

COMPREHENSIVE ANNUAL FINANCIAL REPORT



John Ditslear, Mayor

FILED
08/16/2017

Year Ended
December 31, 2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF NOBLESVILLE, INDIANA

Year Ended December 31, 2016

Prepared by:

Jeffrey Spalding, Controller

INTRODUCTORY SECTION

**INTRODUCTORY
SECTION**

CITY OF NOBLESVILLE
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2016

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
I. Introductory Section	
Table of Contents	I-II
Letter to Citizens From Mayor	IV
Letter of Transmittal to Mayor and Members of Common Council	VI-XII
GFOA Certificate of Excellence	XIII
List of City Officials	XV
Organizational Chart	XVI
II. Financial Section	
Independent Auditor's Report.....	1-2
Management's Discussion and Analysis	3-15
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds	19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Position – Proprietary Funds.....	23
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds.....	24
Statement of Cash Flows – Proprietary Funds	25
Statement of Fiduciary Net Position – Fiduciary Funds	26
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	27
Notes to Financial Statements.....	28-80
Required Supplementary Information:	
Schedules of Changes in Net Position Liability	82
Schedules of Net Position Liability and Related Ratios	83
Schedules of Proportionate Share of the Net Position Liability	84
Schedules of City Contributions – Single-Employer Defined Benefit Pension Plans	85
Schedules of City Contributions – Cost-Sharing Multiple-Employer Defined Benefit Pension Plans	86
Schedule of Funding Progress	87
Schedule of Contributions from the Employer and Other Contributing Entities	87
Budgetary Comparison Schedule - General Fund.....	88-90
Budget/GAAP Reconciliation - General Fund.....	91
Notes to Required Supplementary Information	92-94

CITY OF NOBLESVILLE
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2016

TABLE OF CONTENTS
 (Continued)

<u>Description</u>	<u>Page</u>
II. Financial Section (Continued)	
Supplemental Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	100
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds.....	101
Combining Balance Sheets -	
Nonmajor Special Revenue Funds	102-106
Nonmajor Debt Service Funds.....	108-109
Nonmajor Capital Projects Funds	110-112
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances –	
Nonmajor Special Revenue Funds	113-117
Nonmajor Debt Service Funds.....	118-119
Nonmajor Capital Projects Funds	120-122
Budgetary Comparison Schedules – Nonmajor Budgeted Governmental Funds	124-131
Fiduciary Funds:	
Combining Statement of Net Position – Pension Trust Funds.....	134
Combining Statement of Changes in Net Position – Pension Trust Funds	135
Statement of Changes in Assets and Liabilities – Agency Funds.....	136
III. Statistical Section	
Financial Trends	
Net Position by Component.....	139
Changes in Net Position	140-141
Fund Balances of Governmental Funds	142
Changes in Fund Balances of Governmental Funds.....	143
Revenue Capacity	
Assessed Value and True Tax Value of Taxable Property.....	145
Direct and Overlapping Property Tax Rates.....	146-147
Principal Taxpayers	148
Property Taxes Levied and Collected.....	149
Debt Capacity	
Ratios of Outstanding Debt by Type.....	150
Ratios of Net General Bonded Debt Outstanding.....	151
Direct and Overlapping Debt	152
Legal Debt Margin	153
Governmental Activities Pledged Revenue Coverage	154
Business – Type Activities Pledged Revenue Coverage	155
Demographic and Economic Information	
Demographic and Economic Statistics	156
Principal Employers	157
Full-Time Equivalent City Government Employees by Function/Program	159
Operating Information	
Operating Indicators by Function/Program.....	160-161
Capital Asset Statistics by Function/Program.....	162

MEMBERS OF THE BOARD OF PUBLIC WORKS



JACK MARTIN, JOHN DITSLEAR, LAWRENCE STORK



June 28, 2017

Dear Citizens of Noblesville and Interested Persons,

I am proud and pleased to present to you the 2016 Comprehensive Annual Financial Report, as well as, a summary of all the services, projects and activities that make Noblesville a community of exceptional opportunities and great potential. This report has been prepared by our current Controller Jeffrey L. Spalding, using information provided by our outstanding fiscal steward, former Controller Michael Hendricks, and follows the guidelines set forth by the Government Finance Officers Association (GFOA) of the United States and Canada. Furthermore, this report has been submitted to the GFOA for their rigorous review and evaluation.

Noblesville is a great city in which to live, work and play. Like all communities, we must provide the necessary amenities and lifestyle opportunities to support and encourage the growth and development of the corporate and institutional sectors. Our city provides high quality services to its citizens, including public safety, sanitation and recycling service, public improvements, planning and zoning administration, parks and recreation and general administration. Our number one goal is to provide citizens with efficient, cost effective and quality services. To this end, department directors strive to provide up-to-date equipment, planning and continuous training for all employees in order to provide excellent city services.

This report would not be possible without the support of the entire Noblesville Common Council, the City administration, our auditors from the State Board of Accounts, and most importantly, the commitment of our accountants at O.W. Krohn & Associates to quality reporting and absolute compliance with statutory and regulatory requirements. We invite your comments and questions concerning the information contained in this document.

John Ditslear, Mayor
City of Noblesville

(This page intentionally left blank.)



June 22, 2017

Honorable Mayor John Ditslear
Honorable Members of Common Council
City of Noblesville
Noblesville, Indiana 46060

The Comprehensive Annual Financial Report (CAFR) of the City of Noblesville, Indiana, for the year ended December 31, 2016, is submitted herewith. The CAFR is presented as part of a continuing effort to provide the citizens of Noblesville with the highest standards of financial accountability and disclosure.

This report was prepared by O.W. Krohn and Associates, LLP on behalf of the City and in conjunction with the Controller's Office. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable a knowledgeable reader to gain full understanding of the City's financial activity have been included.

The Board of Accounts of the State of Indiana has issued an unqualified opinion on the City of Noblesville's financial statements for the year ended December 31, 2016. The independent auditor's opinion is located at the front of the financial section of this report.

REPORT FORMAT

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The City of Noblesville's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Noblesville was incorporated in 1851 and is the County seat of Hamilton County. It is located in central Indiana 17 miles northeast of downtown Indianapolis. Noblesville is one of the most rapidly growing municipalities in the State, serving a current estimated population of 59,153, covering an area of approximately 33.18 square miles with 260.08

miles of public roadways.

The City government is comprised of executive, legislative, and judicial branches. The Mayor serves as the head of the executive branch and is elected to a four-year term. On January 1, 2016, Noblesville became a second-class city under Indiana law. The Mayor appoints the Controller, who serves as the chief fiscal officer of the City. The legislative branch duties reside with the City's nine-member Common Council which serves as the official fiscal body. The Council is comprised of six in-district and three at-large seats. All serve four year terms. The Council meets formally twice a month to conduct business. Their duties include the enactment of all ordinances and resolutions and approving the annual budget and any additional appropriations. All local judicial branch duties reside with the Noblesville City Court which is led by an elected judge.

The administrative body for the City is the Board of Public Works. The Board of Works is composed of three members, two appointed by the Mayor and the Mayor, who presides. The Board of Works is also administrator to the Wastewater Utility. That utility served 20,032 customers as of December 31, 2016, an increase of 673 over the prior year.

The City of Noblesville provides the full range of municipal services to its residents. These include police and fire protection, emergency medical services, highways and streets, public parks, recreational activities, cultural activities, public improvements, wastewater utility services, business recruitment and retention, development planning, zoning enforcement, engineering services, and general administrative services. Certain public financing functions are provided by the Noblesville Economic Development Infrastructure Building Corporation and the Noblesville Redevelopment Authority. Although both are legally separate entities, they provide service almost exclusively to the City, and therefore are included as an integral part of the City's financial statements. Additional information on those entities is provided in Note I.A. of the notes to the financial statements.

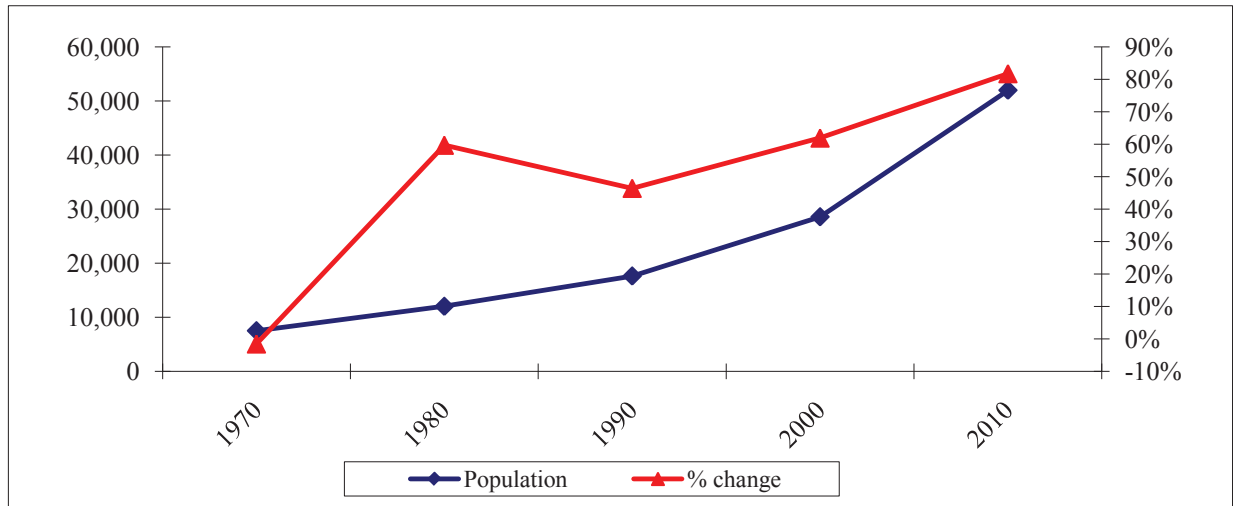
FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements may be better understood when economic and related environmental factors specifically impacting the City of Noblesville are considered. The following sections provide brief summaries of certain key factors related to the local economy, long term financial planning, and other matters intended to assist readers of this report in assessing the City's financial condition.

Local Economy

Growth in and around the City of Noblesville continues to be a positive factor affecting the state of the local economy. Population increases in the last four U. S. census surveys were as follows: 1980 increased 59.7%; 1990 increased 46.4%, 2000 increased 61.8% and 2010 increased 81.8%.

Population Change



Throughout 2016, the City received attention from site selectors and businesses looking for assistance in locating, relocating, or expanding their businesses. The Economic Development Department estimates that the City realized over \$75 million in private capital investments in 2016, which is expected to bring 276 new jobs.

The City issued 460 new single-family residential building permits in 2016, spread over 11 active subdivisions, within the corporate limits which was a modest 5% decline from the prior year. That drop is partly attributable to the implementation of a Residential Market Analysis, developed in 2016 with assistance from Greenstreet, Ltd, which identified shifts in family types and composition to help define the City's future needs for homesteads. It included both short-term and long-term recommendations to align the City's housing inventory with future demand for a more diverse range of housing types without compromising the current architectural standards.

The City continues to actively seek new investment from both the commercial and industrial sectors as well as prioritizing retention and expansion of existing businesses to maintain stability in the local tax base. Non-residential building permits issued in 2016 totaled \$67.4 million in total capital investment. In 2014, the Mayor initiated the "Stay Here, Grow Here" business retention and expansion program. Current projects that are a part of that effort include: Metro Plastics Technologies which agreed to invest \$6,000,000 to construct and equip a 72,000 square-foot facility; BlueSky Technology Partnership, Inc., a software development firm, which is spending \$6,000,000 to build a corporate headquarters; and Verdure Sciences which is spending \$3,000,000 to relocate its operations to a new 15,000 square-foot headquarters building.

Noblesville's Hamilton Town Center life style mall, officially opened in 2008, is still attracting tenants and continues to be a strong positive influence on site selector profiles. New additions to the Mall and the surrounding area in 2016 included BJ's restaurant, Primanti Brothers restaurant, Holiday Inn Express, and Duluth Trading Company.

The industrial sector of Noblesville manufactures a variety of products including air springs,

glass reinforced polyester sheet and molding, disposable medical equipment, plastic components, and aquariums. Retail, governmental, health care, and educational services are also among the largest employers in the City. Many local residents are employed in the nearby the cities of Carmel, Fishers, Indianapolis, Anderson, Muncie, and Kokomo. Based upon State employment data, Noblesville's 2016 labor force totals 33,279. The City unemployment rate in 2016 averaged 3.4%, below the state-wide average unemployment rate of 4.4%.

In response to the community's strong growth, the City's leadership has been focused expanding and extending services to residents. The City continues to invest in roadway infrastructure improvements throughout its jurisdiction, including the completion of the Pressley Boulevard extension from Pleasant Street to State Road 32. Significant completion of the Brooks School Road/Boden Road realignment and Midland Trace Trail bridges occurred in 2016. Planning is underway for seven new roundabouts, another street realignment, and the continuation of Phase 3 of the Riverwalk project, and numerous other projects throughout the city.

Long-Range Planning

PLANoblesville, the 2013 Comprehensive Plan, establishes a vision and strategic framework for the City's future. The creation of this plan was the culmination of a twelve-month process that included focus groups, stakeholder interviews, public workshops, and a series of open houses. Throughout that process, we assessed past progress and set a series of goals, objectives, and implementation actions to guide future development, redevelopment, and community building efforts. The core purpose of this comprehensive plan is to promote and enhance the City's many unique assets, protect its valuable natural features, and maintain a healthy variety of housing options thereby creating a stronger community while also strengthening the tax base.

One of the primary areas of emphasis is to aggressively promote the Corporate Campus and Hamilton Town Center to potential private investors. These two areas positioned to both accommodate and spur economic growth in the coming years. Additional economic development efforts are focused on the downtown riverfront, city gateways, trails, cultural districts, brownfield redevelopment, and downtown livability and residential diversity.

In 2015, construction began on the Federal Hill Commons project, which is located on approximately 6 acres of property on the west side of the White River just west of the city's old town square. That project will better utilize an area, mostly located in the flood plain, to provide a community gathering space and a place to highlight the City's rich history and public art. The project includes an amphitheater, public restrooms, an art wall, a playground, nature areas, and walking paths. Starting in the summer of 2017, Federal Hill Commons will host the city's primary Farmer's Market and a summer concert series.

In 2016, the City invested \$6,000,000 to support the construction of a new Embassy Suites Hotel located in the Corporate Campus area. That 187,000 square-foot hotel will have 198 suites, a 20,000 square-foot conference center, and 5,000 square-feet of meeting space. The

total capital investment is estimated to be approximately \$30,000,000. With close proximity to I-69 and Hamilton Town Center, the project will provide for the growing need of hotel rooms for visitors and business accommodations, due to the areas continuing private development and growth.

The City's Wastewater Utility continued work on implementation of its Long-Term Sewer Control Plan throughout 2016. Phase III construction began in January 2014 and was completed in 2016. That project included installation of a 60" combined sewer overflow (CSO) conveyance pipeline. Preliminary design work continued in 2016 on the Phase IV sewer separation project.

