallory Building Project)	09/01/2019	01/15/2027	5.995	12,275
Economic Development Tax Increment Revenue Bonds, Series 2019 (City's End Project)	11/01/2019	01/15/2044	4.500	3,240
Economic Development Tax Increment Revenue Bonds, Series 2020 A (Block 20 Development Project)	01/07/2020	02/01/2044	5.000	4,487
Economic Development Tax Increment Revenue Bonds, Series 2020 (421 N Penn Project-Draw Bonds)	08/31/2020	01/15/2045	6.500	5,911
Economic Development Tax Increment Revenue Bonds, Series 2021 (Midtown Project)	05/17/2021	01/15/2041	3.500	3,286
Economic Development Tax Increment Revenue Bonds, Series 2021 (Rise on Meridian Project-Draw Bonds)	11/30/2021	02/01/2046	8.000	8,154
Economic Development Tax Increment Revenue Bonds, Series 2021 (Elevator Hill Phase I Project-Draw Bonds)	12/14/2021	02/01/2046	4.000	3,375
Economic Development Tax Increment Revenue Bonds, Series 2022 (Indy Penn Center Hotel Garage Project)	02/01/2022	02/01/2042	2.310	17,500
Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable - 1827 Lofts Project)	05/03/2023	02/01/2048	8.000	4,393
Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable - Guilford Midtown Project)	05/09/2023	02/01/2048	6.850	1
Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable-Shortee's Real Estate Project)	09/19/2023	02/01/2049	6.500	3,377
Economic Development Tax Increment Revenue Bonds, Series 2023A (ILMAR/KG 220 Projects)	12/12/2023	08/01/2048	7.750	8,964
Economic Development Tax Increment Revenue Bonds, Series 2023B (ILMAR/KG 220 Projects)	12/12/2023	08/01/2048	7.750	7,867
Total direct borrowings and direct placement				219,655
Total tax increment revenue bonds (direct and public offerings)				845,696
Less: Matured bonds payable recorded in the debt service funds				(5,945)
				\$ 839,751

All principal and interest payments for the City's tax increment revenue bonds are due on January 15 and July 15 or February 1 and August 1 of the respective year.

All TIF debt listed above except for the Redevelopment District, Series 1999B and the Redevelopment District Refunding Bonds, Series 2014 have pledges of all proceeds of the Trust Estate. Of the direct borrowing and direct placement TIF bonds, the Redevelopment District Bonds, 2007; Economic Development Revenue Bonds, Series 2015A (Broad Ripple Project); Economic Development Tax Increment Revenue Bonds, Series 2020A (Block 20 Development Project), Economic Development Tax Increment Revenue Bonds, Series 2020 (421 N Penn Project-Draw Bonds), Economic Development Tax Increment Revenue Bonds, Series 2021 (Rise on Meridian Project-Draw Bonds), Economic Development Tax Increment Revenue Bonds, Series 2021 (Glendale II Project-Draw Bonds), Economic Development Tax Increment Revenue Bonds, Series 2021 (Elevator Hill Phase I Project-Draw Bonds), Economic Development Tax Increment Revenue Bonds, Series 2022D (16 Tech Project), Economic Development Tax Increment Revenue Bonds, Series 2022A&B (Federally Taxable – Stutz 1 Project), Redevelopment District Refunding Bonds, Series 2022A, and Economic Development Tax Increment Refunding Revenue Bonds, Series 2022B have pledges of all proceeds of the Trust Estate. Following an event of default on the Economic Development Tax Increment Revenue Bonds, Series 2020A (Block 20 Development Project) Bonds, the trustee may declare the principal and accrued interest on all bonds to be due and payable immediately. Following an event of default on the Economic Development Tax Increment Revenue Bonds, Series 2021 (Rise on Meridian Project-Draw Bonds), the Economic Development Tax Increment Revenue Bonds, Series 2021 (Elevator Hill Phase I Project-Draw Bonds), the Economic Development Tax Increment Revenue Bonds, Series 2022D (16 Tech Project), and the Economic Development Tax Increment Revenue Bonds, Series 2022A&B (Federally Taxable – Stutz 1 Project) the trustee may pursue any available remedy by suit at law or in equity to enforce the payment of the principal and accrued interest. Following an event of default on the Economic Development Tax Increment Revenue Bonds, Series 2021 (Glendale II Project-Draw Bonds), the non-defaulting party, at its option and with any prior notice required hereunder, may institute any action, suit, or other proceeding at law or in equity which it shall deem necessary or proper for the protection of its interests.

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On December 7, 2023, the City issued its Redevelopment District Ad Valorem Property Tax Bonds, Series 2023A (Convention) in an amount of \$155,000. The proceeds will be used for the purpose of procuring funds to be applied to the cost of the expansion of the Indiana Convention Center on Pan Am Plaza to include an approximately 50,000 square foot ballroom, and additional meeting space and common facilities. The bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on February 1, 2048, and have an interest rate of 6.000%.

On December 11, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023A and Series 2023B (Taxable ILMAR/KG 220 Projects) in amounts of \$8,964 and \$7,867, respectively. The proceeds were used to redeem the City's Economic Development Tax Increment Revenue Bond Anticipation Note, Series 2018 in an amount of \$15,855, which matured on December 14, 2023. The bonds mature on August 1, 2048, and have an interest rate of 7.750%.

On December 21, 2023, the City issued its Redevelopment District Bonds, Series 2023B (Broad Ripple Park Family Center Project) in an amount of \$21,980. The proceeds will be used to acquire the Broad Ripple Park Family Center. The bonds mature on February 1, 2042, and have an interest rate of 4.950%.

Developer Backed Bonds

On May 3, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (1827 Lofts Project) in an amount of \$4,393. The proceeds will be provided to the developer for the purposes of providing funds to pay for the construction, acquisition and equipping of a multi-family residential development known as the 1827 Lofts Project and consisting of approximately 166 new construction, high-quality apartment units with associated parking and amenities, as well as approximately 1,500 square feet of retail and commercial space, and costs incurred in connection with the issuance of the bonds. The bonds mature on February 1, 2048, and have an interest rate of 8.000%.

On May 9, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable-Guildford Midtown Project) in an amount of \$5,847. A portion of the proceeds will be provided to the developer to finance the acquisition, construction, equipping and preservation of approximately 232 residential rental units ranging from studios with 523 square feet to a 3-bedroom unit with 2,025 square feet; approximately 250 parking spaces; and approximately 3,820 square feet of retail/commercial space with outdoor seating. A portion of the proceeds will also be used to pay all or a portion of capitalized interest on the bonds through February 1, 2026. On the closing date, \$1 was paid to the developer; the 2nd installment of \$5,846 will be made upon the developer's fulfillment of its obligation to invest an amount greater than or equal to the purchase price of the project from sources other than principal of the bonds. The bonds mature on February 1, 2048, and have an interest rate of 6.850%.

On August 18, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable - Indy Innovation Apartments, LLC Project), in the amount of \$12,483. The proceeds will be provided to the developer to finance a portion of the construction of a new mixed-use development which includes a multifamily housing facility, consisting of approximately 279 units, providing approximately 226,000 square feet of residential space, a parking garage facility with approximately 290 parking spaces, and approximately 1,875 square feet of commercial or retail space, together with any related sidewalk, bike path and streetscape projects and improvements to integrate the mixed-used development into the City's 16 Tech Innovation District, located at 1350 Waterway Boulevard in the City. The bonds are draw bonds, and as of December 31, 2023, no draws have been made. The bonds mature on February 1, 2048, and have an interest rate of 5.000%.

On September 21, 2023, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2023 (Federally Taxable-Shortee's Real Estate Project), in the amount of \$8,000. A portion of the proceeds will be provided to the developer to finance a portion of the costs of the public improvements which will support construction of new single-family homes, townhomes, apartments with parking facilities, and a club house located at approximately 1775 Real Street. The bonds are draw bonds, and as of December 31, 2023, \$3,377 had been drawn. The bonds mature on August 1, 2048, and have an interest rate of 6.500%.

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Annual debt service requirements to maturity for the tax increment revenue bonds are as follows:

Years Ending December 31	Publicly Issued		Direct Borrowings and Direct Placements		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 45,520	\$ 21,248	\$ 14,161	\$ 7,538	\$ 59,681	\$ 28,786
2025	43,730	23,640	8,842	8,175	52,572	31,815
2026	45,540	22,910	4,207	8,330	49,747	31,240
2027	46,360	22,119	16,733	7,997	63,093	30,116
2028	46,610	21,313	4,751	7,576	51,361	28,889
2029 - 2033	119,705	89,695	74,660	28,632	194,365	118,327
2034 - 2038	81,380	66,252	45,320	18,624	126,700	84,876
2039 - 2043	90,464	47,206	38,299	8,497	128,763	55,703
2044 - 2048	124,200	18,221	11,552	1,991	135,752	20,212
2049 - 2053	—	—	900	—	900	—
2054 - 2058	—	—	230	—	230	—
	<u>643,509</u>	<u>332,604</u>	<u>219,655</u>	<u>97,360</u>	<u>863,164</u>	<u>429,964</u>
Less: deferred interest on capital appreciation bonds	(17,468)	—	—	—	(17,468)	—
Total	<u>\$ 626,041</u>	<u>\$ 332,604</u>	<u>\$ 219,655</u>	<u>\$ 97,360</u>	<u>\$ 845,696</u>	<u>\$ 429,964</u>

D. Revenue Bonds

The City also issues revenue bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. At December 31, 2023, these include:

	Issue Date	Final Maturity Date	Interest (All Maturities)	Outstanding
Economic Development Refunding Bonds, Series 2012A	12/20/2012	04/01/2030	0.600 – 3.000	\$ 3,520
Economic Development Refunding Bonds, Series 2012B	12/20/2012	04/01/2039	2.000 – 5.000	13,800
Stormwater District Revenue Refunding Bonds, Series 2013	10/16/2013	01/01/2026	2.000 – 5.000	9,080
Indy Roads Revenue Bond, Series 2015A	03/25/2015	01/01/2035	3.000 – 5.000	1,885
Indy Roads Revenue Bonds, Series 2015B	09/16/2015	01/01/2035	3.000 – 5.000	3,555
PILOT Refunding Bonds, Series 2017C	12/28/2017	01/01/2040	4.000 – 5.000	132,645
Indy Roads Revenue Bond, Series 2018A	12/18/2018	01/01/2039	4.000 – 5.000	725
Stormwater District Revenue Bonds, Series 2019	10/16/2019	01/01/2041	4.000 – 5.000	50,000
Indy Roads Revenue Bonds, Series 2019A	09/19/2019	01/01/2040	5.000	6,660
Stormwater District Revenue Refunding Bonds, Series 2022A	02/24/2022	01/01/2052	4.000 – 5.000	49,500
Convention Center Hotel Senior Revenue Bonds, Series 2023A	12/07/2023	03/01/2057	5.000 – 6.125	208,860
Convention Center Hotel Subordinate Revenue Bonds, Series 2023B-1 (City Moral Obligation)	12/07/2023	03/01/2067	5.000 – 5.250	180,000
Convention Center Hotel Subordinate Revenue Bonds, Series 2023B-2	12/07/2023	03/01/2067	7.750	34,500
Convention Center Hotel Junior Revenue Bonds, Series 2023C	12/07/2023	03/01/2067	8.000 – 9.000	25,000
Total revenue bonds				<u>719,730</u>
Direct Borrowings and direct placements:				
Stormwater District Revenue Bonds, Series 2011	08/10/2011	01/01/2041	3.580	<u>11,425</u>
Total direct revenue bonds				<u>11,425</u>
Total revenue bonds recorded in governmental activities (direct and public)				731,155
Less matured bonds payable recorded in debt service funds				—
				<u>\$ 731,155</u>

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All principal and interest payments for the City’s revenue bonds are due on January 1 and July 1, January 15 and July 15, or April 1 and October 1 of the respective year. Accordingly, the City appropriates all payments due on January 1 and January 15 in the year before payment is due and provides the amount in the Debt Service Funds. Payments due in April, July, or October will be appropriated in the year due. All revenue bond principal and interest payments due January 1, 2024, and January 15, 2024, have been recorded as matured bonds payable and matured interest payable at December 31, 2023.

On December 7, 2023, the City issued its Convention Center Hotel Senior Revenue Bonds, Series 2023A in an amount of \$208,860. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately 800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. A portion of the bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on March 1, 2057, and have an interest rate of 5.000% - 6.125%.

On December 7, 2023, the City issued Convention Center Hotel Subordinate Revenue Bonds, Series 2023B-1 (City Moral Obligation) in an amount of \$180,000. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately 800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. A portion of the bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on March 1, 2067, and have an interest rate of 5.000-5.250%.

On December 7, 2023, the City issued Convention Center Hotel Subordinate Revenue Bonds, Series 2023B-2 in an amount of \$34,500. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately 800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. A portion of the bond proceeds will also fund capitalized interest during the construction of the project. The bonds mature on March 1, 2067, and have an interest rate of 7.750%.

On December 7, 2023, the City issued its Convention Center Hotel Junior Revenue Bonds, Series 2023C in an amount of \$25,000. The proceeds will be used to pay for the cost of property acquisition and redevelopment including, the construction, installation and equipping of an approximately 800 guestroom convention center connected headquarters hotel, together with functionally related and subordinated facilities, appurtenances and improvements on the site commonly known as Pan Am Plaza. The Bonds will be payable from available revenues generated from the operations of the hotel. The bonds mature on March 1, 2067, and have interest rates of 8.000% - 9.000%.

All revenue bonds except the Stormwater District Revenue Bonds, Series 2011, have pledges of all proceeds of the Trust Estate.

Revenue bond debt service requirements to maturity are as follows:

Years Ending December 31	Publicly Issued		Direct Borrowings and Direct Placements		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 790	\$ 24,639	\$ —	\$ 242	\$ 790	\$ 24,881
2025	16,385	37,182	480	474	16,865	37,656
2026	14,620	37,208	500	454	15,120	37,662
2027	11,905	36,857	520	434	12,425	37,291
2028	12,485	36,890	540	413	13,025	37,303
2029 - 2033	100,190	176,110	3,050	1,714	103,240	177,824
2034 - 2038	105,045	144,509	3,705	1,040	108,750	145,549
2039 - 2043	88,165	114,952	2,630	202	90,795	115,154
2044 - 2048	76,725	95,802	—	—	76,725	95,802
2049 - 2053	89,870	71,695	—	—	89,870	71,695
2054 - 2058	79,730	47,144	—	—	79,730	47,144
2059 - 2063	59,155	28,195	—	—	59,155	28,195
2064 - 2067	64,665	7,955	—	—	64,665	7,955
Total	\$ 719,730	\$ 859,138	\$ 11,425	\$ 4,973	\$ 731,155	\$ 864,111

At December 31, 2023, \$311,675 of defeased revenue bonds remain outstanding and have been removed from the basic financial statements.

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E. Pledged Revenues

The City has pledged specific revenue to secure the repayment of outstanding debt issues. The following table lists those revenues and the corresponding debt issue along with the purpose of the debt, the amount of the pledge remaining, the term of the pledge commitment, the current fiscal year principal and interest on debt, and the amount of pledged revenue collected during the current fiscal year:

Revenue Bond Issue	General Purpose for Debt	Term of Commitment	Pledged Revenue	Principal and Interest for Fiscal Year Ended December 31, 2023	Pledged Revenues for Fiscal Year Ended December 31, 2023	Total Principal and Interest Remaining on Debt
Tax increment revenue	Infrastructure improvements and certain economic development projects	Through 2044	Property tax increment	\$ 82,542	\$ 137,910	\$ 1,294,894 (a)
Transportation revenue	Construction, reconstruction, and repair of roads, streets, and sidewalks	Through 2040	Wheel tax and gasoline tax	5,596	90,421	14,316
Stormwater	Improvements of stormwater handling capabilities	Through 2041	Net revenues of the stormwater system	11,202	14,003	208,347
Economic development	Provide financial incentives and assistance to a private developer for the construction of a downtown hotel and purchase of a parking garage	Through 2039	Parking garage fees	1,579	1,579	24,816
PILOT	Construction of certain improvements to the City's public roads, street and sidewalks, and other public facilities	Through 2040	Payments in lieu of taxes	12,088	20,445	193,438

(a) This amount excludes debt related to certain economic development projects for which the developer is responsible for making the debt service payments.

F. Notes Payables

- On October 8, 2010, the City entered into an agreement with Fifth Third Leasing Company to issue notes in the amount of \$18,800. The proceeds were used to complete energy improvements at various City owned properties. The notes are payable over a 15-year period beginning on January 1, 2013, and fully mature on July 31, 2027. The stated interest rate is 3.23%. The provision of the note agreement guarantees that the City will realize sufficient energy savings to fully cover the note's debt service. The outstanding balance of the notes at December 31, 2023, is \$6,265.
- On December 30, 2015, the MDC and CAC entered into an agreement with a developer to construct phase II of the project known as CityWay. CAC entered into a loan agreement for \$18,250 in order to make the loan to the developer. Under the terms of the agreement, the interest payments are due each January 15 and July 15 and the stated interest rate is 3.89%. At December 31, 2023, the CAC has recorded \$747 of cash in escrow and long-term debt of \$13,320. Included in the cash balance is \$747 in a continuing reserve. These amounts will be used to make the debt service payments until the balance in the continuing reserve reaches \$745, after which the developer will make the balance of the payment for the debt service. The City will grant amounts to CAC to repay the loan from existing Certified Technology Park revenues, tax increment financing revenues on the project property and payments from the developer. If such amounts are insufficient to repay the debt the City will pay the difference from excess tax increment financing revenues.
- In 2013, the City was awarded a \$39,000 Section 108 Loan to create the Community & Economic Development Loan Program (CEDLP). The City will loan these funds to entities with eligible projects for economic development and housing development activities to benefit low to moderate income individuals. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects or to aid in the prevention of slums.
- On October 20, 2017, the City loaned Ford TWG, LLC (Ford) \$4,650; the loan will mature on August 1, 2037. Principal payments are due annually and interest payments are due quarterly. The City will use the payments received from Ford to repay the loan to HUD. At December 31, 2023, the long-term receivable and the outstanding balance of the note is \$4,650.

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5. On August 15, 2018, the City borrowed funds for the Monon16 Project in the amount of \$5,000; the loan was scheduled to mature on August 1, 2038. However, a partial prepayment was made on February 26, 2019, as part of a refinancing agreement, and now the loan is scheduled to mature on August 1, 2029. Under the new amortization schedule, principal payments are due annually and interest payments are due semiannually. At December 31, 2023, the outstanding balance of the note is \$1,635. The funds will be used to develop the “Monon16” area, which is the immediate area surrounding the intersection of the Monon Trail and 16th Street. This includes housing, security, and transportation improvements.
6. On September 14, 2018, the City borrowed funds for the Central State Complex Project in the amount of \$4,575; the loan will mature on August 1, 2038. Principal payments are due annually and interest payments are due quarterly. At December 31, 2023, the outstanding balance of the note is \$3,375. The funds will be used to develop the Central State Complex, which is a growing neighborhood on the near Westside of Indianapolis. This includes infrastructure, housing, and education improvements.
7. On August 1, 2020, the City borrowed funds for the Near South Meridian Project in the amount of \$1,250, though a total of \$5,000 was authorized. The loan will mature on August 1, 2039. Principal payments are due annually and interest payments are due quarterly. At December 31, 2023, the outstanding balance of the note is \$5,000 as this is a draw note. The funds will be used to develop the near Southside, which is a developing area of Indianapolis. This includes infrastructure, housing, and education improvements.
8. On July 12, 2019, the City issued Taxable Economic Development Tax Increment Revenue Note, Series 2019 A in the amount of \$30,000. Pursuant to an agreement with The Dow Chemical Company and E.I. du Pont de Nemours and Company, which merged into a new company, DowDuPont on August 31, 2017, DowDuPont separated their leading businesses into three independent, publicly traded companies, one of which will be a leading, global pure-play agricultural business, Corteva Agriscience (“Corteva”). Effective June 1, 2019, Corteva completed its separation from DowDuPont and as part of the agreement, Corteva will retain its global business center and research and development facilities in the City. The note proceeds will provide reimbursement for prior payment of, all or any portion of the costs of the continued operations of, and any additions or improvements to and equipment for, the existing global business center and research and development facilities, which will retain approximately 1,385 full-time jobs in the City. The note will mature on February 20, 2026, and bears interest at 3.35%. The outstanding balance of the note at December 31, 2023, is \$8,207. The issuance of this note did not provide a source of current financial resources since no cash was received, and it does not affect the near-term liquidity of the City.
9. On November 10, 2021, the City issued its Series 2021 Stormwater Notes in the amount of \$50,000. The proceeds will be used for infrastructure improvements, including new channels, culverts, dam renovations, engineering studies, and drainage and water quality improvements. This note has a maturity date of November 1, 2024, and the last draw of the commitment amount must occur by March 30, 2024. The outstanding balance of the notes at December 31, 2023, is \$17,931, as this is a draw note.
10. On February 15, 2022, the City executed a public-private build-operate-transfer agreement with Garmong & Son, Inc. in an amount not to exceed \$36,075 for the design, construction, and financing of a judicial and professional building parking garage, located at the Community Justice Campus. The installment purchase agreement matures on January 30, 2027, and has a balloon principal payment of \$33,000 due on that date, interest is due annually at a rate of 1.9%. The outstanding balance at December 31, 2023, is \$35,115, which represents the cost of the construction for the garages as of year-end.

Annual amounts due on notes payable to maturity are as follows:

Years Ending December 31	Governmental Activities	
	Principal	Interest
2024	\$ 23,757	\$ 1,895
2025	7,784	1,599
2026	6,631	1,363
2027	36,196	1,205
2028	2,366	442
2029 - 2033	10,885	1,449
2034 - 2038	7,113	278
2039 - 2043	766	4
Total	\$ 95,498	\$ 8,235

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G. Lease Liabilities

The City leases equipment, vehicles, and office space, which have an underlying right to use asset category of buildings and equipment as reported in the statement of net position and Note 9. The terms of the agreements expire in various years from 2023 through 2050. Payments for the leased items are fixed in all cases, and future agreements will be assessed for variable payments, which will be based upon the Consumer Price Index. During the year ended December 31, 2023, the City recognized \$0 for variable payments.

The following is a schedule by year of payments under the leases as of December 31, 2023:

<u>Years Ending December 31</u>	<u>Governmental Activities</u>		
	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 10,078	\$ 9,139	\$ 939
2025	7,876	7,176	700
2026	6,903	6,353	550
2027	3,630	3,191	439
2028	2,554	2,192	362
2029 - 2033	6,019	4,886	1,133
2034 - 2038	3,151	2,826	325
2039 - 2043	111	74	37
2044 - 2048	109	91	18
2049 - 2050	44	43	1
Total	<u>\$ 40,475</u>	<u>\$ 35,971</u>	<u>\$ 4,504</u>

H. Subscription Liabilities

The City has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2032. Variable payments of certain subscriptions are based upon the Consumer Price Index (Index). The subscriptions were measured based upon the Index at commencement of the SBITA term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

The following is a schedule by year of payments under the SBITAs as of December 31, 2023:

<u>Years Ending December 31</u>	<u>Governmental Activities</u>		
	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 3,928	\$ 3,133	\$ 795
2025	3,718	3,106	612
2026	3,638	3,175	463
2027	2,915	2,590	325
2028	2,539	2,331	208
2029 - 2032	4,148	3,977	171
Total	<u>\$ 20,886</u>	<u>\$ 18,312</u>	<u>\$ 2,574</u>

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I. Financed Purchase Obligations

The City leases vehicles and equipment through agreements, which management has determined to be financed purchase obligations due to the terms related to transfer of ownership at the end of the agreement.

1. On July 13, 2022, the City entered into a financed purchase obligation with JP Morgan Chase Bank in the amount of \$10,283. The proceeds will be used to purchase pursuit vehicles for the police department. The outstanding balance at December 31, 2023, is \$7,833 and matures on June 1, 2028. The stated interest rate is 2.56%. At December 31, 2023, the City has recorded \$483 of cash in escrow related to the financed purchase obligation.
2. On November 18, 2022, the City entered into a financed purchase obligation with JP Morgan Chase Bank in the amount of \$22,473. The proceeds were used to purchase fire apparatus vehicles for the fire department. The stated interest rate is 3.62%. The outstanding balance at December 31, 2023, is \$21,371 and matures on September 1, 2030.
3. On June 13, 2023, the City entered into a financing agreement with the Building Authority to finance a new neighborhood and family recreation center at Frederick Douglass Park. The financed purchase obligation for Frederick Douglass Park is a 30-year financed purchase obligation with payments beginning on August 1, 2024. At December 31, 2023, as reported in the City's statement of net position the financed purchase obligation outstanding was \$20,490, with a receivable for the remaining construction to be completed of \$3,252. \$490 of the financed purchase obligation relates to interest expense as a result of payments under the financed purchase obligation being deferred until completion of the project.
4. On July 10, 2023, the City entered into a financed purchase obligation with JP Morgan Chase Bank in the amount of \$12,500. The proceeds will be used to purchase pursuit vehicles for the police department. The outstanding balance at December 31, 2023, is \$11,533 and matures on June 15, 2029. The stated interest rate is 3.81%. At December 31, 2023, the City has recorded \$1,360 of cash in escrow related to the financed purchase obligation.

The following schedule by year represents the financed purchase obligation payments as of December 31, 2023:

Years Ending December 31	Governmental Activities		
	Total	Principal	Interest
2024	\$ 15,932	\$ 6,773	\$ 9,159
2025	9,241	7,217	2,024
2026	8,765	6,986	1,779
2027	8,710	7,172	1,538
2028	7,803	6,514	1,289
2029 - 2033	13,700	9,333	4,367
2034 - 2038	6,146	2,540	3,606
2039 - 2043	6,754	3,839	2,915
2044 - 2048	7,794	5,942	1,852
2049 - 2052	5,349	4,911	438
Total	<u>\$ 90,194</u>	<u>\$ 61,227</u>	<u>\$ 28,967</u>

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J. Other Long-Term Liabilities

1. Postemployment Benefit Obligation: As discussed later in these notes, the City provides postemployment healthcare benefits for police officers and firefighters. Civilian employees may continue healthcare coverage but are required to contribute 100% of their annual premium.
2. Net Pension Liabilities: As discussed later in these notes, the City’s single employer pension plans are funded on a “pay-as-you-go” basis.
3. Compensated Absences Payable: A long-term liability for benefit and sick leave earned but not paid of \$42,204 at December 31, 2023, is recorded in the government-wide statements.

Other long-term liabilities are generally to be liquidated by the General Fund, with the exception of claims and judgments that are to be liquidated from the Risk Management Internal Service Fund.

12. Conduit Debt

From time to time, the City has issued Economic Development Revenue Bonds to provide financial assistance to private sector entities for the acquisition, rehabilitation, and construction of industrial, commercial, and housing facilities and projects deemed to be in the public interest. The bonds are secured by the property financed. The City is not obligated in any manner for repayment of these bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

The outstanding City conduit debt issued prior to 2001 cannot be determined. Currently outstanding as of December 31, 2023, are 11 series of Economic Development Revenue Bonds approved by the Council issued on or after 2001 for a total not-to-exceed amount of \$202,641. The aggregate principal amount outstanding at December 31, 2023, since 2001 is \$131,552.

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13. Fund Balances

The following table displays the breakdown of governmental funds fund balances by purpose in accordance with GASB Statement No. 54 at December 31, 2023:

	<u>General</u>	<u>Federal Grants</u>	<u>State of Indiana Grants</u>	<u>Coronavirus Federal Stimulus</u>	<u>Revenue Bond Debt Service</u>	<u>Convention Center Hotel Capital Project</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:								
Permanent fund (principal and interest)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 395	\$ 395
Restricted for:								
Street maintenance and projects	37,743	—	—	—	—	—	—	37,743
Stormwater management	36,692	—	—	—	—	—	—	36,692
Debt service	—	—	—	—	206,409	—	158,586	364,995
Capital projects	—	—	—	—	—	557,316	277,821	835,137
Other purposes by grantors	—	—	12,457	1	—	—	71,241	83,699
Sidewalk, curb and street repair	—	—	—	—	—	—	10,718	10,718
	<u>74,435</u>	<u>—</u>	<u>12,457</u>	<u>1</u>	<u>206,409</u>	<u>557,316</u>	<u>518,366</u>	<u>1,368,984</u>
Committed to:								
Capital projects	—	—	—	—	—	—	77,963	77,963
Utility monitoring	304	—	—	—	—	—	—	304
CJC	5,611	—	—	—	—	—	—	5,611
	<u>5,915</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>77,963</u>	<u>83,878</u>
Assigned to:								
Redevelopment	14,623	—	—	—	—	—	—	14,623
Solid waste collection	2,045	—	—	—	—	—	—	2,045
Parks and recreation	5,253	—	—	—	—	—	—	5,253
Other purposes	44,982	—	—	—	—	—	—	44,982
Public safety	6	—	—	—	—	—	—	6
	<u>66,909</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>66,909</u>
Unassigned (deficit)	<u>146,567</u>	<u>(11,158)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>135,409</u>
Total fund balances (deficit)	<u>\$ 293,826</u>	<u>\$ (11,158)</u>	<u>\$ 12,457</u>	<u>\$ 1</u>	<u>\$ 206,409</u>	<u>\$ 557,316</u>	<u>\$ 596,724</u>	<u>\$ 1,655,575</u>

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14. Postemployment Benefits Other Than Pensions

A. Plan Description

The City postemployment medical benefit plan (the OPEB Plan) is a single-employer defined benefit other postemployment benefit (OPEB) plan covering eligible retirees and their dependents, which is administered by the City for certain groups of beneficiaries and boards of trustees appointed by the local unions administering for other groups of beneficiaries. Benefit provisions are established through negotiations between the City and the union representing the City’s employees and are renegotiated each three-year bargaining period for certain groups of beneficiaries. Benefit provisions for certain other groups are determined by the board of trustees appointed by the local unions. The City determines benefits for non-union employees. The OPEB Plan does not issue a separate report that includes financial statements and required supplementary information for the OPEB Plan.

B. Benefits Provided

Civilian employees who are eligible for retirement may choose to continue their healthcare coverage on the City’s insurance plan until the age of 65 but are required to contribute 100% of their annual premium costs. By providing retirees with access to the City’s healthcare plans based on the same rates it charges to active employees, the City is in effect providing a subsidy to retirees. This implied subsidy exists because, on average, retiree healthcare costs are higher than active employee healthcare costs. By the City not contributing anything toward this plan in advance, the City employs a pay-as-you-go financing method through paying the higher rate for active employees each year.

For Police and Firefighter eligible retirees and their spouses, 60% of the cost of current year premiums are paid from the Retiree Health Insurance Fund (RHIF). Plan members receiving benefits contribute 40% of their premium costs. For Police and Firefighter eligible retirees over age 65, amounts determined by the board of trustees appointed by the local unions are contributed to the retiree towards the premium cost of a Medicare Supplement plan.

Eligible retirees must meet the following criteria:

Civilian

1. At age 65 and has at least 10 years of creditable service, or
2. At age 60 and has at least 15 or more years of creditable service, or
3. If the member’s age in years plus the years of creditable service equal at least 85 and the member is at least 55 years of age.

Police

1. At least 20 years of service, who are over the age of 52, and less than age 65.

Firefighters

1. At least 20 years of service, who are at least age 52, and less than age 65.

The employees covered by the OPEB Plan benefit terms at the valuation date of January 1, 2023 (valuation date), are:

	2023
Active Employees	4,224
Retired Employees	676
Beneficiaries	41
Spouses of Retired Employees	142
	5,083

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C. Contributions

Contribution requirements are negotiated between the City and union representatives. For fiscal year 2023, the City contributed \$8,376 to the plan. Any cash balance left at the end of the calendar year in the RHIF is transferred to the trusts for the benefit of the retired Police and Firefighter employees.

D. Net OPEB Liability

The City’s net OPEB liability of \$287,296 was measured as of December 31, 2023, for the year ended December 31, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2023. The total OPEB liability was calculated based on the discount rate and actuarial assumptions below and was then rolled forward to the measurement date. Any significant changes during this period have been reflected as prescribed by GASB Statement No. 74 and No. 75.