Relevant Financial Policies

The executive management of the City of Noblesville is responsible for establishing and maintaining a system of internal financial controls. The purpose of those controls is to ensure that the assets of the City are protected from loss, theft, or misuse with reasonable assurance that those objectives are met within appropriate cost-benefit trade-offs. The executive management is also tasked with providing adequate accounting data to allow for the preparation of financial statements in conformance with generally accepted accounting principles.

The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be received; and that the evaluation of cost and benefits requires estimates and judgments by management. It is the assessment of City management that the internal control structure does meet these criteria. The City consults with the Indiana State Board of Accounts, not only during the audit, but also routinely throughout the year as needed.

The City is responding to the effects of state-wide property tax caps instituted in 2009 (see discussion in the MD&A). As an example, the City has an established policy of refunding debt, when callable, if debt service savings can be achieved. Historically low municipal bond interest rates facilitated the refunding of three bond issues in 2016 which will reduce the City's debt payment obligations paid with tax revenue by approximately \$4.5 million over the next fifteen years.

Budgetary Controls

In accordance with Indiana law, the City maintains budgetary controls integrated within their enterprise accounting system. The purpose of these budgetary controls is to ensure compliance with the appropriation limits set by the Common Council and approved by the state's Department of Local Government Finance. The annual budget defined by appropriations approved by the Common Council, as the official fiscal body, includes the General Fund, Motor Vehicle Highway Fund, Local Road and Street Fund, Local Law Enforcement Continuing Education Fund, Parks and Recreation Fund, Park Nonreverting Operating Fund, Parking Meter Fund, City Hall Debt Fund, Fire Station 2 Debt Fund, Fire Station 7/Street Department Building Debt Fund, Fire Stations 5 & 6 Debt Fund, Little Chicago

Road Debt Fund, Hazel Dell Road TIF Supplement Fund, Cumulative Capital Improvement Fund, Cumulative Capital Development Fund, and Cumulative Building and Fire Fighting Equipment Fund.

For all of the City's tax increment financing district (TIF) funds, state law designates the Redevelopment Commission as the official fiscal body with approval authority over the expenditure of those monies. No budget approval or additional appropriation requirements are established in state law for local public utilities. However, the City of Noblesville's wastewater utility does prepare and present an advisory budget, as do most other such utilities across the state.

The budgetary control thresholds established in state law are set by: a) major budget classification within a fund; and b) department within a fund. The four major budget classifications defined in Indiana law are: Personal Services; Supplies; Other Services; and Capital Outlay. Departments may be established at local discretion and typical examples include Police Protection, Fire Protection, Street Maintenance, and Parks and Recreation. The Common Council maintains sole appropriation authority over all City funds with the exception of utility funds and TIF funds. Additionally, the Park Board may also exercise appropriation authority over the Park Non-Reverting Operating Fund. Finally, of all funds supported by a property tax levy, additional appropriations (in excess of the original budget) must be approved by the Common Council and subsequently submitted for approval to the state's Department of Local Government Finance.

The City also maintains an encumbrance account system as one technique of maintaining budget compliance. Encumbered amounts, for goods or services which are yet to be delivered and/or invoiced, are set aside to ensure that those monies are not unintentionally spent for another purpose. Consequently, at year end, any encumbered funds may be carried over to the subsequent year and expended once the good or service is delivered with further approval by the Common Council.

Under Indiana law, an annual budget must be prepared for all planned spending from funds that require appropriation approval by the state's Department of Local Government Finance. That annual budget must be adopted by the local fiscal body (i.e. the Common Council) no later than November 1 of the preceding year.

The annual budget ordinance is prepared, under the Mayor's direction, for introduction to the Common Council at its first meeting in October. That proposed budget must be publically disclosed as prescribed in the Indiana Code, and a public hearing must be held prior to the final adoption by the Common Council.

During their review process, the Common Council may reduce any appropriation amount proposed by the Mayor, but they may not increase any appropriation amount in the proposed budget.

Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this

comparison is presented on pages 88-91. For other governmental funds with appropriated annual budgets, the comparison is presented in the governmental fund subsection of this report on pages 124-131.

INDEPENDENT AUDIT

Indiana Code (IC) section 5-13-1 requires each municipality to be audited by the Board of Accounts, an agency of the State of Indiana. That requirement has been satisfied and the auditor's opinion is included in this report.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting (Certificate) to the City of Noblesville for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2015. The Certificate is a prestigious national award-recognizing conformance with the highest standards for preparation of a state and local government financial report.

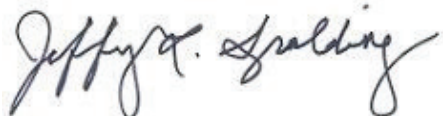
In order to be awarded a Certificate, a government must publish an easily readable and efficiently organized CAFR that also complies will generally accepted accounting principles and all applicable legal requirements.

The Certificate is valid for a period of one year. The City has received the Certificate for the last twenty-eight consecutive years (December 31, 1988 - December 31, 2015). We believe our 2016 CAFR continues to meet the full requirements of GFOA and it will be submitted for their review and consideration.

The successful preparation of this report would not have been possible without the dedication and cooperation of city officials, council members, department directors, and many others. Special appreciation is also extended to the prior Controller, Michael Hendricks and to Deputy Controller, Heather Trexler. Finally, I must acknowledge the skillful and insightful oversight of Jennifer Carmack and Matthew Roberts, our lead auditors from the state's Board of Accounts, the other members of their full audit team, and the tremendous effort and guidance of both Jim Treat and Rosy Oshry, our accountants from O.W. Krohn & Associates, LLP, in the completion of this report.

I believe this report to be of value to the citizens of Noblesville, our many visitors, and any prospective investors in our community.

Respectfully submitted,



Jeffrey L. Spalding, Controller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Noblesville
Indiana**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

ELECTED CITY OFFICIALS



FRONT ROW (LEFT TO RIGHT): CITY CLERK EVELYN LEES, MARK BOICE, MARY SUE ROWLAND, MEGAN WILES, ROY JOHNSON, JUDGE GREGORY CALDWELL(DECEASED)

BACK ROW (LEFT TO RIGHT): MAYOR JOHN DITSLEAR, CHRIS JENSEN, GREG O'CONNOR, RICK TAYLOR, BRIAN AYER, WIL HAMPTON

NOBLESVILLE CITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Mayor	John Ditslear	01/01/16 to 12/31/19
City Clerk	Evelyn Lees	01/01/16 to 12/31/19
Controller	Michael Hendricks	Appointed
Judge	Greg Caldwell (deceased)	01/01/16 to 10/13/16
	S. Matthew Cook	12/07/16 to 12/31/19
Common Council Members	Brian Ayer	01/01/16 to 12/31/19
	Mark Boice	01/01/16 to 12/31/19
	Roy Johnson	01/01/16 to 12/31/19
	Gregory O'Connor	01/01/16 to 12/31/19
	Mary Sue Rowland	01/01/16 to 12/31/19
	Rick Taylor	01/01/16 to 12/31/19
	Megan Wiles	01/01/16 to 12/31/19
President of the Board of Public Works and Safety	John Ditslear	01/01/16 to 12/31/19
Member of the Board of Public Works and Safety	Jack Martin	Appointed
	Larry Stork	Appointed

City of Noblesville

2016

Citizens

Judicial Branch

S. Matthew Cook, Judge
Liz Anderson, Court Admin
Senior Court Clerk
Court Clerk

Executive Branch

John Ditslear, Mayor

Steve Cooke, Deputy Mayor

Evelyn Lees, City Clerk

Board of Works
John Ditslear, President
Larry Stork
Jack Martin

Legislative Branch

Brian Ayer
Mark Boice
Will Hampton
Chris Jensen
Roy Johnson

Common Council

Greg O'Connor
Mary Sue Rowland
Rick Taylor
Megan Willes

Legal

Mike Howard, Attorney
Darren Murphy, Asst. Attorney

Mayor's Office

Michelle Glodowski, Admin Manager
Robert Herrington, Communication Mgr

Controller

Mike Hendricks, Controller
Deputy Controller
Payroll Administrator
Accounting Clerk

Human Resources

Holly Ramon, Director
Kim Pottenger, Asst. Director

Engineering

John Beery, Director
Jim Hellmann, Asst. Director
Field Operations Manager
Project Manager
Office Manager

IT Department

Misty Shearer, IT Director
Jason French, Lead Network Admin.
Desktop Support Specialist
GIS Coordinator
GIS Technician

Parks & Recreation

Brandon Bennett, Director
Mike Hoffmeister, Asst. Director
Curt Brisco, Golf Course Supt
Parks Maintenance Supervisor
Asst. Golf Course Supt
Asst. Parks Maint Supt
Recreation Director
Laborers
Office Manager

Maintenance

David Dale, Maint. Tech
Custodians

Economic Development

Judi Johnson, Director
Economic Development Specialists

Planning

Sarah Reed, Director
Andy Wert, Asst. Director
Building Administrator
Senior Planner
Long Range Planner
Zoning Administrator/Planner
Asst. Zoning Administrator/Planner
Office Manager

Police

Kevin Jowitz, Chief
Scott Kirby, Asst. Chief
Deputy Chiefs
Lieutenant
Sergeant
Technical Sergeant (Specialties)
Corporals
Technical Corporal
Master Patrolman
Patrolman
Office Manager

Street

Patty Johnson, Commissioner
Jayson Williams, Asst. Comm
Chief Operators
Urban Forester
Inspector
Sign/Signal Technician
Crew Leaders
Operators
Office Manager

Wastewater

Ray Thompson, Director
Karrie Hutson, Asst. Director
Chief Operator/Coll. Sys.
Chief Operator/ Trt. Pl.
Chief Operator/Storm Water Sys MS4
Chemist/Lab Supervisor
Lab Technician
Operators
Account Clerk Supervisor
Office Manager

Fire

Greg Wyant, Chief
Matt Mitchell, Asst. Chief
Fire Inspector Division Chief
Fire Investigator Division Chief
Training/Safety Division Chief
EMS Division Chief
Inspector
Battalion Chiefs
Captains
Lieutenants
Firefighters
Office Manager

FINANCIAL SECTION



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF NOBLESVILLE, HAMILTON COUNTY, INDIANA

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Noblesville (City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Matters

Required Supplementary Information


Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis, Schedules of Changes in Net Position Liability, Schedules of Net Position Liability and Related Ratios, Schedules of Proportionate Share of the Net Position Liability, Schedules of City Contributions, Schedule of Funding Progress, Schedule of Contributions from the Employer and Other Contributing Entities, Budgetary Comparison Schedule, and Budget/GAAP Reconciliation, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 accompanying Introductory Section, Combining Balance Sheets, Combining Statements of Revenues, Expenditures, and Changes in Fund Balances, Combining Statement of Net Position - Pension Trust Funds, Combining Statement of Changes in Net Position - Pension Trust Funds, Combining Statement of Changes in Assets and Liabilities - Agency Funds, other Budgetary Comparison Schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Balance Sheets, Combining Statements of Revenues, Expenditures, and Changes in Fund Balances, Combining Statement of Net Position - Pension Trust Funds, Combining Statement of Changes in Net Position - Pension Trust Funds, Combining Statement of Changes in Assets and Liabilities - Agency Funds, and other Budgetary Comparison Schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 auditing standards generally accepted in the United States of America. In our opinion, the Combining Balance Sheets, Combining Statements of Revenues, Expenditures, and Changes in Fund Balances, Combining Statement of Changes in Assets and Liabilities, Combining Statement of Net Position - Pension Trust Funds, Combining Statement of Changes in Net Position - Pension Trust Funds, and Budgetary Comparison Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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


Paul D. Joyce, CPA
State Examiner

June 13, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Noblesville, Indiana, we offer readers of the City of Noblesville's financial statements this narrative overview and analysis of the financial activities of the City of Noblesville for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages VI-XII of this report.

FINANCIAL HIGHLIGHTS

- The assets of the City of Noblesville exceeded its liabilities at the close of the most recent fiscal year, with a total of \$285,788,288 (*net position*). Of this amount, \$9,140,433 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position increased by \$17,290,558 as compared to the 2015 total net position. Overall, the City increased revenues by approximately \$8.2 million while increasing expenditures by approximately \$5.9 million in 2016. A component of the overall increase in net position was related to the receipt of additional capital grants and contributions. Capital grants and contributions include \$6.8 million of developer contributed infrastructure assets and \$3.0 million of utility infrastructure assets from developers. In addition, a one-time special distribution from the State in the amount of the \$8,571,000 contributed to the increase in net position. The majority of the increase in expenditures is due to an economic development project in the City funded through bond proceeds.
- At the end of the current fiscal year, the City's government funds reported ending fund balances of \$86,700,680, an increase of \$16,482,394 from last year. This increase was due to net funds provided by other financing sources including bond issues and capital lease transactions. Approximately 78% of the total governmental fund balance, or \$67.9 million is designated by the City as committed, assigned and unassigned. The remaining 22% is designated as restricted.
- The City of Noblesville total outstanding debt obligations increased by \$2,265,000 during the current fiscal year. A total of \$45,430,000 in bonds were issued, \$14,775,000 in bonds were retired by scheduled principal payments during the year and \$28,390,000 in bonds were refunded.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Noblesville's basic financial statements. The City of Noblesville's basic financial statements comprise three components:

1. Government-wide financial statements, providing information for the City as a whole.
2. Fund financial statements, providing detailed information for the City's significant funds.
3. Notes to the financial statements, providing additional information that is essential to understanding the government-wide and fund statements.

This report also contains other supplementary information in addition to the basic financial statements themselves. Additional explanation of these sections of the financial statements follows.

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

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

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned, but not used, compensated absences).

Both of the government-wide financial statements distinguish functions of the City of Noblesville that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Noblesville include general government, public safety, highways and streets, culture and recreation and economic development. The business-type activity of the City of Noblesville includes a wastewater utility.

The government-wide financial statements can be found on pages 17-18 of this report.

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

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

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

The City of Noblesville maintains 46 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, redevelopment authority debt service fund and redevelopment authority capital projects, all of which are considered to be major funds. Data from the other 43 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Noblesville adopts an annual appropriated budget for its general fund, certain special revenue funds, certain debt service funds and certain capital projects funds. Budgetary comparison statements have been provided for the general fund in the required supplementary information and for the other funds subsequent to the combining non major fund information, as other information, to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 19-22 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Proprietary funds. The City of Noblesville maintains two different types of proprietary funds, *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Noblesville uses enterprise funds to account for its wastewater utility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Noblesville's various functions. The City of Noblesville uses an internal service fund to account for its employee health and life insurance programs. Because this service predominately benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the wastewater utility which is considered to be a major fund of the City. The internal service fund is presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 23-25 of this report.

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

The basic fiduciary fund financial statements can be found on pages 26-27 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-80 of this report.

Other Information. The combining statements referred to earlier in connection with non major governmental funds and fiduciary funds can be found on pages 100-136 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Noblesville, assets exceeded liabilities by \$285,788,288 at the close of the most recent fiscal year.