The total OPEB liability in the January 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increases	2.75% average, including inflation
Health Care Cost Trend Rates	6.50% - 3.90% over 54 years
Discount Rate	3.26%

Mortality rates for police and fire were determined using the PubS-2010 Mortality Table for Employees and Healthy Annuitants with generational projections of future improvements per the MP-2019 Ultimate scale. This assumption includes a margin for improvements in longevity beyond the valuation date. All other members were determined using the PubG-2010 Mortality Table for Employees and Healthy Annuitants with generational projections of future improvements per the MP-2019 Ultimate scale. This assumption includes a margin for improvements in longevity beyond the valuation date.

The plan has not had a formal actuarial experience study performed for the January 1, 2023, valuation. Total OPEB liability was calculated using the previously established actuarial assumptions.

The long-term expected rate of return on the OPEB Plan investments of 3.26% was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the actuary’s investment consulting practice as of December 31, 2023. The assets held in the OPEB trusts are not included in the information presented in Note 2, *Cash Deposits and Investments*, or Note 3, *Disclosures About Fair Value of Assets*.

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
U.S. Cash	1.00%	0.61%	0.59%
U.S. Core Fixed Income	75.00%	2.27%	2.13%
U.S. Municipal Bonds	14.00%	1.71%	1.58%
U.S. Broad Equity Market	10.00%	5.76%	4.10%
	100.00%		

E. Discount Rate

The discount rate used to measure the total OPEB liability was 3.26% for the year ended December 31, 2023. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

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F. Changes in the Net OPEB Liability

Changes in the total OPEB liability, OPEB Plan fiduciary net position and the net OPEB liability are:

	2023		
	Total OPEB Liability (a)	OPEB Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance, beginning of year	\$ 230,069	\$ 14,285	\$ 215,784
Changes for the year:			
Service Cost	13,558	-	13,558
Interest on total OPEB liability	8,909	-	8,909
Effect of economic/demographic gains or losses	36,374	-	36,374
Effect of assumptions changes or inputs	21,910	-	21,910
Benefit payments	(8,368)	(8,368)	-
Employer contributions	-	8,376	(8,376)
Net investment income	-	923	(923)
Administrative expense	-	(60)	60
Net Changes	<u>72,383</u>	<u>871</u>	<u>71,512</u>
Balance, end of year	<u>\$ 302,452</u>	<u>\$ 15,156</u>	<u>\$ 287,296</u>

Changes of assumptions reflect a change in the discount rate from 3.72% at December 31, 2022, to 3.26% at December 31, 2023.

G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The net OPEB liability of the City has been calculated using a discount rate of 3.26%. The following presents the net OPEB liability using a discount rate 1% higher and 1% lower than the current discount rate.

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
City's net OPEB liability	\$ 318,469	\$ 287,296	\$ 259,843

The net OPEB liability of the City has been calculated using current healthcare cost trend rates. The following presents the net OPEB liability using healthcare cost trend rates 1% higher and 1% lower than the current health care cost trend rates.

	<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
City's net OPEB liability	\$ 249,599	\$ 287,296	\$ 332,773

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H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2023, the City recognized OPEB expense of \$19,563. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 32,193	\$ 19,196
Changes of assumptions	37,917	45,650
Net difference between projected and actual earnings on OPEB plan investments	165	-
Total	\$ 70,275	\$ 64,846

Amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2023, related to OPEB will be recognized in OPEB expense as follows:

2024	\$	(2,456)
2025		(2,400)
2026		(476)
2027		(1,901)
2028		(2,459)
Thereafter		15,121
	\$	5,429

I. Payable to the OPEB Plan

At December 31, 2023, the City reported a payable of \$281, for the outstanding amount of contributions to the OPEB Plan required for the year ended December 31, 2023.

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15. Pension Plans

A. Plan Descriptions, Funding Policies, Benefits, and Contribution Information

1. 1953 Police Pension Fund and 1937 Firefighters’ Pension Fund

Description of Plans

The City maintains two single-employer defined benefit pension plans covering police officers and firefighters hired on or before April 30, 1977 (“Police and Firefighters’ Pre-1977 Plans”), which are funded on a pay-as-you-go basis. The plans were established in accordance with IC 36-8-7.5 and 36-8-7, respectively, and are administered by the City. State statute grants authority for these pension plans and sets the regulations covering benefits. No separately issued financial statements are available and the plans are closed to new participants. The Police and Firefighters’ Pre-1977 Plans are reported as pension trust funds in the City’s financial statements.

Management of the Police and Firefighters’ Pre-1977 Plans is vested in separate boards of trustees (“Local Boards”), the responsibilities of which include the determination of eligibility for benefits, rates of contribution, and amount of benefits to be paid to plan participants or their beneficiaries. The Local Board for the Police Pre-1977 Plan is comprised of the Mayor, the Marion County Treasurer, the City Police Chief, one retired member of the police department (elected from among all the retired members), and five active members (elected from among all active members) of the police department. The Local Board for the Firefighters’ Pre-1977 Plan is comprised of the Mayor and the City Fire Chief, who are ex-officio voting trustees, one retired member (elected from among all the retired members) of the fire department, and four active members (elected from among all active members) of the fire department.

Employees Covered by Benefit Terms

Employees covered by benefit terms of the Police and Firefighters’ Pre-1977 Plans as of December 31, 2023, follows:

	Pre-1977 Police Plan	Pre-1977 Firefighters’ Plan
Retirees and beneficiaries currently receiving benefits	644	603
Current employees - vested	1	-
Total	645	603

Funding Policy

In 1977, the Pension Relief Fund (IC 5-10.3-11) was created by the Indiana General Assembly to provide financial relief to pension funds maintained by units of local government in Indiana for their police officers’ and firefighters’ retirement plan benefits. The Indiana Public Retirement System (“INPRS”) is responsible for managing the Pension Relief Fund and making disbursements to the local police and firefighter units throughout the state from funds provided by the Indiana General Assembly. Funding for the Pension Relief Fund is derived from a portion of state cigarette and alcohol taxes, a portion of the state’s lottery proceeds, interest earned by the Indiana Public Deposit Insurance Fund, investment income, and appropriations from the Indiana General Assembly. Separate accounts are maintained by INPRS for each unit of local government for amounts that have yet to be distributed. Such amounts remain invested in the fund and are available to the units of local government upon request.

Retirement Benefits

Retirement benefits are available after 20 years of service. Contractually, as current employees’ salaries increase, benefits paid to plan participants are adjusted. An employee who retires from active duty after 20 or more years is entitled to an annual pension equal to 50% of the salary of a first-class officer/firefighter, as defined by the City. An employee who serves more than 20 years is entitled to additional amounts equal to: (1) 2% per year for each year of service over 20 years, for an employee who retired before January 1, 1986; or (2) 1% for each half year of service over 20 years, for an employee who retires after December 31, 1985. The maximum benefit is equal to 74% of the salary of a first-class officer/firefighter. Monthly pension benefits may be adjusted annually by a cost of living adjustment (“COLA”) based upon increases in the Consumer Price Index up to a maximum of 3%.

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Disability and Survivor Benefits

Generally, an employee who becomes permanently disabled is entitled to receive a monthly disability benefit equal to 55% of the salary of a first-class officer/firefighter. An employee receiving disability benefits is entitled to: (1) receive disability benefits for the remainder of the employee's life; and (2) have the benefit recomputed as a regular retirement benefit when the employee reaches age 55. The time spent receiving disability benefits is counted as active service for the purpose of determining retirement benefits until the employee reaches a total of 20 years of service. If an employee receiving disability benefits elects to have the benefit computed as a regular retirement benefit, the employee's monthly pension may not be reduced below 55% of the salary of a first-class officer/firefighter at the time of the payment of the pension. An employee who is temporarily disabled is entitled to receive a monthly disability benefit equal to 30% of the salary of a first-class officer/firefighter until the employee is able to return to active service.

The surviving spouse and children of a deceased employee covered under the Police and Firefighters' Pre-1977 Plans receive certain financial assistance, among which include monthly survivor benefits, special death benefits, and health insurance.

Contributions Required and Contributions Made

Beginning in 2009, the State began paying the entire annual cost of pension benefits for the police officers and firefighters who are participants of the Pre-1977 plans, including those of the City. Since the City still must pay the benefits under the plans and be reimbursed by the State, these are still considered to be "pay-as-you-go" plans. The payments from the State are estimated each year and any overage or underage is to be adjusted in the next year. In 2023, the State of Indiana contributed \$50,599 of pension relief to the City's Police and Firefighters' Pre-1977 Plans (\$25,625 and \$24,974, respectively), which has been reported as contribution revenue by the City.

There are no remaining employee contribution requirements. No significant plan assets are accumulated for the payment of future benefits.

2. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The 1977 Police Officers' and Firefighters' Pension and Disability Fund ("1977 Police and Firefighters' Plan") is a cost-sharing multiple-employer retirement defined benefit plan established in accordance with IC 36-8-8 to provide retirement, disability, and survivor benefits to all of the City's full-time police officers and firefighters who were hired after April 30, 1977, or who were hired before May 1, 1977, and have elected to convert to this plan. The plan is administered by INPRS and is governed by the INPRS Board of Trustees ("INPRS Board"). Benefits are established by statute and may only be amended by the Indiana General Assembly. INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the 1977 Police and Firefighters' Plan, which may be obtained by contacting INPRS at 1 North Capitol, Suite 001, Indianapolis, Indiana 46204, or by calling 888-526-1687.

Funding Policy

The INPRS Board has established a funding policy that requires that employer contributions be equal to the sum of the employer normal cost (which pays the current year cost of benefits accruing) and an amortization of the unfunded actuarial accrued liability. Presently, covered employees are annually required to contribute 6% of their compensation over the term of their employment up to 32 years. The City currently pays half of the employee contribution in accordance with its associated labor agreements. This is in addition to the annual employer's contribution determined by INPRS based on a valuation using the entry age normal cost method. The rate of employer contribution is 18% of each employee's annual compensation.

Effective January 1, 2007, the sheriff deputies from Marion County were merged with the former Indianapolis Police Department to form the Indianapolis Metropolitan Police Department, which is part of the City. The pension plan for the former sheriff deputies who are now part of the Indianapolis Metropolitan Police Department is funded by the County, and accordingly, the liability is held by the County in the Marion County Law Enforcement Fund.

Retirement Benefits

Benefits vest after 20 years of service. For those employees who retire at or after the age of 52 with 20 years of service, the benefit is equal to 52% of the base salary of a first class police officer and firefighter with 20 years of service, plus 1% of such compensation for each six months of active service over 20 years to a maximum of 12 years. At age 50 and with 20 years of service, a retiree may elect to receive a reduced benefit by a factor established by the plan's actuary. Monthly pension benefits may be adjusted annually by a cost-of-living adjustment ("COLA") based upon increases in the Consumer Price Index up to a maximum of 3%.

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Disability and Survivor Benefits

A covered employee may file an application for disability benefits. A determination is then made by the Local Board, and reviewed by the INPRS Board, as to whether the employee has a covered impairment and whether or not the impairment was sustained in the line of duty. The amount of disability benefits is based upon when the employee was hired, the type of impairment and certain other factors, but may not exceed 55% of the monthly salary (with longevity pay) of a first-class officer/firefighter.

If a covered employee dies while receiving retirement or disability benefits, there are provisions for the surviving spouse and children to receive a portion of the benefits, among which include monthly survivor benefits, special death benefits, and health insurance.

Contributions Required and Contributions Made

Employer contribution rates are adopted annually by the INPRS Board for the 1977 Police and Firefighters' Plan. The contributions are actuarially determined based on the funding policy, actuarial assumptions, and actuarial methods established by the INPRS Board. Contributions determined by the actuarial valuation become effective either 12 or 18 months after the valuation date, depending on the applicable employer. In the case of the City, contribution rates and amounts determined by the June 30, 2021, actuarial valuation and adopted by the INPRS Board therefore become effective on January 1, 2023. The City's contractually required contribution rate for 2023 was 18% of annual payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City's contributions to the plan for the year ended December 31, 2023, exclusive of employer-paid member contributions, was \$40,288, equal to the approved employer contribution and 18% of covered payroll for each year.

3. Deferred Retirement Option Plan

Plan Description

Indiana's Deferred Retirement Option Plan ("DROP"), which was enacted into law in 2002, is available to all participants of the Police and Firefighters' Pre-1977 Plans and the 1977 Police and Firefighters' Plan. Those employees who elect to participate must remain in active employment, continue to make contributions to the plan and elect a DROP retirement date not less than 12 months and not more than 36 months after the member's DROP entry date. Participating employees remain in the DROP until reaching the applicable mandatory retirement age and may make a DROP election only once in the employee's lifetime. Upon retirement, a DROP participant will receive a DROP frozen benefit to be paid in a lump-sum distribution or in 3 equal installments commencing on the participant's DROP retirement date. The City does not set aside amounts for the DROP participants under the Police and Firefighters' Pre-1977 Plans. As of June 30, 2023, a total of \$98,600 is held under the DROP for participating government employers of the 1977 Police and Firefighters' Plan.

4. Indiana Public Employees' Retirement Fund

Plan Description

The City also contributes to the Indiana Public Employees' Retirement Fund ("PERF"), a cost-sharing multiple-employer defined benefit pension plan established in accordance with IC 5-10.3 to act as a common investment and administrative agent for units of state and local governments in Indiana. PERF is administered by INPRS and is governed by the INPRS Board. PERF provides 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. Except for police and firefighters, all full-time City employees are eligible to participate in this plan. Additionally, all full-time employees of the Housing Agency participate in PERF under the City's employer account. INPRS issues a publicly available financial report that includes financial statements and required supplementary information for PERF and can be found at <http://www.inprs.in.gov/>. This report may also be obtained by writing to Indiana Public Retirement System, 1 North Capitol, Suite 001, Indianapolis, Indiana 46204, or by calling 888-526-1687. Pension disclosures for the Housing Agency are not included in this report but can be found in the Housing Agency's separately issued financial report.

There are two tiers to the PERF plan. The first is the Public Employee's Defined Benefit Plan ("PERF Hybrid Plan") and the second is the My Choice: Retirement Savings Plan for Public Employees ("My Choice Plan"). Effective January 1, 2017, through December 31, 2021, new employees hired by the City were enrolled in the My Choice Plan, with the exception of the American Federation of State, County, and Municipal Employees ("AFSCME") union employees, which had the option of enrolling in either the PERF Hybrid or My Choice Plan. During 2021, the City-County Council adopted a resolution, which modified the retirement options offered by INPRS for new employees, effective January 1, 2022. Employees with an employment start date on or after, January 1, 2022, have a choice between membership in either the PERF Hybrid Plan or the My Choice Plan. Members have 60 days to make an election. If no election is made within 60 days, they will automatically default into the PERF Hybrid Plan.

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There are two aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the Public Employees' Hybrid Members Defined Contribution Account that supplements the defined benefit at retirement.

Effective January 1, 2018, funds previously known as annuity savings accounts (which were reported within defined-benefit funds) were re-categorized as defined contribution funds based on Internal Revenue Private Letter Rulings PLR-193-2016 and PLR-110249-18. PERF Defined Contribution member balances (previously known as annuity savings accounts) reported within PERF DB were transferred to the appropriate defined-contribution fund as of January 1, 2018.

Funding Policy

The funding policy of INPRS provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due.

PERF Hybrid Plan

The employer defined benefit contribution rate is based on an actuarial valuation and is adopted, and may be amended, by the INPRS Board. For 2023, the City contributed 11.2% of employee compensation to the plan. The Defined Contribution Account consists of the employee contribution, which is set by statute at 3% of compensation, as defined by Indiana statutes, plus the interest/earnings or losses credited to the employee's account. The employer may choose to make the contributions on behalf of its participating employees, which the City has elected to do. In addition, under certain circumstances, employees may elect to make additional voluntary contributions of up to 10% of their compensation into their Defined Contribution Account. An employee's contribution and interest credits belong to the employee and do not belong to the state or the City.

My Choice Plan

For the My Choice Plan, member contributions are set by statute at 3% of compensation, plus these members may receive additional employer contributions in lieu of the Public Employees' Defined Benefit Account. The City has elected to make the 3% required contribution on behalf of the employed members and has elected to contribute an additional 1.4% for 2023. In addition, for the My Choice Plan, all participating employers were required to make a 6.8% supplemental contribution toward the fund's actuarial unfunded liability.

Retirement Benefits – PERF Hybrid Plan

Defined Benefit Account

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 employee's Defined Contribution Account. Retirement benefits vest after ten years of creditable service. The vesting period is eight years for certain elected officials. Employees are immediately vested in their respective annuity savings accounts. At retirement, an employee may choose to receive a lump-sum payment of the amount credited to the employee's Defined Contribution Account, receive the amount as an annuity or leave the contributions invested with INPRS.

Vested employees leaving a covered position, who wait 30 days after termination, may withdraw their Defined Contribution Account and will not forfeit creditable service or a full retirement benefit. However, if an employee is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the Defined Contribution Account. A nonvested employee who terminates employment prior to retirement may withdraw his/her Defined Contribution Account after 30 days, but by doing so, forfeits his/her creditable service. An employee who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

An employee who has reached: (1) age 65 and has at least 10 years of creditable service; (2) age 60 and has at least 15 years of creditable service; or (3) at least age 55 and whose age plus number of years of creditable service is at least 85 is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit component. This annual pension benefit is equal to 1.10% times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the 20 calendar quarters of creditable service in which the employee's annual compensation was the highest. All 20 calendar quarters do not have 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. Employee contributions paid by the employer on behalf of the employee and severance pay up to \$2 are included as part of the employee's salary.

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An employee 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. An employee retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the employee's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89%. This amount is reduced five percentage points per year (e.g., age 58 is 84%) to age 50 being 44%.

The monthly pension benefits for employees in pay status may be increased periodically by COLAs. 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.

Defined Contribution Account

The Public Employees' Hybrid Members Defined Contribution Account (PERF Hybrid DC) is the defined-contribution component of the Public Employees' Hybrid Plan. The Public Employees' Defined Benefit Account is the other component of the Public Employees' Hybrid Plan. Member contributions are set by statute at 3% of compensation, and the employer may choose to make these contributions on behalf of the member, which the City has done. Members are 100% vested in their account balance, which includes all contributions and earnings. The City has elected to make this contribution on behalf of the employed members. The contribution for the year ended December 31, 2023, was \$1,924.

Disability and Survivor Benefits

The PERF Hybrid Plan also provides disability and survivor benefits. An employee 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 employee 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 (not in thousands), or the actuarial equivalent.

Upon the death of an employee in service 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 employee had been married for two or more years or to 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 employee 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 of an employee in service after January 1, 2007, who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

The authority to establish or amend benefit provisions of PERF rests with the Indiana General Assembly.

Contributions Required and Contributions Made

Employer contribution rates are adopted annually by the INPRS Board for PERF. The contributions are actuarially determined based on the funding policy, actuarial assumptions and actuarial methods established by the INPRS Board. Contributions determined by the actuarial valuation become effective either 12 or 18 months after the valuation date, depending on the applicable employer. In the case of the City, contribution rates and amounts determined by the June 30, 2021, actuarial valuation and adopted by the INPRS Board therefore become effective on January 1, 2023. The City's contractually required contribution rate for 2023 was 11.2% of annual payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City's contribution to the plan for the year ended December 31, 2023, exclusive of employer-paid member contributions, was \$7,133, equal to the approved employer contribution and 11.2% of covered payroll for each year.

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Retirement Benefits – My Choice Plan

Defined Contribution Account

The My Choice Plan is a multi-employer defined-contribution fund that serves as the primary retirement benefit for the My Choice: Retirement Savings Plan for Public Employees (My Choice) members.

Member contributions are set by statute at 3% of compensation, plus these members may receive additional employer contributions in lieu of the Public Employees’ Defined Benefit Account. The City has elected to make the 3% required contribution on behalf of the employed members, which was \$693 for 2023. Employers can also choose to make an additional contribution to employee accounts ranging from 0% up to the normal cost of the fund. The normal cost for 2023 was 4.4%. The City elected to contribute an additional 1.4% for 2023, which was \$323 for 2023. In addition, for the My Choice Plan, all participating employers are required to make a 6.8% supplemental contribution toward the fund’s actuarial unfunded liability, which was \$1,571 in 2023.

Members are 100% vested in all member contributions, which is the 3% required contribution the City has elected to contribute, and are vested as follows in the additional employer contributions, which includes all earnings:

Years of Service				
1	2	3	4	5+
20%	40%	60%	80%	100%

Investments are self-directed; members may make changes daily, and investments are reported at fair value. Market risk is assumed by the member, and the member may choose among the following eight investment options with varying degrees of risk and return potential: Stable Value Fund, Large Cap Equity Index Fund, Small/Mid Cap Equity Fund, International Equity Fund, Fixed Income Fund, Inflation-Linked Fixed Income Fund, Target Date Funds, and Money Market Fund.

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/>.

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B. Assumptions

The significant actuarial methods and assumptions used in relation to the actuarial valuations for each of the City's pension plans are summarized below:

<u>Assumptions</u>	<u>Police Pre-1977 Plan</u>	<u>Firefighters' Pre-1977 Plan</u>	<u>1977 Police and Firefighters' Plan</u>	<u>PERF</u>
Date of valuation	January 1, 2023	January 1, 2023	Assets: June 30, 2023 Liabilities: June 30, 2022 - rolled forward to measurement date	Assets: June 30, 2023 Liabilities: June 30, 2022 - rolled forward to measurement date
Measurement date	December 31, 2023	December 31, 2023	June 30, 2023	June 30, 2023
Actuarial cost method	Entry Age Normal - Level Percent of Payroll	Entry Age Normal - Level Percent of Payroll	Entry Age Normal - Level Percent of Payroll	Entry Age Normal - Level Percent of Payroll
Long-term expected return on plan assets	N/A	N/A	6.25%	6.25%
Money-weighted rate of return	N/A	N/A	2.50%	2.50%
Inflation rate	2.00%	2.00%	2.00%	2.00%
Cost of living adjustment	Non-converted - 2.65% each July 1 Converted - 1.95% on July 1, 2024	Non-converted - 2.65% each July 1 Converted - 1.95% on July 1, 2024	1.95%	No COLA was granted for the 2023-2025 biennium. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2026; 0.5% beginning on January 1, 2034; 0.6% beginning on January 1, 2039.
Salary increase	2.65%	2.65%	2.65%	2.65% - 8.65%
Mortality	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019
Experience period	7/1/2015 to 6/30/2019	7/1/2015 to 6/30/2019	6/30/2014 to 6/30/2019	6/30/2014 to 6/30/2019
Discount rate	Barclay's 20-year Municipal Bond Index:	Barclay's 20-year Municipal Bond Index:		
2023	3.71%	3.71%	6.25%	6.25%
2022	4.12%	4.12%	6.25%	6.25%
Asset valuation method	N/A - pay-as-you-go-basis	N/A - pay-as-you-go-basis	5-year smoothing of gains/losses on market value with a 20% corridor	5-year smoothing of gains/losses on market value with a 20% corridor
Amortization method	N/A	N/A	Level dollar	Level dollar
Amortization period	N/A	N/A	Closed – 20 years	Closed – 20 years

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The long-term expected rate of return on pension plan investments for the 1977 Police and Firefighters’ Plan and PERF were determined using a building-block approach and assume a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted-average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table for the 1977 Police and Firefighters’ Plan and PERF:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Public equity	20%	3.7%
Private equity	15%	6.4%
Fixed income - ex inflation-linked	20%	2.2%
Fixed income - inflation-linked	15%	0.5%
Commodities	10%	1.1%
Real estate	10%	3.4%
Absolute return	5%	1.6%
Risk parity	20%	5.9%
Cash and cash overlay	-15%	0.0%
Total	<u>100%</u>	

Discount Rates

Because the Police and Firefighters’ Pre-1977 Plans have no accumulated assets, the discount rates for these plans are equal to the Barclay’s 20-year Municipal Bond Index for the year ended December 31, 2023.

The discount rate used to measure the total pension liability for the 1977 Police and Firefighters’ Plan and PERF was 6.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the fiduciary net position for each of these plans was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the respective total pension liability.

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Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following represents the City’s net pension liabilities (assets), by plan and in the aggregate, calculated using discount rates 1% higher and 1% lower than their respective current discount rates:

<u>Plan</u>	<u>Net Pension Liability (Asset)</u>		
	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Pre-1977 Police Plan (current rate: 3.71%)	\$ 303,362	\$ 280,090	\$ 259,832
Pre-1977 Firefighters' Plan (current rate: 3.71%)	284,742	263,165	244,392
1977 Police and Firefighters' Plan (current rate: 6.25%) - proportionate share (21.28%)	507,990	218,011	(16,112)
PERF (current rate: 6.25%) - proportionate share (1.41%)	81,143	49,791	23,649
Total	<u>\$ 1,177,237</u>	<u>\$ 811,057</u>	<u>\$ 511,761</u>

C. Pension Liabilities (Assets), Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liabilities for the Police and Firefighters’ Pre-1977 Plans were measured as of December 31, 2023, and the total pension liability used to calculate the net liability was determined by an actuarial valuation as of January 1, 2023, rolled forward to the measurement date. Member census data as of December 31, 2022, was used in the valuation and adjusted, where appropriate, to reflect changes between December 31, 2022, and December 31, 2023. For December 31, 2023, valuations, there were numerous assumption changes. See below:

1. Discount Rate: The discount rate used for the December 31, 2023, valuation was 3.71%, as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2023. This is a decrease from the 4.12% used for the December 31, 2022, valuation.
2. Cost-of-living-adjustment (COLA): For converted members, the July 1, 2023, COLA of 3.00% was used in place of the ongoing valuation assumption to reflect the known increase. Beginning July 1, 2024, the assumption reverts to the assumed annual rate of 1.95%. For non-converted members, there was no change, and the COLA remains at 2.65%.

The net pension liability for the 1977 Police and Firefighters’ Plan was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to the measurement date. Member census data as of June 30, 2022, was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2022, and June 30, 2023. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2022, to the June 30, 2023, measurement date. Wages reported by the City for police officers and for firefighters relative to the collective wages of the plan served as the basis to determine the City’s proportionate share for each member population. This basis of allocation is consistent with the manner in which contributions to the pension plan are determined. At June 30, 2023, the City’s proportion for its police officers was 11.26859%, which was a decrease of 0.59512% from its proportion measured as of June 30, 2022. At June 30, 2023, the City’s proportion for its firefighters was 10.01259%, which was a decrease of 0.35295% from its proportion measured as of June 30, 2022.

The net pension liability for PERF was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to the measurement date. Member census data as of June 30, 2022, was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2022, and June 30, 2023. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2022, to the June 30, 2023, measurement date. Wages reported by the City relative to the collective wages of the plan served as the basis to determine the City’s proportionate share. This basis of allocation is consistent with the manner in which contributions to the pension plan are determined. At June 30, 2023, the City’s proportion was 1.41077%, which was an increase of 0.09745% from its proportion measured as of June 30, 2022.

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At December 31, 2023, the City reported the following net pension liabilities, pension expense, deferred outflows of resources, and deferred inflows of resources related to the City’s four pension plans in which it participates:

<u>Plan</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
Pre-1977 Police Plan	\$ 280,090	\$ —	\$ —	\$ 14,945
Pre-1977 Firefighters' Plan	263,165	—	—	13,351
1977 Police and Firefighters' Plan	218,011	231,447	4,832	75,259
PERF	49,791	20,678	2,802	9,320
Total	<u>\$ 811,057</u>	<u>\$ 252,125</u>	<u>\$ 7,634</u>	<u>\$ 112,875</u>

The components of the net pension liability of the City for the Police and Firefighters’ Pre-1977 Plans as of December 31, 2023, were as follows:

	<u>Pre-1977 Police Plan</u>	<u>Pre-1977 Firefighters' Plan</u>
Total pension liability	\$ 279,981	\$ 262,925
Plan's fiduciary net position	(109)	(240)
City's net pension liability	<u>\$ 280,090</u>	<u>\$ 263,165</u>
 Plan fiduciary net position as a percentage of the total pension liability	 -0.04%	 -0.09%

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The changes in the net pension liability for the Police and Firefighters' Pre-1977 Plans follow:

	Pre-1977 Police Plan			Pre-1977 Firefighters' Plan		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances as of January 1, 2023	\$ 291,061	\$ 882	\$ 290,179	\$ 274,803	\$ 687	\$ 274,116
Changes for the year:						
Service cost	—	—	—	—	—	—
Interest on total pension liability	11,251	—	11,251	10,586	—	10,586
Difference between expected and actual experience	(4,963)	—	(4,963)	(5,262)	—	(5,262)
Effect of assumptions changes	8,639	—	8,639	8,007	—	8,007
Nonemployer contributing entity contributions	—	25,625	(25,625)	—	24,974	(24,974)
Projected benefit payments	(26,007)	—	(26,007)	(25,209)	—	(25,209)
Benefit payments	—	(26,616)	26,616	—	(25,901)	25,901
Total net changes	<u>(11,080)</u>	<u>(991)</u>	<u>(10,089)</u>	<u>(11,878)</u>	<u>(927)</u>	<u>(10,951)</u>
Balances as of December 31, 2023	<u>\$ 279,981</u>	<u>\$ (109)</u>	<u>\$ 280,090</u>	<u>\$ 262,925</u>	<u>\$ (240)</u>	<u>\$ 263,165</u>

Detailed information regarding the fiduciary net position for the 1977 Police and Firefighters' Plan and PERF is available in the separately issued financial reports for these plans.

The Police and Firefighters' Pre-1977 Plans have no deferred outflows of resources or deferred inflows of resources as of December 31, 2023. Deferred outflows of resources and deferred inflows of resources related to the 1977 Police and Firefighters' Plan and PERF as of December 31, 2023, are from the following sources:

	1977 Police and Firefighters' Plan		PERF		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 71,618	\$ 437	\$ 1,019	\$ —	\$ 72,637	\$ 437
Net difference between projected and actual earnings on pension plan investments	89,366	—	11,413	—	100,779	—
Changes in assumptions	49,080	3,227	2,715	—	51,795	3,227
Changes in proportion and differences between the City's contribution and proportionate share contributions	1,448	1,168	1,709	2,802	3,157	3,970
City's contributions subsequent to the measurement date	19,935	—	3,822	—	23,757	—
Total	<u>\$ 231,447</u>	<u>\$ 4,832</u>	<u>\$ 20,678</u>	<u>\$ 2,802</u>	<u>\$ 252,125</u>	<u>\$ 7,634</u>

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At December 31, 2023, the City reported \$19,935 and \$3,822 as deferred outflows of resources related to pensions resulting from plan contributions made by the City to the 1977 Police and Firefighters' Plan and PERF, respectively, subsequent to the measurement date. Therefore, \$19,935 will be recognized as a decrease in the net pension liability for the 1977 Police and Firefighters' Plan and \$3,822 will be recognized as a decrease in the net pension liability for PERF in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2023, related to pensions will be recognized in pension expense as follows:

		1977 Police and Firefighters' Plan		PERF		Total
	\$	<u> </u>	\$	<u> </u>	\$	<u> </u>
2024		37,960		4,168		42,128
2025		28,234		565		28,799
2026		79,231		7,768		86,999
2027		32,067		1,553		33,620
2028		19,235		—		19,235
Thereafter		9,953		—		9,953
Total	\$	<u>206,680</u>	\$	<u>14,054</u>	\$	<u>220,734</u>

D. Pension Trust Fund Financial Statements

Separately issued financial statements are not available for the Police and Firefighters' Pre-1977 Plans. The combining statement of pension trust funds net position at December 31, 2023, follows:

	Police Pension	Firefighters' Pension	Total
	<u> </u>	<u> </u>	<u> </u>
LIABILITIES			
Liabilities:			
Due to other funds	109	240	349
Total liabilities	<u>109</u>	<u>240</u>	<u>349</u>
 NET POSITION (DEFICIT) RESTRICTED FOR PENSIONS			
Net position (deficit) restricted for pensions	\$ <u>(109)</u>	\$ <u>(240)</u>	\$ <u>(349)</u>

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The combining statement of changes in fiduciary net position for the year ended December 31, 2023, follows:

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Employer contributions	\$ 25,625	\$ 24,974	\$ 50,599
DEDUCTIONS			
Benefits	26,616	25,901	52,517
Net increase (decrease) in net position	(991)	(927)	(1,918)
Net position restricted for pensions – beginning of year	882	687	1,569
Net position (deficit) restricted for pensions – end of year	\$ (109)	\$ (240)	\$ (349)

16. Deferred Compensation Plan

Employees of the City of Indianapolis are eligible to participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code (“IRC”) Section 457. The deferred compensation plan is available to all employees of the City. Under this plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable 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. Effective July 1, 2022, the City elected to provide an employer match to all civilian employees. The match is a one-for-one match, not to exceed \$50 per pay/\$1,200 a year (not in thousands).