By far the largest portion of the City of Noblesville's net position (80 percent) reflects its investment in capital assets (e.g. land, buildings, vehicles, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Noblesville uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Noblesville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The comparison is presented for purposes of additional analysis.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

City of Noblesville's Net Position as of December 31, 2016

	Governmental Activities		Business-Type Activities		Total	
	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>
Current and other assets	\$ 85,343,496	\$ 92,677,745	\$ 30,187,234	\$ 33,231,060	\$ 115,530,730	\$ 125,908,805
Capital assets	<u>314,808,029</u>	<u>323,085,397</u>	<u>117,113,591</u>	<u>117,626,021</u>	<u>431,921,620</u>	<u>440,711,418</u>
Total assets	<u>\$ 400,151,525</u>	<u>\$ 415,763,142</u>	<u>\$ 147,300,825</u>	<u>\$ 150,857,081</u>	<u>\$ 547,452,350</u>	<u>\$ 566,620,223</u>
Deferred outflows of resources	<u>17,386,934</u>	<u>20,466,756</u>	<u>1,204,371</u>	<u>1,137,461</u>	<u>18,591,305</u>	<u>21,604,217</u>
Total assets and deferred outflows	<u>417,538,459</u>	<u>436,229,898</u>	<u>148,505,196</u>	<u>151,994,542</u>	<u>566,043,655</u>	<u>588,224,440</u>
Long-term liabilities outstanding	224,824,804	234,077,202	39,078,120	36,777,217	263,902,924	270,854,419
Other liabilities	<u>21,660,352</u>	<u>21,511,606</u>	<u>3,293,742</u>	<u>2,933,282</u>	<u>24,954,094</u>	<u>24,444,888</u>
Total liabilities	<u>\$ 246,485,156</u>	<u>\$ 255,588,808</u>	<u>\$ 42,371,862</u>	<u>\$ 39,710,499</u>	<u>\$ 288,857,018</u>	<u>\$ 295,299,307</u>
Deferred inflows of resources	<u>8,688,907</u>	<u>7,136,845</u>	<u>-</u>	<u>-</u>	<u>8,688,907</u>	<u>7,136,845</u>
Total liabilities and deferred inflows	<u>\$ 255,174,063</u>	<u>\$ 262,725,653</u>	<u>\$ 42,371,862</u>	<u>\$ 39,710,499</u>	<u>\$ 297,545,925</u>	<u>\$ 302,436,152</u>
Net position:						
Investment in capital assets	134,342,338	145,567,900	80,474,188	82,597,844	214,816,526	228,165,744
Restricted	35,133,129	42,660,844	5,675,787	5,821,267	40,808,916	48,482,111
Unrestricted	<u>(7,111,071)</u>	<u>(14,724,499)</u>	<u>19,983,359</u>	<u>23,864,932</u>	<u>12,872,288</u>	<u>9,140,433</u>
Total net position	<u>\$ 162,364,396</u>	<u>\$ 173,504,245</u>	<u>\$ 106,133,334</u>	<u>\$ 112,284,043</u>	<u>\$ 268,497,730</u>	<u>\$ 285,788,288</u>

A portion of the City of Noblesville's net position (17 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$9,140,433 may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City of Noblesville is able to report positive balances in most of the categories of net position, both for the government as a whole, as well as for its business-type activities. The unrestricted balance of (\$14,724,499) in the governmental activities is primarily due to the pension reporting requirement of GASB 68 and GASB 71. The net pension liability and OPEB obligation increased by \$6.5 million from last year.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

The following is a summary of the information presented in the Statement of Activities for 2016 found on page 18 of this report compared to 2015:

City of Noblesville Change in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>
Revenue:						
Program revenues:						
Charges for services	\$ 10,598,918	\$ 12,262,583	\$ 13,726,815	\$ 14,602,625	\$ 24,325,733	\$ 26,865,208
Operating grants and contributions	2,818,025	2,660,424	-	-	2,818,025	2,660,424
Capital grants and contributions	5,512,986	6,757,792	1,410,532	2,991,116	6,923,518	9,748,908
General revenues:						
Taxes:						
Property taxes	37,839,905	39,176,776	-	-	37,839,905	39,176,776
Income	18,799,297	19,915,934	-	-	18,799,297	19,915,934
Other	4,646,289	5,175,168	-	-	4,646,289	5,175,168
Other	329,233	373,768	150,630	93,916	479,863	467,684
Total revenues	<u>\$ 80,544,653</u>	<u>\$ 86,322,445</u>	<u>\$ 15,287,977</u>	<u>\$ 17,687,657</u>	<u>\$ 95,832,630</u>	<u>\$ 104,010,102</u>
Expenses:						
General government	21,513,337	22,570,301	-	-	21,513,337	22,570,301
Public safety	25,618,321	26,272,849	-	-	25,618,321	26,272,849
Highways and streets	13,258,585	11,390,173	-	-	13,258,585	11,390,173
Culture and recreation	3,749,832	3,743,991	-	-	3,749,832	3,743,991
Economic Development	84,133	5,933,414	-	-	84,133	5,933,414
Interest on long-term debt	6,333,374	5,539,319	-	-	6,333,374	5,539,319
Wastewater	-	-	10,305,263	11,269,497	10,305,263	11,269,497
Total expenses	<u>\$ 70,557,582</u>	<u>\$ 75,450,047</u>	<u>\$ 10,305,263</u>	<u>\$ 11,269,497</u>	<u>\$ 80,862,845</u>	<u>\$ 86,719,544</u>
Excess revenues	<u>\$ 9,987,071</u>	<u>\$ 10,872,398</u>	<u>\$ 4,982,714</u>	<u>\$ 6,418,160</u>	<u>\$ 14,969,785</u>	<u>\$ 17,290,558</u>
Transfers:						
Capital asset transfer	(532,792)	67,451	532,792	(67,451)	-	-
Fund transfer	200,000	200,000	(200,000)	(200,000)	-	-
	<u>\$ (332,792)</u>	<u>\$ 267,451</u>	<u>\$ 332,792</u>	<u>\$ (267,451)</u>	<u>\$ -</u>	<u>\$ -</u>
Increase(Decrease) in net position	9,654,279	11,139,849	5,315,506	6,150,709	14,969,785	17,290,558
Net position - beginning before prior period adjustment	163,381,395	162,364,396	103,655,045	106,133,334	267,036,440	268,497,730
Prior period adjustment	(10,671,278)	-	(2,837,217)	-	(13,508,495)	-
Net position - beginning after prior period adjustment	<u>152,710,117</u>	<u>162,364,396</u>	<u>100,817,828</u>	<u>106,133,334</u>	<u>253,527,945</u>	<u>268,497,730</u>
Net position, end of year	<u>\$ 162,364,396</u>	<u>\$ 173,504,245</u>	<u>\$ 106,133,334</u>	<u>\$ 112,284,043</u>	<u>\$ 268,497,730</u>	<u>\$ 285,788,288</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Governmental Activities

Governmental activities increased the City's net position by \$11,139,849. Total assets and deferred outflows increased approximately \$18.7 million while total liabilities and deferred inflows increased approximately \$7.6 million. The increase in net position included \$6.8 million in developer contributed infrastructure assets and general revenue (see below for details). The increase in assets was due to an increase in deferred outflows of resources in the amount of \$2.0 million for unamortized deferred losses related to the advance refunding transactions in 2016, along with an additional of \$1 million in pension related deferred outflows. The increase to total liabilities and deferred outflow of resources was due to the increase of approximately \$1.6 million due to the pension liability and an approximately \$4.9 million increase in the OPEB obligation.

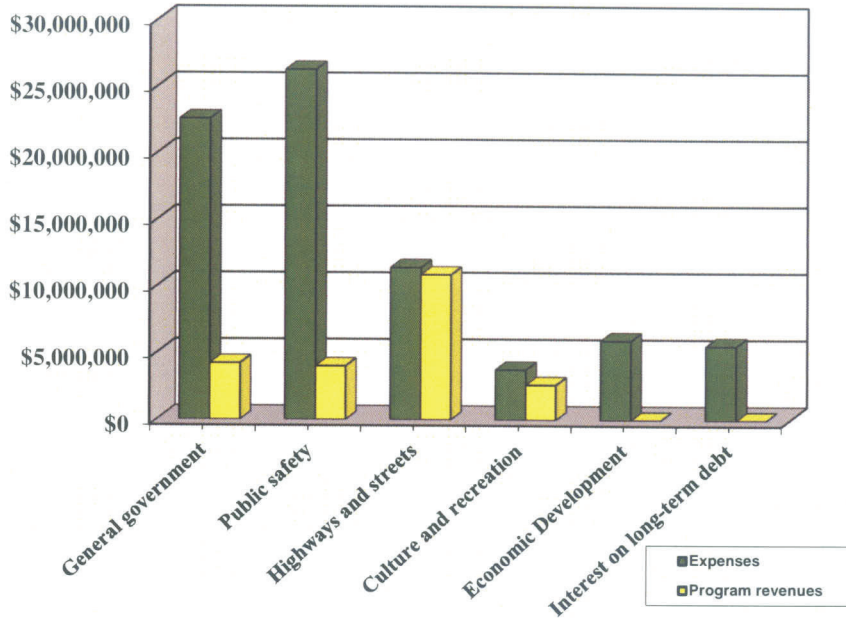
Notable changes in governmental activities revenues and expenses in 2016 compared to the 2015 included the following:

- Governmental revenues increased approximately \$5.8 million in total with the biggest components related to property taxes and the County Option Income Tax (COIT). Property taxes increased by approximately \$1.3 million through normal levy adjustments and additional Tax Increment Revenue from the continuing development of the City's Tax Increment Financing areas. There was also a 5% increase in the overall COIT distributions for the county in 2016. The City received approximately \$774,000 in additional COIT in 2016. The increase in COIT is an indication of the continued strong economy in the county. While the increase in the COIT distribution was not as large as it has been in prior years, the City received a one-time distribution from the COIT trust account held by the State. The almost \$8.6 million distribution is to be used for road and bridge improvements and accounts for the smaller than normal increase in the COIT distribution amount.
- Governmental expenses increased approximately \$4.9 million in total. The entire increase in expenses is related to an economic project near downtown Noblesville. BlueSky Technology is constructing a 40,000 square foot office building, and in partnership with the City of Noblesville, is constructing a parking lot available to the employees of BlueSky and the citizens/visitors of the City of Noblesville.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

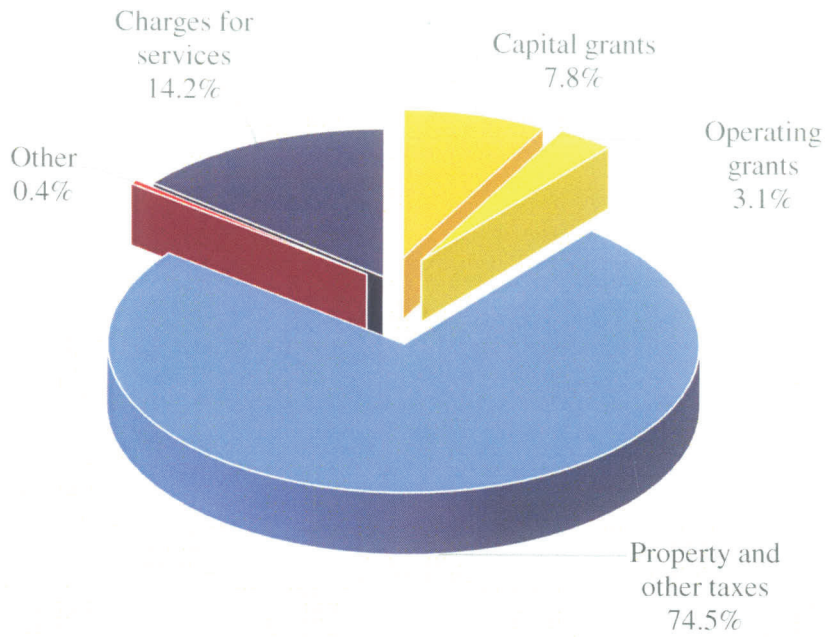
The following chart compares expenses with program revenues for the City of Noblesville's governmental activities.

Expenses and Program Revenues – Governmental Activities



**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

The following graph shows the composition of revenues for the City of Noblesville's governmental activities:



**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

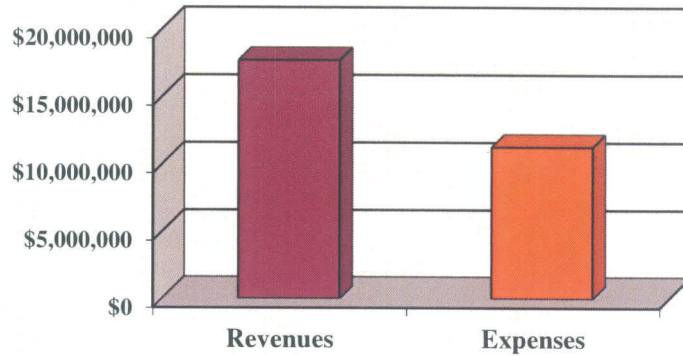
Business-type Activities

Net position for business-type activities increased \$6,150,709. This increase was due to the receipt of \$2,991,116 contributed infrastructure and funds from developers and the excess revenues over expenses.

Total revenues for the Utility increased \$2,399,680 in 2016, with an increase in total expenses in the amount of \$964,234. Operating revenues were up approximately 6% (\$875,810) related to growth in customer base, along with the addition of trash fees. There was a decrease in tap fees, which lessened the increases in revenues.

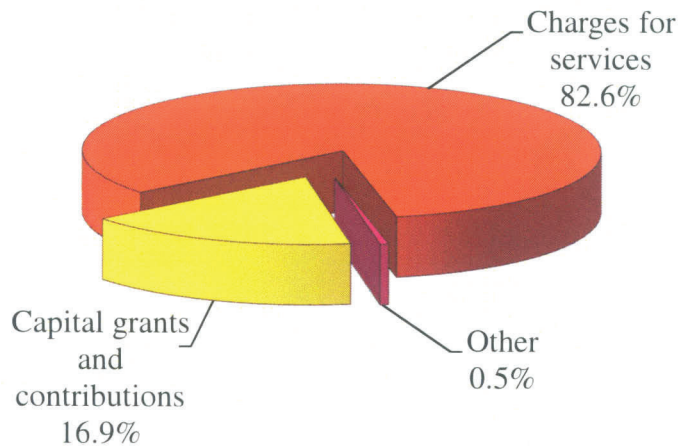
The following chart compares expenses with program revenues for the City of Noblesville's business-type activities:

Expenses and Program Revenues – Business-type Activities



The following graph shows the composition of revenues for the City of Noblesville's business-type activities:

Revenues by Source – Business-type Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Financial analysis of the Government's Funds

As noted earlier, the City of Noblesville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Noblesville's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources (modified accrual basis). Such information is useful in assessing the City's financing requirements. In particular, the unassigned fund balance may serve as a useful measure of the government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Noblesville's governmental funds reported combined ending fund balances of \$86,700,680, an increase of \$16,482,394. A total of \$18,759,025 of the ending fund balances is restricted and the remaining fund balances totaling \$67,941,655 are either committed, assigned or unassigned.

The general fund is the chief operating fund of the City of Noblesville. At the end of the current fiscal year, the total general fund balance was \$24,869,684 of which \$282,822 was assigned and the remaining \$24,586,862 was unassigned. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents 59 percent of total general fund expenditures. The general fund's balance had an increase of \$3,523,356 prior to restatement. The General Fund's restatement, in the amount of \$2,857,765, is due to the inclusion of the County Option Income Tax Fund with the General Fund. The County Option Income Tax Fund has been deemed a stabilization fund and all revenues and expenditures have been folded into the General Fund for 2016. The restatement amount is the beginning balance for the County Option Income Tax Fund. The City established a Rainy Day Fund in 2016 as a replacement of the County Option Income Tax Fund. All 2016 revenues and expenditures for the Rainy Day Fund have also been folded into the General Fund. The 2016 ending fund balances for the General Fund, the County Option Income Tax Fund and the Rainy Day Fund are \$21,306,880, \$1,538,582 and \$2,024,222, respectfully. Another factor for the increase in the fund balance is related to an increase in property tax revenue of \$1.3 million due to scheduled increases in the maximum levy. The general fund also issued a capital lease in the amount of \$1,007,378.

The Redevelopment Authority Debt Service fund level remained about the same as 2015 with a decrease of \$386,052.

The Redevelopment Authority Capital Projects fund was included with the major funds this current fiscal year due to the issuance of a Redevelopment District Bond issue. The \$5,599,194 increase reflects the bond proceeds net of capital project expenditures (see Capital Asset and Debt Management section for further discussion).

Proprietary funds. The City of Noblesville's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Wastewater Utility at the end of the year amounted to \$23,864,932. Net position for the Wastewater Utility increased \$6,191,099 during 2016. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Noblesville's business-type activities.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

General Fund Budgetary Highlights

The increase between the original budget and final amended budget for total expenditures is solely from encumbered expenditures from the previous fiscal year. The City of Noblesville did not request any additional appropriations for the current fiscal year.

General fund budget basis revenues exceeded the final budgeted amounts by \$4,472,520. Total expenditures on a budgetary basis were 31% under the final budget. All departments were under budget with the most significant favorable variance relating to Unclassified and Council. The Unclassified budget, in the amount of \$15,891,279, relates to the County Option Income Tax Fund, which has been folded into the General Fund's budget for 2016. \$6.0 million in capital outlays were budgeted for the Council; however, less than \$1 million in capital outlays were expended. The City uses this general fund budget category each year to ensure that the budget meets the State requirements for successfully receiving an appeal to the maximum levy limitations. The total public safety variance of \$797,625 was due to lower expenditures in personal services, supplies, other services and charges and capital outlays.

Capital Asset and Debt Management.

Capital assets. The City of Noblesville's investment in capital assets for its governmental and business-type activities as of December 31, 2016 amounts to \$440,711,418 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, traffic signals, and storm sewers. Total net investment in capital assets increased \$8,789,798 in 2016. The net investment in capital assets is a combination of the additions of assets and the amount of accumulated depreciation. Major capital assets added for governmental activities included \$6.8 million of contributed infrastructure (roads, right of ways, storm sewers), \$5.3 million of road project expenditures, primarily the Presley Blvd. extension and realignment of Brooks School Road at Boden Road. Also, \$3.7 million was spent on the Federal Hill Park project, a portion of which was completed and capitalized in 2016. For business-type transactions, additions in 2016, which totaled approximately \$9.5 million, included \$2,991,000 of developer contributed sewers and \$4,814,000 for Phase III of the LTCP.

Additional information on the City of Noblesville's capital assets can be found in Note II C, on pages 38-39 of this report.

	Governmental Activities		Business-Type Activities		Total	
	2015	2016	Restated 2015	2016	2015	2016
Land	63,508,639	65,721,387	772,915	772,915	64,281,554	66,494,302
Buildings	34,290,649	35,031,831	32,746,159	31,674,997	67,036,808	66,706,828
Improvements other than buildings	10,010,081	9,795,727	64,411,246	71,856,584	74,421,327	81,652,311
Machinery and equipment	8,834,260	8,643,116	13,247,035	12,978,943	22,081,295	21,622,059
Infrastructure	192,277,211	195,560,445	-	-	192,277,211	195,560,445
Construction in progress	5,887,189	8,332,891	5,936,236	342,582	11,823,425	8,675,473
Total	\$314,808,029	\$323,085,397	117,113,591	117,626,021	\$431,921,620	\$440,711,418

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

Long-term debt. At the end of the current fiscal year, the City of Noblesville had \$233,190,000 in long-term bonds outstanding. Of this amount, \$194,500,000 comprises debt backed by the full faith and credit of the government and \$38,690,000 represents revenue bonds issued by the Wastewater Utility secured solely by the net revenues of the utility.

City of Noblesville's Outstanding Debt as of December 31, 2016

	Governmental Activities		Business-Type Activities		Total	
	2015	2016	2015	2016	2015	2016
General Obligations bonds:						
Property Tax	\$ 29,030,000	\$ 27,110,000	\$ -	\$ -	\$ 29,030,000	\$ 27,110,000
County Option Income Tax	6,185,000	5,420,000	-	-	6,185,000	5,420,000
Tax Increment	154,780,000	161,970,000	-	-	154,780,000	161,970,000
Total	\$ 189,995,000	\$ 194,500,000	\$ -	\$ -	\$ 189,995,000	\$ 194,500,000
Revenue Bonds	-	-	40,930,000	38,690,000	40,930,000	38,690,000
Total Outstanding Debt	\$ 189,995,000	\$ 194,500,000	\$ 40,930,000	\$ 38,690,000	\$ 230,925,000	\$ 233,190,000

The City's total bonds payable increased by \$2,265,000 during the current fiscal year. The increase was a combination of the following bond transactions net of the payment of \$14,775,000 of scheduled principal payments.

- \$7,410,000 first mortgage refunding bonds issued for the advance refunding of \$6,705,000 in outstanding first mortgage bonds of 2008, originally used for construction, installation and equipping of Fire Station #7 and improvements to certain facilities of the Street Department.
- \$11,950,000 economic development lease rental refunding bonds issued for the advance refunding of \$11,265,000 in outstanding economic development lease rental bonds of 2008, originally to fund the construction of road and utility improvements to enhance access and circulation for 172 acres of commercial office space to accommodate the construction of the SMC North American headquarters facility in the Corporate Campus West Economic Development Area.
- \$10,795,000 economic development lease rental refunding bonds issued for the advance refunding of \$10,420,000 in outstanding economic development lease rental bonds of 2009, originally issued to fund the construction of road and infrastructure improvements, specifically Phases I and II of the Union Chapel Road project serving and benefitting the Stoney Creek East Economic Development Area.
- \$6,835,000 of taxable economic development revenue bonds, for the purpose of reimbursing the developer for certain costs related to the construction of a 20,000 square foot conference center, plus an additional 5,000 square foot meeting space and certain land development expenses, serving and benefitting the Noblesville Redevelopment Area.
- \$3,640,000 taxable economic redevelopment revenue bonds for the construction of a 40,000 square foot office building and parking lot at the intersection of John Street between Conner and Logan Streets, serving and benefitting the Noblesville Redevelopment Area.
- \$4,800,000 economic development lease rental bonds to fund the acquisition of certain road improvements for Presley Drive, as well as, the construction of Metro Drive serving and benefitting the Stoney Creek East Economic Development Area.

The City of Noblesville's carries an "AA" from Standard & Poor's. The Wastewater Utility carries an "Aa2" rating from Moody's.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The State of Indiana limits the amount of general obligation debt a City may issue to 2% of its current assessed value. For the City of Noblesville, this amount is \$16,791,917. The City of Noblesville Redevelopment Commission also may issue general obligation debt subject to the same limit. As of December 31, 2016, the City has \$8,215,000 of outstanding debt subject to this limit and the Redevelopment Commission has \$9,935,000 outstanding. The remaining outstanding City and Redevelopment Commission debt was issued as lease rental obligations or tax increment district bonds which are not subject to the 2% limit. Additional information on the City's long-term liabilities can be found in Note II H, on pages 45-49 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City of Noblesville ended 2016 at 3.4 percent. This compares favorably to the State's average unemployment rate of 4.4 percent and the National average rate of 4.9 percent.
- The number of building permits decreased 50% from the previous year. The biggest contributing factor to this decrease was the City of Noblesville has capped the number of permits it will issue for multi-family residential units. In 2015, the City of Noblesville issued 752 permits for multi-family residential units, while 136 permits were issued in 2016.
- County option income tax (COIT) was 31% of the City's 2016 governmental revenues compared to 30% in 2015. These funds which can be used for capital projects, as well as, ongoing operating expenses, and have shown notable increases in the past few years due to the positive improvements in the local economy. The City will hold this revenue increase as a reserve to offset possible future volatility in tax revenues and increases in property tax cap adjustments discussed below. The City of Noblesville also created a Rainy Day Fund in 2016 for additional general resources; by the end of 2016, the fund had a balance of over \$2 million.
- State wide property tax caps (based upon a percent of gross AV by property class) became effective beginning in 2009. In 2016, the circuit breaker adjustments from these caps resulted in a loss of approximately \$3.6 million in revenue. Those losses are estimated to increase to \$4.3 million for 2017. As it has done over the last few years, the City of Noblesville continues to take several steps to right size the budget for these losses including: hiring freeze, staff reductions through attrition, overtime reductions and departmental cost sharing.

All of these factors were considered in preparing the City of Noblesville's budget for the 2017 fiscal year. To compensate for both cycles in the economy and plans for future capital expansion, the City of Noblesville routinely puts aside resources.

Requests for Information

This financial report is designed to provide a general overview of the City of Noblesville's finances for all those with an interest in the City of Noblesville's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Controller, City of Noblesville, 16 South 10th Street, Noblesville, Indiana 46060-2809.

(This page intentionally left blank.)

CITY OF NOBLESVILLE
STATEMENT OF NET POSITION
December 31, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<u>Assets</u>			
Cash and cash equivalents	\$ 85,169,371	\$ 23,220,867	\$ 108,390,238
Receivables (net of allowances for uncollectibles):			
Taxes	5,415,252	-	5,415,252
Accounts - customers	513,731	1,245,362	1,759,093
Intergovernmental	1,563,305	-	1,563,305
Other	-	81,569	81,569
Inventories	-	77,092	77,092
Internal balances	16,086	(16,086)	-
Restricted assets:			
Cash and cash equivalents	-	8,450,803	8,450,803
Regulatory assets	-	171,453	171,453
Capital assets:			
Land, improvements, and construction in progress	74,054,278	1,115,497	75,169,775
Other capital assets, net of depreciation	249,031,119	116,510,524	365,541,643
Total assets	<u>415,763,142</u>	<u>150,857,081</u>	<u>566,620,223</u>
Deferred outflows of resources			
Deferred pension	10,105,484	-	10,105,484
Deferred losses on refunding	10,361,272	1,137,461	11,498,733
Total assets and deferred outflows of resources	<u>436,229,898</u>	<u>151,994,542</u>	<u>588,224,440</u>
<u>Liabilities</u>			
Accounts payable	1,105,164	264,296	1,369,460
Accrued payroll and withholdings payable	774,705	92,778	867,483
Contracts payable	423,295	105,658	528,953
Unpaid claims payable	452,461	-	452,461
Accrued interest payable	2,284,949	-	2,284,949
Noncurrent liabilities:			
Due within one year:			
Compensated absences payable	1,628,728	129,602	1,758,330
General obligation bonds payable	13,525,000	-	13,525,000
Revenue bonds	-	2,290,000	2,290,000
Capital lease obligations	1,317,304	50,948	1,368,252
Due in more than one year:			
Compensated absences payable	3,733,300	362,368	4,095,668
General obligation bonds payable	181,899,458	-	181,899,458
Revenue bonds payable	-	36,362,519	36,362,519
Capital lease obligations	2,235,374	52,330	2,287,704
Net pension liability	20,391,658	-	20,391,658
Net OPEB obligation	25,817,412	-	25,817,412
Total liabilities	<u>255,588,808</u>	<u>39,710,499</u>	<u>295,299,307</u>
Deferred inflows of resources			
Deferred pension	7,136,845	-	7,136,845
Total liabilities and deferred inflows of resources	<u>262,725,653</u>	<u>39,710,499</u>	<u>302,436,152</u>
<u>Net Position</u>			
Net investment in capital assets	145,567,900	82,597,844	228,165,744
Restricted for:			
Public safety	235,874	-	235,874
Highways and streets	18,856,425	-	18,856,425
Culture and recreation	4,018,205	-	4,018,205
Debt service	15,528,076	2,792,963	18,321,039
Capital projects	3,720,214	3,028,304	6,748,518
Other purposes	302,050	-	302,050
Unrestricted	(14,724,499)	23,864,932	9,140,433
Total net position	<u>\$ 173,504,245</u>	<u>\$ 112,284,043</u>	<u>\$ 285,788,288</u>

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 22,570,301	\$ 4,212,057	\$ -	\$ -	\$ (18,358,244)	\$ -	\$ (18,358,244)
Public safety	26,272,849	4,001,857	-	-	(22,270,992)	-	(22,270,992)
Highways and streets	11,390,173	1,436,904	2,660,424	6,757,792	(535,053)	-	(535,053)
Culture and recreation	3,743,991	2,611,765	-	-	(1,132,226)	-	(1,132,226)
Economic development	5,933,414	-	-	-	(5,933,414)	-	(5,933,414)
Interest on long-term debt	5,539,319	-	-	-	(5,539,319)	-	(5,539,319)
Total governmental activities	<u>75,450,047</u>	<u>12,262,583</u>	<u>2,660,424</u>	<u>6,757,792</u>	<u>(53,769,248)</u>	<u>-</u>	<u>(53,769,248)</u>
Business-type activities:							
Wastewater	<u>11,269,497</u>	<u>14,602,625</u>	<u>-</u>	<u>2,991,116</u>	<u>-</u>	<u>6,324,244</u>	<u>6,324,244</u>
Total primary government	<u>\$ 86,719,544</u>	<u>\$ 26,865,208</u>	<u>\$ 2,660,424</u>	<u>\$ 9,748,908</u>	<u>(53,769,248)</u>	<u>6,324,244</u>	<u>(47,445,004)</u>
General revenues:							
Property taxes					39,176,776	-	39,176,776
County option income tax					19,915,934	-	19,915,934
Local shared revenues					2,651,789	-	2,651,789
General state distributions					2,523,379	-	2,523,379
Other miscellaneous					282,421	-	282,421
Unrestricted investment earnings					91,347	93,916	185,263
Total general revenues					<u>64,641,646</u>	<u>93,916</u>	<u>64,735,562</u>
Transfers:							
Capital asset transfer					67,451	(67,451)	-
Fund transfer					200,000	(200,000)	-
Total transfers					<u>267,451</u>	<u>(267,451)</u>	<u>-</u>
Change in net position					<u>11,139,849</u>	<u>6,150,709</u>	<u>17,290,558</u>
Net position - beginning					<u>162,364,396</u>	<u>106,133,334</u>	<u>268,497,730</u>
Net position - ending					<u>\$ 173,504,245</u>	<u>\$ 112,284,043</u>	<u>\$ 285,788,288</u>