17. Contingent Liabilities and Commitments

- A. Various lawsuits are pending against the City. In the opinion of the City’s Corporation Counsel, the aggregate potential loss on all outstanding litigation for public liability self-insurance was estimated to be \$300 at December 31, 2023. This amount has been accrued for in the Internal Service Fund. Indiana law limits the liability of municipalities to \$700 per person and \$5,000 per occurrence. Additionally, the City is a defendant in various lawsuits for which management has determined that there is a reasonable possibility of an adverse outcome. No accrual has been made in the financial statements for these items, which approximate \$2,334 – \$63,145, as these potential losses are not both probable and estimable.
- B. The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants.

18. Risk Management

The City is insured for property and certain liability losses, subject to certain deductible amounts, except that it is self-insured for auto liability, a high deductible health insurance plan, general liability (excluding certain other catastrophes), workers’ compensation inpatient services, and services delivered at a site other than that provided for in the workers’ compensation agreement. Expenses are recorded when a determinable loss is probable, and the amount of the loss can be estimated.

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The change in claims for 2023 and 2022, including an estimate of incurred but not reported claims, is as follows:

	<u>Risk Management</u>	<u>Public Liability Self-Insurance</u>	<u>Employee Health Insurance</u>	<u>Total</u>
Unpaid claims, December 31, 2021	\$ 9,244	\$ 1,399	\$ 11,841	\$ 22,484
Incurred claims and changes in estimates	8,510	8,884	99,959	117,353
Claims paid	<u>(8,840)</u>	<u>(4,641)</u>	<u>(102,940)</u>	<u>(116,421)</u>
Unpaid claims, December 31, 2022	\$ 8,914	\$ 5,642	\$ 8,860	\$ 23,416
Incurred claims and changes in estimates	9,124	2,821	100,920	112,865
Claims paid	<u>(8,596)</u>	<u>(8,163)</u>	<u>(99,576)</u>	<u>(116,335)</u>
Unpaid claims, December 31, 2023	<u>\$ 9,442</u>	<u>\$ 300</u>	<u>\$ 10,204</u>	<u>\$ 19,946</u>

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and job-related illnesses or injuries to employees. The City individually handles these risks of loss through combinations of risk retention and commercial insurance.

The City has entered into contracts with two companies to service its workers' compensation and auto liability claims, which are reported in the Risk Management Internal Service Fund. Under the terms of the contracts, the City is required to maintain a minimum level of funds in a "loss fund account" with the company for the purpose of paying claims and losses. These amounts are recorded as an asset since the self-insurance risk is not transferred to the service agent. The City records a liability for the estimated outstanding losses at year-end, which includes an accrual for incurred but not reported claims, that is included in accounts payable and other current liabilities in the statement of net position. The estimate of claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses, regardless of whether allocated to specific claims. The City accounts for the self-insurance programs in internal service funds.

The City has elected to be self-insured through a high-deductible health insurance plan that is offered to current and eligible retired employees. There is a \$500 stop-loss coverage for each employee per annum. The City has contracted with a third party to service its health insurance claims. The City records a liability for the estimated outstanding claims at year-end in the self-insurance fund, which is included in accounts payable and other current liabilities in the statement of net position. The estimate of claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded commercial coverage in the past three years.

19. Parking Meter Concession Agreement

Effective December 22, 2010, the City entered into an agreement with a concessionaire to operate and maintain the City's parking meter system, including collecting parking meter revenues and issuing parking tickets for violations related to the parking meter system and residential parking permits. The objective of entering into this agreement was to modernize the parking meter system and to provide residents and visitors with more convenient parking options and to provide the City with funding for infrastructure improvements. In addition to operating and maintaining the City's parking meter system, the concessionaire is responsible for making all capital improvements required to be completed during the 50-year term of the agreement, including implementing multi-space meters in certain locations and installing meters that are capable of accepting electronic payments. The City accounts for this transaction in accordance with the requirements of GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*.

The City receives a share of all revenues generated from the parking meter system. During 2023, the City's monthly share of the revenue was 30% for parking meter revenues collected between \$0 and \$767 and 60% for all such amounts above \$767 (each tier amount is adjusted for inflation annually). Under the agreement, the City must compensate the concessionaire to offset its losses for certain events, which include, but are not limited to, the City's removal or temporary closure of parking meters, material changes in the rules and regulations affecting the parking meters or residential permits, and the City's ownership or operation of certain off-street parking developed after the effective date and located within a quarter of a mile of a parking meter space. The City may terminate the concessionaire agreement but would be required to make a termination payment ranging from \$8,000 to \$19,800 based on the date of termination.

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(Dollars in Thousands)

At December 31, 2023, \$14,800 is recorded as a deferred inflow of resources in the government-wide statement of net position for the unamortized portion of upfront payments by the operator to the City. The deferred inflow of resources is being amortized using the straight-line method over the 50-year term of the agreement and, in 2023, \$400 was amortized and recognized as revenue in the government-wide statement of activities.

20. Related Party Transactions

The City and the County have entered into a number of management contracts with the Building Authority. Such contracts provide for the construction, operation, and/or maintenance of facilities for use by various departments of the City and the County. In some instances, the City and the County advance funds to the Building Authority for construction of new facilities. In other instances, management contracts are established for existing facilities. Under each of their management contracts, the City and the County designate the Building Authority as their agent and manager for purposes of constructing, maintaining and/or managing the facilities. Maintenance Fees are payable to the Building Authority for facilities covered under management contracts and vary each year based on the operating expense budgets for the facilities. During 2023, the City paid the Building Authority \$3,879 in Maintenance Fees. The City's management contracts expire on various dates through June 30, 2024. The Building Authority is a separate municipal corporation, acting as a joint building authority, whose purpose is to finance, acquire, construct, improve, renovate, equip, operate, maintain, and manage land, governmental buildings, and communication systems for governmental entities within Marion County. Such facilities are sometimes financed by the Building Authority through the issuance of bonded debt. The governing Indiana statute with respect to each of the Building Authority's lease liabilities provides governments shall be obligated to levy annually a tax sufficient to produce each year the necessary funds to pay the lease liabilities to the Building Authority. The City currently has no debt related obligations to the Building Authority.

The legislative body of the City is the same in several respects as that of the County, and the position of the County Executive is the same as the Mayor of Indianapolis. The County provides certain information systems and telephone services to the City. During 2023, the City incurred approximately \$20,324 in information systems costs and \$1,090 in telephone costs. The City also paid the County \$7,220 of 911 dispatch fees. During 2023, the County paid the City \$669 for fuel charges. As of December 31, 2023, the County owed the City \$517 for court costs. In addition, the City and County both act in capacities as pass through and subrecipient agents for federal and state grants.

The City and County purchase certain insurance policies, which cover risks of both entities. The City and County pay premiums associated with their own respective portions of the coverage. The City provides certain administrative services to the County, including purchasing, legal, and other general administration. The City funds such services through a countywide tax levy. The County does not compensate the City for these services. Conversely, Marion County provides, at no compensation, criminal, civil, juvenile, and probate court services to all municipalities and unincorporated areas in the County and administers the property tax administration and collection system for the same jurisdictions and the Marion County jail and lockup.

In 2010, the City entered into an Interlocal Cooperation Agreement to provide \$8,000 of funding annually to the Capital Improvement Board of Managers (of Marion County, Indiana) ("CIB") to further their mutual purposes, including to better assure their funding sources for Visit Indy, Inc. Visit Indy, Inc. is an important body through which the convention and visitor industry and the commercial, industrial, and cultural interests of Indianapolis and its citizens are promoted and publicized, including the CIB's capital improvements. The agreement renews annually and assumes the same terms and level of funding, subject to certain factors (including the availability of funds), unless either party gives a six-month termination notice prior to the end of the annual cycle.

In connection with a Public Safety Support Agreement dated March 1, 2013, between the City and the CIB, the CIB is to pay a portion of the Marion County Admissions Taxes and Marion County Supplemental Auto Rental Excise Taxes it receives on an annual basis to the City to be used for public safety purposes. The CIB is to pay to the City 25% of the revenue received from the most recently enacted increase in the admissions tax, which in 2023 amounted to \$2,715; however, per the agreement, such amount shall never exceed \$3,000 annually. The term of the Public Safety Agreement extends to February 28, 2025, and automatically renews for additional four-year periods until terminated by either party.

The City and County have transactions with each other throughout the year. As part of the accounts receivable and accounts payable analyses, a number of these transactions are determined to be accruals. At December 31, 2023, the City recorded \$3,053 in accounts payable to Marion County, and the County recorded \$331 in accounts payable to the City of Indianapolis.

In 2018, the City entered into an agreement with The Health and Hospital Corporation of Marion County ("HHC"), whereas HHC agreed to support a portion of the startup and capital costs associated with the Community Justice Center Campus, which will include an Assessment and Intervention Center ("AIC"). HHC will provide support from 2018 through 2025, as follows: \$4,700 in 2018, \$2,500 in 2019, \$2,500 in 2020, and \$2,700 annually in 2021-2025. The AIC will help by diverting individuals from infective punitive measures, including incarceration, and into appropriate care delivery models that provide rapid and integrated patient care, to address mental health, addiction, homelessness, and other socio-economic issues.

The City provides an annual contribution to support operating and capital expenses to the Indianapolis City Market Corporation ("Market"), a not-for-profit organization formed for the purpose of operating the Indianapolis City Market. In 2023, the City contributed \$575.

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December 31, 2023
(Dollars in Thousands)

21. Interfund Transactions and Balances

Funds are transferred from one fund to support expenditures of other funds in accordance with authority established for the individual fund. The composition of interfund receivable and payable balances as of December 31, 2023, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Federal Grants Fund	\$ 19,674
General Fund	Nonmajor Governmental Funds	168
General Fund	Fiduciary Funds	349
Total		20,191

Interfund transfers for the year ended December 31, 2023, consisted of the following:

Transfers Out	Transfers In					Total
	Governmental Activities					
	General Fund	Federal Grants Fund	Revenue Bond Debt Service Fund	Convention Center Hotel Capital Project	Nonmajor Governmental Funds	
General Fund	\$ —	\$ —	\$ 6,444	\$ —	\$ 103,816	\$ 110,260
Federal Grants Fund		—	—	—	1,275	1,275
Revenue Bond Debt Service Fund	350	—	—	—	86,374	86,724
Convention Center Hotel Capital Project	—	—	—	—	91,582	91,582
Nonmajor Governmental Funds	84,275	1	20,078	193,593	12,066	310,013
Total transfers	\$ 84,625	\$ 1	\$ 26,522	\$ 193,593	\$ 295,113	\$ 599,854

Interfund transfers were used to (1) move revenues from the fund that an ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them or (2) use unrestricted revenues collected in the general fund to finance capital improvements and other funds in accordance with budgetary authorization.

22. Explanation of Certain Differences between the Governmental Fund Financial Statements and the Government-Wide Financial Statements

Long-term liabilities applicable to the City’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities — both current and long term — are reported in the statement of net position.

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December 31, 2023
(Dollars in Thousands)

Details of the adjustment for these reconciling items between the *fund balances – total governmental funds* and *total net position of governmental activities*, as reported in the government-wide statement of net position at December 31, 2023, follow:

Bonds and notes payable	\$	1,983,784
Unamortized premiums, net of discounts		101,317
Amounts recorded as matured bonds and notes payable at December 31, 2023		(13,146)
Lease liabilities		35,971
Subscription liabilities		18,312
Financed purchase obligations		61,227
Net pension liabilities		811,057
Postemployment benefit liability		287,296
Compensated absences		42,204
Combined adjustment	\$	<u><u>3,328,022</u></u>

Issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on the change in net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Details of the adjustments for these reconciling items between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities*, as reported in the government-wide statement of activities for the year ended December 31, 2023, follow:

Debt issued:		
Tax increment bonds, excluding accretion on capital appreciation bonds of \$7,579	\$	218,661
Revenue bonds		448,360
Notes payable		26,578
Lease liabilities		114
Subscription liabilities		1,612
Financed purchase obligations		32,989
Unamortized premiums		21,731
Unamortized discounts		(8,918)
Combined adjustment	\$	<u><u>741,127</u></u>
Repayments:		
Bond principal, less decrease in matured bonds payable of \$10	\$	89,140
Notes payable		22,985
Lease liabilities		10,274
Subscription liabilities		2,832
Financed purchase obligations		3,691
Combined adjustment	\$	<u><u>128,922</u></u>

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Financial Statements
December 31, 2023
(Dollars in Thousands)

23. Deficit Fund Balances and Net Position

Negative fund balances by fund are as follows:

Deficit Fund Balances	2023
Major Fund	
Federal Grants	\$ (11,158)
Internal Service Fund	
Risk Management	\$ (4,182)
Fiduciary Funds	
Police Pension	\$ (109)
Firefighters' Pension	(240)

The federal grants fund negative fund balance will be covered by future grant reimbursements. The risk management internal service fund negative fund balance will be covered by future charges to City departments. The pension funds' negative fund balances will be covered by future reimbursements from the state of Indiana.

24. Subsequent Events

On January 4, 2024, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2024 (Federally Taxable – Oddfellows Project) in the amount of \$9,913. The proceeds will be used to provided funds to INP LLC (“Developer”), to finance the cost of acquiring, rehabilitating, renovating, constructing, developing, improving and equipping of the Oddfellows Building into a lifestyle-brand boutique hotel, including, up to approximately 164 new guest rooms with associated amenities, ground floor retail, rooftop bar/lounge, and approximately 4,500 square feet of ballroom and meeting space, located at One North Pennsylvania Street. The bonds are draw bonds and at closing an initial draw was made for \$375. The bonds mature on February 1, 2049, and have an interest rate of 8.0%.

On February 8, 2024, the City issued its Facility Revenue Bonds, Series 2024 A in the amount of \$23,315. The proceeds are being issued to fund the cost of renovating, repairing, improving or demolishing certain buildings and facilities, including, but not limited to, certain improvements to the City-County Building and the demolition of the former County Jail 1 located at 40 South Alabama Street. The bonds mature on January 15, 2042, and have an interest rate of 3.0-6.0%.

On February 15, 2024, the City issued its Economic Development Tax Increment Revenue Bonds, Series 2024 (Domino Project) in the amount of \$8,474. The proceeds will be provided to The Domino, LLC (“Developer”) to finance a portion of the construction, acquisition and equipping of a multi-family residential development known as “The Domino” consisting of approximately 220 new construction, high-quality apartment units with parking and amenities. The bonds mature on February 1, 2049, and have an interest rate of 7.8%.

On June 18, 2024, the City issued its Metropolitan Throughfare District Indy Roads Bonds, Series 2024 A and B in the amount of \$50,000 and \$8,575, respectively. The proceeds will be used for the purpose of providing funds for certain street, road, bridge, traffic signals, curb and sidewalk improvements, and together with related expenses will refund a portion of the City’s outstanding Indy Roads Revenue Bonds, Series 2015A, 2015B, 2018 and 2019. The bonds mature on January 1, 2044, and January 1, 2029 and have an interest rate of 5%.

Required
Supplementary Information

Required
Supplementary Information

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Budgetary Basis (Required Supplementary Information)
Year ended December 31, 2023
(In thousands)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Taxes	\$ 487,098	\$ 514,456	\$ 512,712	\$ (1,744)
Licenses and permits	16,310	16,310	15,348	(962)
Charges for services	84,075	84,075	78,597	(5,478)
Intergovernmental revenues	94,202	94,201	93,809	(392)
Traffic violations and court fees	2,106	2,106	1,230	(876)
Intragovernmental revenues	14,514	14,514	5,392	(9,122)
Interest and other operating revenues	19,909	19,910	30,827	10,917
Total revenues	<u>718,214</u>	<u>745,572</u>	<u>737,915</u>	<u>(7,657)</u>
Expenditures:				
Current:				
General government	29,308	31,868	31,294	574
Public safety	502,861	504,210	443,350	60,860
Public works	131,295	129,894	128,555	1,339
Health and welfare	995	844	1,723	(879)
Cultural and recreation	27,865	27,707	28,398	(691)
Urban redevelopment and housing	10,004	11,187	8,030	3,157
Economic development and assistance	882	3,471	5,163	(1,692)
Capital outlays	11,361	70,386	68,632	1,754
Total expenditures	<u>714,571</u>	<u>779,567</u>	<u>715,145</u>	<u>64,422</u>
Deficiency of revenues under expenditures	<u>3,643</u>	<u>(33,995)</u>	<u>22,770</u>	<u>56,765</u>
Other financing sources:				
Sale and lease of property	998	998	617	(381)
Transfers in (out)	(3,526)	(39,178)	(28,761)	10,417
Total other financing sources	<u>(2,528)</u>	<u>(38,180)</u>	<u>(28,144)</u>	<u>10,036</u>
Revenues and other financing sources over (under) expenditures and other financing uses	1,115	(72,175)	(5,374)	66,801
Fund balance at beginning of year	241,167	228,696	249,173	20,477
Cancellation of purchase orders and other	(12,471)	93,081	15,747	(77,334)
Fund balance at end of year	<u>\$ 229,811</u>	<u>\$ 249,602</u>	<u>\$ 259,546</u>	<u>\$ 9,944</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Coronavirus Federal Stimulus Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Budgetary Basis (Required Supplementary Information)
Year ended December 31, 2023
(In thousands)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Intergovernmental revenues	\$ —	\$ —	\$ —	\$ —
Interest and other operating revenues	—	—	10,388	10,388
Total revenues	<u>—</u>	<u>—</u>	<u>10,388</u>	<u>10,388</u>
Expenditures:				
Current:				
General government	—	102,055	23,312	78,743
Public safety	—	122,551	98,203	24,348
Health and welfare	—	112,059	—	112,059
Cultural and recreation	—	27	1,283	(1,256)
Urban redevelopment and housing	—	175,866	6,924	168,942
Economic development and assistance	—	18,245	9,430	8,815
Capital outlays	—	82,039	17,662	64,377
Total expenditures	<u>—</u>	<u>612,842</u>	<u>156,814</u>	<u>456,028</u>
Excess (deficiency) of revenues over (under) expenditures	<u>—</u>	<u>(612,842)</u>	<u>(146,426)</u>	<u>466,416</u>
Revenues and other financing sources over (under) expenditures and other financing uses	—	(612,842)	(146,426)	466,416
Fund balance at beginning of year	—	—	—	—
Cancellation of purchase orders and other	—	612,842	146,426	(466,416)
Fund balance at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Federal Grants Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Budgetary Basis (Required Supplementary Information)
Year ended December 31, 2023
(In thousands)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Intergovernmental revenues	\$ 114,517	\$ 114,517	\$ 27,700	\$ (86,817)
Traffic violations and court fees	3,475	3,475	1,669	(1,806)
Interest and other operating revenues	—	—	128	128
Total revenues	<u>117,992</u>	<u>117,992</u>	<u>29,497</u>	<u>(88,495)</u>
Expenditures:				
Current:				
General government	1,550	3,550	3,072	478
Public safety	21,433	22,732	9,259	13,473
Public works	600	600	320	280
Health and welfare	15,565	15,565	13,251	2,314
Cultural and recreation	1,997	3,795	1,024	2,771
Urban redevelopment and housing	39,889	39,889	25,445	14,444
Economic development and assistance	16,975	16,975	109	16,866
Capital outlays	<u>17,771</u>	<u>22,573</u>	<u>9,006</u>	<u>13,567</u>
Total expenditures	<u>115,780</u>	<u>125,679</u>	<u>61,486</u>	<u>64,193</u>
Deficiency of revenues under expenditures	<u>2,212</u>	<u>(7,687)</u>	<u>(31,989)</u>	<u>(24,302)</u>
Other financing sources (uses):				
Transfers in (out)	<u>(1,441)</u>	<u>(2,991)</u>	<u>(1,653)</u>	<u>1,338</u>
Total other financing sources	<u>(1,441)</u>	<u>(2,991)</u>	<u>(1,653)</u>	<u>1,338</u>
Revenues under expenditures and other financing sources	771	(10,678)	(33,642)	(22,964)
Fund balance at beginning of year	—	—	—	—
Cancellation of purchase orders and other	<u>(771)</u>	<u>10,678</u>	<u>33,642</u>	<u>22,964</u>
Fund balance at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

See notes to required budgetary supplementary information.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
State of Indiana Grants Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Budgetary Basis (Required Supplementary Information)
Year ended December 31, 2023
(In thousands)

	<u>Original budget</u>	<u>Final budget</u>	<u>Actual</u>	Variance with final budget – positive (negative)
Revenues:				
Intergovernmental revenues	\$ 10,373	\$ 10,373	\$ 2,195	\$ (8,178)
Traffic violations and court fees	1,727	1,727	1,375	(352)
Interest and other operating revenues	—	—	534	534
Total revenues	<u>12,100</u>	<u>12,100</u>	<u>4,104</u>	<u>(7,996)</u>
Expenditures:				
Current:				
General government	—	492	492	—
Public safety	2,053	3,228	2,515	713
Urban redevelopment and housing	890	1,665	1,665	—
Capital outlays	<u>8,200</u>	<u>8,200</u>	<u>—</u>	<u>8,200</u>
Total expenditures	<u>11,143</u>	<u>13,585</u>	<u>4,672</u>	<u>8,913</u>
Deficiency of revenues under expenditures	<u>957</u>	<u>(1,485)</u>	<u>(568)</u>	<u>917</u>
Other financing sources (uses):				
Transfers in (out)	<u>(922)</u>	<u>(922)</u>	<u>(978)</u>	<u>(56)</u>
Total other financing sources	<u>(922)</u>	<u>(922)</u>	<u>(978)</u>	<u>(56)</u>
Revenues under expenditures and other financing sources	35	(2,407)	(1,546)	861
Fund balance at beginning of year	—	—	—	—
Cancellation of purchase orders and other	<u>(35)</u>	<u>2,407</u>	<u>1,546</u>	<u>(861)</u>
Fund balance at end of year	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

See notes to required budgetary supplementary information.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Required Supplementary Information – Budgetary Comparison Schedule
December 31, 2023
(In thousands)

1. Budgets and Budgetary Accounting

- A) The City of Indianapolis (“City”) is required by state statute and City-County Council (“Council”) ordinance to adopt annual budgets for all subfunds of the General Fund; all Special Revenue Funds, except the Cable Franchise PEG Grants Fund; all Debt Service Funds; the City Cumulative Capital Development, the County Cumulative Capital Development, and the Fire Cumulative Capital Projects Funds; and the Police Pension and Firefighters Pension Trust Funds to the object level of control. These budgets require Council approval and are prepared for each departmental division and approved at the five object levels of expenditure (personal services, supplies, other services and charges, capital outlay, and internal charges). In addition, control is achieved for other capital projects funds by the original bond resolutions that are required by state statute to be approved by the Council for all bond issues for taxing units within the consolidated City. These originating bond resolutions serve as the basis for the appropriations for capital projects. These appropriations do not lapse at year-end. All other City sources of finance for capital projects are required to be appropriated within the providing City budgetary fund. Control over spending from funds which are not subject to the Council appropriation process is accomplished by the requirement that all disbursements of such funds be made only to a budgeted fund.

The Council may amend appropriations by transferring unencumbered appropriations from one object to another within the same fund and may also make additional appropriations to the extent of unappropriated fund balances. Transfers of appropriations from one line item to another within the object level of control may be approved by City management. During the year, for the General Fund, the following supplementary appropriations were properly approved:

	<u>General Fund</u>
Original appropriations	\$ 714,571
Revisions	64,996
Revised appropriations	<u>\$ 779,567</u>

The budget information disclosed includes the budget ordinances as amended. Internal charges are recorded as expenditures in one fund and negative expenditures in the receiving fund. Budgeted disbursements may exceed estimated revenues as appropriations contemplate the utilization of beginning fund balances. Except for Capital Projects Funds (excluding Cumulative Capital Development Funds) and certain Special Revenue Funds, unencumbered appropriations lapse with the expiration of the budgetary period. All budgets are prepared on the cash basis of accounting with the exception of revenues received in the current year but budgeted for in a prior year and that encumbrances and certain accounts payable are treated as expenditures.

- B) The City’s procedures in establishing the budget are as follows:
- 1) Prior to July 1, the Department Directors, in conjunction with the Mayor’s staff and the City Controller, develop budgets for the subsequent calendar year for the individual divisions within their respective departments.
 - 2) In July, the City Controller prepares the budget ordinances, which are introduced by the Mayor to the Council at the first August Council meeting. In developing these budgets, the City Controller adds the June 30 cash and investment balances to estimated revenues to be received and expenditures to be incurred from July 1 through December 31 in arriving at a December 31 “projected budgetary fund balance.” The projected budgetary fund balance and estimated revenues for the ensuing year are reduced by that year’s budgeted expenditures in developing the amount to be funded from ad valorem property taxes, to the extent of the maximum levy. By using this procedure, any actual results favorable or unfavorable to those estimated for any year are incorporated into the subsequent year’s budget.
 - 3) The Council assigns the introduced budgets to the appropriate Council Committees. In August and September, each Council Committee holds public hearings on the budget of the department or division for which it is responsible.
 - 4) Before Council budget ordinances are approved by the Council, they are advertised by the City Controller twice in a local newspaper prior to the last Council meeting in September. The Council may not pass a budget above the level advertised. The Mayor may veto separate items of an approved budget ordinance, but the Council may override a veto by a two-thirds vote.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis – Marion County)
Notes to Required Supplementary Information – Budgetary Comparison Schedule
December 31, 2023
(In thousands)

- 5) The Indiana Department of Local Government Finance (DLGF) makes the final review of the budget. It can revise, reduce, or restore on appeal budgets, levies, and tax rates removed by the Council. Except for Debt Service Funds, DLGF may not increase a budget, levy, or tax rate above the level originally advertised. If the budgets seek to exceed the tax limits of the state control laws, an excess levy may be granted if the excess levy meets state law requirements and is approved by DLGF. DLGF is required to certify the budgets, levies, and rates by December 31 of the year preceding the budget year, unless the City issues debt after December 1 in the year preceding the budget year, in which case DLGF will have until January 15.
- 6) The City’s maximum permissible annual ad valorem property tax levy is restricted by Indiana law, with certain adjustments and exceptions, to the prior year’s maximum permissible ad valorem property tax levy adjusted by the average growth factor in nonfarm income in the State of Indiana.
- C) Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, and Pension Trust Funds. Encumbrances do not lapse with the expiration of the budget period.

2. Budget/GAAP Reporting Differences

Adjustments necessary to convert the results of 2023 operations from a budgetary basis to a GAAP basis are as follows:

	<u>General Fund</u>	<u>Coronavirus Federal Stimulus Fund</u>	<u>Federal Grants</u>	<u>State of Indiana Grants</u>
Revenues over (under) expenditures and other financing sources (uses) (budgetary basis)	\$ (5,374)	\$ (146,426)	\$ (33,642)	\$ (1,546)
Adjustments:				
Accrued revenues	59,082	144,769	20,626	168
Accrued expenditures	(52,752)	(6,588)	(1,941)	(1,442)
Transfers, net	2,776	-	379	978
Encumbrances	30,242	78,997	37,011	4,261
Expenditures from prior year encumbrances	(67,957)	(69,439)	(24,639)	(328)
Net change in fund balances (GAAP basis)	<u>\$ (33,983)</u>	<u>\$ 1,313</u>	<u>\$ (2,206)</u>	<u>\$ 2,091</u>

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Pension - Police Pre-1977 Plan
Schedule of Changes in Net Pension Liability - Last Ten Fiscal Years
(In thousands)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability										
Service cost	\$ —	\$ —	\$ 66	\$ 147	\$ 173	\$ 227	\$ 268	\$ 469	\$ 598	\$ 430
Interest cost	11,251	5,210	5,787	8,748	12,161	11,667	13,538	12,070	12,393	18,697
Expected return on assets	—	—	—	—	(5)	—	—	—	—	—
Plan amendments	—	—	—	—	2,889	—	—	—	—	—
Experience (gains)/losses	(4,963)	8,429	(879)	(7,115)	(1,608)	(333)	(253)	270	(2,747)	—
Assumption changes	8,639	(75,441)	(850)	(3,099)	38,078	(13,830)	20,399	(29,167)	(1,539)	61,324
Projected benefit payments	<u>(26,007)</u>	<u>(26,991)</u>	<u>(26,941)</u>	<u>(27,361)</u>	<u>(28,160)</u>	<u>(28,513)</u>	<u>(28,723)</u>	<u>(28,979)</u>	<u>(29,171)</u>	<u>(29,267)</u>
Net change in total pension liability	(11,080)	(88,793)	(22,817)	(28,680)	23,528	(30,782)	5,229	(45,337)	(20,466)	51,184
Total pension liability - beginning	<u>291,061</u>	<u>379,854</u>	<u>402,671</u>	<u>431,351</u>	<u>407,823</u>	<u>438,605</u>	<u>433,376</u>	<u>478,713</u>	<u>499,179</u>	<u>447,995</u>
Total pension liability - ending	<u>\$ 279,981</u>	<u>\$ 291,061</u>	<u>\$ 379,854</u>	<u>\$ 402,671</u>	<u>\$ 431,351</u>	<u>\$ 407,823</u>	<u>\$ 438,605</u>	<u>\$ 433,376</u>	<u>\$ 478,713</u>	<u>\$ 499,179</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 25,625	\$ 27,771	\$ 27,376	\$ 27,377	\$ 28,138	\$ 28,183	\$ 28,303	\$ 28,887	\$ 29,116	\$ 28,762
Actual benefit payments	<u>(26,616)</u>	<u>(26,532)</u>	<u>(27,737)</u>	<u>(27,833)</u>	<u>(28,133)</u>	<u>(28,532)</u>	<u>(28,570)</u>	<u>(28,761)</u>	<u>(30,153)</u>	<u>(28,783)</u>
Net change in plan fiduciary net position	(991)	1,239	(361)	(456)	5	(349)	(267)	126	(1,037)	(21)
Plan fiduciary net position (deficit) - beginning	<u>882</u>	<u>(357)</u>	<u>4</u>	<u>460</u>	<u>455</u>	<u>804</u>	<u>1,071</u>	<u>945</u>	<u>1,982</u>	<u>2,003</u>
Plan fiduciary net position (deficit) - ending	<u>\$ (109)</u>	<u>\$ 882</u>	<u>\$ (357)</u>	<u>\$ 4</u>	<u>\$ 460</u>	<u>\$ 455</u>	<u>\$ 804</u>	<u>\$ 1,071</u>	<u>\$ 945</u>	<u>\$ 1,982</u>
City's Net Pension Liability	<u>\$ 280,090</u>	<u>\$ 290,179</u>	<u>\$ 380,211</u>	<u>\$ 402,667</u>	<u>\$ 430,891</u>	<u>\$ 407,368</u>	<u>\$ 437,801</u>	<u>\$ 432,305</u>	<u>\$ 477,768</u>	<u>\$ 497,197</u>

(Continued)

Notes to Schedule

Benefit changes: None

Changes in assumptions: The following changes in assumptions were made from the December 31, 2022 valuation.