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
BALANCE SHEET -
GOVERNMENTAL FUNDS
December 31, 2016

	General	Redevelopment Authority - Debt Service	Redevelopment Authority - Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Cash and cash equivalents	\$ 22,448,659	\$ 11,833,531	\$ 11,622,743	\$ 38,805,941	\$ 84,710,874
Receivables (net of allowances for uncollectibles)					
Taxes	5,110,388	-	-	304,864	5,415,252
Accounts	513,731	-	-	-	513,731
Intergovernmental	887,633	-	-	675,672	1,563,305
	<u>28,960,411</u>	<u>11,833,531</u>	<u>11,622,743</u>	<u>39,786,477</u>	<u>92,203,162</u>
Total assets	\$ 28,960,411	\$ 11,833,531	\$ 11,622,743	\$ 39,786,477	\$ 92,203,162
 <u>Liabilities, Deferred Inflows and Fund Balances</u>					
<u>Liabilities:</u>					
Accounts payable	\$ 785,187	\$ -	\$ -	\$ 319,977	\$ 1,105,164
Accrued payroll and withholdings payable	668,564	-	-	106,141	774,705
Contracts payable	35,739	-	-	387,556	423,295
	<u>1,489,490</u>	<u>-</u>	<u>-</u>	<u>813,674</u>	<u>2,303,164</u>
Total liabilities	1,489,490	-	-	813,674	2,303,164
 <u>Deferred inflows of resources:</u>					
Unavailable revenue	2,601,237	-	-	598,081	3,199,318
	<u>4,090,727</u>	<u>-</u>	<u>-</u>	<u>1,411,755</u>	<u>5,502,482</u>
Total liabilities and deferred inflows of resources	4,090,727	-	-	1,411,755	5,502,482
 <u>Fund balances:</u>					
<u>Spendable:</u>					
Restricted	-	-	-	18,759,025	18,759,025
Committed	-	11,833,531	11,622,743	18,163,972	41,620,246
Assigned	282,822	-	-	1,504,418	1,787,240
Unassigned	24,586,862	-	-	(52,693)	24,534,169
	<u>24,869,684</u>	<u>11,833,531</u>	<u>11,622,743</u>	<u>38,374,722</u>	<u>86,700,680</u>
Total fund balances	24,869,684	11,833,531	11,622,743	38,374,722	86,700,680
Total liabilities, deferred inflows and fund balances	\$ 28,960,411	\$ 11,833,531	\$ 11,622,743	\$ 39,786,477	\$ 92,203,162

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2016

Fund balance - governmental funds	\$	86,700,680
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Land and construction in progress	74,054,278	
Other capital assets, net of depreciation	<u>249,031,119</u>	323,085,397
Internal Service funds are used by management to charge the costs of insurances to general and highway funds. The assets and liabilities of the Internal Services fund are included in governmental activities in the Statement of Net Position.		22,122
Deferred outflows of revenue are the net losses on refunding of bonds and is not a current financial resource, and, therefore, are not reported in the funds.		10,361,272
Deferred outflows of revenue related to pension liabilities are included in the governmental activities in the statement of net position.		10,105,484
Deferred inflows of revenue are unavailable funds and are not available to pay current resources, and, therefore, are not reported in the Statement of Net Position.		3,199,318
Deferred inflows of revenue related to pension liabilities are included in the governmental activities in the statement of net position.		(7,136,845)
Compensated absences that are not due and payable in the current period and, therefore, are not reported in the funds.		(5,362,028)
Accrued interest on bonds payable is not due and payable in the current period and, therefore, is not reported in the funds.		(2,284,949)
Net pension liability are not due and payable in the current period and, therefore, are not reported in the funds.		(20,391,658)
Net OPEB obligation is not due and payable in the current period and, therefore, is not reported in the funds.		(25,817,412)
Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds	(195,424,458)	
Capital leases	<u>(3,552,678)</u>	<u>(198,977,136)</u>
Net position of governmental activities	\$	<u>173,504,245</u>

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2016

	General	Redevelopment Authority - Debt Service	Redevelopment Authority - Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 33,001,576	\$ -	\$ -	\$ 31,735,520	\$ 64,737,096
Licenses and permits	1,594,073	-	-	62,955	1,657,028
Intergovernmental	4,261,445	-	-	4,286,726	8,548,171
Charges for services	3,219,227	-	-	3,766,274	6,985,501
Fines and forfeits	344,804	-	-	26,553	371,357
Other	2,430,350	14,308	10,187	2,289,177	4,744,022
Total revenues	44,851,475	14,308	10,187	42,167,205	87,043,175
Expenditures:					
Current:					
General government	14,609,435	6,009	5,300	1,397,916	16,018,660
Public safety	24,581,112	-	-	237,353	24,818,465
Highways and streets	271,561	-	-	4,218,923	4,490,484
Economic Development	-	-	-	2,835,607	2,835,607
Culture and recreation	-	-	3,673,719	2,875,755	6,549,474
Debt service:					
Principal	692,221	9,005,000	-	4,485,576	14,182,797
Interest	40,571	4,662,340	-	1,183,753	5,886,664
Bond issuance costs and escrow funding	-	408,870	279,100	108,710	796,680
Capital outlay	1,443,434	-	3,702,778	6,153,123	11,299,335
Total expenditures	41,638,334	14,082,219	7,660,897	23,496,716	86,878,166
Excess (deficiency) of revenues over (under) expenditures	3,213,141	(14,067,911)	(7,650,710)	18,670,489	165,009
Other financing sources (uses):					
Transfers in	4,837	13,824,353	1,012	5,830,808	19,661,010
Transfers out	(702,000)	(1,012)	(1,213,808)	(17,744,190)	(19,661,010)
Payment to refunded bond escrow	-	(23,698,782)	-	(7,358,112)	(31,056,894)
Transfer from proprietary fund	-	-	-	200,000	200,000
Bonds issuance	-	812,300	14,462,700	-	15,275,000
Issuance of refunding bonds	-	22,745,000	-	7,410,000	30,155,000
Financing by capital lease	1,007,378	-	-	736,901	1,744,279
Total other financing sources and uses	310,215	13,681,859	13,249,904	(10,924,593)	16,317,385
Net change in fund balances	3,523,356	(386,052)	5,599,194	7,745,896	16,482,394
Fund balances - beginning before reinstatement	18,488,563	12,219,583	6,023,549	33,486,591	70,218,286
Restatement - See Note I.E.	2,857,765	-	-	(2,857,765)	-
Fund balances - beginning after reinstatement	21,346,328	12,219,583	6,023,549	30,628,826	70,218,286
Fund balances - ending	\$ 24,869,684	\$ 11,833,531	\$ 11,622,743	\$ 38,374,722	\$ 86,700,680

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2016

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

Net change in fund balances - total governmental funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)		\$ 16,482,394
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital outlay per the funds statement	11,299,335	
Capital outlay for items costing less than the capitalization threshold	(971,593)	
Depreciation expense	(8,768,188)	1,559,554
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		
Asset disposals	(107,429)	
Donated assets	6,825,243	6,717,814
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Unavailable revenue		(5,519,222)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on 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. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Bond issuance:		
Bonds	(15,275,000)	
Refunding bonds	(30,155,000)	
Recognize deferred loss	2,572,071	
Capital leases	(1,744,279)	
Principal payments:		
General obligation bonds	12,535,000	
Capital leases	1,652,945	
Payment to escrow agent for refunding	28,484,823	
Amortization of bond discount	(533,629)	(2,463,069)
Accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds.		
		347,345
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.		
Change in net position		170,785
Change in internal balance		40,390
Compensated absences which are not due and payable in the current period are, therefore, not reported in the funds.		
		75,307
Net pension liability and net OPEB obligation are not due and payable in the current period and, therefore, are not reported in the funds, but are included in the government-wide statements.		
		(6,271,449)
Change in net position of governmental activities (Statement of Activities)		\$ 11,139,849

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
December 31, 2016

	<u>Business-Type Activities - Enterprise Fund</u>	<u>Internal Service Fund</u>
	<u>Wastewater Utility</u>	
<u>Assets and Deferred Outflows</u>		
Current assets:		
Cash and cash equivalents	\$ 23,220,867	\$ 458,497
Accounts receivable (net of allowance)	1,245,362	-
Other receivable	81,569	-
Inventories	77,092	-
Restricted cash, cash equivalents, and investments:		
Revenue bond covenant accounts	<u>8,450,803</u>	<u>-</u>
Total current assets	<u>33,075,693</u>	<u>458,497</u>
Noncurrent assets:		
Regulatory assets	171,453	
Capital assets:		
Land, improvements to land, and construction in progress	1,115,497	-
Other capital assets (net of accumulated depreciation)	<u>116,510,524</u>	<u>-</u>
Total noncurrent assets	<u>117,797,474</u>	<u>458,497</u>
Deferred outflows of resources:		
Deferred loss on refunding	<u>1,137,461</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>152,010,628</u>	<u>458,497</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	264,296	-
Accrued payroll and withholdings payable	92,778	-
Contracts payable	105,658	-
Compensated absences payable	129,602	-
Unpaid claims payable	-	452,461
Current liabilities payable from restricted assets:		
Capital lease obligations	50,948	-
Revenue bonds payable	<u>2,290,000</u>	<u>-</u>
Total current liabilities	<u>2,933,282</u>	<u>452,461</u>
Noncurrent liabilities:		
Compensated absences	362,368	-
Capital lease obligations	52,330	
Revenue bonds payable (net of unamortized discount and premium)	<u>36,362,519</u>	<u>-</u>
Total noncurrent liabilities	<u>36,777,217</u>	<u>-</u>
Total liabilities	<u>39,710,499</u>	<u>452,461</u>
<u>Net Position</u>		
Investment in capital assets	82,597,844	-
Restricted for debt service	2,792,963	-
Restricted for capital outlay	3,028,304	-
Unrestricted	<u>23,881,018</u>	<u>6,036</u>
Total net position	112,300,129	<u>\$ 6,036</u>
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund	<u>(16,086)</u>	
Net position of business-type activities	<u>\$ 112,284,043</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
For The Year Ended December 31, 2016

	<u>Enterprise Fund</u>	
	<u>Wastewater Utility</u>	<u>Internal Service Fund</u>
Operating revenues:		
Metered revenue	\$ 11,233,771	\$ -
Trash services	1,402,828	-
Charges for services	-	8,700,819
Tap fees	1,886,584	-
Other	<u>79,442</u>	<u>578,572</u>
Total operating revenues	<u>14,602,625</u>	<u>9,279,391</u>
Operating expenses:		
Collection system - operations and maintenance	889,222	-
Treatment and disposal expense - operations and maintenance	1,944,707	-
Stormwater	388,585	-
Trash contract services	656,072	-
Customer accounts	379,025	-
Administration and general	659,643	-
Employee pensions and benefits	1,214,081	9,108,606
Rents	15,482	-
Transportation	65,422	-
Insurance	122,117	-
Miscellaneous	136,137	-
Depreciation	<u>3,433,742</u>	<u>-</u>
Total operating expenses	<u>9,904,235</u>	<u>9,108,606</u>
Operating income	<u>4,698,390</u>	<u>170,785</u>
Nonoperating revenues (expenses):		
Interest and investment revenue	93,916	-
Amortization expense	(76,996)	-
Interest expense	<u>(1,247,876)</u>	<u>-</u>
Total nonoperating revenue (expenses)	<u>(1,230,956)</u>	<u>-</u>
Income (loss) before contributions	3,467,434	170,785
Transfer to City funds	(200,000)	-
Contributions of capital assets to the City	(67,451)	-
Capital asset contributions from developers	<u>2,991,116</u>	<u>-</u>
Change in net position	6,191,099	170,785
Total net position - beginning	<u>106,109,030</u>	<u>(164,749)</u>
Total net position - ending	<u>\$ 112,300,129</u>	<u>\$ 6,036</u>
Some amounts reported for business-type activities in the Statement of Activities are different because:		
Change in net position proprietary fund	\$ 6,191,099	
The net revenue of certain internal service funds is reported with business-type activities	<u>(40,390)</u>	
Change in net position of business-type activities	<u>\$ 6,150,709</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
For The Year Ended December 31, 2016

	Enterprise Fund	
	Wastewater Utility	Internal Service Fund
Cash flows from operating activities:		
Receipts from customers and users	\$ 14,277,866	\$ 9,279,391
Payments to suppliers	(4,526,233)	(9,329,124)
Payments to employees	(2,318,698)	-
Other receipts	79,442	-
	7,512,377	(49,733)
Net cash provided by operating activities		
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(1,022,507)	-
Net bond proceeds	-	-
Transfers to City funds	(200,000)	-
Principal paid on capital debt	(2,289,602)	-
Interest paid on capital debt	(1,245,199)	-
	(4,757,308)	-
Net cash provided by capital and related financing activities		
Cash flows from investing activities:		
Interest received	93,916	-
	93,916	-
Net increase in cash and cash equivalents	2,848,985	(49,733)
Cash and cash equivalents, January 1 (Including \$8,914,112 for the Wastewater Utility reported in restricted accounts)	28,822,685	508,230
Cash and cash equivalents, December 31 (Including \$8,450,803 for the Wastewater Utility reported in restricted accounts)	\$ 31,671,670	\$ 458,497
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)	\$ 4,698,390	\$ 170,785
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	3,433,742	-
(Increase) decrease in assets:		
Accounts receivable	(271,374)	-
Other receivable	26,057	-
Increase (decrease) in liabilities:		
Contracts payable	(502,349)	-
Accounts payable	157,669	-
Unpaid claim payable	-	(220,518)
Accrued payroll and payroll withholdings payable	(67,635)	-
Compensated absence payable	37,877	-
	2,813,987	(220,518)
Total adjustments		
Net cash provided by operating activities	\$ 7,512,377	\$ (49,733)
Noncash transactions:		
Capital assets were contributed by private developers in the amount of \$2,991,116.		
Capital assets were contributed to the utility to the City in the amount of \$67,451.		

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
December 31, 2016

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 1,233,815	\$ 409,167
Total assets	<u>1,233,815</u>	<u>409,167</u>
<u>Liabilities</u>		
Trust payable	-	48,976
Performance deposits payable	-	350,456
Payroll withholdings payable	-	<u>9,735</u>
Total liabilities	<u>-</u>	<u>409,167</u>
Net position restricted for pensions	<u>\$ 1,233,815</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
For The Year Ended December 31, 2016

	Pension Trust Funds
<u>Additions</u>	
Contributions:	
Employer	\$ -
Non-employer contributing entity contributions	659,894
Total contributions	659,894
Reimbursements	6,000
Total additions	665,894
<u>Deductions</u>	
Benefits	720,562
Administrative expenses	6,000
Total deductions	726,562
Net decrease in net position	(60,668)
<u>Net position restricted for pensions</u>	
Net position - beginning	1,294,483
Net position - ending	\$ 1,233,815

The notes to the financial statements are an integral part of this statement.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body of establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The City of Noblesville (primary government) was established under the laws of the State of Indiana. The primary government operates under a Council-Mayor form of government and provides the following services: public safety (police and fire), highways and streets, health, culture and recreation, public improvements, planning and zoning, general administrative services, wastewater, and urban redevelopment.