- *Discount Rate*: The discount rate used for the December 31, 2023 valuation was 3.71%, as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2023. This is a decrease from the 4.12% used for the December 31, 2022 valuation.
- *Cost-of-living-adjustment (COLA)*: For converted members, the July 1, 2023 COLA of 3.00% was used in place of the ongoing valuation assumption to reflect the known increase. Beginning July 1, 2024, the assumption reverts to the assumed annual rate of 1.95%. For non-converted members, there was no change and the COLA remains at 2.65%.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Pension - Firefighters' Pre-1977 Plan
Schedule of Changes in Net Pension Liability - Last Ten Fiscal Years
(In thousands)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability										
Service cost	\$ —	\$ 67	\$ 67	\$ 50	\$ 78	\$ 122	\$ 167	\$ 330	\$ 327	\$ 299
Interest cost	10,586	4,906	5,297	7,966	11,096	10,624	12,356	11,149	11,500	17,406
Expected return on assets	—	—	—	—	2	—	—	—	—	—
Plan amendments	—	—	—	—	2,396	—	—	—	—	—
Experience (gains)/losses	(5,262)	13,489	7,866	(4,097)	466	1,348	(4,522)	(552)	(628)	—
Assumption changes	8,007	(69,767)	(788)	(2,574)	33,418	(12,231)	17,990	(26,359)	(1,395)	55,244
Projected benefit payments	(25,209)	(26,559)	(25,961)	(26,420)	(27,196)	(27,432)	(27,655)	(28,046)	(28,340)	(28,489)
Net change in total pension liability	(11,878)	(77,864)	(13,519)	(25,075)	20,260	(27,569)	(1,664)	(43,478)	(18,536)	44,460
Total pension liability - beginning	274,803	352,667	366,186	391,261	371,001	398,570	400,234	443,712	462,248	417,788
Total pension liability - ending	<u>\$ 262,925</u>	<u>\$ 274,803</u>	<u>\$ 352,667</u>	<u>\$ 366,186</u>	<u>\$ 391,261</u>	<u>\$ 371,001</u>	<u>\$ 398,570</u>	<u>\$ 400,234</u>	<u>\$ 443,712</u>	<u>\$ 462,248</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 24,974	\$ 27,498	\$ 26,151	\$ 26,488	\$ 27,946	\$ 27,707	\$ 27,486	\$ 27,974	\$ 28,150	\$ 29,163
Actual benefit payments	(25,901)	(26,202)	(26,868)	(26,643)	(27,477)	(28,209)	(27,830)	(27,727)	(28,383)	(28,395)
Net change in plan fiduciary net position	(927)	1,296	(717)	(155)	469	(502)	(344)	247	(233)	768
Plan fiduciary net position (deficit) - beginning	687	(609)	108	263	(206)	296	640	393	626	(142)
Plan fiduciary net position (deficit) - ending	<u>\$ (240)</u>	<u>\$ 687</u>	<u>\$ (609)</u>	<u>\$ 108</u>	<u>\$ 263</u>	<u>\$ (206)</u>	<u>\$ 296</u>	<u>\$ 640</u>	<u>\$ 393</u>	<u>\$ 626</u>
City's Net Pension Liability	<u>\$ 263,165</u>	<u>\$ 274,116</u>	<u>\$ 353,276</u>	<u>\$ 366,078</u>	<u>\$ 390,998</u>	<u>\$ 371,207</u>	<u>\$ 398,274</u>	<u>\$ 399,594</u>	<u>\$ 443,319</u>	<u>\$ 461,622</u>

(Continued)

Notes to Schedule

Benefit changes: None

Changes in assumptions: The following changes in assumptions were made from the December 31, 2022 valuation.

- *Discount Rate*: The discount rate used for the December 31, 2023 valuation was 3.71%, as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2023. This is a decrease from the 4.12% used for the December 31, 2022 valuation.
- *Cost-of-living-adjustment (COLA)*: For converted members, the July 1, 2023 COLA of 3.00% was used in place of the ongoing valuation assumption to reflect the known increase. Beginning July 1, 2024, the assumption reverts to the assumed annual rate of 1.95%. For non-converted members, there was no change and the COLA remains at 2.65%.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Pensions
Schedule of Net Pension Liability and Related Ratios - Last Ten Fiscal Years
(In thousands)

Actuarial valuation date	Total pension liability (a)	Plan fiduciary net position (b)	City's net pension liability (a-b)	Fiduciary net position as a percentage of total pension liability (b/a)	City's covered payroll*	City's net pension liability as a percentage of covered payroll ((a-b)/c)
Police Pre-1977 Plan						
12/31/2023	\$ 279,981	\$ (109)	\$ 280,090	(0.04) %	\$ 101	277,316.8 %
12/31/2022	291,061	882	290,179	0.30	376	77,175.3
12/31/2021	379,854	(357)	380,211	(0.09)	462	82,296.8
12/31/2020	402,671	4	402,667	0.00	718	56,081.8
12/31/2019	431,351	460	430,891	0.11	1,022	42,161.5
12/31/2018	407,823	455	407,368	0.11	1,469	27,731.0
12/31/2017	438,605	804	437,801	0.18	1,498	29,225.7
12/31/2016	433,376	1,071	432,305	0.25	1,824	23,700.9
12/31/2015	478,713	945	477,768	0.20	1,645	29,043.6
12/31/2014	499,179	1,982	497,197	0.40	1,805	27,545.5
Firefighters' Pre-1977 Plan						
12/31/2023	262,925	(240)	263,165	(0.09)	-	N/A
12/31/2022	274,803	687	274,116	0.25	125	219,292.8
12/31/2021	274,803	(609)	275,412	(0.22)	127	216,859.8
12/31/2020	366,186	108	366,078	0.03	149	245,689.9
12/31/2019	391,261	263	390,998	0.07	250	156,399.2
12/31/2018	371,001	(206)	371,207	(0.06)	709	52,356.4
12/31/2017	398,570	296	398,274	0.07	1,115	35,719.6
12/31/2016	400,234	640	399,594	0.16	1,436	27,826.9
12/31/2015	443,712	393	443,319	0.09	1,175	37,729.3
12/31/2014	462,248	626	461,622	0.14	1,370	33,695.0

* Plans closed to new members

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Pensions
Schedule of Proportionate Share of Net Pension Liability - Last Ten Fiscal Years
(In thousands)

	<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>		<u>2019</u>		<u>2018</u>		<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>	
1977 Police and Firefighters' Plan																				
City's proportion of the net pension liability (asset)	21.28	%	22.23	%	21.66	%	22.23	%	22.13	%	22.59	%	22.89	%	22.60	%	22.75	%	22.01	%
City's proportionate share of the net pension liability (asset)	\$ 218,011		\$ 144,013		\$ (128,005)		\$ 53,985		\$ 2,040		\$ (19,856)		\$ (3,532)		\$ 20,079		\$ (33,609)		\$ (11,223)	
City's covered payroll	\$ 231,218		\$ 224,700		\$ 205,630		\$ 206,168		\$ 195,643		\$ 190,221		\$ 185,605		\$ 174,687		\$ 169,660		\$ 156,274	
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	94.29	%	64.09	%	(62.25)	%	26.18	%	1.04	%	(10.44)	%	(1.90)	%	11.49	%	(19.81)	%	(7.18)	%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.18	%	94.72	%	96.48	%	98.30	%	98.60	%	101.96	%	100.29	%	98.24	%	103.16	%	101.08	%
PERF																				
City's proportion of the net pension liability	1.411	%	1.313	%	1.426	%	1.470	%	1.395	%	1.366	%	1.360	%	1.387	%	1.393	%	1.375	%
City's proportionate share of the net pension liability	\$ 49,791		\$ 41,420		\$ 18,758		\$ 44,385		\$ 46,106		\$ 46,405		\$ 60,665		\$ 62,935		\$ 56,743		\$ 36,131	
City's covered payroll	\$ 88,694		\$ 75,584		\$ 78,595		\$ 79,334		\$ 72,681		\$ 69,701		\$ 67,458		\$ 66,460		\$ 66,731		\$ 67,127	
City's proportionate share of the net pension liability as a percentage of its covered payroll	56.14	%	54.80	%	23.87	%	55.95	%	63.44	%	66.58	%	89.93	%	94.70	%	85.03	%	53.82	%
Plan fiduciary net position as a percentage of the total pension liability	85.45	%	84.86	%	83.00	%	83.29	%	79.38	%	79.69	% *	76.65	%	75.35	%	77.35	%	84.29	%

* Effective January 1, 2018, funds previously known as annuity savings accounts (which had been reported within defined benefit funds) were recategorized as defined contribution funds based on Internal Revenue Service Private Letter Rulings PLR-193-2016 and PLR-110249-18. DC member balances previously reported within PERF DB fund totals were transferred to the appropriate DC fund as of January 1, 2018.

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Pensions
Schedule of Proportionate Share of Net Pension Liability - Last Ten Fiscal Years
(In thousands)

Notes to Schedule

The amounts presented for each fiscal year were determined as of June 30 (measurement date).

Benefit changes: None

Changes in assumptions: None

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Pensions
Schedule of Pension Contributions - Last Ten Fiscal Years
(In thousands)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
1977 Police and Firefighters' Plan										
Actuarially determined contribution	\$ 42,235	\$ 40,468	\$ 37,013	\$ 30,248	\$ 25,903	\$ 20,017	\$ 16,540	\$ 25,353	\$ 26,503	\$ 26,211
Contributions in relation to the actuarially determined contribution	\$ 40,288	\$ 38,882	\$ 38,643	\$ 36,462	\$ 35,627	\$ 33,241	\$ 32,274	\$ 35,650	\$ 33,947	\$ 31,256
Contribution deficiency (excess)	\$ 1,947	\$ 1,586	\$ (1,630)	\$ (6,214)	\$ (9,724)	\$ (13,224)	\$ (15,734)	\$ (10,297)	\$ (7,444)	\$ (5,045)
City's covered payroll	\$ 206,561	\$ 180,426	\$ 188,504	\$ 206,261	\$ 201,559	\$ 187,126	\$ 183,122	\$ 179,821	\$ 169,213	\$ 159,052
Contributions as a percentage of covered payroll	19.50 %	21.55 %	20.50 %	17.68 %	17.68 %	17.76 %	17.62 %	19.83 %	20.06 %	19.65 %
PERF										
Actuarially determined contribution	\$ 5,471	\$ 4,703	\$ 5,244	\$ 4,930	\$ 5,307	\$ 5,463	\$ 6,761	\$ 6,666	\$ 7,682	\$ 7,065
Contributions in relation to the actuarially determined contribution	\$ 7,133	\$ 6,240	\$ 5,977	\$ 6,361	\$ 6,653	\$ 6,831	\$ 7,188	\$ 7,496	\$ 7,682	\$ 7,065
Contribution deficiency (excess)	\$ (1,662)	\$ (1,537)	\$ (733)	\$ (1,431)	\$ (1,346)	\$ (1,368)	\$ (427)	\$ (830)	\$ —	\$ —
City's covered payroll	\$ 82,095	\$ 75,329	\$ 72,976	\$ 73,398	\$ 70,551	\$ 67,735	\$ 66,251	\$ 66,984	\$ 68,622	\$ 67,406
Contributions as a percentage of covered payroll	8.69 %	8.28 %	8.19 %	8.67 %	9.43 %	10.08 %	10.85 %	11.19 %	11.19 %	10.48 %
Police Pre-1977 Plan										
Statutorily required contribution	\$ 25,625	\$ 27,771	\$ 27,376	\$ 27,377	\$ 28,138	\$ 28,183	\$ 28,303	\$ 28,887	\$ 29,116	\$ 28,762
Contributions in relation to the statutorily required contribution	\$ 25,625	\$ 27,771	\$ 27,376	\$ 27,377	\$ 28,138	\$ 28,183	\$ 28,303	\$ 28,887	\$ 29,116	\$ 28,762
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll*	\$ 101	\$ 376	\$ 462	\$ 718	\$ 1,022	\$ 1,469	\$ 1,498	\$ 1,824	\$ 1,645	\$ 1,805
Contributions as a percentage of covered payroll	25,371.29 %	7,385.90 %	5,925.54 %	3,812.95 %	2,753.23 %	1,918.52 %	1,889.39 %	1,583.72 %	1,769.97 %	1,593.46 %
Firefighters' Pre-1977 Plan										
Statutorily required contribution	\$ 24,974	\$ 27,498	\$ 26,151	\$ 26,488	\$ 27,946	\$ 27,707	\$ 27,486	\$ 27,974	\$ 28,150	\$ 29,164
Contributions in relation to the statutorily required contribution	\$ 24,974	\$ 27,498	\$ 26,151	\$ 26,488	\$ 27,946	\$ 27,707	\$ 27,486	\$ 27,974	\$ 28,150	\$ 29,164
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
City's covered payroll*	\$ —	\$ 125	\$ 127	\$ 149	\$ 250	\$ 709	\$ 1,115	\$ 1,436	\$ 1,175	\$ 1,370
Contributions as a percentage of covered payroll	N/A %	21,998.40 %	20,591.34 %	17,777.18 %	11,178.40 %	3,907.90 %	2,465.11 %	1,948.05 %	2,395.74 %	2,128.76 %

* Plans closed to new members

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Pensions
Schedule of Pension Contributions - Last Ten Fiscal Years
(In thousands)

Notes to Schedule

The amounts presented for each fiscal year were determined as of June 30 (measurement date).

Benefit changes: None

Changes in assumptions: None

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Other Postemployment Benefit Plan
Schedule of Net OPEB Liability Under GASB 75
(In thousands)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
TOTAL OPEB LIABILITY						
Service cost	\$ 13,558	\$ 14,077	\$ 15,616	\$ 13,355	\$ 10,001	\$ 12,338
Interest	8,909	5,571	6,065	6,965	9,849	8,374
Economic/demographic gains/losses	36,374	-	(11,039)	-	(31,867)	-
Changes in assumptions	21,910	(42,055)	(17,454)	16,305	29,142	(15,568)
Benefit payments	<u>(8,368)</u>	<u>(7,764)</u>	<u>(6,838)</u>	<u>(7,093)</u>	<u>(5,893)</u>	<u>(6,154)</u>
Net change in total OPEB liability	72,383	(30,171)	(13,650)	29,532	11,232	(1,010)
Total OPEB liability - beginning	230,070	260,241	273,891	244,359	233,127	234,137
Total OPEB liability - ending	<u>\$ 302,453</u>	<u>\$ 230,070</u>	<u>\$ 260,241</u>	<u>\$ 273,891</u>	<u>\$ 244,359</u>	<u>\$ 233,127</u>
PLAN FIDUCIARY NET POSITION						
Contributions - employer	\$ 8,376	\$ 8,003	\$ 7,134	\$ 7,514	\$ 6,720	\$ 7,190
Net investment income	923	(516)	194	648	393	103
Benefit payments	(8,368)	(7,764)	(6,839)	(7,093)	(5,893)	(6,154)
Administrative expense	<u>(60)</u>	<u>(71)</u>	<u>(80)</u>	<u>(18)</u>	<u>(20)</u>	<u>(36)</u>
Net change in fiduciary net position	871	(348)	409	1,051	1,200	1,103
Plan fiduciary net position - beginning	14,286	14,634	14,225	13,174	11,974	10,871
Plan fiduciary net position - ending	<u>\$ 15,157</u>	<u>\$ 14,286</u>	<u>\$ 14,634</u>	<u>\$ 14,225</u>	<u>\$ 13,174</u>	<u>\$ 11,974</u>
Net OPEB liability	\$ 287,296	\$ 215,784	\$ 245,607	\$ 259,666	\$ 231,185	\$ 221,153
Plan fiduciary net position as a percentage of the total OPEB liability	5%	6%	6%	5%	5%	5%
Covered-employee payroll	369,602	360,376	359,231	352,958	322,297	311,988
Net OPEB liability as a percentage of covered-employee payroll	78%	60%	68%	74%	72%	71%

Notes to Schedule

The amounts presented for each fiscal year were determined as of December 31.

Benefit changes: None

Changes in assumptions: Discount rate increased from 2.06% at December 31, 2021 to 3.72% at December 31, 2022.

Required supplementary information is not available for 2014 through 2017.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Required Supplementary Information - Other Postemployment Benefit Plan
Schedule of OPEB Contributions
(In thousands)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually determined contribution	\$ 8,376	\$ 8,003	\$ 7,134	\$ 7,514	\$ 6,720	\$ 7,190
Contributions in relation to the contractually determined contribution	<u>8,376</u>	<u>8,003</u>	<u>7,134</u>	<u>7,514</u>	<u>6,720</u>	<u>7,190</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered-employee payroll	\$ 369,602	\$ 360,376	\$ 359,231	\$ 352,958	\$ 322,297	\$ 311,988
Contributions as a percentage of covered-employee payroll	2%	2%	2%	2%	2%	2%

Notes to Schedule

Required supplementary information is not available for 2014 through 2017.

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Additional
Supplementary Information

Additional
Supplementary Information

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Balance Sheet – Nonmajor Governmental Funds by Fund Type
December 31, 2023
(In thousands)

	<u>Nonmajor Special Revenue</u>	<u>Nonmajor Debt Service</u>	<u>Nonmajor Capital Projects</u>	<u>Nonmajor Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS					
Equity in pooled cash	\$ 1,688	\$ 3,465	\$ 27,973	\$ —	\$ 33,126
Cash and investments with fiscal agents	—	132,335	129,366	395	262,096
Investments	10,005	20,513	294,400	—	324,918
Accrued interest receivable	99	281	3,269	—	3,649
Property taxes receivable	—	475	733	—	1,208
Accounts receivable, less allowance	25	603	299	—	927
Financed purchase obligation receivable	—	—	3,252	—	3,252
Long-term receivables, less allowance	—	12,865	17,842	—	30,707
Total assets	<u>\$ 11,817</u>	<u>\$ 170,537</u>	<u>\$ 477,134</u>	<u>\$ 395</u>	<u>\$ 659,883</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Matured bonds payable	\$ —	\$ 7,501	\$ —	\$ —	\$ 7,501
Matured interest payable	—	3,090	—	—	3,090
Accounts payable and other accrued liabilities	799	592	49,175	—	50,566
Accrued payroll and payroll taxes	16	—	—	—	16
Due to other funds	—	—	168	—	168
Total liabilities	<u>815</u>	<u>11,183</u>	<u>49,343</u>	<u>—</u>	<u>61,341</u>
Deferred inflows of resources	<u>20</u>	<u>768</u>	<u>1,030</u>	<u>—</u>	<u>1,818</u>
Fund balances:					
<i>unallocated (hide me)</i>	0	0	-	0	—
Nonspendable	—	—	—	395	395
Restricted	10,982	158,586	348,798	—	518,366
Committed	—	—	77,963	—	77,963
Unassigned	—	—	—	—	—
Total fund balances	<u>10,982</u>	<u>158,586</u>	<u>426,761</u>	<u>395</u>	<u>596,724</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,817</u>	<u>\$ 170,537</u>	<u>\$ 477,134</u>	<u>\$ 395</u>	<u>\$ 659,883</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Governmental Funds by Fund Type
Year ended December 31, 2023
(In thousands)

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ 79,399	\$ 31,873	\$ 20,338	\$ —	\$ 131,610
Charges for services	2,574	—	—	—	2,574
Intergovernmental revenues	200	—	12,279	—	12,479
Traffic violations and court fees	548	—	—	—	548
Interest and other operating revenues	1,841	32,866	25,776	19	60,502
Total revenues	<u>84,562</u>	<u>64,739</u>	<u>58,393</u>	<u>19</u>	<u>207,713</u>
Expenditures:					
Current:					
General government	168	—	—	—	168
Public works	1,069	—	—	—	1,069
Economic development and assistance	—	—	83,466	—	83,466
Debt service:					
Redemption of bonds, notes and financed purchase obligations	—	55,784	2,590	—	58,374
Interest on bonds and notes	—	42,069	437	—	42,506
Bond and note issuance costs	—	407	3,283	—	3,690
Lease payments and other	—	11,413	5,499	—	16,912
Capital outlays	3,444	—	243,117	—	246,561
Total expenditures	<u>4,681</u>	<u>109,673</u>	<u>338,392</u>	<u>—</u>	<u>452,746</u>
Excess (deficiency) of revenues over (under) expenditures	<u>79,881</u>	<u>(44,934)</u>	<u>(279,999)</u>	<u>19</u>	<u>(245,033)</u>
Other financing sources (uses):					
Redemption of bonds, notes and financed purchase and subscription obligations	—	16,830	260,909	—	277,739
Premium on bonds and notes issued	—	—	21,731	—	21,731
Discount on bonds and notes issued	—	(243)	—	—	(243)
Transfers in	—	132,309	162,804	—	295,113
Transfers out	(80,470)	(8,857)	(220,686)	—	(310,013)
Total other financing sources (uses)	<u>(80,470)</u>	<u>140,039</u>	<u>224,758</u>	<u>—</u>	<u>284,327</u>
Net change in fund balances	(589)	95,105	(55,241)	19	39,294
Fund balances at beginning of year	11,571	63,481	482,002	376	557,430
Fund balances at end of year	<u>\$ 10,982</u>	<u>\$ 158,586</u>	<u>\$ 426,761</u>	<u>\$ 395</u>	<u>\$ 596,724</u>

The accompanying notes are an integral part of the financial statements.

General Fund

The General Fund is used to account for all financial resources of the City of Indianapolis except those required to be accounted for in another fund. Thus, all general operating revenues that are not restricted as to use by sources outside of the City are recorded in the General Fund. Further, as required by statute, the financial resources of the General Fund are accounted for in a series of subfunds as follows:

Consolidated County -	to account for all financial resources for which the taxpayer base is county-wide
Redevelopment -	to account for all financial resources of the Redevelopment special taxing district for economic development activities
Solid Waste Collection -	to account for all financial resources of the Solid Waste Collection special service district for refuse collection services
Solid Waste Disposal -	to account for all financial resources of the Solid Waste Disposal special service district for refuse disposal services
Public Safety Communications -	to account for all financial resources of the Public Safety Communication division of the Office of Public Health and Safety
Transportation -	to account for all financial resources of the Metropolitan Thoroughfare special taxing district
Fire -	to account for all financial resources of the Fire special service district
Park -	to account for all financial resources of the Park special taxing district
Metropolitan Police -	to account for all financial resources of the consolidated Indianapolis Metropolitan Police Department
Storm Water Management -	to account for all financial resources for storm water drainage services

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Subfund Assets, Liabilities, and Fund Balance – General Fund
December 31, 2023
(In thousands)

	General Fund Total	Intrafund Eliminations	Consolidated County	Redevelop- ment	Solid Waste		Public Safety Communications
					Collection	Disposal	
ASSETS							
Equity in pooled cash	\$ 31,938	\$ —	\$ 16,525	\$ 2,052	\$ 1,207	\$ 117	\$ 1
Cash and investments with fiscal agents	2,002	—	—	—	2,002	—	—
Investments	272,312	—	181,024	12,157	7,147	694	8
Accrued interest receivable	2,083	—	1,094	120	71	7	—
Property taxes receivable	8,736	—	1,206	22	1,292	—	—
Accounts receivable	31,758	—	4,918	817	1,433	602	—
Allowance for estimated uncollectibles – accounts receivable	(1,585)	—	—	—	—	—	—
Due from other funds	20,191	—	20,191	—	—	—	—
Long-term receivables	100	—	—	100	—	—	—
Total assets	<u>\$ 367,535</u>	<u>—</u>	<u>\$ 224,958</u>	<u>\$ 15,268</u>	<u>\$ 13,152</u>	<u>\$ 1,420</u>	<u>\$ 9</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable and other accrued liabilities	\$ 37,787	\$ —	\$ 17,009	\$ 556	\$ 8,946	\$ 2,695	\$ —
Accrued payroll and payroll taxes	17,197	—	6,270	43	208	—	3
Unearned revenue	2,450	—	86	—	—	—	—
Total liabilities	<u>57,434</u>	<u>—</u>	<u>23,365</u>	<u>599</u>	<u>9,154</u>	<u>2,695</u>	<u>3</u>
Deferred inflows of resources	<u>16,275</u>	<u>—</u>	<u>1,853</u>	<u>46</u>	<u>1,953</u>	<u>602</u>	<u>—</u>
Fund balances:							
<i>unallocated (hide me)</i>	—	—	—	—	—	—	—
Nonspendable	—	—	—	—	—	—	—
Restricted	74,435	—	—	—	—	—	—
Committed	5,915	—	5,915	—	—	—	—
Assigned	66,909	—	44,982	14,623	2,045	—	6
Unassigned	146,567	—	148,843	—	—	(1,877)	—
Total fund balances	<u>293,826</u>	<u>—</u>	<u>199,740</u>	<u>14,623</u>	<u>2,045</u>	<u>(1,877)</u>	<u>6</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 367,535</u>	<u>\$ —</u>	<u>\$ 224,958</u>	<u>\$ 15,268</u>	<u>\$ 13,152</u>	<u>\$ 1,420</u>	<u>\$ 9</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Subfund Assets, Liabilities, and Fund Balance – General Fund
December 31, 2023
(In thousands)

ASSETS	Transportation	Fire	Park	Metropolitan Police	Storm Water Management
Equity in pooled cash	\$ 3,836	\$ 808	\$ 940	\$ 1,066	\$ 5,386
Cash and investments with fiscal agents	—	—	—	—	—
Investments	22,719	4,782	5,569	6,309	31,903
Accrued interest receivable	225	47	55	149	315
Property taxes receivable	—	3,857	713	1,646	—
Accounts receivable	15,885	1,665	947	1,342	4,149
Allowance for estimated uncollectibles – accounts receivable	—	—	—	—	(1,585)
Due from other funds	—	—	—	—	—
Long-term receivables	—	—	—	—	—
Total assets	<u>\$ 42,665</u>	<u>\$ 11,159</u>	<u>\$ 8,224</u>	<u>\$ 10,512</u>	<u>\$ 40,168</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and other accrued liabilities	\$ 4,085	\$ 1,250	\$ 972	\$ 1,283	\$ 991
Accrued payroll and payroll taxes	501	4,739	447	4,837	149
Unearned revenue	—	—	473	1,891	—
Total liabilities	<u>4,586</u>	<u>5,989</u>	<u>1,892</u>	<u>8,011</u>	<u>1,140</u>
Deferred inflows of resources	<u>336</u>	<u>5,513</u>	<u>1,079</u>	<u>2,557</u>	<u>2,336</u>
Fund balance:					
<i>unallocated (hide me)</i>	—	—	—	—	—
Nonspendable	—	—	—	—	—
Restricted	37,743	—	—	—	36,692
Committed	—	—	—	—	—
Assigned	—	—	5,253	—	—
Unassigned	—	(343)	—	(56)	—
Total fund balances	<u>37,743</u>	<u>(343)</u>	<u>5,253</u>	<u>(56)</u>	<u>36,692</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 42,665</u>	<u>\$ 11,159</u>	<u>\$ 8,224</u>	<u>\$ 10,512</u>	<u>\$ 40,168</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Subfund Revenues, Expenditures, and Changes in Fund Balance – General Fund
Year ended December 31, 2023
(In thousands)

	General Fund Total	Intrafund eliminations	Consolidated County	Redevelop- ment	Solid Waste		Public Safety Communications
					Collection	Disposal	
Revenues:							
Taxes	\$ 512,543	\$ —	\$ 264,818	\$ 2,138	\$ 41,672	\$ —	\$ —
Licenses and permits	15,704	—	14,912	137	—	—	—
Charges for services	82,487	—	11,947	1,276	2,651	9,199	28
Other intergovernmental revenues:							
Federal revenues	4,090	—	579	—	—	—	—
State revenues	133,881	—	2,999	750	—	—	—
Other revenues	4,676	—	2,178	—	—	—	—
Intragovernmental revenue	8,045	—	2,379	—	—	—	—
Traffic violations and court fees	1,412	—	910	—	—	—	—
Interest and other operating revenues	32,275	—	18,151	1,134	210	(119)	80
Total revenues	<u>795,113</u>	<u>—</u>	<u>318,873</u>	<u>5,435</u>	<u>44,533</u>	<u>9,080</u>	<u>108</u>
Expenditures:							
Current:							
General government	54,082	—	51,198	108	—	—	2,776
Public safety	490,152	—	41,687	43	—	—	76
Public works	125,546	—	388	—	41,984	8,258	—
Health and welfare	1,438	—	950	488	—	—	—
Cultural and recreation	28,027	—	1,300	—	—	—	—
Urban redevelopment and housing	6,430	—	5,277	1,153	—	—	—
Economic development and assistance	2,941	—	1,361	1,580	—	—	—
Debt service:							
Redemption of bonds, notes and financed purchase and subscription obligations	5,374	—	1,691	6	—	—	—
Interest on bonds and notes	1,217	—	341	1	—	—	—
Lease payments and other	5,970	—	1,087	60	2,614	—	—
Capital outlays	84,435	—	56,351	78	3,598	90	11
Total expenditures	<u>805,612</u>	<u>—</u>	<u>161,631</u>	<u>3,517</u>	<u>48,196</u>	<u>8,348</u>	<u>2,863</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,499)</u>	<u>—</u>	<u>157,242</u>	<u>1,918</u>	<u>(3,663)</u>	<u>732</u>	<u>(2,755)</u>
Other financing sources (uses):							
Issuance of lease and subscription liabilities	1,726	—	1,613	—	—	—	—
Sales of capital assets	425	—	92	62	—	—	—
Transfers in	84,625	(144,807)	8,775	19	—	294	—
Transfers out	(110,260)	144,807	(173,691)	(883)	(294)	—	—
Total other financing sources (uses)	<u>(23,484)</u>	<u>—</u>	<u>(163,211)</u>	<u>(802)</u>	<u>(294)</u>	<u>294</u>	<u>—</u>
Net change in fund balance	(33,983)	—	(5,969)	1,116	(3,957)	1,026	(2,755)
Fund balances (deficits) at beginning of year	327,809	—	205,709	13,507	6,002	(2,903)	2,761
Fund balances (deficits) at end of year	<u>\$ 293,826</u>	<u>\$ —</u>	<u>\$ 199,740</u>	<u>\$ 14,623</u>	<u>\$ 2,045</u>	<u>\$ (1,877)</u>	<u>\$ 6</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Subfund Revenues, Expenditures, and Changes in Fund Balance – General Fund
Year ended December 31, 2023
(In thousands)

	<u>Transportation</u>	<u>Fire</u>	<u>Park</u>	<u>Metropolitan Police</u>	<u>Storm Water Management</u>
Revenues:					
Taxes	\$ 15,661	\$ 107,773	\$ 25,825	\$ 54,656	\$ —
Licenses and permits	—	26	—	629	—
Charges for services	1,878	670	4,508	3,820	46,510
Other intergovernmental revenues:					
Federal revenues	—	—	25	3,486	—
State revenues	77,037	25,423	—	27,672	—
Other revenues	—	1,249	—	1,249	—
Intragovernmental revenue	1,512	3,344	—	—	810
Traffic violations and court fees	—	70	—	432	—
Interest and other operating revenues	3,535	2,290	347	3,904	2,743
Total revenues	<u>99,623</u>	<u>140,845</u>	<u>30,705</u>	<u>95,848</u>	<u>50,063</u>
Expenditures:					
Current:					
General government	—	—	—	—	—
Public safety	—	214,909	2,633	230,804	—
Public works	51,388	—	10	—	23,518
Health and welfare	—	—	—	—	—
Cultural and recreation	—	—	26,727	—	—
Urban redevelopment and housing	—	—	—	—	—
Economic development and assistance	—	—	—	—	—
Debt service:					
Redemption of bonds, notes and financed purchase and subscription obligations	—	1,448	135	2,094	—
Interest on bonds and notes	—	676	22	107	70
Lease payments and other	6	74	20	1,684	425
Capital outlays	13,920	113	2,480	989	6,805
Total expenditures	<u>65,314</u>	<u>217,220</u>	<u>32,027</u>	<u>235,678</u>	<u>30,818</u>
Excess (deficiency) of revenues over (under) expenditures	<u>34,309</u>	<u>(76,375)</u>	<u>(1,322)</u>	<u>(139,830)</u>	<u>19,245</u>
Other financing sources (uses):					
Issuance of lease and subscription liabilities	—	113	—	—	—
Sales of capital assets	—	5	—	266	—
Transfers in	924	76,595	—	140,629	2,196
Transfers out	(50,893)	—	—	(6,214)	(23,092)
Total other financing sources (uses)	<u>(49,969)</u>	<u>76,713</u>	<u>—</u>	<u>134,681</u>	<u>(20,896)</u>
Net change in fund balance	(15,660)	338	(1,322)	(5,149)	(1,651)
Fund balances at beginning of year	53,403	(681)	6,575	5,093	38,343
Fund balances at end of year	<u>\$ 37,743</u>	<u>\$ (343)</u>	<u>\$ 5,253</u>	<u>\$ (56)</u>	<u>\$ 36,692</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Subfund Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Budgetary Basis

Year ended December 31, 2023

(In thousands)

	Total General Fund		Consolidated County		Redevelopment		Solid Waste Collection	
	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual
Revenues:								
Taxes	\$ 514,456	\$ 512,712	\$ 264,886	\$ 264,817	\$ 2,031	\$ 2,138	\$ 41,861	\$ 41,672
Licenses and permits	16,310	15,348	16,245	14,588	—	106	—	—
Charges for services	84,075	78,597	13,501	10,352	960	1,291	2,350	1,913
Other intergovernmental revenues:								
Federal revenues	211	8,035	—	1,027	—	—	—	—
State revenues	89,172	81,104	3,131	2,782	750	—	—	—
Other revenues	4,818	4,670	2,616	1,956	—	—	—	—
Traffic violations and court fees	2,106	1,230	1,446	860	—	—	—	—
Intragovernmental revenues	14,514	5,392	2,334	1,442	—	—	—	—
Interest and other operating revenues	19,910	30,827	7,329	17,986	450	897	30	(12)
Total revenues	<u>745,572</u>	<u>737,915</u>	<u>311,488</u>	<u>315,810</u>	<u>4,191</u>	<u>4,432</u>	<u>44,241</u>	<u>43,573</u>
Expenditures:								
Current:								
General government	31,868	31,294	31,760	31,184	108	109	—	—
Public safety	504,210	443,350	41,800	40,162	541	43	—	—
Public works	129,894	128,555	1,938	1,575	—	—	40,437	40,402
Health and welfare	844	1,723	275	1,192	569	531	—	—
Cultural and recreation	27,707	28,398	1,300	1,300	—	—	—	—
Urban redevelopment and housing	11,187	8,030	9,246	6,743	1,941	1,287	—	—
Economic development and assistance	3,471	5,163	—	1,377	3,471	3,786	—	—
Capital outlays	70,386	68,632	57,258	57,050	210	78	3,740	3,740
Total expenditures	<u>779,567</u>	<u>715,145</u>	<u>143,577</u>	<u>140,583</u>	<u>6,840</u>	<u>5,834</u>	<u>44,177</u>	<u>44,142</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(33,995)</u>	<u>22,770</u>	<u>167,911</u>	<u>175,227</u>	<u>(2,649)</u>	<u>(1,402)</u>	<u>64</u>	<u>(569)</u>
Other financing sources (uses):								
Sales of capital assets	998	617	110	102	700	247	—	—
Transfers in (out)	(39,178)	(28,761)	(235,370)	(164,915)	(200)	(864)	—	(294)
Total other financing sources (uses)	<u>(38,180)</u>	<u>(28,144)</u>	<u>(235,260)</u>	<u>(164,813)</u>	<u>500</u>	<u>(617)</u>	<u>—</u>	<u>(294)</u>
Revenues over (under) expenditures and other financing sources (uses)	<u>(72,175)</u>	<u>(5,374)</u>	<u>(67,349)</u>	<u>10,414</u>	<u>(2,149)</u>	<u>(2,019)</u>	<u>64</u>	<u>(863)</u>
Fund balances at beginning of year	228,696	249,173	156,115	166,289	8,649	10,447	6,363	7,697
Cancellation of purchase orders and other	93,081	15,747	87,650	6,454	1,574	190	911	634
Fund balances at end of year	<u>\$ 249,602</u>	<u>\$ 259,546</u>	<u>\$ 176,416</u>	<u>\$ 183,157</u>	<u>\$ 8,074</u>	<u>\$ 8,618</u>	<u>\$ 7,338</u>	<u>\$ 7,468</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Subfund Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

	Solid Waste Disposal		Public Safety Communications		Transportation		Metropolitan Police	
	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual
Revenues:								
Taxes	\$ —	\$ —	\$ —	\$ —	\$ 16,594	\$ 15,831	\$ 54,942	\$ 54,656
Licenses and permits	—	—	—	—	—	—	40	628
Charges for services	9,189	9,199	—	28	1,700	793	4,188	3,464
Other intergovernmental revenues:								
Federal revenues	—	—	—	—	—	—	111	6,983
State revenues	—	—	—	—	77,444	75,826	7,365	2,047
Other revenues	—	—	—	—	—	—	1,101	1,357
Traffic violations and court fees	—	—	—	—	—	—	660	327
Intragovernmental revenues	—	—	—	—	8,036	—	—	—
Interest and other operating revenues	—	(130)	—	80	2,095	3,619	5,601	3,591
Total revenues	<u>9,189</u>	<u>9,069</u>	<u>—</u>	<u>108</u>	<u>105,869</u>	<u>96,069</u>	<u>74,008</u>	<u>73,053</u>
Expenditures:								
Current:								
General government	—	—	—	—	—	1	—	—
Public safety	—	—	—	—	—	—	264,540	209,395
Public works	8,946	8,941	—	—	55,341	54,653	—	—
Health and welfare	—	—	—	—	—	—	—	—
Cultural and recreation	—	—	—	—	—	—	—	—
Urban redevelopment and housing	—	—	—	—	—	—	—	—
Economic development and assistance	—	—	—	—	—	—	—	—
Capital outlays	180	180	—	—	1,257	1,094	1,656	525
Total expenditures	<u>9,126</u>	<u>9,121</u>	<u>—</u>	<u>—</u>	<u>56,598</u>	<u>55,748</u>	<u>266,196</u>	<u>209,920</u>
Excess (deficiency) of revenues over (under) expenditures	<u>63</u>	<u>(52)</u>	<u>—</u>	<u>108</u>	<u>49,271</u>	<u>40,321</u>	<u>(192,188)</u>	<u>(136,867)</u>
Other financing sources (uses):								
Sale of capital assets	—	—	—	—	—	—	188	263
Transfers in (out)	—	294	(2,573)	(2,776)	(50,072)	(49,969)	191,771	134,415
Total other financing sources (uses)	<u>—</u>	<u>294</u>	<u>(2,573)</u>	<u>(2,776)</u>	<u>(50,072)</u>	<u>(49,969)</u>	<u>191,959</u>	<u>134,678</u>
Revenues over (under) expenditures and other financing sources (uses)	<u>63</u>	<u>242</u>	<u>(2,573)</u>	<u>(2,668)</u>	<u>(801)</u>	<u>(9,648)</u>	<u>(229)</u>	<u>(2,189)</u>
Fund balances at beginning of year	123	(192)	2,573	2,642	\$ 14,743	18,365	4,799	4,699
Cancellation of purchase orders and other	(111)	25	—	29	(831)	4,489	210	1,691
Fund balances at end of year	<u>\$ 75</u>	<u>\$ 75</u>	<u>\$ —</u>	<u>\$ 3</u>	<u>\$ 13,111</u>	<u>\$ 13,206</u>	<u>\$ 4,780</u>	<u>\$ 4,201</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Subfund Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

	Fire		Park		Storm Water Management	
	Final budget	Actual	Final budget	Actual	Final budget	Actual
Revenues:						
Taxes	\$ 108,112	\$ 107,773	\$ 26,030	\$ 25,825	\$ —	\$ —
Licenses and permits	25	26	—	—	—	—
Charges for services	538	668	5,009	4,403	46,640	46,486
Other intergovernmental revenues:						
Federal revenues	—	—	100	25	—	—
State revenues	482	449	—	—	—	—
Other revenues	1,101	1,357	—	—	—	—
Traffic violations and court fees	—	43	—	—	—	—
Intragovernmental revenues	3,344	3,344	—	—	800	606
Interest and other operating revenues	3,605	2,310	—	253	800	2,233
Total revenues	<u>117,207</u>	<u>115,970</u>	<u>31,139</u>	<u>30,506</u>	<u>48,240</u>	<u>49,325</u>
Expenditures:						
Current:						
General government	—	—	—	—	—	—
Public safety	193,723	191,119	3,606	2,631	—	—
Public works	—	—	—	—	23,232	22,984
Health and welfare	—	—	—	—	—	—
Cultural and recreation	—	—	26,407	27,098	—	—
Urban redevelopment and housing	—	—	—	—	—	—
Economic development and assistance	—	—	—	—	—	—
Capital outlays	1,742	1,742	585	490	3,758	3,733
Total expenditures	<u>195,465</u>	<u>192,861</u>	<u>30,598</u>	<u>30,219</u>	<u>26,990</u>	<u>26,717</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(78,258)</u>	<u>(76,891)</u>	<u>541</u>	<u>287</u>	<u>21,250</u>	<u>22,608</u>
Other financing sources (uses):						
Sale of capital assets	—	5	—	—	—	—
Transfers in (out)	78,556	76,595	—	—	(21,290)	(21,247)
Total other financing sources (uses)	<u>78,556</u>	<u>76,600</u>	<u>—</u>	<u>—</u>	<u>(21,290)</u>	<u>(21,247)</u>
Revenues over (under) expenditures and other financing sources (uses)	298	(291)	541	287	(40)	1,361
Fund balances at beginning of year	3,209	3,515	1,393	3,229	30,729	32,482
Cancellation of purchase orders and other	(277)	255	1,907	573	2,048	1,407
Fund balances at end of year	<u>\$ 3,230</u>	<u>\$ 3,479</u>	<u>\$ 3,841</u>	<u>\$ 4,089</u>	<u>\$ 32,737</u>	<u>\$ 35,250</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

Department and Division	Fund	Final budget	Actual	Variance
Executive and Legislative				
Office of the Mayor	Consolidated County			
Personal services		\$ 4,083	\$ 3,708	\$ 375
Supplies		16	5	11
Other services and charges		3,941	3,937	4
Capital outlay		1	—	1
Internal charges		(1,227)	(1,228)	1
Total		<u>6,814</u>	<u>6,422</u>	<u>392</u>
Office of Audit and Performance	Consolidated County			
Personal services		668	586	82
Supplies		2	—	2
Other services and charges		929	929	—
Capital outlay		1	—	1
Internal charges		30	30	—
Total		<u>1,630</u>	<u>1,545</u>	<u>85</u>
City–County Council	Consolidated County			
Personal services		2,164	1,652	512
Supplies		6	3	3
Other services and charges		1,023	539	484
Capital outlay		3	—	3
Internal charges		12	12	—
Total		<u>3,208</u>	<u>2,206</u>	<u>1,002</u>
Office of the Corporation Counsel	Consolidated County			
Personal services		3,549	3,377	172
Supplies		7	4	3
Other services and charges		2,315	2,315	—
Capital outlay		1	—	1
Internal charges		(4,333)	(4,333)	—
Total		<u>1,539</u>	<u>1,363</u>	<u>176</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

<u>Department and Division</u>	<u>Fund</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Office of Finance and Management	Consolidated County			
Personal services		\$ 5,835	\$ 5,812	\$ 23
Supplies		22	19	3
Other services and charges		4,320	4,320	—
Capital outlay		54,334	54,331	3
Internal charges		263	263	—
Total		<u>64,774</u>	<u>64,745</u>	<u>29</u>
Office of Finance and Management	Redevelopment			
Other services and charges		108	108	—
Total		<u>108</u>	<u>108</u>	<u>—</u>
Minority and Women Owned Business	Consolidated County			
Personal services		820	803	17
Supplies		4	4	—
Other services and charges		216	216	—
Capital outlay		1	—	1
Internal charges		32	32	—
Total		<u>1,073</u>	<u>1,055</u>	<u>18</u>
Total – Executive and Legislative		<u>\$ 79,146</u>	<u>\$ 77,444</u>	<u>\$ 1,702</u>
Department of Metropolitan Development	Consolidated County			
Personal services		\$ 4,152	\$ 3,963	\$ 189
Supplies		12	11	1
Other services and charges		5,281	5,262	19
Capital outlay		913	826	87
Internal charges		76	76	—
Total		<u>10,434</u>	<u>10,138</u>	<u>296</u>
Department of Metropolitan Development	Redevelopment			
Personal services		739	696	43
Supplies		3	3	—
Other services and charges		5,508	4,677	831
Capital outlay		210	78	132
Internal charges		272	272	—
Total		<u>6,732</u>	<u>5,726</u>	<u>1,006</u>
Total – Department of Metropolitan Development		<u>\$ 17,166</u>	<u>\$ 15,864</u>	<u>\$ 1,302</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

Department and Division	Fund	Final budget	Actual	Variance
Department of Business and Neighborhood Services	Consolidated County			
Personal services		\$ 17,236	\$ 16,227	\$ 1,009
Supplies		742	741	1
Other services and charges		9,214	8,557	657
Capital outlay		68	13	55
Internal charges		2,139	2,032	107
Total – Department of Business and Neighborhood Services		<u>\$ 29,399</u>	<u>\$ 27,570</u>	<u>\$ 1,829</u>
Department of Public Works	Consolidated County			
Personal services		\$ 12,655	\$ 11,282	\$ 1,373
Supplies		17,599	17,412	187
Other services and charges		11,776	11,776	—
Capital outlay		1,933	1,879	54
Internal charges		(36,669)	(34,129)	(2,540)
Total		<u>7,294</u>	<u>8,220</u>	<u>(926)</u>
Department of Public Works	Transportation			
Personal services		27,840	27,464	376
Supplies		6,588	6,287	301
Other services and charges		12,166	12,165	1
Capital outlay		1,257	1,094	163
Internal charges		8,747	8,738	9
Total		<u>56,598</u>	<u>55,748</u>	<u>850</u>
Department of Public Works	Park			
Personal services		5,019	5,019	—
Supplies		219	219	—
Other services and charges		1,832	1,832	—
Capital outlay		155	155	—
Internal charges		(7,224)	(7,224)	—
Total		<u>1</u>	<u>1</u>	<u>—</u>
Department of Public Works	Solid Waste Collection			
Personal services		8,204	8,204	—
Supplies		81	73	8
Other services and charges		26,762	26,743	19
Capital outlay		3,740	3,740	—
Internal charges		5,390	5,382	8
Total		<u>44,177</u>	<u>44,142</u>	<u>35</u>
Department of Public Works	Solid Waste Disposal			
Other services and charges		8,287	8,286	1
Capital outlay		180	180	—
Internal charges		659	655	4
Total		<u>9,126</u>	<u>9,121</u>	<u>5</u>
Department of Public Works	Storm Water Management			
Personal services		7,842	7,618	224
Supplies		89	82	7
Other services and charges		11,277	11,277	—
Capital outlay		3,758	3,733	25
Internal charges		4,024	4,007	17
Total		<u>26,990</u>	<u>26,717</u>	<u>273</u>
Total – Department of Public Works		<u>\$ 144,186</u>	<u>\$ 143,949</u>	<u>\$ 237</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
General Fund
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

Department and Division	Fund	Final budget	Actual	Variance
Office of Public Health and Safety	Consolidated County			
Personal services		\$ 2,160	\$ 2,114	\$ 46
Supplies		15	14	1
Other services and charges		13,844	13,811	33
Capital outlay		6	—	6
Internal charges		87	80	7
Total – Office of Public Health and Safety		<u>\$ 16,112</u>	<u>\$ 16,019</u>	<u>\$ 93</u>
Indianapolis Fire Department	Fire			
Personal services		\$ 174,148	\$ 172,476	\$ 1,672
Supplies		2,529	2,511	18
Other services and charges		10,950	10,928	22
Capital outlay		1,742	1,742	—
Internal charges		6,096	5,204	892
Total – Indianapolis Fire Department		<u>\$ 195,465</u>	<u>\$ 192,861</u>	<u>\$ 2,604</u>
Indianapolis Metropolitan Police Department	Metropolitan Police			
Personal services		\$ 224,073	\$ 171,663	\$ 52,410
Supplies		2,171	1,348	823
Other services and charges		26,117	24,916	1,201
Capital outlay		1,656	525	1,131
Internal charges		12,179	11,468	711
Total – Indianapolis Metropolitan Police Department		<u>\$ 266,196</u>	<u>\$ 209,920</u>	<u>\$ 56,276</u>
Department of Parks and Recreation	Consolidated County			
Other services and charges		\$ 1,300	\$ 1,300	\$ —
Total		<u>1,300</u>	<u>1,300</u>	<u>—</u>
Department of Parks and Recreation	Park			
Personal services		13,444	13,235	209
Supplies		862	827	35
Other services and charges		7,498	7,458	40
Capital outlay		430	335	95
Internal charges		8,363	8,363	—
Total		<u>30,597</u>	<u>30,218</u>	<u>379</u>
Total – Department of Parks and Recreation		<u>\$ 31,897</u>	<u>\$ 31,518</u>	<u>\$ 379</u>
Total – General Fund – by Department and Division		<u>\$ 779,567</u>	<u>\$ 715,145</u>	<u>\$ 64,422</u>

The accompanying notes are an integral part of the financial statements.

Nonmajor Special Revenue Funds

The Special Revenue Funds include funds that are restricted as to use by the State government and special purpose funds established by authority of the City-County Council.

- Parking -** to account for revenue from the concession agreement for parking meters; these receipts are used for the repair of sidewalks, curbs, and streets
- Public Safety Income Tax -** to account for public safety income tax receipts
- Drug Free Community -** to account for drug free community grants

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Balance Sheet – Nonmajor Special Revenue Funds
December 31, 2023
(In thousands)

	<u>Parking</u>	<u>Public Safety Income Tax</u>	<u>Drug Free Community</u>	<u>Total Nonmajor Special Revenue Funds</u>
ASSETS				
Equity in pooled cash	\$ 1,646	\$ —	\$ 42	\$ 1,688
Investments	9,750	—	255	10,005
Accrued interest receivable	96	—	3	99
Accounts receivable	25	—	—	25
Due from other funds	—	—	—	—
Due from federal and state governments	—	—	—	—
Long-term receivables, less allowance of \$25,280	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total assets	<u>\$ 11,517</u>	<u>\$ —</u>	<u>\$ 300</u>	<u>\$ 11,817</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and other accrued liabilities	\$ 763	\$ —	\$ 36	\$ 799
Accrued payroll and payroll taxes	16	—	—	16
Due to other funds	—	—	—	—
Unearned revenue	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total liabilities	<u>779</u>	<u>—</u>	<u>36</u>	<u>815</u>
Deferred inflows of resources	<u>20</u>	<u>—</u>	<u>—</u>	<u>20</u>
Fund balances:				
Restricted	10,718	—	264	10,982
Unassigned	—	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total fund balances	<u>10,718</u>	<u>—</u>	<u>264</u>	<u>10,982</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,517</u>	<u>\$ —</u>	<u>\$ 300</u>	<u>\$ 11,817</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds
Year ended December 31, 2023
(In thousands)

	<u>Parking</u>	<u>Public Safety Income Tax</u>	<u>Drug Free Community</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues:				
Taxes	\$ —	\$ 79,399	\$ —	\$ 79,399
Charges for services	2,574	—	—	2,574
Other intergovernmental revenues:				
Other revenues	—	—	200	200
Traffic violations and court fees	548	—	—	548
Interest and other operating revenues	755	1,071	15	1,841
Total revenues	<u>3,877</u>	<u>80,470</u>	<u>215</u>	<u>84,562</u>
Expenditures:				
Current:				
General government	40	—	128	168
Public works	1,069	—	—	1,069
Capital outlay	3,444	—	—	3,444
Total expenditures	<u>4,553</u>	<u>—</u>	<u>128</u>	<u>4,681</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(676)</u>	<u>80,470</u>	<u>87</u>	<u>79,881</u>
Other financing sources (uses):				
Transfers in	—	—	—	—
Transfers out	—	(80,470)	—	(80,470)
Total other financing sources (uses)	<u>—</u>	<u>(80,470)</u>	<u>—</u>	<u>(80,470)</u>
Net change in fund balances	(676)	—	87	(589)
Fund balances at beginning of year	11,394	—	177	11,571
Fund balances (deficits) at end of year	<u>\$ 10,718</u>	<u>\$ —</u>	<u>\$ 264</u>	<u>\$ 10,982</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Special Revenue Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

	Parking		Public Safety Income Tax		Drug Free Community		Totals	
	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual
Revenues:								
Taxes	\$ —	\$ —	\$ 79,399	\$ 79,399	\$ —	\$ —	\$ 79,399	\$ 79,399
Charges for services	2,550	3,136	—	—	—	—	2,550	3,136
Other intergovernmental revenues:								
Federal revenues	—	—	—	—	—	—	—	—
State revenues	—	—	—	—	—	—	—	—
Traffic violations and court fees	850	730	—	—	—	—	850	730
Interest and other operating revenues	100	599	—	1,071	—	10	100	1,680
Total revenues	<u>3,500</u>	<u>4,465</u>	<u>79,399</u>	<u>80,470</u>	<u>—</u>	<u>10</u>	<u>82,899</u>	<u>84,945</u>
Expenditures:								
Current:								
General government	40	40	—	—	200	200	240	240
Public safety	—	—	—	—	—	—	—	—
Public works	1,595	1,591	—	—	—	—	1,595	1,591
Health and welfare	—	—	—	—	—	—	—	—
Cultural and recreation	—	—	—	—	—	—	—	—
Urban redevelopment and housing	—	—	—	—	—	—	—	—
Economic development and assistance	—	—	—	—	—	—	—	—
Capital outlays	1,750	1,750	—	—	—	—	1,750	1,750
Total expenditures	<u>3,385</u>	<u>3,381</u>	<u>—</u>	<u>—</u>	<u>200</u>	<u>200</u>	<u>3,585</u>	<u>3,581</u>
Excess (deficiency) of revenues over (under) expenditures	115	1,084	79,399	80,470	(200)	(190)	79,314	81,364
Other financing sources (uses), net:								
Transfers in (out)	—	—	(71,452)	(80,470)	200	200	(71,252)	(80,270)
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>(71,452)</u>	<u>(80,470)</u>	<u>200</u>	<u>200</u>	<u>(71,252)</u>	<u>(80,270)</u>
Revenues over (under) expenditures and other financing sources (uses)	115	1,084	7,947	—	—	10	8,062	1,094
Fund balances (deficits) at beginning of year	5,033	6,656	—	—	153	99	5,186	6,755
Cancellation of purchase orders and other	2,772	347	(7,947)	—	(46)	27	(5,221)	374
Fund balances at end of year	<u>\$ 7,920</u>	<u>\$ 8,087</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 107</u>	<u>\$ 136</u>	<u>\$ 8,027</u>	<u>\$ 8,223</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Special Revenue Funds
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

<u>Department and Division</u>	<u>Fund</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Executive and Legislative				
Mayor's Office	Federal Grants			
Other services and charges		\$ 8	\$ 7	\$ 1
Total		<u>8</u>	<u>7</u>	<u>1</u>
Mayor's Office	State of Indiana Grants			
Other services and charges		492	492	—
Total		<u>492</u>	<u>492</u>	<u>—</u>
Office of Finance and Management	Parking			
Personal services		40	40	—
Total		<u>40</u>	<u>40</u>	<u>—</u>
Office of Finance and Management	Federal Grants			
Other services and charges		3,542	3,065	477
Total		<u>3,542</u>	<u>3,065</u>	<u>477</u>
Office of Finance and Management	Drug Free Community			
Other services and charges		200	200	—
Total		<u>200</u>	<u>200</u>	<u>—</u>
Non-Departmental	Coronavirus Stimulus Fund			
Personal services		93,753	54,424	39,329
Supplies		1,300	13	1,287
Other services and charges		465,746	84,714	381,032
Capital outlay		52,043	17,662	34,381
Total		<u>612,842</u>	<u>156,813</u>	<u>456,029</u>
Total - Executive and Legislative		<u>\$ 617,124</u>	<u>\$ 160,617</u>	<u>\$ 456,507</u>
Department of Metropolitan Development	Federal Grants			
Personal services		\$ 1,597	\$ 1,085	\$ 512
Supplies		13	—	13
Other services and charges		70,528	37,430	33,098
Capital outlay		1,500	1,009	491
Internal charges		291	291	—
Total		<u>73,929</u>	<u>39,815</u>	<u>34,114</u>
Department of Metropolitan Development	State of Indiana Grants			
Other services and charges		1,665	1,665	—
Total		<u>1,665</u>	<u>1,665</u>	<u>—</u>
Total – Department of Metropolitan Development		<u>\$ 75,594</u>	<u>\$ 41,480</u>	<u>\$ 34,114</u>
Department of Public Works	Parking			
Personal services		\$ 595	\$ 595	\$ —
Other services and charges		1,000	996	4
Capital outlay		1,750	1,750	—
Total		<u>3,345</u>	<u>3,341</u>	<u>4</u>
Department of Public Works	Federal Grants			
Other services and charges		600	320	280
Capital outlay		16,100	6,535	9,565
Total		<u>16,700</u>	<u>6,855</u>	<u>9,845</u>
Department of Public Works	State of Indiana Grants			
Capital outlay		8,200	—	8,200
Total		<u>8,200</u>	<u>—</u>	<u>8,200</u>
Total – Department of Public Works		<u>\$ 28,245</u>	<u>\$ 10,196</u>	<u>\$ 18,049</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Special Revenue Funds
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

<u>Department and Division</u>	<u>Fund</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Office of Public Health and Safety	Federal Grants			
Personal services		\$ 97	\$ —	\$ 97
Supplies		148	7	141
Other services and charges		4,236	360	3,876
Capital outlay		101	4	97
Total		<u>4,582</u>	<u>371</u>	<u>4,211</u>
Office of Public Health and Safety	State of Indiana Grants			
Personal services		308	54	254
Supplies		79	79	—
Other services and charges		1,675	1,675	—
Total		<u>2,062</u>	<u>1,808</u>	<u>254</u>
Total – Office of Public Health and Safety		<u>\$ 6,644</u>	<u>\$ 2,179</u>	<u>\$ 4,465</u>
Indianapolis Fire Department	Federal Grants			
Personal services		\$ 5,506	\$ 4,827	\$ 679
Supplies		441	120	321
Other services and charges		2,707	1,725	982
Capital outlay		2,572	418	2,154
Internal charges		40	9	31
Total		<u>11,266</u>	<u>7,099</u>	<u>4,167</u>
Indianapolis Fire Department	State of Indiana Grants			
Supplies		173	173	—
Total		<u>173</u>	<u>173</u>	<u>—</u>
Total – Indianapolis Fire Department		<u>\$ 11,439</u>	<u>\$ 7,272</u>	<u>\$ 4,167</u>
Indianapolis Metropolitan Police Department	Federal Grants			
Personal services		\$ 3,198	\$ 1,058	\$ 2,140
Supplies		847	161	686
Other services and charges		5,513	991	4,522
Capital outlay		1,097	1,039	58
Total		<u>10,655</u>	<u>3,249</u>	<u>7,406</u>
Indianapolis Metropolitan Police Department	State of Indiana Grants			
Supplies		943	534	409
Other services and charges		50	—	50
Total		<u>993</u>	<u>534</u>	<u>459</u>
Total - Indianapolis Metropolitan Police Department		<u>\$ 11,648</u>	<u>\$ 3,783</u>	<u>\$ 7,865</u>
Department of Parks and Recreation	Federal Grants			
Personal services		\$ 371	\$ 187	\$ 184
Supplies		716	16	700
Other services and charges		2,708	822	1,886
Capital outlay		1,202	—	1,202
Total – Department of Parks and Recreation		<u>\$ 4,997</u>	<u>\$ 1,025</u>	<u>\$ 3,972</u>
Total – Special Revenue Funds – by Department and Division		<u>\$ 755,691</u>	<u>\$ 226,552</u>	<u>\$ 529,139</u>

The accompanying notes are an integral part of the financial statements.

Nonmajor Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs of four of the taxing districts. Nonmajor Debt service requirements are funded generally from property tax revenues and other operating revenues.