The accompanying financial statements present the activities of the primary government and its significant component units. The component units discussed below are included in the primary government's reporting entity because of the significance of their operational or financial relationships with the primary government. Blended component units, although legally separate entities, are in substance part of the government's operations and exist solely to provide services for the government; data from these units is combined with data of the primary government.

Blended Component Units

The Noblesville Building Corporation (Building Corporation) is a significant blended component unit of the primary government. It was created by the primary government for the purpose of constructing and financing buildings and infrastructure. The primary government appoints a voting majority of the Building Corporation's board and a financial benefit/burden relationship exists between the primary government and the Building Corporation. Although it is legally separate from the primary government, the Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government.

The Noblesville Redevelopment Authority (Redevelopment Authority) is a significant blended component unit of the primary government. It was created by the primary government for the purpose of constructing and financing development and redevelopment of areas within the corporate boundaries of the City. The primary government appoints a voting majority of the Redevelopment Authority's Board and a financial benefit/burden relationship exists between the primary government and the Redevelopment Authority. Although it is legally separate from the primary government, the Redevelopment Authority is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government.

Jointly Governed Organization

The primary government and the City of Fishers jointly own, on an equal basis, a certain railroad right-of-way obtained from a railroad company extending approximately 37 miles from the City of Tipton, Indiana, to near downtown City of Indianapolis, Indiana. The primary government and the

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

City of Fishers created the Historic Railroad Multi-Jurisdictional Port Authority (Port Authority) for the purpose of protecting and preserving the existence of real property, contained within the railroad's right-of-way, as a single parcel of real estate in perpetuity for such uses as may benefit the citizens of Noblesville and Fishers, including, but not necessarily limited to, recreational, transportation, and tourism purposes. Subsequently, Hamilton County joined with the primary government and the City of Fishers to become part of the Port Authority. The Port Authority's Board consists of six members with two appointed by the Mayor of the primary government, two appointed by the Mayor of Fishers, and two appointed by the County Commissioners of Hamilton County. The primary government, City of Fishers, and Hamilton County do not have any obligations for or any interests in Port Authority matters.

B. Government-Wide and Fund Financial Statements

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 primary government. For the most part, the effect of interfund activity has been removed from these statements. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate 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 and major individual enterprise 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 as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they 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. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the primary government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the primary government receives cash.

The primary government reports the following major governmental funds:

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

The Redevelopment Authority – Debt Service Fund (debt service) accounts for the accumulation of resources and payments of general obligation bonds issued by the Noblesville Redevelopment Authority (a component unit of the City of Noblesville). Financing is provided by semiannual lease payments from the Redevelopment Tax Increment Financing funds.

The Redevelopment Authority - Capital Projects Fund (capital projects) accounts for expenditures related to the construction of various infrastructure projects. Financing is provided by general obligation bonds issued by the Noblesville Redevelopment Authority (a component unit of the City of Noblesville).

The primary government reports the following major proprietary funds:

The Wastewater Utility Fund accounts for the operation of the primary government's wastewater treatment plant, pumping stations and collection systems.

Additionally, the primary government reports the following fund types:

The internal service fund accounts for the collection and payment to an insurance third party administrator for the City's employees' health and life insurance programs provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the 1925 Police Officers' and 1937 Firefighters' pension funds which accumulate resources for pension benefit payments.

The agency funds account for payroll withholdings held by the primary government as an agent for the federal and state governments, and various employee insurance companies; tracking of vendor fees related to security, maintenance and performance bonds; and, assets related to court costs and fees. Agency funds, however, report only assets and liabilities. Since they do not report equity (or changes in equity), they have no measurement focus.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's wastewater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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 taxes.

Proprietary funds distinguish operating revenues from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

The primary government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

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

Debt securities are reported at fair value. Debt securities are defined as securities backed by the full faith and credit of the United States Treasury or fully insured or guaranteed by the United States or any United States government agency.

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

2. Interfund Transactions and Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables/payables" (i.e., the current and noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "interfund services provided/used." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

3. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the primary government in June and in December. State statutes (IC 6-1.1-17-16) require the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. Delinquent property taxes outstanding at year end for governmental and/or proprietary funds, net of allowances for uncollectible accounts, are recorded as a receivable with an offset to deferred inflow of resources-unavailable revenue since the amounts are not considered available within 60 days.

4. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

5. Inventories

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

6. Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because City Ordinance No. 34-5-03 requires the establishment of a Bond and Interest Fund and a Depreciation Fund.

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Governmental activities:			
Land	\$ 5,000	N/A	N/A
Buildings and improvements	5,000	Straight-line	20 - 50 yrs
Machinery and equipment	5,000	Straight-line	3 - 25 yrs
Roads – collectors and residential	5,000	Straight-line	10 - 50 yrs
Business-type activities:			
Land	5,000	N/A	N/A
Buildings and improvements	5,000	Straight-line	20 - 50 yrs
Machinery and equipment	5,000	Straight-line	3 - 25 yrs
Wastewater distribution and collection systems	5,000	Straight-line	50 yrs

N/A = Not applicable

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental-type and business-type activities is included as part of the capitalized value of the assets constructed. No interest expense incurred by the primary government in its business-type activities was capitalized during 2016.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

8. Compensated Absences

- a. Sick Leave – primary government employees earn sick leave at the rate of 7 hours per month worked. Unused sick leave may be accumulated to a maximum of 120 days. Full-time employees terminating their employment on or after January 1, 2007, are entitled to payment of their unused sick time, based on the years of full-time service with the City.
- b. Vacation Leave – primary government employees earn vacation leave at rates from 10 days to 25 days per year based upon the number of years of service. Vacation leave may not be accumulated. Unused accrued vacation leave is paid to employees through cash payments upon termination.

Vacation and sick leave are accrued when incurred in government-wide statements and proprietary fund statements and are reported as a liability in the Statement of Net Position. Only amounts due and payable at year end to terminated employees are included in the fund statements.

9. Unavailable and Unearned Revenue

Unavailable and unearned revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

10. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, and proprietary fund type Statement of Net Position. Bond premiums, discounts, as well as deferred loss on refunding are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

11. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditures) until then. Items that qualify for reporting in this category includes a deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price and pension contributions subsequent to the measurement date of June 30, 2016.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

government has two types of items, the first arises under a modified accrual basis of accounting, while the second item arises under a full-accrual basis, that qualifies for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The government funds report unavailable revenues from three sources: property taxes, income taxes and intergovernmental distributions. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item relates to a change in actuarial assumptions, such as, a change in proportion of the proportionate shares of the collective net pension liability.

12. Net Position

In the government-wide Statement of Net Position, certain assets are reported as restricted if such assets are restricted based upon limitations set by outside parties or documents. These would include bond covenants, which require certain debt payments and capital expenditures, grant agreements, donations by outside sources or funds from the State of Indiana specifying disbursement or use requirements.

E. Restatements

For the year ended December 31, 2016 certain changes have been made to the financial statements to more appropriately reflect financial activity of the primary government.

For the Statement of Revenues, Expenditures, and Changes in Fund Balances, the restatement is due to a change in accounting principles; referencing GASB 54, the County Option Income Tax Fund is now classified as a stabilization fund and has been folded into the General Fund. The fund was previously shown as a fund within the nonmajor special revenue funds. See Note II.I. for further information.

	General Fund	Nonmajor Governmental Funds
Net Position - beginning of period, as previously reported	\$ 18,488,563	\$ 33,486,591
GASB 54 - stabilization funds		
Inclusion of County Option Income Tax with the General Fund	2,857,765	(2,857,765)
Total GASB 54 - stabilization funds restatement	2,857,765	(2,857,765)
Net Position - beginning of period, as adjusted	\$ 21,346,328	\$ 30,628,826

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

II. Detailed Notes on All Funds

A. Deposits and Investments

1. 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. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories. The City does not have a formal deposit policy for custodial credit risk.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2016, the City had the following investments:

Investment Type	Government Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-2
Money market funds	\$ 14,129,716	\$ 14,129,716	\$ -
Certificates of deposit	5,000,000	5,000,000	-
Total investments	\$ 19,129,716	\$ 19,129,716	\$ -

All investments are considered cash and cash equivalents and therefore are not subject to the GASB Statement 72 disclosure requirements.

Statutory Authorization for Investment Policies

Indiana Code 5-13-9 authorizes the City to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of no more than 2 years.

Indiana code also provides for investment in money market mutual funds that are in the form of securities of or interest in an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal investment Company Act of 1940,

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

as amended. Investments in money market mutual funds may not exceed 50 percent of the funds held by the City and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise; or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities or interest in an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

Additionally, the City may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

Investment Custodial Credit Risk

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy for custodial credit risk for investments. At December 31, 2016, the City held investments in money market funds and certificates of deposit in the amount of \$19,129,716. All of these investments were held by the counterparty's trust department or agent in the City's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City must follow state statute and limit the stated final maturities of the investments to no more than 2 years. The City does not have a formal investment policy for interest rate risk for investments.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does not have a formal investment policy for credit risk for investments. All of the City's investments are FDIC insured and therefore are not subject to a credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Receivables

The Emergency Management Service receivable accounts have timing and credit characteristics different from typical accounts receivable. Many of these receivables are due from insurance companies and collection experience indicates that most are received in excess of 90 days.

C. Capital Assets

Capital asset activity for the year ended December 31, 2016, was as follows:

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 16,938,524	\$ 1,108,303	\$ -	\$ 18,046,827
Right-of-ways	46,570,115	1,104,445	-	47,674,560
Construction in progress	5,887,189	7,874,039	5,428,337	8,332,891
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets, not being depreciated	69,395,828	10,086,787	5,428,337	74,054,278
	<hr/>	<hr/>	<hr/>	<hr/>
Capital assets, being depreciated:				
Buildings	43,990,452	1,651,000	-	45,641,452
Improvements other than buildings	12,418,263	48,250	34,000	12,432,513
Machinery and equipment	21,651,937	1,754,099	1,225,193	22,180,843
Roads being depreciated	197,437,037	5,956,890	-	203,393,927
Storm sewers being depreciated	42,097,446	3,040,846	-	45,138,292
Traffic signals	1,996,026	43,450	-	2,039,476
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	319,591,161	12,494,535	1,259,193	330,826,503
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation for:				
Buildings	9,699,803	909,818	-	10,609,621
Improvements other than buildings	2,408,182	262,604	34,000	2,636,786
Machinery and equipment	12,817,677	1,837,814	1,117,764	13,537,227
Roads being depreciated	41,473,422	4,552,946	-	46,026,368
Storm sewers being depreciated	6,527,404	1,073,173	-	7,600,577
Traffic signals	1,252,472	131,833	-	1,384,305
	<hr/>	<hr/>	<hr/>	<hr/>
Totals	74,178,960	8,768,188	1,151,764	81,795,384
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets, being depreciated, net	245,412,201	3,726,347	107,429	249,031,119
	<hr/>	<hr/>	<hr/>	<hr/>
Total governmental activities capital assets, net	<u>\$ 314,808,029</u>	<u>\$ 13,813,134</u>	<u>\$ 5,535,766</u>	<u>\$ 323,085,397</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 772,915	\$ -	\$ -	\$ 772,915
Construction in progress	5,936,236	811,310	6,404,964	342,582
Total capital assets, not being depreciated	<u>6,709,151</u>	<u>811,310</u>	<u>6,404,964</u>	<u>1,115,497</u>
Capital assets, being depreciated:				
Buildings	43,725,581	-	-	43,725,581
Improvements other than buildings	78,989,689	8,634,100	-	87,623,789
Machinery and equipment	25,163,273	905,725	13,469	26,055,529
Totals	<u>147,878,543</u>	<u>9,539,825</u>	<u>13,469</u>	<u>157,404,899</u>
Less accumulated depreciation for:				
Buildings	10,979,422	1,071,162	-	12,050,584
Improvements other than buildings	14,578,443	1,188,762	-	15,767,205
Machinery and equipment	11,916,238	1,173,817	13,469	13,076,586
Totals	<u>37,474,103</u>	<u>3,433,741</u>	<u>13,469</u>	<u>40,894,375</u>
Total capital assets, being depreciated, net	<u>110,404,440</u>	<u>6,106,084</u>	<u>-</u>	<u>116,510,524</u>
Total business-type activities capital assets, net	<u>\$ 117,113,591</u>	<u>\$ 6,917,394</u>	<u>\$ 6,404,964</u>	<u>\$ 117,626,021</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 689,323
Public safety	1,211,037
Highways and streets	6,345,958
Culture and recreation	<u>521,870</u>
Total depreciation expense - governmental activities	<u>\$ 8,768,188</u>
Business-type activities:	
Wastewater	<u>\$ 3,433,742</u>
Total depreciation expense - business-type activities	<u>\$ 3,433,742</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Construction Commitments

Construction work in progress is composed of the following:

Project	Total Project Authorized	Expended to December 31, 2016	Committed	Required Future Funding
Governmental activities:				
Highways and roadways	\$ 13,000,000	\$ 4,898,676	\$ 8,101,324	\$ -
Trails	774,683	774,683	-	-
Culture and recreation	5,466,767	2,659,532	2,807,235	-
Totals - governmental activities	<u>19,241,450</u>	<u>8,332,891</u>	<u>10,908,559</u>	<u>-</u>
Business-type activities:				
WWTP Phase I - Engineering	5,456	5,456	-	-
Phosphorus Project	461,900	89,891	372,009	-
LTCP Phase 4 - Preliminary Design	247,410	247,235	175	-
Total - business-type activities	<u>714,766</u>	<u>342,582</u>	<u>372,184</u>	<u>-</u>
Totals	<u>\$ 19,956,216</u>	<u>\$ 8,675,473</u>	<u>\$ 11,280,743</u>	<u>\$ -</u>

E. Interfund Activity

Interfund transfers at December 31, 2016, were as follows:

Transfer From	General	Transfer To			Totals
		Redevelopment Authority - Debt Service	Redevelopment Authority - Capital Projects	Nonmajor Governmental	
Governmental:					
Major funds:					
General	\$ -	\$ 271,000	\$ -	\$ 431,000	\$ 702,000
Redevelopment Authority - Debt Service		-	1,012	-	1,012
Redevelopment Authority - Capital Projects				1,213,808	1,213,808
Nonmajor governmental	4,837	13,553,353	-	4,186,000	17,744,190
Totals	<u>\$ 4,837</u>	<u>\$ 13,824,353</u>	<u>\$ 1,012</u>	<u>\$ 5,830,808</u>	<u>\$ 19,661,010</u>

The primary government typically uses transfers to fund ongoing operating subsidies and current-year debt service requirements. The transfers are from nonmajor governmental funds to Debt Service Funds and other nonmajor governmental funds.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Transfer From	Transfer To Governmental Activities	Totals
Proprietary		
Enterprise fund:		
Wastewater Utility - Cash	\$ 200,000	\$ 200,000
Wastewater Utility - infrastructure assets	67,451	67,451
Totals	\$ 267,451	\$ 267,451

In 2009, the City issued COIT Bonds, the proceeds of which were used for City park infrastructure. During the course of the project, it was determined there was a need for sewer replacement within the project area. The \$200,000 transfer is that portion of the debt service payment attributable to the sewer project.

In 2016, the wastewater utility had sewer capital assets projects that included the construction of stormwater assets in the amount of \$67,451. \$24,201 was for stormwater improvements in Federal Hill Commons and \$43,250 was for culverts along 166th Street. Stormwater assets have always been included in the governmental activities, therefore the completed stormwater assets were transferred from the wastewater utility to the governmental activities.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Other Income

The other income shown on the Statement of Revenues, Expenditures, and Changes in Fund Balances is comprised of the following:

Description	General Fund	Redevelopment Authority - Debt Service	Redevelopment Authority - Capital Projects	Nonmajor Governmental Funds	Totals
Interest Earned	\$ 39,200	\$ 14,308	\$ 10,187	\$ 27,652	\$ 91,347
Refunds and Reimbursements	2,391,150	-	-	2,188,070	4,579,220
Sale of Property	-	-	-	1,107	1,107
Donations	-	-	-	72,348	72,348
Totals	\$ 2,430,350	\$ 14,308	\$ 10,187	\$ 2,289,177	\$ 4,744,022

G. Leases

1. Operating Leases

The primary government has entered into operating leases having initial or remaining non-cancelable terms exceeding one year for postage meters. Rental expenditures for these leases were \$1,440 and \$6,768. The following is a schedule by years of future minimum rental payments as of December 31, 2016:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2017	\$ 1,440	\$ 6,768
2018	1,440	-
2019	300	-
Totals	\$ 3,180	\$ 6,768

2. Capital Leases

The primary government has entered into various capital leases for equipment for various departments including Police, Fire, Street, Emergency Medical Services, Park, Network and Wastewater. Future minimum lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2016, are as follows:

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

	Governmental Activities	Business-Type Activities
2017	\$ 1,388,473	\$ 53,750
2018	1,211,220	53,750
2019	942,186	-
2020	564,755	-
2021	130,863	-
	<hr/>	<hr/>
Total minimum lease payments	4,237,497	107,500
	<hr/>	<hr/>
Less amount representing interest	(160,443)	(4,222)
	<hr/>	<hr/>
Present value of net minimum lease payments	4,077,054	103,278
	<hr/>	<hr/>
Less current portion of capital lease	(1,317,304)	(50,948)
	<hr/>	<hr/>
Total long-term portion	<u>\$ 2,759,750</u>	<u>\$ 52,330</u>

The City entered into one lease in 2014, one lease in 2015 and two leases in 2016 for which the entire amount of the lease was not fully expended in 2014, 2015 or 2016. A five-year lease for public safety and park equipment has a remaining balance of \$4,371, a five-year lease for public safety, park and IT vehicles and equipment has a remaining balance of \$35,690, a five year lease for IT, public safety and street vehicles and equipment has a remaining balance of \$115,577 and a five-year lease for SCBA equipment has a remaining balance of \$368,738. The majority of the total remaining amount of \$524,376 is to be expended in 2017. The obligation on the Statement of Net Position excludes this amount.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Assets acquired through capital leases still in effect are as follows:

	Governmental Activities	Business-Type Activities
Machinery and equipment	\$ 8,560,133	\$ 254,921
Accumulated depreciation	(4,925,723)	(161,250)
Total	\$ 3,634,410	\$ 93,671

H. Long-Term Liabilities

1. General Obligation Bonds

The primary government issues general obligation bonds to 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 primary government. General obligation bonds currently outstanding at year end are as follows:

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Purpose	Interest Rates	Original Debt Issued	Outstanding Principal
2003 Redevelopment District Bonds (Field Dr. Project) due in installments of \$50,000 to \$65,000 plus interest through January 15, 2023	4.70% to 5.00%	\$ 900,000	\$ 350,000
2001 Building Corporation Bonds (Fire Station 2) due in installments of \$55,000 to \$60,000 plus interest through January 15, 2019	5.000%	1,330,000	280,000
2010 Redevelopment Authority Lease Rental Refunding Bonds (Fox Prairie Golf Course) due in installments of \$115,000 to \$125,000 plus interest through January 1, 2020	2.75% to 3.50%	1,985,000	845,000
2009 Redevelopment Authority Lease Rental Refunding Bonds (Stoney Creek East) due in installments of \$160,000 to \$190,000 plus interest through February 1, 2022	3.30% to 4.05%	4,080,000	1,925,000
2010 Redevelopment Authority Lease Rental Refunding Bonds (Hague Rd./Field Dr.) due in installments of \$450,000 to \$605,000 plus interest through January 15, 2024	2.50% to 5.00%	12,885,000	7,860,000
2016 Building Corporation Refunding Bonds (Fire Station 7) due in installments of \$265,000 to \$330,000 plus interest through July 15, 2028	2.150%	7,410,000	7,090,000
2016 Redevelopment Authority Lease Rental Refunding Bonds (SMC) due in installments of \$345,000 to \$460,000 plus interest through February 1, 2031	2.130%	11,950,000	11,530,000
2016 Redevelopment Authority Lease Rental Refunding Bonds (Union Chapel) due in installments of \$250,000 to \$560,000 plus interest through August 1, 2029	2.200%	10,795,000	10,795,000
2009 COIT Revenue Bonds due in installments of \$100,000 to \$170,000 plus interest through December 15, 2028	3.90% to 5.00%	4,480,000	3,170,000
2010 Redevelopment Authority Lease Rental Bonds (Union Chapel) due in installments of \$135,000 to \$215,000 plus interest through February 1, 2030	3.00% to 4.25%	5,860,000	4,600,000
2012 Redevelopment Authority Lease Rental Refunding Bonds, Series A (Exit 10) due in installments of \$690,000 to \$770,000 plus interest through July 15, 2022	1.985%	14,845,000	8,740,000
2012 Redevelopment Authority Lease Rental Refunding Bonds, Series B (Exit 10) due in installments of \$775,000 to \$935,000 plus interest through January 15, 2028	2.75% to 5.00%	9,390,000	9,390,000
2013 Redevelopment Authority Lease Rental Refunding Bonds (Little Chicago Road) due in installments of \$205,000 to \$260,000 plus interest through January 15, 2026	2.75%	5,570,000	4,340,000
2013 Taxable Economic Development Revenue Bonds (Earthfare) due in installments of \$170,000 to \$180,000 plus interest through December 15, 2020	1.87%	2,400,000	1,405,000
2014 Redevelopment District Bonds (Cabela's Project) due in installments of \$100,000 to \$125,000 plus interest through January 15, 2026	2.50%	2,250,000	2,050,000
2014 Redevelopment District Bonds (Ivy Tech) due in installments of \$260,000 to \$370,000 plus interest through January 15, 2029	2.96%	8,550,000	7,535,000
2014 Redevelopment Authority Lease Rental Refunding Bonds (146th Street Expansion) due in installments of \$1,110,000 to \$1,680,000 plus interest through February 1, 2030	3.200%	41,235,000	37,125,000
2014 Redevelopment Authority Lease Rental Refunding Bonds, Series B (Hamilton Town Center) due in installments of \$470,000 to \$715,000 plus interest through February 1, 2032	2.850%	20,130,000	18,155,000
2014 Building Corporation Refunding Bonds (Fire Station 5 and 6) due in installments of \$225,000 to \$275,000 plus interest through January 15, 2025	2.700%	5,305,000	4,235,000
2014B Building Corporation Refunding Bonds (City Hall) due in installments of \$595,000 to \$720,000 plus interest through January 15, 2025	2.340%	14,195,000	11,165,000
2015 Economic Development Lease Rental Refunding Bonds (Hazel Dell Road) due in installments of \$715,000 to \$955,000 plus interest through February 1, 2029	2.450%	22,945,000	20,745,000
2015 Redevelopment Lease Rental Bonds (Federal Hill) due in installments of \$80,000 to \$190,000 plus interest through February 1, 2040	3.000% to 4.125%	5,895,000	5,895,000
2016 Taxable Economic Development Revenue Bonds (Embassy Suites) due in installments of \$55,000 to \$340,000 plus interest through July 15, 2031	4.250%	6,835,000	6,835,000
2016 Taxable Redevelopment Revenue Bonds (BlueSky Technologies) due in installments of \$50,000 to \$260,000 plus interest through July 15, 2029	3.620%	3,640,000	3,640,000
2016 Redevelopment Authority Lease Rental Bonds (Stoney Creek) due in installments of \$140,000 to \$220,000 plus interest through February 1, 2030	2.750%	4,800,000	4,800,000
Totals		<u>\$ 229,660,000</u>	194,500,000
Current portion of debt			(13,525,000)
Unamortized bond discount			(17,500)
Unamortized bond premium			<u>941,958</u>
Total long-term portion			<u>\$ 181,899,458</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Year Ended December 31	Governmental Activities		
	Principal	Interest	Totals
2017	\$ 13,525,000	\$ 5,468,910	\$ 18,993,910
2018	14,065,000	5,277,627	19,342,627
2019	14,575,000	4,873,659	19,448,659
2020	14,870,000	4,457,458	19,327,458
2021	15,775,000	4,036,957	19,811,957
2022-2026	73,575,000	13,492,669	87,067,669
2027-2031	44,625,000	3,477,354	48,102,354
2032-2036	2,230,000	443,396	2,673,396
2037-2041	1,260,000	105,806	1,365,806
Totals	<u>\$ 194,500,000</u>	<u>\$ 41,633,836</u>	<u>\$ 236,133,836</u>

2. Revenue Bonds

The primary government issues bonds to be paid by income derived from the acquired or constructed assets. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Original Debt Issued	Outstanding Principal
2011 Revenue Bonds due in installments of \$90,000 to \$1,625,000 plus interest through January 1, 2031	3.00% to 5.00%	\$ 12,000,000	\$ 11,415,000
2013 Revenue and Refunding Revenue Bonds due in installments of \$110,000 to \$560,000 plus interest through January 1, 2033	2.20%	12,995,000	9,550,000
2015 Refunding Revenue Bonds due in installments of \$550,000 to \$1,225,000 plus interest through January 1, 2028	2.52%	19,505,000	17,725,000
Totals		<u>\$ 44,500,000</u>	38,690,000
Current portion of debt			(2,290,000)
Unamortized discount			<u>(37,481)</u>
Total long-term portion			<u>\$ 36,362,519</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The City has pledged future receipts, net of specified operating expenditures, to repay revenue bonds issued in 2011, 2013 and 2015. Proceeds from the bonds provided financing for Wastewater Treatment Plant improvements. The bonds are payable solely from net receipts and are payable through 2033. Annual principal and interest payments are expected to require approximately 42.6 percent of net receipts. The total principal and interest remaining to be paid on the revenue bonds is \$49,258,431. Principal and interest paid in the current year and total customer net revenues were \$3,485,199 and \$8,132,132, respectfully.

Revenue bonds debt service requirements to maturity are as follows:

Year Ended December 31	Business-Type Activities		
	Principal	Interest	Totals
2017	\$ 2,290,000	\$ 1,186,865	\$ 3,476,865
2018	2,335,000	1,131,273	3,466,273
2019	2,380,000	1,073,874	3,453,874
2020	2,430,000	1,014,377	3,444,377
2021	2,480,000	953,226	3,433,226
2022-2026	13,410,000	3,778,546	17,188,546
2027-2031	13,095,000	1,425,815	14,520,815
2032-2036	270,000	4,455	274,455
Totals	<u>\$ 38,690,000</u>	<u>\$ 10,568,431</u>	<u>\$ 49,258,431</u>

3. Advance Refunding

On April 14, 2016, the primary government through its Building Corporation issued \$7,410,000 Ad Valorem Property Tax First Mortgage Refunding Bonds of 2016 to advance refund \$6,705,000 First Mortgage Bonds of 2008. Bond proceeds were used to purchase U.S. government securities which were deposited in an irrevocable trust to provide for all future debt service payments of \$7,471,706 of the 2008 bonds. As a result, the 2008 bonds are considered to be defeased and the primary government has removed the liability from its accounts.

At December 31, 2016, bonds totaling \$6,705,000 were considered to be defeased. The advanced refunding reduced total debt service payments over the next 12.5 years by \$658,084. This results in an economic gain of \$509,268.

On April 19, 2016, the primary government through its Redevelopment Authority issued \$11,950,000 Economic Development Lease Rental Refunding Bonds of 2016 to advance refund \$11,265,000 Economic Development Lease Rental Revenue Bonds of 2008. Bond proceeds were used to purchase U.S. government securities which were deposited in an irrevocable trust to provide for all future debt service payments of \$12,581,882 of the 2008 bonds. As a result, the 2008 bonds are considered to be defeased and the primary government has removed the liability from its accounts.

At December 31, 2016, bonds totaling \$11,265,000 were considered to be defeased. The advanced refunding reduced total debt service payments over the next 15 years by \$2,178,867. This results in an economic gain of \$1,286,363.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

On November 23, 2016, the primary government through its Redevelopment Authority issued \$10,795,000 Economic Development Lease Rental Refunding Bonds of 2016 to advance refund \$10,420,000 Economic Development Lease Rental Revenue Bonds of 2009. Bond proceeds were used to purchase U.S. government securities which were deposited in an irrevocable trust to provide for all future debt service payments of \$11,501,425 of the 2009 bonds. As a result, the 2009 bonds are considered to be defeased and the primary government has removed the liability from its accounts.

At December 31, 2016, bonds totaling \$10,420,000 were considered to be defeased. The advanced refunding reduced total debt service payments over the next 13 years by \$1,616,473. This results in an economic gain of \$725,489.

4. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2016, was as follows:

Primary Government	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 191,051,934	\$ 45,430,000	\$ 41,057,476	\$ 195,424,458	\$ 13,525,000
Compensated absences	5,437,335	2,248,040	2,323,347	5,362,028	1,628,728
Capital leases	3,461,345	1,744,279	1,652,946	3,552,678	1,317,304
Net pension liability	18,742,601	1,649,057	-	20,391,658	-
Net OPEB obligation	20,899,438	4,917,974	-	25,817,412	-
 Total governmental activities long-term liabilities	 <u>\$ 239,592,653</u>	 <u>\$ 55,989,350</u>	 <u>\$ 45,033,769</u>	 <u>\$ 250,548,234</u>	 <u>\$ 16,471,032</u>
Primary Government	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Revenue bonds payable	\$ 40,889,842	\$ -	\$ 2,237,323	\$ 38,652,519	\$ 2,290,000
Capital leases	152,880	-	49,602	103,278	50,948
Compensated absences	454,093	200,604	162,727	491,970	129,602
 Total business-type activities long-term liabilities	 <u>\$ 41,496,815</u>	 <u>\$ 200,604</u>	 <u>\$ 2,449,652</u>	 <u>\$ 39,247,767</u>	 <u>\$ 2,470,550</u>

Compensated absences, net other postemployment benefit obligations and net pension liabilities for governmental activities typically have been liquidated from the general fund and special revenue funds.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

I. Fund Balances

Fund balances are classified as Nonspendable, Restricted, Committed, Assigned, and Unassigned based on the extent to which the City is bound to observe constraints imposed on the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. The City does not have any nonspendable fund balance.