Civil City -	to account for the accumulation of resources for, and the payment of general long-term bonded debt principal, interest, and related costs of bond issues benefiting the taxpayers of the Civil City
Public Safety Communications -	to account for the accumulation of resources for, and the payment of, costs associated with the Public Safety Communications System Equipment
Convention Center Hotel Revenue -	to account for the accumulation of resources for, and the payment of general long-term bonded debt principal, interest, and related costs of bond issues for the PanAm Convention Center Hotel bonds.
Stormwater District -	to account for the accumulation of resources for, and the payment of, general long-term bonded debt principal, interest, and related costs of bond issues benefiting the taxpayers of the Stormwater District
Metropolitan Thoroughfare District -	to account for the accumulation of resources for, and the payment of, general long-term bonded debt principal, interest, and related costs of bond issues benefiting the taxpayers of the Metropolitan Thoroughfare District
Park District -	to account for the accumulation of resources for, and the payment of, general long-term bonded debt principal, interest, and related costs of bond issues benefiting the taxpayers of the Park District
Economic Development District -	to account for accumulation of resources for, and payments of long term bonded debt principal, interest, and related costs of bond issues for certain economic development projects. In addition, this fund also includes the activity for the Circle Area Community Development Corporation (“CAC”), which is a blended component unit of the City
PILOT -	to account for accumulation of resources for, and payments of long-term debt principal, interest, and related costs of debt issued for certain projects for the Department of Public Works

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Balance Sheet – Nonmajor Debt Service Funds
December 31, 2023
(In thousands)

	Civil City	Public Safety Communications	Convention Center Hotel Revenue	Stormwater District	Metropolitan Thoroughfare District	Park District	Economic Development District	PILOT	Total Nonmajor Debt Service Funds
ASSETS									
Equity in pooled cash	\$ 570	\$ 449	\$ —	\$ 1	\$ 351	\$ 245	\$ 1,844	\$ 5	\$ 3,465
Cash and investments with fiscal agents	—	60	91,617	—	23	2,064	38,562	9	132,335
Investments	3,375	2,656	—	—	2,083	1,450	10,922	27	20,513
Accrued interest receivable	34	26	—	—	20	17	184	—	281
Property taxes receivable	180	183	—	—	64	48	—	—	475
Accounts receivable	133	106	—	—	36	19	309	—	603
Long-term receivables	—	—	—	—	—	—	12,865	—	12,865
Total assets	\$ 4,292	\$ 3,480	\$ 91,617	\$ 1	\$ 2,577	\$ 3,843	\$ 64,686	\$ 41	\$ 170,537
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Matured bonds and notes payable	\$ 2,475	\$ 2,125	\$ —	\$ —	\$ 1,615	\$ 985	\$ 301	\$ —	\$ 7,501
Matured interest payable	1,316	227	—	—	397	494	656	—	3,090
Accounts payable and other accrued liabilities	—	—	—	—	—	—	592	—	592
Total liabilities	3,791	2,352	—	—	2,012	1,479	1,549	—	11,183
Deferred inflows of resources	313	288	—	—	100	67	—	—	768
Fund balances:									
Restricted	188	840	91,617	1	465	2,297	63,137	41	158,586
Total fund balances	188	840	91,617	1	465	2,297	63,137	41	158,586
Total liabilities, deferred inflows of resources and fund balances	\$ 4,292	\$ 3,480	\$ 91,617	\$ 1	\$ 2,577	\$ 3,843	\$ 64,686	\$ 41	\$ 170,537

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Debt Service Funds
Year ended December 31, 2023
(In thousands)

	Civil City	Public Safety Communications	Convention Center Hotel Revenue	Stormwater District	Metropolitan Thoroughfare District	Park District	Economic Development District	PILOT	Total Nonmajor Debt Service Funds
Revenues:									
Property taxes	\$ 4,730	\$ 7,965	\$ —	\$ —	\$ 2,166	\$ 1,671	\$ 14,009	\$ —	\$ 30,541
Other taxes	400	629	—	—	171	132	—	—	1,332
Other intergovernmental revenues:									
Interest on investments	112	148	34	8	76	55	2,487	220	3,140
Other revenues	—	—	—	—	—	—	9,281	20,445	29,726
Total revenues	<u>5,242</u>	<u>8,742</u>	<u>34</u>	<u>8</u>	<u>2,413</u>	<u>1,858</u>	<u>25,777</u>	<u>20,665</u>	<u>64,739</u>
Debt service:									
Redemption of bonds, notes, financed purchase and subscription obligations	2,990	8,205	—	5,215	4,090	985	28,924	5,375	55,784
Interest on bonds and notes	2,739	916	—	5,987	5,445	987	19,282	6,713	42,069
Bond issuance costs	—	—	—	—	—	—	407	—	407
Lease payments and other	66	37	—	—	198	23	2,507	8,582	11,413
Total expenditures	<u>5,795</u>	<u>9,158</u>	<u>—</u>	<u>11,202</u>	<u>9,733</u>	<u>1,995</u>	<u>51,120</u>	<u>20,670</u>	<u>109,673</u>
Excess (deficiency) of revenues over (under) expenditures	(553)	(416)	34	(11,194)	(7,320)	(137)	(25,343)	(5)	(44,934)
Other financing sources (uses):									
Bonds, notes and financed purchase obligations issued	—	—	—	—	—	—	16,830	—	16,830
Discount on bonds and notes issued	—	—	—	—	—	—	(243)	—	(243)
Transfers in	318	7	91,583	11,195	7,310	2,067	19,829	—	132,309
Transfers out	—	—	—	—	—	—	(8,857)	—	(8,857)
Total other financing sources (uses)	<u>318</u>	<u>7</u>	<u>91,583</u>	<u>11,195</u>	<u>7,310</u>	<u>2,067</u>	<u>27,559</u>	<u>—</u>	<u>140,039</u>
Net change in fund balances	(235)	(409)	91,617	1	(10)	1,930	2,216	(5)	95,105
Fund balances at beginning of year	423	1,249	—	—	475	367	60,921	46	63,481
Fund balances at end of year	<u>\$ 188</u>	<u>\$ 840</u>	<u>\$ 91,617</u>	<u>\$ 1</u>	<u>\$ 465</u>	<u>\$ 2,297</u>	<u>\$ 63,137</u>	<u>\$ 41</u>	<u>\$ 158,586</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Debt Service Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

	Civil City		Public Safety Communications		Stormwater District		Metropolitan Thoroughfare District		Revenue	
	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual
Revenues:										
Taxes	\$ 5,189	\$ 5,130	\$ 8,626	\$ 8,593	\$ —	\$ —	\$ 2,398	\$ 2,337	\$ 126,437	\$ 124,787
Charges for services	—	—	—	—	—	—	—	—	—	—
Other operating revenues	—	58	—	106	—	8	—	44	1,127	8,211
Total revenues	<u>5,189</u>	<u>5,188</u>	<u>8,626</u>	<u>8,699</u>	<u>—</u>	<u>8</u>	<u>2,398</u>	<u>2,381</u>	<u>127,564</u>	<u>132,998</u>
Expenditures:										
Economic development and assistance	—	—	—	—	—	—	—	—	8,000	8,000
Debt service	5,805	5,795	9,159	9,157	11,204	11,203	9,733	9,733	62,721	62,112
Total expenditures	<u>5,805</u>	<u>5,795</u>	<u>9,159</u>	<u>9,157</u>	<u>11,204</u>	<u>11,203</u>	<u>9,733</u>	<u>9,733</u>	<u>70,721</u>	<u>70,112</u>
Deficiency of revenues under expenditures	(616)	(607)	(533)	(458)	(11,204)	(11,195)	(7,335)	(7,352)	56,843	62,886
Other financing sources (uses), net:										
Bond proceeds	—	—	—	—	—	—	—	—	—	—
Transfers in (out)	575	319	—	7	11,204	11,195	7,307	7,310	8,066	(59,852)
Total other financing sources (uses)	<u>575</u>	<u>319</u>	<u>—</u>	<u>7</u>	<u>11,204</u>	<u>11,195</u>	<u>7,307</u>	<u>7,310</u>	<u>8,066</u>	<u>(59,852)</u>
Revenues over (under) expenditures and other financing sources (uses)	(41)	(288)	(533)	(451)	—	—	(28)	(42)	64,909	3,034
Fund balances at beginning of year	305	421	1,038	1,249	3	—	362	452	1,575	1,604
Cancellation of purchase orders and other	(153)	1	262	(61)	(3)	—	61	(23)	(65,138)	(3,355)
Fund balances at end of year	<u>\$ 111</u>	<u>\$ 134</u>	<u>\$ 767</u>	<u>\$ 737</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 395</u>	<u>\$ 387</u>	<u>\$ 1,346</u>	<u>\$ 1,283</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Debt Service Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

	Park District		Economic Development District		PILOT		Totals	
	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual
	Revenues:							
Taxes	\$ 1,892	\$ 1,803	\$ 13,065	\$ 14,009	\$ —	\$ —	\$ 157,607	\$ 156,659
Charges for services	—	—	1,597	3,038	—	—	1,597	3,038
Other operating revenues	—	32	—	5,589	20,445	20,667	21,572	34,715
Total revenues	<u>1,892</u>	<u>1,835</u>	<u>14,662</u>	<u>22,636</u>	<u>20,445</u>	<u>20,667</u>	<u>180,776</u>	<u>194,412</u>
Expenditures:								
Economic development and assistance	—	—	—	—	—	—	8,000	8,000
Debt service	1,996	1,996	56,297	50,982	12,089	12,088	169,004	163,066
Total expenditures	<u>1,996</u>	<u>1,996</u>	<u>56,297</u>	<u>50,982</u>	<u>12,089</u>	<u>12,088</u>	<u>177,004</u>	<u>171,066</u>
Deficiency of revenues under expenditures	(104)	(161)	(41,635)	(28,346)	8,356	8,579	3,772	23,346
Other financing sources (uses), net:								
Bond proceeds	—	—	—	16,587	—	—	—	16,587
Transfers in (out)	—	3	—	10,972	(8,356)	(8,582)	18,796	(38,628)
Total other financing sources (uses)	<u>—</u>	<u>3</u>	<u>—</u>	<u>27,559</u>	<u>(8,356)</u>	<u>(8,582)</u>	<u>18,796</u>	<u>(22,041)</u>
Revenues over (under) expenditures and other financing sources (uses)	(104)	(158)	(41,635)	(787)	—	(3)	22,568	1,305
Fund balances at beginning of year	295	365	402	577	—	45	3,980	4,713
Cancellation of purchase orders and other	24	—	41,452	210	—	(10)	(23,495)	(3,238)
Fund balances at end of year	<u>\$ 215</u>	<u>\$ 207</u>	<u>\$ 219</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 32</u>	<u>\$ 3,053</u>	<u>\$ 2,780</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Debt Service Funds
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

<u>Department</u>	<u>Fund</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Non Departmental	Stormwater District			
Other services and charges		\$ 11,204	\$ 11,203	\$ 1
Total		<u>11,204</u>	<u>11,203</u>	<u>1</u>
Non Departmental	Metropolitan Thoroughfare District			
Other services and charges		9,733	9,733	—
Total		<u>9,733</u>	<u>9,733</u>	<u>—</u>
Non Departmental	Park District			
Other services and charges		1,996	1,996	—
Total		<u>1,996</u>	<u>1,996</u>	<u>—</u>
Non Departmental	Public Safety Communications			
Other services and charges		9,159	9,157	2
Total		<u>9,159</u>	<u>9,157</u>	<u>2</u>
Non Departmental	Civil City			
Other services and charges		5,805	5,795	10
Total		<u>5,805</u>	<u>5,795</u>	<u>10</u>
Non Departmental	Revenue			
Other services and charges		70,721	70,112	609
Total		<u>70,721</u>	<u>70,112</u>	<u>609</u>
Non Departmental	Sanitary District			
Other services and charges				
Total		<u>—</u>	<u>—</u>	<u>—</u>
Non Departmental	Economic Development			
Other services and charges		56,297	50,982	5,315
Total		<u>56,297</u>	<u>50,982</u>	<u>5,315</u>
Non Departmental	PILOT			
Other services and charges		12,089	12,088	1
Total		<u>12,089</u>	<u>12,088</u>	<u>1</u>
Total – Debt Service Funds – by Department		\$ <u>177,004</u>	\$ <u>171,066</u>	\$ <u>5,938</u>

The accompanying notes are an integral part of the financial statements.

Nonmajor Capital Project Funds

The Capital Project Funds are used to account for resources designated to construct or acquire general capital assets. Such resources are derived principally from special district bonds, federal grants, and property tax levies.

Redevelopment District Tax Increment -	to account for all financial resources relating to projects constructed from proceeds of the Redevelopment District Tax Increment bond issues.
Economic Development -	to account for all financial resources relating to projects funded through economic development bonds of the City
PILOT Revenue Bonds -	to account for all financial resources accumulated and payments made for construction, renovation, rehabilitation, and installation, of certain improvements to the City's public roads, street and sidewalks, and other public facilities
Metropolitan Thoroughfare District -	to account for all financial resources related to projects constructed wholly or in part from Metropolitan Thoroughfare District bond issue proceeds (except tax increment bonds) and any participating federal and state grants, including any required City local matching funds
Park District -	to account for all financial resources related to projects constructed from proceeds of the Park District bond issues
City Cumulative Capital Improvement -	to account for all resources accumulating from a City-wide ad valorem property tax levy to provide for the cost of construction, maintenance, acquisition, and repair of certain facilities and other items of a capital nature
County Cumulative Capital Improvement -	to account for all resources accumulating from a County-wide ad valorem property tax levy to provide for the cost of construction, maintenance, acquisition, and repair of certain facilities and other items of a capital nature
Tax Revenue Note -	to account for all financial resources related to purchases of certain vehicles and other equipment from the proceeds of a tax revenue note
Public Safety Communications -	to account for all financial resources related to acquisition of computer hardware and software from proceeds of the Public Safety Communication System and Computer Facilities District bonds
Landmark Building Preservation -	to account for all financial resources related to costs of major repairs to certain City properties
Fire Cumulative -	to account for all resources for the fire department accumulating from an ad valorem property tax levy to provide for the cost of construction, maintenance, acquisition, and repair of certain facilities and other items of a capital nature

- Storm Water -** to account for all financial resources related to expenditures for construction of storm water removal infrastructure
- Capital Asset Lifecycle & Development -** to account for revenues from operating agreements with outside contractors which are to be used to purchase capital assets for the benefit of the City
- Consolidated City District -** to account for all financial resources to acquire or construct various equipment and other assets benefiting the Civil City District
- Section 108 HUD Loan -** to account for financial resources from the HUD Section 108 loan program, Community & Economic Development Loan Program (“CEDLP”)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Balance Sheet – Nonmajor Capital Projects Funds
December 31, 2023
(In thousands)

	<u>Redevelopment District Tax Increment</u>	<u>Economic Development</u>	<u>PILOT Revenue Bonds</u>	<u>Metropolitan Thoroughfare District</u>	<u>Park District</u>	<u>City Cumulative Capital Improvement</u>
ASSETS						
Equity in pooled cash	\$ 9,802	\$ 1	\$ —	\$ 658	\$ 234	\$ 2,905
Cash and investments with fiscal agents	109,019	3,123	—	5,347	—	1,841
Investments	58,063	4	1	10,418	7,063	17,202
Accrued interest receivable	653	—	—	25	—	171
Property taxes receivable	—	—	—	—	—	521
Accounts receivable	—	—	—	2	—	221
Long-term receivables, less allowance \$1,500	17,842	—	—	—	—	—
Financed purchase obligation receivable	—	—	—	—	3,252	—
Total assets	<u>\$ 195,379</u>	<u>\$ 3,128</u>	<u>\$ 1</u>	<u>\$ 16,450</u>	<u>\$ 10,549</u>	<u>\$ 22,861</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and other accrued liabilities	\$ 17,579	\$ —	\$ —	\$ 5,116	\$ 2,327	\$ 1,109
Due to other funds	—	—	—	—	—	—
Total liabilities	<u>17,579</u>	<u>—</u>	<u>—</u>	<u>5,116</u>	<u>2,327</u>	<u>1,109</u>
Deferred inflows of resources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>742</u>
Fund balances:						
<i>unallocated (hide me)</i>	—	—	—	—	—	—
Nonspendable	—	—	—	—	—	—
Restricted	177,800	3,128	1	11,334	8,222	21,010
Committed	—	—	—	—	—	—
Assigned	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—
Total fund balances	<u>177,800</u>	<u>3,128</u>	<u>1</u>	<u>11,334</u>	<u>8,222</u>	<u>21,010</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 195,379</u>	<u>\$ 3,128</u>	<u>\$ 1</u>	<u>\$ 16,450</u>	<u>\$ 10,549</u>	<u>\$ 22,861</u>

(Continued)

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Balance Sheet – Nonmajor Capital Projects Funds
December 31, 2023
(In thousands)

	<u>County Cumulative Capital Improvement</u>	<u>Tax Revenue Note</u>	<u>Public Safety Communications</u>	<u>Landmark Building Preservation</u>	<u>Fire Cumulative</u>	<u>Storm Water</u>
ASSETS						
Equity in pooled cash	\$ 61	\$ —	\$ —	\$ 3	\$ 658	\$ —
Cash and investments with fiscal agents	—	—	—	—	—	9,947
Investments	361	—	49	22	3,900	—
Accrued interest receivable	1	—	—	—	39	4
Property taxes receivable	—	—	—	—	212	—
Accounts receivable	—	—	—	—	76	—
Long-term receivables, less allowance \$1,500	—	—	—	—	—	—
Lease receivable	—	—	—	—	—	—
Total assets	<u>\$ 423</u>	<u>\$ —</u>	<u>\$ 49</u>	<u>\$ 25</u>	<u>\$ 4,885</u>	<u>\$ 9,951</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and other accrued liabilities	\$ 26	\$ —	\$ —	\$ —	\$ 423	\$ 6,784
Due to other funds	—	—	—	—	—	168
Total liabilities	<u>26</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>423</u>	<u>6,952</u>
Deferred inflows of resources	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>288</u>	<u>—</u>
Fund balances:						
<i>unallocated (hide me)</i>	—	—	—	—	—	—
Nonspendable	—	—	—	—	—	—
Restricted	397	—	49	25	4,174	2,999
Committed	—	—	—	—	—	—
Assigned	—	—	—	—	—	—
Unassigned	—	—	—	—	—	—
Total fund balances	<u>397</u>	<u>—</u>	<u>49</u>	<u>25</u>	<u>4,174</u>	<u>2,999</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 423</u>	<u>\$ —</u>	<u>\$ 49</u>	<u>\$ 25</u>	<u>\$ 4,885</u>	<u>\$ 9,951</u>

(Continued)

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Balance Sheet – Nonmajor Capital Projects Funds
December 31, 2023
(In thousands)

	<u>Capital Asset Lifecycle & Development</u>	<u>Consolidated City District</u>	<u>Section 108 HUD Loan</u>	<u>Total Nonmajor Capital Projects Funds</u>
ASSETS				
Equity in pooled cash	\$ 12,547	\$ —	\$ 1,104	\$ 27,973
Cash and investments with fiscal agents	—	89	—	129,366
Investments	147,945	42,836	6,536	294,400
Accrued interest receivable	2,307	6	63	3,269
Property taxes receivable	—	—	—	733
Accounts receivable	—	—	—	299
Long-term receivables, less allowance \$1,500	—	—	—	17,842
Lease receivable	—	—	—	3,252
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	\$ <u>162,799</u>	\$ <u>42,931</u>	\$ <u>7,703</u>	\$ <u>477,134</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable and other accrued liabilities	\$ 13,859	\$ 121	\$ 1,831	\$ 49,175
Due to other funds	—	—	—	168
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	13,859	121	1,831	49,343
Deferred inflows of resources	<hr/>	<hr/>	<hr/>	<hr/>
	—	—	—	1,030
Fund balances:				
<i>unallocated (hide me)</i>	—	—	—	—
Nonspendable	—	—	—	—
Restricted	70,977	42,810	5,872	348,798
Committed	77,963	—	—	77,963
Assigned	—	—	—	—
Unassigned	—	—	—	—
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	148,940	42,810	5,872	426,761
Total liabilities, deferred inflows of resources and fund balances	\$ <u>162,799</u>	\$ <u>42,931</u>	\$ <u>7,703</u>	\$ <u>477,134</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds
Year ended December 31, 2023
(In thousands)

	Redevelopment District Tax Increment	Economic Development	PILOT Revenue Bonds	Metropolitan Thoroughfare District	Park District	City Cumulative Capital Improvement
Revenues:						
Taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 14,864
Other intergovernmental revenues:						
Other revenues	—	—	—	—	—	—
Interest and other operating revenues	9,524	60	—	1,267	703	2,430
Total revenues	<u>9,524</u>	<u>60</u>	<u>—</u>	<u>1,267</u>	<u>703</u>	<u>17,294</u>
Expenditures:						
Economic development and assistance	83,466	—	—	—	—	—
Debt service:						
Redemption of bonds, notes and financed purchase and subscription obligations	—	—	—	—	—	2,590
Interest on bonds and notes	—	—	—	—	—	437
Bond and note issuance costs	3,150	—	—	—	—	—
Lease payments and other	—	—	—	—	—	1,708
Capital outlays	33,386	—	92	20,157	32,108	29,337
Total expenditures	<u>120,002</u>	<u>—</u>	<u>92</u>	<u>20,157</u>	<u>32,108</u>	<u>34,072</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(110,478)</u>	<u>60</u>	<u>(92)</u>	<u>(18,890)</u>	<u>(31,405)</u>	<u>(16,778)</u>
Other financing sources (uses):						
Bonds, notes and financed purchase obligations issued	201,831	—	—	—	20,000	12,500
Premium on bonds issued	21,731	—	—	—	—	—
Transfers in	71,379	—	—	—	—	—
Transfers out	(207,287)	(521)	—	(3)	—	—
Total other financing sources	<u>87,654</u>	<u>(521)</u>	<u>—</u>	<u>(3)</u>	<u>20,000</u>	<u>12,500</u>
Net change in fund balances	<u>(22,824)</u>	<u>(461)</u>	<u>(92)</u>	<u>(18,893)</u>	<u>(11,405)</u>	<u>(4,278)</u>
Fund balances at beginning of year	200,624	3,589	93	30,227	19,627	25,288
Fund balances at end of year	<u>\$ 177,800</u>	<u>\$ 3,128</u>	<u>\$ 1</u>	<u>\$ 11,334</u>	<u>\$ 8,222</u>	<u>\$ 21,010</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds
Year ended December 31, 2023
(In thousands)

	County Cumulative Capital Improvement	Tax Revenue Note	Public Safety Communications	Landmark Building Preservation	Fire Cumulative	Storm Water
Revenues:						
Taxes	\$ —	\$ —	\$ —	\$ —	\$ 5,474	\$ —
Other intergovernmental revenues:						
Other revenues	11,112	—	—	—	—	4
Interest and other operating revenues	147	—	51	—	170	448
Total revenues	<u>11,259</u>	<u>—</u>	<u>51</u>	<u>—</u>	<u>5,644</u>	<u>452</u>
Expenditures:						
Economic development and assistance	—	—	—	—	—	—
Debt service:						
Redemption of bonds, notes and financed purchase and subscription obligations	—	—	—	—	—	—
Interest on bonds and notes	—	—	—	—	—	—
Bonds and notes issuance costs	—	—	—	—	—	126
Lease payments and other	—	—	—	—	3,723	68
Capital outlays	7,714	—	1,516	—	1,374	24,722
Total expenditures	<u>7,714</u>	<u>—</u>	<u>1,516</u>	<u>—</u>	<u>5,097</u>	<u>24,916</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,545</u>	<u>—</u>	<u>(1,465)</u>	<u>—</u>	<u>547</u>	<u>(24,464)</u>
Other financing sources (uses):						
Bonds, notes and financed purchase obligations issued	—	—	—	—	—	16,849
Premium on bonds issued	—	—	—	—	—	—
Transfers in	—	—	—	—	1,253	—
Transfers out	(7,576)	—	(7)	—	(319)	—
Total other financing sources	<u>(7,576)</u>	<u>—</u>	<u>(7)</u>	<u>—</u>	<u>934</u>	<u>16,849</u>
Net change in fund balances	<u>(4,031)</u>	<u>—</u>	<u>(1,472)</u>	<u>—</u>	<u>1,481</u>	<u>(7,615)</u>
Fund balances at beginning of year	4,428	—	1,521	25	2,693	10,614
Fund balances at end of year	<u>\$ 397</u>	<u>\$ —</u>	<u>\$ 49</u>	<u>\$ 25</u>	<u>\$ 4,174</u>	<u>\$ 2,999</u>

(Continued)

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Capital Projects Funds
Year ended December 31, 2023
(In thousands)

	Capital Asset Lifecycle & Development	Consolidated City District	Section 108 HUD Loan	Total Nonmajor Capital Projects Funds
Revenues:				
Taxes	\$ —	\$ —	\$ —	\$ 20,338
Other intergovernmental revenues:				
Other revenues	1,163	—	—	12,279
Interest and other operating revenues	8,323	2,157	496	25,776
Total revenues	<u>9,486</u>	<u>2,157</u>	<u>496</u>	<u>58,393</u>
Expenditures:				
Economic development and assistance	—	—	—	83,466
Debt service:				
Redemption of bonds, notes and financed purchase and subscription obligations	—	—	—	2,590
Interest on bonds and notes	—	—	—	437
Bonds and notes issuance costs	—	7	—	3,283
Lease payments and other	—	—	—	5,499
Capital outlays	79,211	11,064	2,436	243,117
Total expenditures	<u>79,211</u>	<u>11,071</u>	<u>2,436</u>	<u>338,392</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(69,725)</u>	<u>(8,914)</u>	<u>(1,940)</u>	<u>(279,999)</u>
Other financing sources (uses):				
Bonds and notes issued	—	9,729	—	260,909
Premium on bonds issued	—	—	—	21,731
Transfers in	90,172	—	—	162,804
Transfers out	(3,721)	(1,252)	—	(220,686)
Total other financing sources	<u>86,451</u>	<u>8,477</u>	<u>—</u>	<u>224,758</u>
Net change in fund balances	16,726	(437)	(1,940)	(55,241)
Fund balances at beginning of year	132,214	43,247	7,812	482,002
Fund balances at end of year	<u>\$ 148,940</u>	<u>\$ 42,810</u>	<u>\$ 5,872</u>	<u>\$ 426,761</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Annually Budgeted Capital Projects Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

	City Cumulative		County Cumulative		Fire		Capital Asset		Totals	
	Capital Improvement		Capital Improvement		Cumulative		Lifecycle & Development			
	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual	Final budget	Actual
Revenues:										
Taxes	\$ 15,197	\$ 14,865	\$ —	\$ —	\$ 5,442	\$ 5,474	\$ —	\$ —	\$ 20,639	\$ 20,339
Other intergovernmental revenues	—	—	—	—	—	—	—	1,163	—	1,163
Interest and other operating revenues	1,312	2,156	—	142	—	108	75,293	4,887	76,605	7,293
Total revenues	<u>16,509</u>	<u>17,021</u>	<u>—</u>	<u>142</u>	<u>5,442</u>	<u>5,582</u>	<u>75,293</u>	<u>6,050</u>	<u>97,244</u>	<u>28,795</u>
Expenditures:										
Current:										
General government	—	—	9,800	9,670	—	—	7,493	2,400	17,293	12,070
Public safety	1,043	159	—	—	—	—	2,000	—	3,043	159
Public works	100	68	—	—	—	—	4,200	3,300	4,300	3,368
Cultural and recreation	563	562	—	—	—	—	2,350	1,808	2,913	2,370
Economic development and assistance	600	600	—	—	—	—	—	—	600	600
Capital outlays	11,427	11,167	—	—	4,835	4,830	188,578	135,819	204,840	151,816
Total expenditures	<u>13,733</u>	<u>12,556</u>	<u>9,800</u>	<u>9,670</u>	<u>4,835</u>	<u>4,830</u>	<u>204,621</u>	<u>143,327</u>	<u>232,989</u>	<u>170,383</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,776</u>	<u>4,465</u>	<u>(9,800)</u>	<u>(9,528)</u>	<u>607</u>	<u>752</u>	<u>(129,328)</u>	<u>(137,277)</u>	<u>(135,745)</u>	<u>(141,588)</u>
Other financing sources, net:										
Transfers in (out)	—	—	5,600	5,600	(575)	934	88,328	86,451	93,353	92,985
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>5,600</u>	<u>5,600</u>	<u>(575)</u>	<u>934</u>	<u>88,328</u>	<u>86,451</u>	<u>93,353</u>	<u>92,985</u>
Revenues over (under) expenditures and other financing sources (uses)	<u>2,776</u>	<u>4,465</u>	<u>(4,200)</u>	<u>(3,928)</u>	<u>32</u>	<u>1,686</u>	<u>(41,000)</u>	<u>(50,826)</u>	<u>(42,392)</u>	<u>(48,603)</u>
Fund balances at beginning of year	7,405	8,942	4,245	4,289	2,037	2,292	2	133,945	13,689	149,468
Cancellation of purchase orders and other	1,596	48	(45)	20	597	12	40,998	474	43,146	554
Fund balances at end of year	<u>\$ 11,777</u>	<u>\$ 13,455</u>	<u>\$ —</u>	<u>\$ 381</u>	<u>\$ 2,666</u>	<u>\$ 3,990</u>	<u>\$ —</u>	<u>\$ 83,593</u>	<u>\$ 14,443</u>	<u>\$ 101,419</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Annually Budgeted Capital Projects Funds
Schedule of Expenditures by Character – Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

<u>Department and Division</u>	<u>Fund</u>	<u>Final budget</u>	<u>Actual</u>	<u>Variance</u>
Executive and Legislative				
Office of Finance and Management	Capital Asset Lifecycle & Development			
Other services and charges		\$ 7,493	\$ 2,400	\$ 5,093
Total – Executive and Legislative		<u>\$ 7,493</u>	<u>\$ 2,400</u>	<u>\$ 5,093</u>
Department of Metropolitan Development	City Cumulative Capital Improvement			
Other services and charges		\$ 600	\$ 600	\$ —
Total – Department of Metropolitan Development		<u>\$ 600</u>	<u>\$ 600</u>	<u>\$ —</u>
Department of Business and Neighborhood Services	City Cumulative Capital Improvement			
Capital outlay		\$ 274	\$ 263	\$ 11
Total		<u>\$ 274</u>	<u>\$ 263</u>	<u>\$ 11</u>
Department of Business and Neighborhood Services	Capital Asset Lifecycle & Development			
Capital outlay		\$ 2,000	\$ —	\$ 2,000
Total		<u>2,000</u>	<u>—</u>	<u>2,000</u>
Total – Department of Business and Neighborhood Services		<u>\$ 2,274</u>	<u>\$ 263</u>	<u>\$ 2,011</u>
Department of Public Works	City Cumulative Capital Improvement			
Other services and charges		\$ 100	\$ 68	\$ 32
Capital outlay		460	460	—
Total		<u>560</u>	<u>528</u>	<u>32</u>
Department of Public Works	Capital Asset Lifecycle & Development			
Other services and charges		\$ 4,200	\$ 3,299	\$ 901
Capital outlay		116,828	110,115	6,713
Total		<u>121,028</u>	<u>113,414</u>	<u>7,614</u>
Total – Department of Public Works		<u>\$ 121,588</u>	<u>\$ 113,942</u>	<u>\$ 7,646</u>
Indianapolis Metropolitan Police Department	City Cumulative Capital Improvement			
Supplies		\$ 90	\$ 52	\$ 38
Other services and charges		953	108	845
Capital outlay		5,394	5,145	249
Total - Indianapolis Metropolitan Police Department		<u>\$ 6,437</u>	<u>\$ 5,305</u>	<u>\$ 1,132</u>
Department of Parks and Recreation	City Cumulative Capital Improvement			
Supplies		\$ 90	\$ 90	\$ —
Other services and charges		472	472	—
Capital outlay		5,300	5,298	2
Total – Department of Parks and Recreation		<u>\$ 5,862</u>	<u>\$ 5,860</u>	<u>\$ 2</u>
Department of Parks and Recreation	Capital Asset Lifecycle & Development			
Supplies		\$ 45	\$ —	\$ 45
Other services and charges		2,305	1,808	497
Capital outlay		71,750	25,705	46,045
Total – Department of Parks and Recreation		<u>\$ 74,100</u>	<u>\$ 27,513</u>	<u>\$ 46,587</u>
Indianapolis Fire Department	Fire Cumulative			
Capital outlay		\$ 4,835	\$ 4,830	\$ 5
Total – Indianapolis Fire Department		<u>\$ 4,835</u>	<u>\$ 4,830</u>	<u>\$ 5</u>
Non Departmental	County Cumulative Capital Improvement			
Other services and charges		\$ 9,800	\$ 9,670	\$ 130
Total		<u>9,800</u>	<u>9,670</u>	<u>130</u>
Total – Capital Projects Funds – by Department and Division		<u>\$ 232,989</u>	<u>\$ 170,383</u>	<u>\$ 62,606</u>

The accompanying notes are an integral part of the financial statements.

Internal Service Funds

Internal Service Funds are used to account for the accumulation of resources to provide for the financing of certain self-insurance programs for all City departments.

The City maintains Risk Management, Public Liability Self-Insurance, and Employee Health Insurance Internal Service Funds.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Internal Service Funds
Combining Statement of Net Position
December 31, 2023
(In thousands)

	Risk Management	Public Liability Self Insurance	Employee Health Insurance	Total
ASSETS				
Equity in pooled cash	\$ 646	\$ 1,295	\$ 2,058	\$ 3,999
Cash and investments with fiscal agents	739	—	—	739
Investments	3,822	7,673	12,189	23,684
Accrued interest receivable	37	75	122	234
Accounts receivable	16	—	2,384	2,400
Total current assets	\$ 5,260	\$ 9,043	\$ 16,753	\$ 31,056
LIABILITIES				
Accounts payable and other current accrued liabilities	\$ 9,442	\$ 300	\$ 10,204	\$ 19,946
Total current liabilities	9,442	300	10,204	19,946
NET POSITION (DEFICIT)				
Unrestricted (deficit)	\$ (4,182)	\$ 8,743	\$ 6,549	\$ 11,110
Total liabilities and equity	\$ 5,260	\$ 9,043	\$ 16,753	\$ 31,056

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Year ended December 31, 2023
(In thousands)

	<u>Risk Management</u>	<u>Public Liability Self Insurance</u>	<u>Employee Health Insurance</u>	<u>Total</u>
Operating revenues:				
Charges to other funds	\$ 7,803	\$ 5,234	\$ 105,927	\$ 118,964
Operating expenses:				
Claims	9,124	2,821	100,920	112,865
Administration	206	—	—	206
Total operating expenses	<u>9,330</u>	<u>2,821</u>	<u>100,920</u>	<u>113,071</u>
Operating income (loss)	(1,527)	2,413	5,007	5,893
Nonoperating revenue (expense):				
Interest on investments	251	569	626	1,446
Income (loss)	<u>(1,276)</u>	<u>2,982</u>	<u>5,633</u>	<u>7,339</u>
Change in net position	(1,276)	2,982	5,633	7,339
Total net position (deficit) – beginning of year	<u>(2,906)</u>	<u>5,761</u>	<u>916</u>	<u>3,771</u>
Total net position (deficit) – end of year	<u>\$ (4,182)</u>	<u>\$ 8,743</u>	<u>\$ 6,549</u>	<u>\$ 11,110</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Internal Service Funds
Combining Statement of Cash Flows
Year ended December 31, 2023
(In thousands)

	<u>Risk Management</u>	<u>Public Liability Self Insurance</u>	<u>Employee Health Insurance</u>	<u>Total</u>
Cash flows from operating activities:				
Receipts from users	\$ 7,825	\$ 5,234	\$ 105,954	\$ 119,013
Payments for administration	(206)	—	—	(206)
Payments for claims	<u>(8,596)</u>	<u>(8,163)</u>	<u>(99,576)</u>	<u>(116,335)</u>
Net cash provided by (used in) operating activities	<u>(977)</u>	<u>(2,929)</u>	<u>6,378</u>	<u>2,472</u>
Cash flows from investing activities:				
Sales and maturities of investments	1,030	2,904	—	3,934
Investment purchases	—	—	(5,358)	(5,358)
Investment income (expense)	<u>214</u>	<u>494</u>	<u>504</u>	<u>1,212</u>
Net cash provided by (used in) investing activities	<u>1,244</u>	<u>3,398</u>	<u>(4,854)</u>	<u>(212)</u>
Net increase (decrease) in cash	267	469	1,524	2,260
Cash, beginning of year	<u>1,118</u>	<u>826</u>	<u>534</u>	<u>2,478</u>
Cash, end of year	<u>\$ 1,385</u>	<u>\$ 1,295</u>	<u>\$ 2,058</u>	<u>\$ 4,738</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (1,527)	\$ 2,413	\$ 5,007	\$ 5,893
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Changes in assets and liabilities:				
Decrease (increase) in accounts receivable	22	—	27	49
Increase (decrease) in accounts payable	<u>528</u>	<u>(5,342)</u>	<u>1,344</u>	<u>(3,470)</u>
Net cash provided by (used in) operating activities	<u>\$ (977)</u>	<u>\$ (2,929)</u>	<u>\$ 6,378</u>	<u>\$ 2,472</u>

The accompanying notes are an integral part of the financial statements.

Fiduciary Funds

The Fiduciary Funds are classified into two subgroupings - Agency Funds and Pension Trust Funds. Funds in this classification are used to account for assets held by the City in a fiduciary capacity. Receipts and expenditures of each fund are governed by terms of trust indentures, statutes, ordinances, etc.

The City maintains the following Fiduciary Funds:

PENSION TRUST FUNDS

- Police Pension -** to account for the (1) payment of pension benefits to police pensioners that participated in the City pension plan prior to the 1977 Police and Firefighters Pension and Disability Fund (1977 Fund) pension plan and (2) payment of pension benefits to police pensioners that participated in the City pension plan prior to the 1977 Fund and elected to convert to the benefit structure of the 1977 Fund
- Firefighters' Pension -** to account for the (1) payment of pension benefits to firefighter pensioners that participated in the City pension plan prior to the 1977 Police and Firefighters' Pension and Disability Fund pension plan and (2) payment of pension benefits to firefighter pensioners that participated in the City pension plan prior to the 1977 Fund and elected to convert to the benefit structure of the 1977 Fund

CUSTODIAL FUNDS

- Sanitation 15 Year Law -** to account for property owner assessment receipts held by the City as agent for City-approved developer constructed sewer systems Barrett Law projects, with construction costs repaid by the property owners over a period not to exceed 15 years
- E-911 Allocation -** to account for assets, obligations, and activities of the E-911 dispatch programs
- Police & Fire Retiree Health Insurance -** to account for assets, obligations, and activities of certain Police and Firefighter Retiree Health Insurance costs
- IMPD Confiscated Cash -** to account for assets, obligations, and activities of amounts, which have been confiscated pending final court disposition
- Other -** to account for all contractor receipts for sanitary Barrett Law project engineering fees held by the City as agent for engineer payment upon project acceptance and for franchise security deposits held by the City as agent for franchised performance

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Fiduciary Funds
Combining Statement of Fiduciary Net Position
Pension and Other Postemployment Benefit Trust Funds
Year ended December 31, 2023
(In thousands)

	Police Pension	Firefighters' Pension	Total
ASSETS			
Equity in pooled cash	\$ —	\$ —	\$ —
Total assets	—	—	—
 LIABILITIES			
Liabilities:			
Due to other funds	109	240	349
Total liabilities	109	240	349
 NET POSITION (DEFICIT) RESTRICTED FOR PENSIONS			
Net position restricted for pensions	\$ (109)	\$ (240)	\$ (349)
	(109)	(240)	(349)

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
Pension and Other Postemployment Benefit Trust Funds
Year ended December 31, 2023
(In thousands)

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Employer contributions	\$ 25,625	\$ 24,974	\$ 50,599
DEDUCTIONS			
Benefits	26,616	25,901	52,517
Total deductions	26,616	25,901	52,517
Net increase (decrease) in net position	(991)	(927)	(1,918)
Net position restricted for pensions – beginning of year	882	687	1,569
Net position (deficit) restricted for pensions – end of year	\$ (109)	\$ (240)	\$ (349)

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Fiduciary Funds
Police and Firefighters' Pre-1977 Pension Trust Funds
Budget and Actual – Budgetary Basis
Year ended December 31, 2023
(In thousands)

	Police Pension			Firefighters' Pension		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues:						
Intergovernmental	\$ 28,980	\$ 25,625	\$ (3,355)	\$ 27,644	\$ 24,974	\$ (2,670)
Total revenues	<u>28,980</u>	<u>25,625</u>	<u>(3,355)</u>	<u>27,644</u>	<u>24,974</u>	<u>(2,670)</u>
Expenditures:						
Personal services	28,980	26,616	2,364	27,644	25,901	1,743
Total expenditures	<u>28,980</u>	<u>26,616</u>	<u>2,364</u>	<u>27,644</u>	<u>25,901</u>	<u>1,743</u>
Excess (deficiency) of revenues over (under) expenditures	\$ —	\$ (991)	\$ (991)	\$ —	\$ (927)	\$ (927)
Revenues over (under) expenditures						
Revenues over (under) expenditures and other financing sources	<u>\$ —</u>	<u>\$ (991)</u>	<u>\$ (991)</u>	<u>\$ —</u>	<u>\$ (927)</u>	<u>\$ (927)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Fiduciary Funds
Combining Statement of Fiduciary Net Position
Custodial Funds
Year ended December 31, 2023
(In thousands)

	<u>Sanitation 15 Year Law</u>	<u>E-911 Allocation</u>	<u>Police and Fire Retiree Health Insurance</u>	<u>IMPD Confiscated Cash</u>	<u>Other</u>	<u>Total</u>
ASSETS						
Equity in pooled cash	\$ 44	\$ —	\$ 41	\$ 685	\$ 111	\$ 881
Investments						
Pooled investments	259	—	240	4,393	657	5,549
Accounts receivable	<u>—</u>	<u>969</u>	<u>281</u>	<u>—</u>	<u>—</u>	<u>969</u>
Total assets	<u>303</u>	<u>969</u>	<u>281</u>	<u>5,078</u>	<u>768</u>	<u>7,399</u>
LIABILITIES						
Accounts payable and other accrued liabilities	<u>—</u>	<u>969</u>	<u>281</u>	<u>—</u>	<u>—</u>	<u>1,250</u>
Total liabilities	<u>—</u>	<u>969</u>	<u>281</u>	<u>—</u>	<u>—</u>	<u>1,250</u>
NET POSITION (DEFICIT)						
Restricted for individuals, organizations, and other governments	<u>\$ 303</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,078</u>	<u>\$ 768</u>	<u>\$ 6,149</u>

The accompanying notes are an integral part of the financial statements.

CITY OF INDIANAPOLIS
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
Year ended December 31, 2023
(In thousands)

	Sanitation 15 Year Law	E-911 Allocation	Police and Fire Retiree Health Insurance	IMPD Confiscated Cash	Other	Total
ADDITIONS						
Employer contributions	\$ —	\$ —	\$ 4,073	\$ —	\$ —	\$ 4,073
Police confiscations	—	—	—	1,834	—	1,834
Fees collected for other governments	—	7,422	—	—	—	7,422
Total Additions	<u>—</u>	<u>7,422</u>	<u>4,073</u>	<u>1,834</u>	<u>—</u>	<u>13,329</u>
DEDUCTIONS						
Benefits paid to participants or beneficiaries	—	—	4,073	—	—	4,073
Court released confiscations	—	—	—	1,891	—	1,891
Payments of fees collected to other governments	—	7,422	—	—	—	7,422
Total deductions	<u>—</u>	<u>7,422</u>	<u>4,073</u>	<u>1,891</u>	<u>—</u>	<u>13,386</u>
Net increase (decrease) in net position	—	—	—	(57)	—	(57)
Net position – beginning of year	<u>303</u>	<u>—</u>	<u>—</u>	<u>5,135</u>	<u>768</u>	<u>6,206</u>
Net position – end of year	<u>\$ 303</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5,078</u>	<u>\$ 768</u>	<u>\$ 6,149</u>

The accompanying notes are an integral part of the financial statements.

Statistical Section

Statistical Section

CITY OF INDIANAPOLIS

Statistical Section

Table of Contents

This section of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

	<u>Schedule #s</u>
FINANCIAL TRENDS These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	Schedules 1–5
REVENUE CAPACITY These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	Schedules 6–10
DEBT CAPACITY These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	Schedules 11–15
DEMOGRAPHIC AND ECONOMIC INFORMATION These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	Schedules 16–18
OPERATING INFORMATION These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	Schedules 19–20

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

CITY OF INDIANAPOLIS
Net Position by Component
Schedule 1
Last Ten Fiscal Years
(Accrual basis of accounting)
(In thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities:										
Net investment in capital assets	\$ 604,736	\$ 618,860	\$ 658,793	\$ 682,445	\$ 706,470	\$ 676,215	\$ 653,339	\$ 856,341	\$ 973,164	\$ 1,043,190
Restricted	171,863	177,408	180,615	176,332	164,849	166,495	238,525	572,906	433,235	480,954
Unrestricted (deficit)	<u>(505,392)</u>	<u>(1,141,617)</u>	<u>(980,497)</u>	<u>(1,016,080)</u>	<u>(998,291)</u>	<u>(1,089,813)</u>	<u>(899,633)</u>	<u>(1,254,617)</u>	<u>(920,638)</u>	<u>(864,153)</u>
Total governmental activities net position (deficit)	<u>\$ 271,207</u>	<u>\$ (345,349)</u>	<u>\$ (141,089)</u>	<u>\$ (157,303)</u>	<u>\$ (126,972)</u>	<u>\$ (247,103)</u>	<u>\$ (7,769)</u>	<u>\$ 174,630</u>	<u>\$ 485,761</u>	<u>\$ 659,991</u>

CITY OF INDIANAPOLIS
Changes in Net Position
Schedule 2
Last Ten Fiscal Years
(Accrual basis of accounting)
(In thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Expenses										
Governmental activities:										
General government	\$ 43,599	\$ 48,124	\$ 44,689	\$ 44,321	\$ 36,351	\$ 105,277	\$ 73,012	\$ 53,482	\$ 144,690	\$ 95,607
Public safety	461,873	412,157	389,302	511,305	436,687	604,609	481,302	480,821	427,683	622,108
Public works	230,470	214,740	163,710	208,581	222,011	281,251	235,308	245,433	268,945	294,088
Health and welfare	6,320	7,555	7,926	7,730	11,594	7,120	39,791	13,886	21,141	15,490
Cultural and recreation	10,130	14,714	15,313	26,059	30,423	24,984	21,974	25,873	33,593	28,040
Urban redevelopment and housing	24,114	18,354	18,899	18,752	23,302	24,120	60,425	151,317	63,483	41,272
Economic development and assistance	33,181	75,451	27,512	30,412	52,671	78,181	55,529	61,089	30,375	140,219
Interest	51,571	51,584	53,919	45,664	49,159	49,415	50,310	50,128	56,702	70,689
Total governmental activities expenses	<u>861,258</u>	<u>842,679</u>	<u>721,270</u>	<u>892,824</u>	<u>862,198</u>	<u>1,174,957</u>	<u>1,017,651</u>	<u>1,082,029</u>	<u>1,046,612</u>	<u>1,307,513</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	21,785	25,881	17,468	14,703	18,857	18,277	14,701	15,514	13,891	14,046
Public safety	23,679	29,080	29,549	30,475	32,110	32,049	30,902	32,046	29,090	27,194
Public works	38,896	43,184	52,597	52,641	57,340	59,977	59,412	61,500	66,152	64,308
Health and welfare	808	149	264	1,214	94	177	37	136	59	47
Cultural and recreation	3,638	3,714	4,036	3,396	3,583	3,358	2,557	3,756	4,261	4,019
Urban redevelopment and housing	1,835	2,050	2,008	2,451	2,224	2,045	1,999	1,914	2,208	1,779
Economic development and assistance	1,530	1,259	7,222	1,148	961	1,399	1,915	1,379	1,779	1,946
Operating grants and contributions	137,828	139,251	134,890	133,040	151,026	209,824	343,609	321,159	431,033	420,640
Capital grants and contributions	4,845	37,351	34,023	20,072	12,215	15,262	42,026	20,655	10,079	43,610
Total governmental activities program revenues	<u>234,844</u>	<u>281,919</u>	<u>282,057</u>	<u>259,140</u>	<u>278,410</u>	<u>342,368</u>	<u>497,158</u>	<u>458,059</u>	<u>558,552</u>	<u>577,589</u>
Net (Expense) Revenue	<u>(626,414)</u>	<u>(560,760)</u>	<u>(439,213)</u>	<u>(633,684)</u>	<u>(583,788)</u>	<u>(832,589)</u>	<u>(520,493)</u>	<u>(623,970)</u>	<u>(488,060)</u>	<u>(729,924)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property tax	297,487	285,649	300,101	294,886	315,230	333,060	349,786	364,859	372,310	399,789
Wheel tax	13,250	14,645	13,644	14,843	15,354	15,527	16,000	16,409	15,623	15,661
County option income tax	164,582	206,838	266,834	230,417	237,319	272,699	303,772	327,197	297,989	329,136
Other taxes	21,460	20,472	21,967	23,085	23,159	23,641	25,075	26,654	27,204	25,857
Grants and contributions not restricted by function	13,165	9,465	10,017	12,224	12,439	12,808	13,317	25,168	10,573	20,193
Investment earnings not restricted by function	7,984	6,373	9,977	14,249	16,302	20,131	16,353	12,870	22,828	78,103
Miscellaneous	17,000	28,675	20,933	27,766	29,269	34,592	35,524	33,212	34,841	35,415
Total governmental activities general revenues and other changes in net position	<u>534,928</u>	<u>572,117</u>	<u>643,473</u>	<u>617,470</u>	<u>649,072</u>	<u>712,458</u>	<u>759,827</u>	<u>806,369</u>	<u>781,368</u>	<u>904,154</u>
Change in Net Position										
Governmental activities	<u>\$ (91,486)</u>	<u>\$ 11,357</u>	<u>\$ 204,260</u>	<u>\$ (16,214)</u>	<u>\$ 65,284</u>	<u>\$ (120,131)</u>	<u>\$ 239,334</u>	<u>\$ 182,399</u>	<u>\$ 293,308</u>	<u>\$ 174,230</u>

CITY OF INDIANAPOLIS
Program Revenues by Function/Program
Schedule 3
Last Ten Fiscal Years
(Accrual basis of accounting)
(In thousands)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Function/Program										
Governmental activities:										
General government	\$ 28,433	\$ 29,935	\$ 20,722	\$ 29,328	\$ 26,080	\$ 82,343	\$ 188,876	\$ 24,793	\$ 36,094	\$ 98,055
Public safety	89,255	91,716	93,854	96,521	93,984	98,554	100,429	101,087	103,254	93,545
Public works	88,035	118,727	125,176	103,100	128,741	131,296	170,651	149,683	155,070	178,428
Health and welfare	6,807	7,302	6,547	7,411	7,357	7,216	7,082	154,502	161,036	173,907
Cultural and recreation	4,865	8,845	7,290	5,905	5,793	5,865	7,422	10,725	77,704	6,238
Urban redevelopment and housing	13,373	22,314	17,152	14,888	14,657	14,945	19,851	15,297	20,141	24,414
Economic development and assistance	4,076	3,080	11,316	1,987	1,798	2,149	2,847	1,972	5,253	3,002
Total governmental activities program revenues	<u>\$ 234,844</u>	<u>\$ 281,919</u>	<u>\$ 282,057</u>	<u>\$ 259,140</u>	<u>\$ 278,410</u>	<u>\$ 342,368</u>	<u>\$ 497,158</u>	<u>\$ 458,059</u>	<u>\$ 558,552</u>	<u>\$ 577,589</u>

CITY OF INDIANAPOLIS
Fund Balances - Governmental Funds
Schedule 4
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(In thousands)

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Restricted	\$ 32,069	\$ 35,306	\$ 89,454	\$ 105,276	\$ 85,591	\$ 87,641	\$ 85,604	\$ 93,833	\$ 91,746	\$ 74,435
Committed	37,992	9,207	2,749	659	5,040	10,861	30,518	52,209	12,273	5,915
Assigned	83,902	79,775	77,923	77,726	76,505	85,825	111,348	134,095	105,202	66,909
Unassigned	70,784	79,192	94,093	99,761	107,099	104,667	168,492	142,409	118,588	146,567
Total General Fund	<u>\$ 224,747</u>	<u>\$ 203,480</u>	<u>\$ 264,219</u>	<u>\$ 283,422</u>	<u>\$ 274,235</u>	<u>\$ 288,994</u>	<u>\$ 395,962</u>	<u>\$ 422,546</u>	<u>\$ 327,809</u>	<u>\$ 293,826</u>
All other governmental funds:										
Nonspendable	\$ 2,275	\$ 1,959	\$ 1,180	\$ 357	\$ 362	\$ 370	\$ 372	\$ 372	\$ 376	\$ 395
Restricted	271,375	317,629	308,953	361,601	374,569	435,459	454,775	473,332	710,059	1,294,549
Committed	—	—	—	—	—	—	—	25,000	60,225	77,963
Unassigned	(364)	(322)	(68)	—	—	—	—	(9,265)	(10,264)	(11,158)
Total all other governmental funds	<u>\$ 273,286</u>	<u>\$ 319,266</u>	<u>\$ 310,065</u>	<u>\$ 361,958</u>	<u>\$ 374,931</u>	<u>\$ 435,829</u>	<u>\$ 455,147</u>	<u>\$ 489,439</u>	<u>\$ 760,396</u>	<u>\$ 1,361,749</u>

CITY OF INDIANAPOLIS
Changes in Fund Balances - Governmental Funds
Schedule 5
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(In thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Taxes	\$ 497,061	\$ 529,231	\$ 601,328	\$ 563,213	\$ 590,330	\$ 642,666	\$ 694,410	\$ 736,102	\$ 713,210	\$ 768,940
Licenses and permits	12,010	14,249	13,952	14,362	15,974	17,834	15,594	16,072	17,770	15,704
Charges for services	63,949	65,744	76,844	75,395	80,594	83,320	80,551	83,890	84,147	85,061
Intergovernmental revenues	151,369	154,789	146,074	149,804	157,487	160,836	345,914	335,430	338,173	419,955
Intragovernmental revenues	3,286	2,342	1,909	2,974	11,327	7,420	7,521	11,249	8,047	8,050
Traffic violations and court fees	5,112	5,822	6,771	5,861	7,025	5,590	6,689	6,236	6,605	5,004
Interest and other operating revenues	46,174	57,835	53,004	55,987	51,818	116,588	59,297	52,301	142,635	117,782
Total revenues	778,961	830,012	899,882	867,596	914,555	1,034,254	1,209,976	1,241,280	1,310,587	1,420,496
Expenditures:										
Current:										
General government	25,957	24,888	24,720	26,591	29,174	41,093	41,200	49,537	160,337	78,838
Public safety	429,520	442,491	452,435	469,029	484,947	496,092	529,844	531,564	561,426	575,547
Public works	114,061	107,819	107,520	101,343	114,599	124,049	130,816	128,412	127,102	126,916
Health and welfare	6,241	7,550	7,832	7,694	7,778	7,211	40,082	14,123	21,187	14,842
Cultural and recreation	13,031	13,267	14,910	24,606	23,816	24,682	25,745	26,276	28,869	29,246
Urban redevelopment and housing	17,760	22,731	17,641	14,023	18,476	18,567	56,821	146,714	58,390	37,396
Economic development and assistance	28,411	61,202	20,163	27,326	23,327	44,627	52,594	58,039	27,136	126,018
Capital outlays	84,975	122,022	78,901	134,973	205,552	203,925	210,516	164,478	252,256	397,271
Debt service:										
Redemption of bonds, notes and financed purchase and subscription obligations	76,953	69,066	72,787	83,575	94,026	188,013	87,544	179,519	204,076	118,647
Interest on bonds and notes	47,877	45,915	49,835	53,807	42,353	42,237	76,914	44,265	46,855	50,340
Bond and note issuance costs	1,099	2,445	1,358	3,288	2,670	2,129	2,401	2,265	4,806	15,748
Advance funding escrow	10,525	11,655	—	—	—	—	—	—	—	—
Lease payments and other	16,184	18,448	16,662	2,337	4,808	3,123	25,962	2,704	20,640	23,380
Total expenditures	872,594	949,499	864,764	948,592	1,051,526	1,195,748	1,280,439	1,347,896	1,513,080	1,594,189
Excess (deficiency) of revenues under expenditures	(93,633)	(119,487)	35,118	(80,996)	(136,971)	(161,494)	(70,463)	(106,616)	(202,493)	(173,693)
Other financing sources (uses):										
Issuance of lease and subscription liabilities	605	3,248	—	—	4,972	29,566	8,596	9,378	8,346	1,726
Proceeds from restructuring of debt	212	749	—	—	—	—	—	—	—	—
Sales of capital assets	625	472	1,264	1,153	739	2,077	2,768	734	1,495	425
Bonds and notes issued	69,370	116,600	10,707	128,132	118,627	180,490	142,353	69,014	294,359	726,099
Premium on bonds and notes issued	6,215	12,146	6,609	31,522	4,217	25,018	12,479	15,301	31,973	21,731
Discount on bonds and notes issued	—	—	—	—	—	—	—	—	—	(8,918)
Refunding bonds issued	11,420	10,985	50,325	150,800	12,202	—	148,513	73,065	42,540	—
Payment to refunded bond escrow agent	—	—	(52,485)	(159,515)	—	—	(117,960)	—	—	—
Transfers in	53,138	128,974	98,909	102,286	184,829	188,575	288,487	224,375	277,800	599,854
Transfers out	(53,138)	(128,974)	(98,909)	(102,286)	(184,829)	(188,575)	(288,487)	(224,375)	(277,800)	(599,854)
Total other financing sources (uses)	88,447	144,200	16,420	152,092	140,757	237,151	196,749	167,492	378,713	741,063
Net change in fund balances (deficits)	\$ (5,186)	\$ 24,713	\$ 51,538	\$ 71,096	\$ 3,786	\$ 75,657	\$ 126,286	\$ 60,876	\$ 176,220	\$ 567,370
Debt service as a percentage of noncapital expenditures	17%	15%	15%	16%	16%	23%	15%	19%	20%	14%
Debt service expenditures	\$ 124,830	\$ 114,981	\$ 122,622	\$ 137,382	\$ 136,379	\$ 230,250	\$ 164,458	\$ 223,784	\$ 250,931	\$ 168,987
Noncapital expenditures	721,252	768,280	793,994	846,477	878,890	1,023,315	1,084,289	1,196,381	1,263,708	1,233,599

CITY OF INDIANAPOLIS
Tax Revenues by Source - Governmental Funds
Schedule 6
Last Ten Fiscal Years
(Modified accrual basis)
(In thousands)

Fiscal year	Property	Local income tax	Wheel tax	Other (a)	Total taxes
2014	297,905	164,582	13,250	21,324	497,061
2015	287,170	206,838	14,645	20,579	529,232
2016	299,225	266,834	13,644	21,625	601,328
2017	295,484	230,417	14,843	22,469	563,213
2018	316,100	237,319	15,354	22,574	591,347
2019	331,187	272,699	15,527	23,253	642,666
2020	349,786	303,772	16,000	25,075	694,633
2021	366,080	327,197	16,409	26,416	736,102
2022	372,651	297,989	15,623	26,949	713,212
2023	398,221	329,136	15,661	25,922	768,940

(a) Includes financial institution and other local taxes.

CITY OF INDIANAPOLIS
Assessed Value and Estimated Actual Value of Taxable Property
Schedule 7
Last Ten Fiscal Years
(In thousands)

<u>Fiscal year</u>	<u>Residential property (c)</u>	<u>Commercial property (c)</u>	<u>Industrial property (c)</u>	<u>Personal property (c)</u>	<u>Other (c)</u>	<u>Total taxable assessed value (a) (b)</u>	<u>Total direct tax rate</u>	<u>Estimated actual taxable value</u>	<u>Taxable assessed value as a % of actual taxable value (a)</u>
2014	18,171,183	13,464,533	3,103,892	5,972,597	842,391	41,554,596	0.7667	41,554,596	100
2015	18,103,687	13,437,532	3,096,297	6,160,989	977,912	41,776,417	0.7069	41,776,417	100
2016	18,531,258	13,631,932	3,139,384	6,325,056	903,782	42,531,412	0.7136	42,531,412	100
2017	19,125,058	13,538,083	3,066,967	6,659,770	885,892	43,275,770	0.7313	43,275,770	100
2018	19,839,568	14,114,626	3,150,699	6,700,531	894,001	44,699,425	0.7243	44,699,425	100
2019	21,199,690	14,886,845	3,244,769	6,837,711	910,314	47,079,329	0.7092	47,079,329	100
2020	23,259,818	15,085,633	3,378,670	6,906,428	956,093	49,586,642	0.7040	49,586,642	100
2021	25,141,091	15,524,519	3,542,094	7,095,509	948,461	52,251,674	0.6973	52,251,674	100
2022	27,631,773	15,579,045	3,623,218	7,133,793	988,396	54,956,225	0.6796	54,956,225	100
2023	34,053,134	17,238,519	4,216,573	7,393,407	1,096,321	63,997,954	0.6136	63,997,954	100

Note: Tax-exempt property for 2023 of \$5,282,529 represents charitable organizations and other deductions. Government property is generally not assessed.

- (a) Represents the assessment (Marion County Auditor's "certified abstract") on January 1 of the prior year for taxes due and payable in the year indicated.
- (b) In 2023, total taxable assessed value includes \$6,659,829 of assessed valuation for Marion County Tax Increment Financing Districts.
- (c) Provided by the Marion County Treasurer

CITY OF INDIANAPOLIS
Direct and Overlapping Governments - Property Tax Rates (a) (b)
Schedule 8
Last Ten Fiscal Years
(Rate per \$100 of assessed value)

Fiscal Year	City of Indianapolis			County direct rates		Overlapping rates			Total direct and overlapping rates
	Operating millage	Debt service millage	Total city millage	County	Municipal corporations	Total City-County Council approved	School	Other	
2014	\$ 0.6795	0.0872	0.7667	\$ 0.4034	\$ 0.4340	\$ 1.6041	\$ 1.2889	\$ 0.0620	\$ 2.9550
2015	0.6431	0.0638	0.7069	0.3825	0.4205	1.5099	1.3504	0.0607	2.9210
2016	0.6554	0.0582	0.7136	0.3883	0.4454	1.5473	1.4170	0.0630	3.0273
2017	0.6742	0.0571	0.7313	0.3943	0.4517	1.5773	0.9735	0.0619	2.6127
2018	0.6716	0.0527	0.7243	0.3893	0.4488	1.5624	1.1336	0.0587	2.7547
2019	0.6636	0.0456	0.7092	0.3906	0.4496	1.5494	1.5032	0.0563	3.1089
2020	0.6540	0.0500	0.7040	0.3869	0.4383	1.5292	1.4284	0.0568	3.0144
2021	0.6507	0.0466	0.6973	0.3931	0.4368	1.5272	1.3785	0.0559	2.9616
2022	0.6488	0.0308	0.6796	0.4063	0.4371	1.5230	1.3884	0.0551	2.9665
2023	0.5833	0.0303	0.6136	0.3635	0.3944	1.3715	1.3607	0.0482	2.7804

- (a) Rate of District 101 (Indianapolis-Center Township), which is the only rate that includes all major services.
(b) Data presented is per the tax rate schedule certified by the Department of Local Government Finance (DLGF).

CITY OF INDIANAPOLIS
Principal Property Tax Payers
Schedule 9
Current Fiscal Year and Nine Years Ago
(In thousands)

Principal taxpayers	2023			Principal taxpayers	2014		
	Taxable assessed value (a)	Rank	Percentage of total city taxable assessed value		Taxable assessed value (b) (c)	Rank	Percentage of total city taxable assessed value
Eli Lilly and Company	\$ 1,470,827	1	2.298 %	Eli Lilly and Company	\$ 1,135,239	1	2.894 %
Citizens Energy Group	508,282	2	0.794	Citizens Energy Group	431,328	2	1.100
Federal Express Corporation	331,091	3	0.517	Indianapolis Power & Light Co.	327,493	3	0.835
White Legacy Properties, LLC	231,227	4	0.361	Federal Express Corporation	226,877	4	0.578
Allison Transmission Inc.	199,903	5	0.312	Convention Headquarters Hotels, LLC	174,342	5	0.445
SFT Property LLC	174,530	6	0.273	Cw Monument Circle Inc.	163,944	6	0.418
Rolls-Royce Corporation	125,782	7	0.197	Allison Transmission Inc.	113,147	7	0.288
G&I IX MJW Keystone Crossing, LLC	111,924	8	0.175	Castleton Square, LLC	82,090	8	0.209
Indianapolis Power and Light Company	106,786	9	0.167	American United Life Insurance Company	80,393	9	0.205
Citizens Gas & Coke	105,786	10	0.165	SVC Manufacturing	72,820	10	0.186
Decatur Technology Holdings LLC	93,794	11	0.147	Ingredion Inc.	72,520	11	0.185
MSA North Developer LLC	93,404	12	0.146	Indiana Bell Telephone Company, Inc.	69,980	12	0.178
Corteva Agriscience LLC	93,074	13	0.145	Hub Properties GA, LLC	66,820	13	0.170
SVC Manufacturing Inc.	92,199	14	0.144	Market Tower Associates, LLC	63,014	14	0.161
American United Life Insurance Company	91,578	15	0.143	Rolls-Royce Corporation	61,221	15	0.156
Cellco Partnership	90,083	16	0.141	Verizon Wireless	60,292	16	0.154
Castleton Square, LLC	89,965	17	0.141	Circle Centre Development Co.	60,013	17	0.153
IMD2 LLC	86,240	18	0.135	DOW Agrosiences, LLC	54,453	18	0.139
Westin Indianapolis LLC	77,904	19	0.122	Summit Hospitality 22, LLC	52,767	19	0.135
Comcast of Indianapolis LP	77,284	20	0.121	NG 211 N Pennsylvania St, LLC	52,099	20	0.133
	<u>\$ 4,251,663</u>		<u>6.644</u>		<u>\$ 3,420,852</u>		<u>8.722</u>

- (a) Represents the January 1, 2022 valuations for taxes due and payable in 2023 as represented by the taxpayer. Amounts in thousands. Net assessed valuation was determined using public records from the Marion County Treasurer's Office.
- (b) Represents the March 1, 2013 valuations for taxes due and payable in 2014 as represented by the taxpayer. Amounts in thousands. Net assessed valuation was determined using public records from the Marion County Treasurer's Office.
- (c) Data presented as originally published in the 2014 Comprehensive Annual Financial Report.

CITY OF INDIANAPOLIS
Property Tax Levies and Collections
Schedule 10
Last Ten Fiscal Years
(In thousands)

Fiscal year ended December 31	Taxes levied for the fiscal year	Collected within the fiscal year of the levy		Collections in subsequent years	Total collections to date	
		Amount	Percentage of levy		Amount (a)	Percentage of levy
2014	\$ 214,798	\$ 207,089	96.4 %	6,286.00	\$ 213,375	99.3 %
2015	195,944	189,917	96.9	4,913.00	194,830	99.4
2016	194,983	187,224	96.0	6,639.00	193,863	99.4
2017	217,161	210,628	97.0	5,668.00	216,296	99.6
2018	214,321	207,816	97.0	6,138.00	213,954	99.8
2019	224,783	212,813	94.7	7,779.00	220,592	98.1
2020	223,480	214,454	96.0	7,610.00	222,064	99.4
2021	231,911	223,857	96.5	6,838.00	230,695	99.5
2022	231,670	223,808	96.6	6,905.00	230,713	99.6
2023	256,420	247,179	96.4	-	247,179	96.4

(a) Tax increment revenues are not included in the collected amounts because there is no separate tax levy for them.

CITY OF INDIANAPOLIS
Ratios of Outstanding Debt by Type (c)
Schedule 11
Last Ten Fiscal Years
(In thousands, except per capita)

Governmental activities											
Fiscal year	General obligation bonds	Tax increment bonds	Revenue bonds	Notes payable and certificates of participation	Capital leases (c)	Lease Liabilities	Subscription Based Information Technology Arrangement Liabilities (d)	Financed Purchase Obligations	Total Governmental Activities Debt	Percentage of personal income (a)	Per capita (a)
2014	\$ 157,574	\$ 669,880	\$ 271,520	40,422	\$ 8,549	—	—	—	\$ 1,147,945	2.65%	\$ 1,350
2015	129,860	649,323	345,558	74,633	11,607	—	—	—	1,210,981	2.67%	1,418
2016	85,898	624,750	335,028	82,197	10,619	—	—	—	1,138,492	2.44%	1,325
2017	135,822	602,630	332,753	119,288	9,659	—	—	—	1,200,152	2.51%	1,390
2018	124,440	598,565	360,653	166,076	12,182	—	—	—	1,261,916	2.49%	1,449
2019	121,652	614,661	453,785	104,601	39,997	—	—	—	1,334,696	2.54%	1,523
2020	324,760	623,875	316,043	119,772	28,473	—	—	—	1,412,923	2.47%	1,592
2021	344,837	592,530	296,342	130,723	41,291	—	—	—	1,405,723	2.21%	1,596
2022	349,908	713,204	337,399	91,905	—	46,131	—	31,929	1,570,476	2.44%	1,786
2023	331,464	901,025	766,017	95,498	—	35,971	18,312	61,227	2,209,514	3.43%	2,513

- (a) See schedule 16 for personal income and population data.
- (b) Outstanding bond amounts include deferred premiums.
- (c) Capital lease balances prior to the implementation of GASB Statement No. 87, Leases, in 2022
- (d) Prior year balances not available, implementation of GASB Statement No. 96, Subscription Based Information Technology Arrangements, in 2023.

CITY OF INDIANAPOLIS
Ratios of Net General Bonded Debt Outstanding (c)
Schedule 12
Last Ten Fiscal Years
(In thousands, except per capita)

Fiscal year	Net general bonded debt outstanding			Total	Percentage of actual taxable value of property (b)	Per capita (a)
	General obligation bonds	Less: Amounts available in debt service fund				
2014	\$ 157,574	\$ 21,255	\$	136,319	0.328 %	\$ 160.60
2015	129,860	24,850		105,010	0.251	121.71
2016	85,898	8,727		77,171	0.181	90.24
2017	135,822	9,055		126,767	0.293	146.81
2018	124,440	15,395		109,045	0.244	125.20
2019	121,652	15,930		105,722	0.225	120.63
2020	324,760	17,525		307,235	0.620	346.12
2021	344,837	13,265		331,572	0.635	376.52
2022	349,908	10,085		339,823	0.618	386.47
2023	331,464	9,610		321,854	0.503	366.04

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- (a) Population data can be found in schedule 16.
- (b) Property value data can be found in schedule 7.
- (c) Outstanding bond amounts include deferred premiums.

CITY OF INDIANAPOLIS
Schedule of Direct and Overlapping Debt and Bonded Debt Limit (a)
Schedule 13
December 31, 2023
(In thousands)

	Map reference (see introduction (e))	Assessed value (d)	Bonding limit		Bonds outstanding (h)
			%	Dollar amount	
Direct Debt:					
City of Indianapolis:					
Civil City	2	\$ 53,621,964	0.67%	\$ 359,267	\$ 63,440
Park District	1	57,338,125	0.67%	384,165	22,915
Redevelopment District	2	53,621,964	(f)	—	—
Flood Control District	1	57,338,125	0.67%	384,165	—
Metropolitan Thoroughfare District	1	57,338,125	1.33%	762,597	195,570
Solid Waste Special Service District	7	53,703,407	2.00%	1,074,068	—
Public Safety Communications and Computer Facilities District	1	57,338,125	0.67%	384,165	29,510
Premium on General Obligation Debt				—	20,029
Total City General Obligation Debt				<u>\$ 3,348,427</u>	<u>331,464</u>
Other Direct Debt (i)					
Tax increment bonds					901,025
Revenue bonds					766,017
Notes payable					95,498
Lease liabilities					35,971
Subscription based information technology arrangements					18,312
Financed purchase obligations					61,227
Total City Direct Debt					<u>\$ 2,209,514</u>
Overlapping:					
Marion County	1	\$ 57,338,125	0.67%	<u>\$ 384,165</u>	
Municipal Corporations:					
Indianapolis Airport Authority	1	\$ 57,338,125	0.67%	\$ 384,165	\$ —
Health and Hospital Corporation	1	57,338,125	0.67%	384,165	152,240
Capital Improvement Board of Managers	1	57,338,125	0.67%	384,165	—
Indianapolis-Marion County Building Authority	1	57,338,125	(b)	—	—
Indianapolis-Marion County Public Library	4	56,509,065	0.67%	378,611	64,840
Indianapolis Public Transportation Corporation	2	54,258,012	0.67%	363,529	—
Total Municipal Corporations		<u>340,119,577</u>		<u>\$ 1,894,635</u>	<u>\$ 217,080</u>
School Districts:					
Beech Grove	8	\$ 602,559	(g)	\$ 4,037	\$ 4,245
Decatur	8	2,357,660	(g)	15,796	9,395
Franklin	8	4,011,663	(g)	26,878	—
Indianapolis Public Schools	8	16,201,197	(g)	108,548	66,285
Lawrence	8	6,713,537	(g)	44,981	27,720
Perry	8	5,110,497	(g)	34,240	24,673

(Continued)

CITY OF INDIANAPOLIS
Schedule of Direct and Overlapping Debt and Bonded Debt Limit (a)
Schedule 13
December 31, 2023
(In thousands)

	Map reference (see introduction (e))	Assessed value (d)	Bonding limit		Bonds outstanding (h)
			%	Dollar amount	
School Districts (continued):					
Pike	8	\$ 6,152,976	(g)	\$ 41,225	\$ 25,290
Speedway	8	829,060	(g)	5,555	610
Warren	8	3,626,099	(g)	24,295	6,495
Washington	8	7,632,564	(g)	51,138	14,145
Wayne	8	4,100,313	(g)	27,472	10,675
Total School Districts		<u>\$ 57,338,125</u>		<u>\$ 384,165</u>	<u>\$ 189,533</u>
Other Cities and Towns:					
Beech Grove	2	\$ 636,047	0.67%	\$ 4,262	—
Lawrence	2	2,169,611	0.67%	14,536	758
Southport	2	81,443	0.67%	546	—
Speedway	2	829,060	0.67%	5,555	3,509
Total Other Cities and Towns		<u>\$ 3,716,161</u>		<u>\$ 24,899</u>	<u>\$ 4,267</u>
Townships:					
Center	3	\$ 9,392,733	0.67%	\$ 62,931	\$ —
Decatur	3	2,361,128	0.67%	15,820	—
Franklin	3	4,178,480	0.67%	27,996	—
Lawrence	3	7,267,936	0.67%	48,695	2,385
Perry	3	5,593,474	0.67%	37,476	—
Pike	3	5,977,820	0.67%	40,051	—
Warren	3	4,928,871	0.67%	33,023	—
Washington	3	11,055,899	0.67%	74,075	—
Wayne	3	6,270,874	0.67%	42,015	—
Total Townships		<u>\$ 57,027,215</u>		<u>\$ 382,082</u>	<u>\$ 2,385</u>
Excluded Library Districts:					
Speedway	4	829,060	0.67%	\$ 5,555	\$ —
Total Excluded Library Districts		<u>\$ 829,060</u>		<u>\$ 5,555</u>	<u>\$ —</u>
Ben Davis Conservancy District		<u>\$ 569,421</u>	(c)	<u>\$ —</u>	<u>\$ —</u>
Total overlapping debt					<u>\$ 413,265</u>
Total direct and overlapping debt					<u>\$ 2,622,779</u>

(Continued)

CITY OF INDIANAPOLIS
Schedule of Direct and Overlapping Debt and Bonded Debt Limit (a)
Schedule 13
December 31, 2023
(In thousands)

- (a) Excludes revenue bonds not payable from ad valorem taxes.
- (b) There is no debt limit for the Indianapolis-Marion County Building Authority. Its debt service requirements are funded by rentals paid by the City of Indianapolis and Marion County from ad valorem taxes mandated by the Building Authority's enabling legislation.
- (c) Ben Davis Conservancy District has no bonding limit. Bonds are payable from either collection of special benefit taxes or revenues produced from the project per Indiana Code 14-33-11-4.
- (d) Represents the January 1, 2022 (Marion County Auditor's "certified abstract") assessment for taxes due and payable in 2023.
- (e) See Introductory Section.
- (f) There is no statutory constitutional debt limitation to the Redevelopment Districts.
- (g) A statutory 0.67% limit on school district debt does not apply to any debt that is incurred by a school district building corporation for the purpose of constructing facilities to be leased to the school district at rentals sufficient to fund the corporation's annual debt service requirements. The bonding limit shown is the sum of the statutory limit and does not include the outstanding building corporation debt.
- (h) Governmental activities debt of the overlapping governments is not readily available; only general obligation debt is reported in this column.
- (i) Other direct debt outstanding includes deferred premiums.

Source: All outstanding debt for the overlapping governments can be found on Indiana Gateway. gateway.ifionline.org

CITY OF INDIANAPOLIS
Computation of Legal Debt Margin (a)(c)
Schedule 14
December 31, 2023
(In thousands)

	<u>Assessed value</u>	<u>Debt limit percentage</u>	<u>Debt limit</u>	<u>Bonds outstanding</u>	<u>Legal debt margin</u>	<u>Total net debt applicable to the limit as a percentage of debt limit</u>
Civil City	\$ 53,621,964	0.67%	\$ 359,267	\$ 63,440	\$ 295,827	17.66%
Park District	57,338,125	0.67%	384,165	22,915	361,250	5.96%
Redevelopment District	53,621,964	(b)	—	—	—	—
Flood Control District	57,338,125	0.67%	384,165	—	384,165	0.00%
Metropolitan Thoroughfare District	57,338,125	1.33%	762,597	195,570	567,027	25.65%
Solid Waste Special Service District	53,703,407	2.00%	1,074,068	—	1,074,068	—
Public Safety Communications and Computer Facilities District	57,338,125	0.67%	384,165	29,510	354,655	7.68%

(a) Excludes Revenue Bonds not payable from ad valorem taxes.

(b) There is no statutory constitutional debt limitation applicable to the Redevelopment District.

(c) Due to the extreme complexity of the taxing district structure, the City has not presented the required ten years of data as showing more than one year of data is extremely cumbersome. Previous years data can be found in the Comprehensive Annual Financial Reports from prior years.

CITY OF INDIANAPOLIS
Pledged Revenue Coverage
Schedule 15
Last Ten Fiscal Years
(In thousands)

Transportation revenue bonds					
Fiscal year	Wheel and gas tax revenue (a)	Debt service		Coverage	
		Principal	Interest		
2014	\$ 51,703	\$ 1,520	\$ 319	28.11	
2015	52,909	1,580	2,076	14.47	
2016	53,013	2,565	3,624	8.57	
2017	62,060	2,660	3,530	10.03	
2018	69,823	2,770	3,419	11.28	
2019	70,197	2,875	4,855	9.08	
2020	78,012	3,545	4,659	9.51 (l)	
2021	86,009	4,285	1,307	15.38	
2022	86,698	4,500	1,094	15.50	
2023	90,421	4,725	871	16.16	

PILOT revenue bonds					
Payments in lieu of taxes (b)	Debt service		Coverage		
	Principal	Interest (h)			
\$ 3,771	—	\$ 7,910	0.48		
8,168	—	7,910	1.03		
8,168	—	7,910	1.03		
10,520	—	3,955	2.66 (j)		
13,729	—	7,413	1.85		
16,647	—	7,352	2.26		
18,908	2,790	7,352	1.86		
19,739	4,875	7,213	1.63		
20,152	5,115	6,969	1.67		
20,445	5,375	6,713	1.69		

Property tax increment bonds					
Tax increment revenues (c)	Debt service		Coverage		
	Principal (d)	Interest			
\$ 82,319	\$ 39,223	\$ 18,383	1.43		
83,953	34,815	18,673	1.57		
90,418	34,266	21,846	1.61 (i)		
81,848	33,538	15,002	1.69		
94,215	44,424	20,414	1.45		
109,540	51,484	20,098	1.53		
118,105	52,364	20,612	1.62		
123,491	58,500	19,939	1.57 (n)		
130,601	63,726	22,141	1.52 (o)		
137,910	59,774	22,768	1.67		

Facilities revenue bonds					
Fiscal year	Charge back (e)	Debt service		Coverage	
		Principal	Interest		
2014	\$ 1,956	\$ 1,420	\$ 515	1.01	
2015	1,952	1,450	249	1.15	
2016	1,963	1,650	173	1.08	
2017	1,855	1,680	131	1.02	
2018	1,858	1,725	101	1.02	
2019	1,840	1,750	70	1.01	
2020	1,820	1,775	39	1.00	
2021	1,819	905	8	1.99	
2022	—	—	—	—	
2023	—	—	—	—	

Economic development bonds					
Parking fees (f)	Debt service		Coverage		
	Principal	Interest			
\$ 1,575	\$ 620	\$ 955	1.00		
3,164	1,183	1,981	1.00		
3,182	1,227	1,955	1.00		
2,364	957	1,407	1.00		
1,584	670	914	1.00		
1,584	685	899	1.00		
1,586	705	881	1.00		
1,583	720	863	1.00		
1,579	735	844	1.00		
1,579	760	819	1.00		

Stormwater revenue bonds (m)					
Net revenues of the stormwater system (g)	Debt service		Coverage		
	Principal	Interest			
\$ 3,985	\$ 1,665	\$ 2,320	1.00		
4,458	2,235	2,223	1.00		
5,280	1,990	2,234	1.25		
5,637	2,075	2,434	1.25		
7,539	3,730	2,301	1.25		
8,471	3,900	2,877	1.25 (k)		
11,379	4,095	5,008	1.25		
11,448	4,285	4,873	1.25		
10,485	4,495	3,893	1.25		
14,003	5,215	5,987	1.25		

- (a) Wheel taxes and gasoline taxes are pledged.
- (b) Payments in lieu of taxes wastewater system.
- (c) Property tax increment revenues collected in TIF districts.
- (d) Does not include principal amount for refunding bonds.
- (e) Charge back to City-County agencies.
- (f) Fees from parking garage.
- (g) Improvements of stormwater handling capabilities.
- (h) Any shortfalls in pledged PILOT revenues are covered by accumulated PILOT payments from prior years.
- (i) Principal payment does not include \$52,485 for the Redevelopment District Refunding Bonds, 2016A (Marriott).
- (j) Principal payment does not include \$159,515 for the PILOT Refunding Bonds, Series 2017C.
- (k) Principal payment does not include \$50,000 for the Stormwater 2019 Refunding bonds.
- (l) Principal payment does not include \$104,360 for the IndyRoads Metropolitan Thoroughfare District Refunding Bonds, Series 2020B.
- (m) Revenue disclosed is equal to required coverage, actual coverage is higher.
- (n) Principal payment does not include \$78,915 for the Economic Development Bonds Series 2011A NOS.
- (o) Principal payment does not include \$25,845 for the Redevelopment District Refunding Bonds, Series 2022A (Refunding 2013) and \$ 16,135 Economic Development Tax Increment Refunding Revenue Bonds, Series 2022 B (Refunding 2013)

CITY OF INDIANAPOLIS
Demographic and Economic Statistics
Schedule 16
Last Ten Fiscal Years

<u>Calendar year</u>	<u>Population (a)</u>	<u>Personal income (thousands of dollars) (b)</u>	<u>Per capita personal income (b)</u>	<u>Median age (a)</u>	<u>Education level in years of schooling (a)</u>	<u>School enrollment (c)</u>	<u>Unemployment rate (d)</u>
2014	850,164	\$ 43,324,791	\$ 46,290	34.10	12	130,007	5.80 %
2015	853,714	45,335,677	48,238	34.30	12	130,371	4.60
2016	859,049	46,676,017	49,357	34.40	12	131,754	3.90
2017	863,478	47,727,002	50,211	34.50	12	132,596	3.10
2018	870,960	50,634,219	52,815	34.50	12	132,838	3.40
2019	876,384	52,478,123	54,405	34.20	12	131,292	2.90
2020	887,642	57,259,810	59,264	34.40	12	131,830	5.70
2021	880,621	63,729,003	65,625	34.40	12	127,552	1.90
2022	879,293 (g)	64,469,236	66,500	34.40	12	127,458	2.50
2023	879,293 (f)	64,469,236 (e)	66,500 (e)	34.40 (f)	12	126,398	2.90

(a) U.S. Census Bureau

(b) Bureau of Economic Analysis

(c) Indiana Department of Education

(d) Bureau of Labor Statistics, December rate (not seasonally adjusted)

(e) This information was not made available by the Bureau of Economic Analysis as of the ACFR issuance date; therefore, prior year numbers were utilized.

(f) This information will be released by the U.S. Census Bureau at a future date; therefore, prior year numbers were utilized.

(g) This information is as of 7/1/2023

CITY OF INDIANAPOLIS
Principal Employers
Schedule 17
December 31, 2023

Employer	2023 (b)			Employer	2014 (c)		
	Employees	Rank	Percentage of total city employment (a)		Employees	Rank	Percentage of total city employment (a)
Indiana University Health	23,187	1	4.68%	St Vincent Hospitals & Health Services	17,398	1	3.87%
Ascension St. Vincent	17,398	2	3.51%	Indiana University Health	11,810	2	2.63%
Community Health Network	15,000	3	3.03%	Eli Lilly and Company	10,735	3	2.39%
IUPUI	14,000	4	2.83%	Community Health Network	10,402	4	2.31%
Eli Lilly and Company	11,872	5	2.40%	Wal-Mart	8,830	5	1.97%
Walmart	9,582	6	1.93%	Marsh Supermarkets	8,000	6	1.78%
Kroger Co	7,520	7	1.52%	Kroger	7,840	7	1.74%
Federal Express Corporation	5,800	8	1.17%	IUPUI	7,365	8	1.64%
Elevance Health	4,870	9	0.98%	City of Indianapolis/Marion County	7,058	9	1.57%
Meijer	4,707	10	0.95%	Fed Ex Express	6,000	10	1.34%

- (a) Percentage of total City employment is calculated by using total Employed Labor Force, which can be found at www.stats.indiana.edu.
- (b) Largest employers obtained from Indy Partnership.
- (c) Data presented as originally published in the 2014 Comprehensive Annual Financial Report.

CITY OF INDIANAPOLIS
Full-Time Equivalent City Government Employees by Function/Program
 Schedule 18
 Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Government	200	192	190	195	194	199	190	191	183	192
Protection of People										
Police Department	1,549	1,654	1,647	1,654	1,653	1,660	1,628	1,684	1,573	1,576
Fire Department	1,173	1,180	1,184	1,184	1,179	1,189	1,192	1,256	1,214	1,288
Other (Civilian)	336	337	331	340	342	392	379	362	312	303
Public Works	626	632	648	649	684	694	713	681	631	670
Parks and Recreation	103	103	104	117	119	123	119	183	127	138
Redevelopment	<u>226</u>	<u>237</u>	<u>239</u>	<u>254</u>	<u>247</u>	<u>251</u>	<u>231</u>	<u>211</u>	<u>217</u>	<u>228</u>
Total full-time City employees	<u><u>4,213</u></u>	<u><u>4,335</u></u>	<u><u>4,343</u></u>	<u><u>4,393</u></u>	<u><u>4,418</u></u>	<u><u>4,508</u></u>	<u><u>4,452</u></u>	<u><u>4,568</u></u>	<u><u>4,257</u></u>	<u><u>4,395</u></u>

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

Source: City of Indianapolis Office of Finance & Management

CITY OF INDIANAPOLIS
Operating Indicators by Function/Program
 Schedule 19
 Last Ten Fiscal Years

<u>Function/program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General government										
Total permits issued	39,708	37,967	38,117	42,140	43,962	47,513	40,146	43,589	46,897	43,353
Building inspections conducted	31,026	40,088	37,681	37,645	35,875	37,400	29,241	24,004	16,111	25,082
Households assisted with entitlement grants	2,100	4,219	6,812	6,436	2,193	1,496	2,099	2,846	4,144	3,566
Police										
Physical arrests	42,293	39,417	61,059	41,310	32,578	15,466 (c)	22,720	22,458	19,550	18,713
Parking violations	3,440	6,512	7,501	7,599	6,827	6,971	6,838	7,442	8,598	8,487
Traffic violations	31,684	40,642	49,921	35,915	35,062	39,016	28,781	29,019	32,136	33,873
Fire										
Emergency responses	97,140	106,118	164,030	178,522	167,217	161,339	155,449	164,296	163,047	166,968
Dispatched fire runs	18,543	18,809	15,145	15,526	16,793	19,628	19,534	18,471	22,604	22,471
Inspections	15,228	17,678	14,049	13,687	14,398	11,436	11,297	15,957	15,926	14,299
Refuse collection										
Refuse collected (tons per day)	975	991	1,044	1,127	765	787	873	855	792	806
Leaves collected (tons per year)	5,785	5,397	3,789	3,842	4,894	4,880	5,458	3,862	3,664	3,442
Other public works										
Street resurfacing (miles)	254	138	157	72	114	237	147	123	90	145
Pothole work orders completed (a)	21,722	24,106	21,954	24,202	43,731	45,454	32,060	22,578	34,702	41,784
Parks and recreation										
Number of shelter rental reservations	2,097	2,467	2,208	2,263	2,865	3,039	1,403 (b)	2,773	3,166	2,508
Number of day camp registrations	3,213	3,226	3,077	3,010	3,079	3,492	428 (b)	488 (b)	3,002	3,565
Community park and facility attendance	5,172,493	7,460,471	8,648,601	8,456,535	8,393,228	8,936,017	7,499,379 (b)	8,185,883	8,291,341	8,855,675

(a) Work order can consist of one pothole or multiple potholes.

(b) Reduction due to COVID-19 pandemic and related restrictions.

(c) Represents physical arrests from June through December 2019, January through May is not available.

Sources: Various City departments

CITY OF INDIANAPOLIS
Capital Asset Statistics by Function/Program
 Schedule 20
 Last Ten Fiscal Years

Function/program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police stations	6	6	6	6	6	6	6	6	6	6
Police and emergency management vehicles and other rolling stock	1,838	1,916	2,009	2,029	2,069	2,128	2,131	2,234	2,161	2,532
Fire stations	44	44	43	43	43	43	43	44	44	44
Fire vehicles and other rolling stock	276	291	296	305	315	328	316	316	330	362
Animal control vehicles and other rolling stock	30	33	33	33	32	41	36	36	33	41
Other Public Works										
Streets (miles)	3,323	3,337	3,339	3,339	3,342	3,401	3,402	3,352	3,356	3,361
Sidewalks (miles)	3,199	3,224	3,247	3,251	3,252	3,151	3,152	3,158	3,165	3,170
Bridges	541	540	538	539	539	539	538	538	541	535
Traffic signal installations	1,136	1,141	1,147	1,147	1,151	1,156	1,163	1,164	1,164	1,263
Miles of storm sewers and drainage	1,540	1,544	1,545	1,550	1,552	1,561	1,564	1,573	1,581	1,588
Public works vehicle and other rolling stock	644	605	590	593	682	721	665	643	612	613
Cultural and Recreation										
Parks	208	208	207	210	210	218	218	214	214	216
Park properties – acreage	11,186	11,186	11,254	11,254	11,254	11,386	11,386	11,348	11,608	1,648
Playgrounds	126	126	125	125	126	126	130	130	130	130
Golf courses	13	13	13	13	13	13	12	12	12	12
Swimming pools – outdoors	16	16	16	18	18	18	18	18	16	16
Swimming pools – indoors	5	5	5	4	4	4	4	4	4	4
Recreational centers	24	24	23	23	23	23	23	23	23	23

Sources: Various City departments

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**City of Indianapolis
(A Component Unit of the
Consolidated City of
Indianapolis - Marion County)**

Single Audit Report

December 31, 2023



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City of Indianapolis
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture				
Indiana Department of Agriculture Specialty Crop Block Grant Program	10.170	AM22SCBPIN1155	\$ -	2,220
Indiana Department of Education Child and Adult Care Food Program	10.558	74902	-	619,374
Indiana Department of Education Summer Food Service Program for Children (<i>Child Nutrition Cluster</i>)	10.559	74902	-	275,757
Urban Agriculture and Innovative Production	10.935		-	25,287
Total U.S. Department of Agriculture			<u>-</u>	<u>922,638</u>
U.S. Department of Commerce				
Economic Adjustment Assistance (<i>Economic Development Cluster</i>)	11.307		313,638	313,638
Total U.S. Department of Commerce			<u>313,638</u>	<u>313,638</u>
U.S. Department of Housing and Urban Development				
Community Development Block Grants/Entitlement Grants (<i>CDBG Entitlement Grants Cluster</i>)	14.218		8,283,418	11,273,062
COVID-19 Community Development Block Grants/Entitlement Grants (<i>CDBG Entitlement Grants Cluster</i>)	14.218		4,342,794	4,342,794
Total CDBG Entitlement Grants Cluster			<u>12,626,212</u>	<u>15,615,856</u>
Emergency Solutions Grant Program	14.231		673,685	728,138
COVID-19 Emergency Solutions Grant Program	14.231		969,110	969,110
			<u>1,642,795</u>	<u>1,697,248</u>
Home Investment Partnerships Program	14.239		6,504,283	6,801,161
Housing Opportunities for Persons with AIDS	14.241		2,273,169	2,329,644
Community Development Block Grants Section 108 Loan Guarantees	14.248		-	11,483,000
Continuum of Care	14.267		7,921,179	8,064,436
Total U.S. Department of Housing and Urban Development			<u>30,967,638</u>	<u>45,991,345</u>
U.S. Department of the Interior				
Indiana Department of Natural Resources Outdoor Recreation Acquisition, Development and Planning	15.916	18-00651	-	815,245
Total U.S. Department of the Interior			<u>-</u>	<u>815,245</u>
U.S. Department of Justice				
Indiana Criminal Justice Institute COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034	CESF-2020-03	49,524	49,524
COVID-19 Coronavirus Emergency Supplemental Funding Program	16.034		1,118,470	1,118,470
			<u>1,167,994</u>	<u>1,167,994</u>
Indiana State Police Missing Children's Assistance	16.543	63018	-	69,150
Indiana Criminal Justice Institute Crime Victim Assistance	16.575	VOCA-2022-00205, VOCA SUPP-2022-00069	-	36,700
Grants to Encourage Arrest Policies and Enforcement of Protection Orders	16.590		-	85,805
Indiana Criminal Justice Institute Project Safe Neighborhoods	16.609	PSN-S-2023-00006	-	7,980
Edward Byrne Memorial Justice Assistance Grant Program	16.738		403,620	853,908
Indiana Criminal Justice Institute Edward Byrne Memorial Justice	16.738	JAG-2023-00135	-	53,580
			<u>403,620</u>	<u>907,488</u>
Second Chance Act Reentry Initiative	16.812		-	74,001
Justice Reinvestment Initiative	16.827		-	98,841
National Sexual Assault Kit Initiative	16.833		171,220	258,899
Equitable Sharing Program	16.922		-	127,594
Total U.S. Department of Justice			<u>1,742,834</u>	<u>2,834,452</u>

City of Indianapolis
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Expenditures of Federal Awards (Continued)
Year Ended December 31, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation				
Indiana Department of Transportation Highway Planning and Construction	20.205	A249-20-ON200040/42323, A249-22-L210159, A249-21-L200116, A249-18-L180067, A249-19-L180111, A249-20-L200120, A249-20-L200099, A249-20-L200059, A249-20-L200010, A249-19-L190042, A249-20-L200117, A249-20-L200053, A249-22-L210159, A249-15-L150134, A249-19-L180124, A249-18-L180067	\$ -	\$ 1,502,204
Indiana Criminal Justice Institute State and Community Highway Safety (<i>Highway Safety Cluster</i>)	20.616	CHIRP-2023-00032, CHIRP-2024-00052, SAVE-2023-00029	-	625,128
Total U.S. Department of Transportation			<u>-</u>	<u>2,127,332</u>
U.S. Department of Treasury				
Equitable Sharing Program	21.016		-	1,030,939
COVID-19 Emergency Rental Assistance Program State of Indiana	21.023		2,726,073	3,410,354
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	519,598
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027		<u>41,583,322</u>	<u>150,443,452</u>
			<u>41,583,322</u>	<u>150,963,050</u>
Total U.S. Department of Treasury			<u>44,309,395</u>	<u>155,404,343</u>
Environmental Protection Agency				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818		-	27,451
Total Environmental Protection Agency			<u>-</u>	<u>27,451</u>
U.S. Department of Education				
Indiana Department of Education Charter Schools	84.282	N/A	-	6,550
Total Environmental Protection Agency			<u>-</u>	<u>6,550</u>
U.S. Department of Health & Human Services				
Indiana Department of Health The National Cardiovascular Health Program	93.426	N/A	-	2,773
Congressional Directives	93.493		<u>217,055</u>	<u>217,055</u>
Total U.S. Department of Health & Human Services			<u>217,055</u>	<u>219,828</u>
Corporation for National and Community Service				
Indiana Department of Workforce Development AmeriCorps State and National	94.006	N/A	-	44,198
Total Corporation for National and Community Service			<u>-</u>	<u>44,198</u>
Executive Office of the President				
City of Crownpoint High Intensity Drug Trafficking Areas Program	95.001	N/A	-	131,280
Total Executive Office of the President			<u>-</u>	<u>131,280</u>
U.S. Department of Homeland Security				
National Urban Search and Rescue (US&R) Response System	97.025		-	2,943,500
Assistance to Firefighters Grant	97.044		-	25,916
Indiana Department of Homeland Security Homeland Security Grant Program	97.067	N/A	-	418,053
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083		<u>-</u>	<u>3,983,755</u>
Total U.S. Department of Homeland Security			<u>-</u>	<u>7,371,224</u>
Total Expenditures of Federal Awards			<u>\$ 77,550,560</u>	<u>\$ 216,209,524</u>

City of Indianapolis
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Indianapolis, Indiana (City) under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

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

Note 3. Indirect Cost Rate

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

Note 4. Federal Loan Programs

The federal loan program listed subsequently is administered directly by the City, and balance and transactions relating to this program are included in the City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at December 31, 2023, consist of:

Federal Assistance Listing Number	Program Name	Outstanding Balance at December 31, 2023
14.248	Community Development Block Grants Section 108 Loan Guarantees	\$ 10,010,000

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

Independent Auditor's Report

To the Honorable Mayor and Members of the City-County Council
City of 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Indianapolis (City), a component unit of the Consolidated City of Indianapolis-Marion County, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 26, 2024, which included an emphasis-of-matter for a change in accounting principle.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

Indianapolis, Indiana
June 26, 2024

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

Independent Auditor's Report

To the Honorable Mayor and Members of the City-County Council
City of Indianapolis, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Indianapolis, Indiana's (City) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and included an emphasis-of-matter paragraph for a change in accounting principle. We have issued our report thereon dated June 26, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Forvis Mazars, LLP

**Indianapolis, Indiana
June 26, 2024**

City of Indianapolis
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section I – Summary of Auditor’s Results

Financial Statements

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

Federal Awards

4. Internal control over major federal awards programs:
Significant deficiency(ies) identified? Yes None Reported
Material weakness(es) identified? Yes No
5. Type of auditor’s report on compliance for major federal awards programs:
 Unmodified Qualified Adverse Disclaimer

City of Indianapolis
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2023

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

7. Identification of major federal programs:

Assistance Listing Numbers	Name of Federal Program or Cluster
14.239	Home Investment Partnerships Program
21.023	COVID-19 Emergency Rental Assistance Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)

8. Dollar threshold used to distinguish between Type A and Type B programs was \$3,000,000.

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

City of Indianapolis
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2023

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable.

City of Indianapolis
(A Component Unit of the Consolidated City of Indianapolis - Marion County)
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2023

Reference Number	Summary of Finding	Status
2022-001	Financial Reporting The City's internal control environment over financial reporting did not detect certain adjustments to capital assets that were needed to prevent the financial statements from being materially misstated.	Resolved