Restricted – The fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors through debt covenants, grantors, contributors, or laws or regulation of other governments or it is imposed by law through enabling legislation.

Committed – The committed fund balance includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of the City Council. Those committed amounts cannot be used for other purposes unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Council.

Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and does not have a specific purpose. In the governmental funds, other than the General Fund, if liabilities incurred exceeded the assets, the fund may report a negative fund balance.

Generally, the City would first apply restricted resources, then committed, assigned, and unassigned resources when an expense is incurred for purposes for more than one classification of fund balance are available.

Fund Deficit – The Parks Nonreverting Operating Fund had a deficit fund balance of \$52,693. This fund had a positive cash balance of \$3,203 at year end; however, accruals of payroll and trade accounts payable totaling \$55,896, resulted in the deficit fund balance.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The constraints placed on fund balance for the major governmental funds and all other governmental funds are as follows:

	General	Redevelopment Authority - Debt Service	Redevelopment Authority - Capital Projects	Nonmajor Governmental Funds	Total
Fund Balance:					
Restricted for:					
Highway and road maintenance	\$ -	\$ -	\$ -	\$ 12,415,455	\$ 12,415,455
Police	-	-	-	184,043	184,043
Courts	-	-	-	302,050	302,050
Grants	-	-	-	51,831	51,831
Fire Station Debt Service	-	-	-	669,091	669,091
City Hall Debt Service	-	-	-	687,924	687,924
Little Chicago Road Debt Service	-	-	-	247,781	247,781
Other Debt Service	-	-	-	480,636	480,636
Capital projects	-	-	-	2,900,512	2,900,512
Fire Capital Improvements/Equip.	-	-	-	819,702	819,702
Committed to:					
Emergency Services	-	-	-	39,088	39,088
Hazardous Materials	-	-	-	5	5
Building Corp Debt Service	-	-	-	1,609,113	1,609,113
Debt service	-	11,833,531	-	-	11,833,531
Wastewater Holding	-	-	-	5,958	5,958
Capital projects:					
Park Capital Projects	-	-	-	4,018,205	4,018,205
Roadway Capital Projects	-	-	-	6,440,970	6,440,970
Other Capital	-	-	-	659	659
Field Drive Improvements	-	-	-	104,939	104,939
Economic Development Projects	-	-	11,622,743	1,427,276	13,050,019
Stoney Creek EDA Projects	-	-	-	1,036,605	1,036,605
Corporate Campus Infrastructure	-	-	-	203,402	203,402
146th Street Infrastructure	-	-	-	3,026,900	3,026,900
Promise Road Improvements	-	-	-	250,852	250,852
Assigned to:					
Fiscal Year 2015 Appropriations	282,822	-	-	-	282,822
Capital Improvements	-	-	-	-	-
Parking Lot Maintenance/Improvements	-	-	-	541,048	541,048
Police	-	-	-	9,762	9,762
Fire	-	-	-	6,572	6,572
Cultural Arts	-	-	-	36,785	36,785
Employee Benefits	-	-	-	543	543
Park Capital	-	-	-	683,448	683,448
Other purposes	-	-	-	226,260	226,260
Unassigned	24,586,862	-	-	(52,693)	24,534,169
Total	<u>\$24,869,684</u>	<u>\$11,833,531</u>	<u>\$ 11,622,743</u>	<u>\$38,374,722</u>	<u>\$86,700,680</u>

Under House Enrolled Act 1145, Section 1, the City may transfer at any time any unused and unencumbered local income tax funds. Local income tax is the revenue source, which is not restricted or committed, for the County Option Income Tax Fund. It is the intent of the City to eliminate this fund and replace it with a Rainy Day Fund, which was established in 2016. The County Option Income Tax Fund was the previous incarnation of the Rainy Day Fund. The Rainy Day Fund's revenue source will also be

CITY OF
NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

from local income tax. While the funds are shown as unassigned in the above table, the City's Common Council may approve an annual budget for these funds, in the event it becomes necessary. As of December 31, 2016, the ending fund balance for the County Option Income Tax Fund was \$1,538,582 and for the Rainy Day Fund was \$2,024,222. Both funds have been folded into the General Fund.

J. Restricted Net Position

The government-wide Statement of Net Position report restricted net position for the governmental activities and business-type activities of \$42,660,844 and \$5,821,267, respectively, all of which are restricted by enabling legislation.

K. Net Investment in Capital Assets

The investments in capital assets net of related debt is composed of the outstanding debt associated with the acquisition of capital assets less the cash on hand from bond issues at year end. The breakdown is scheduled as follows:

	Governmental Activities	Business-Type Activities
Total Capital Assets	\$ 323,085,397	\$ 117,626,021
Less:		
Bonds payable	195,424,458	38,652,519
Capital lease payable	4,077,054	103,278
Deduct cash on hand	(11,622,743)	(2,590,159)
Deferred loss on refunding	(10,361,272)	(1,137,461)
Total related net debt	177,517,497	35,028,177
Investment in capital assets	\$ 145,567,900	\$ 82,597,844

CITY OF
NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

L. Unavailable Revenue

The unavailable revenue balances in the governmental funds are as follows:

	<u>Taxes</u>	<u>Intergovernmental</u>	<u>Totals</u>
Unavailable revenue:			
General	\$ 2,082,744	\$ 518,493	\$ 2,601,237
Motor vehicle highway	79,315	70,213	149,528
Park and recreation	56,465	49,986	106,451
Fire station 2 debt	3,563	3,154	6,717
Fire stations 5 and 6 debt	15,491	13,713	29,204
Little Chicago road debt	38,882	34,421	73,303
City hall debt	41,748	36,958	78,706
Fire station 7 and street debt	21,843	19,336	41,179
Cumulative capital improvement	-	30,307	30,307
Cumulative capital development	34,235	23,336	57,571
Cumulative building and fire fighting equipment	13,322	11,793	25,115
Total unavailable revenue	<u>\$ 2,387,608</u>	<u>\$ 811,710</u>	<u>\$ 3,199,318</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

M. Conduit Debt

From time to time, the primary government has issued economic development revenue bonds and loaned the proceeds to a qualified borrower to provide financial assistance for the financing of economic development facilities which will be of benefit to the health or general welfare of the City of Noblesville and its citizens. Repayment of the bonds is secured solely by payments of the borrower made in accordance with the Amended and Restated Master Indenture and the Loan Agreement. The bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City of Noblesville or Hamilton County, nor are the bonds payable in any manner from revenues raised by taxation. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2016, the economic development revenue bonds were outstanding in the principal amount payable of \$11,625,000.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

N. Tax Abatements

The City of Noblesville negotiates property and personal tax abatement agreements on an individual basis. The City has tax abatement agreements with the following entities as of December 31, 2016:

Purpose	Percentage of Taxes Abated during the Fiscal Year	Amount of Real Taxes Abated during the Fiscal Year - Civil	Amount of Personal Taxes Abated during the Fiscal Year - Civil	Amount of Real Taxes Abated during the Fiscal Year - Redevelopment Commission
Insurance company constructed office building and added staff	60%	\$ 2,571	\$ -	\$ -
Oral health research and product testing facility constructed corporate headquarters, added new equipment and added staff	27% - 50%	39	479	32,408
Constructed multi-tenant office space	10%	-	-	5,380
Manufacturing facility and research center relocated and added staff	40% - 80%	9,156	10,384	9,778
Constructed business park and added staff	30% - 40%	740	-	-
Manufacturing facility constructed office and warehouse space and added staff	100%	-	-	25,564
Manufacturing facility constructed corporate headquarters, added new equipment and added staff (a)	5% - 80%	2,086	80,862	633,760
Steel erectors company office and warehouse relocation and added staff	100%	-	-	20,291
Industrial buildings constructed	20% - 30%	40	-	27,274
Event marketing company constructed corporate headquarters and added staff	50% - 65%	60	-	40,667
Constructed office and warehouse space	20%	18	-	12,025
Medical office constructed	20%	253	-	26,707
Constructed office space and added staff	40%	1,549	-	163,445
Facility and loading dock improvements and added staff	50%	1,383	-	-
Pharmaceutical company renovated space, new equipment and added staff	45% - 50%	42	5,194	28,831
Fabrication company building improvements and added staff	91%	-	34,108	-
Medical manufacturing company added new equipment and staff	10% - 60%	-	66,431	-
Medical manufacturing company added new equipment and staff	75%	-	4,500	-
Medical manufacturing company constructed corporate headquarters, added new equipment and staff	29% - 80%	185	8,587	125,714
Medical manufacturing company added new equipment and staff	22%	-	3,359	-
Fabrication company added new equipment and staff	35%	-	1,872	-
Totals		<u>\$ 18,122</u>	<u>\$ 215,776</u>	<u>\$ 1,151,844</u>

(a) In addition to the current abatements, bonds were issued to provide for the construction of new roads and improvements to existing roads serving or benefiting the manufacturing facility. See Note H.1. 2016 Redevelopment Authority Lease Rental Refunding Bonds for further information.

Each agreement was negotiated under Indiana Code §6-1.1-12.1 and allows local communities to offer real and personal property tax abatements as an incentive to new and expanding businesses. Property tax abatements, both real and personal, allows a property owner to phase in payment of

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

property taxes over a designated period. This period may be any number of years between one and ten. The City determines the period, up to a maximum of ten (10) years and sets the percentage of eligible assessed value which is abated each year. The code does not provide for the recapture of abated taxes in the event an abatement recipient does not fulfill the commitment it makes in return for the tax abatement.

The City of Noblesville has not made any future commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities. The City has chosen to disclose information about its tax abatement agreements individually. All of the current abatement agreements, shown in the schedule, have been disclosed. The abatements range from 5 percent to 100 percent of the total dollar amount of taxes abated during the year.

III. Other Information

A. Risk Management

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

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

Medical Benefits to Employees, Retirees, and Dependents

The primary government has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the Employee Benefit Trust Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$40,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund that accounts for payroll expenses. The total charge allocated to each of the funds is calculated as it relates to payroll. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of pay outs and other economic and social factors.

Changes in the balance of claim liabilities during the past two years are as follows:

	2016	2015
Unpaid claims, beginning of fiscal year	\$ 672,979	\$ 421,179
Incurred claims and changes in estimates	9,108,606	9,229,493
Claim payments	9,329,124	8,977,693
Unpaid claims, end of fiscal year	\$ 452,461	\$ 672,979

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Job Related Illnesses or Injuries to Employees

During 1997, the primary government joined together with other governmental entities to form the Indiana Public Employers' Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for approximately 515 member governmental entities. This risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and administration of benefits for job related illnesses or injuries to employees. The primary government pays an annual premium to the risk pool for its coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

B. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

Noblesville Healthcare Plan is a single-employer defined benefit healthcare plan administered by the City of Noblesville. The plan provides health, vision and dental benefits to eligible retirees and their spouses. Local ordinance assigns the authority to establish and amend benefit provisions to the City. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information for the plan.

Funding Policy

The contribution requirements of plan members for the Noblesville Healthcare Plan are established and can be amended by the City's insurance committee and approved by the City Council. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the governing board. For the year ended December 31, 2016, the City contributed \$387,467 to the plan for current premiums. Plan members receiving benefits contributed \$79,752, or approximately 15 percent of the total premiums.

Annual OPEB Cost and Net OPEB Obligation

The City's Annual Other Postemployment Benefit (OPEB) cost (expense) is calculated based on the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the plan:

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Annual required contribution	\$ 5,710,291
Interest on net OPEB obligation	731,480
Adjustment to annual required contribution	<u>(1,136,330)</u>
Annual OPEB cost	5,305,441
Contributions made	<u>387,467</u>
Increase in net OPEB obligation	4,917,974
Net OPEB obligation, beginning of year	<u>20,899,438</u>
Net OPEB obligation, end of year	<u><u>\$ 25,817,412</u></u>

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the two preceding years were as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12-31-14	\$ 3,257,704	7.3%	\$17,978,633
12-31-15	3,212,252	9.1%	20,899,438
12-31-16	5,305,441	7.3%	25,817,412

Funded Status and Funding Progress

As of December 31, 2016, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$40,762,037, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$40,762,037. The covered payroll (annual payroll of active employees covered by the plan) was \$22,994,997, and the ratio of the UAAL to covered payroll was 177 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumption

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

In the December 31, 2016 actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 3.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, a general inflation rate assumption of 2.0 percent and an annual healthcare cost trend inflation rate of 10.0 percent initially, reduced by decrements to an ultimate inflation rate of 5.0 percent after 10 years. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2016, was 30 years.

C. Pension Plans

1. Cost-Sharing Multiple-Employer Defined Benefit Pension Plans

a. Public Employees' Retirement Fund

Plan Description

The primary government contributes to the Public Employees' Retirement Fund (PERF), a cost-sharing, multiple-employer defined benefit plan based on 35 IAC 21-1-1, 35 IAC 21-1-2 and amended IC 5-10-2.2-11(b). State statutes (IC 5-10.2, 5-10.3 and IC 5-10.5) govern, through the Indiana Public Retirement System (INPRS) Board, most requirements of the system and give the primary government authority to contribute to the plan. There are two components to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the Public Employees' Annuity Savings Account Only Plan (PERF ASA Only Plan). Prior to July 1, 2016, the PERF Hybrid Plan is the only plan available to the primary government. There are two components of 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 annuity savings account (ASA) that supplements the defined benefit at retirement.

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

Indiana Public Retirement System
One North Capitol, Suite 001
Indianapolis, IN 46204
Ph. (888) 526-1687

Membership

The primary government's PERF members become participants by ordinance or resolution of the governing body, which specifies the classifications of employees who will become members of the PERF Hybrid Plan. The ordinance or resolution is then filed with and approved by INPRS. In order to be a member, employees hired after June 30, 1982, must occupy positions normally requiring performance of service of more than 1,000 hours during a year.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

As of December 31, 2016, the PERF membership consisted of:

	PERF - Civil
Retired members, beneficiaries, and disabled members receiving benefits	20
Inactive vested members entitled to but not yet receiving benefits	-
Inactive non-vested members entitled to a distribution of ASA balance	-
Active members: vested and non-vested	157
Total	177

Contributions

The PERF Hybrid Plan members are obligated, by state statute, to make contributions to the plan. The required contributions of the plan members and primary government are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 5-10.2-2-11. The funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to fund the pension benefits when they become due. As PERF is a cost-sharing plan, all risks and costs, including benefit costs, are shared proportionately by the participating employers. The current rate is 11.19 percent of annual covered payroll.

The primary government's contributions to the plan for the years ending December 31, 2016 and 2015 were \$1,251,159 and \$1,227,153, respectively, equal to the required contributions for each year.

For 2016, the primary government's annual pension cost and related information for the PERF Hybrid Plan, as provided by the actuary, is presented in section c. of this note.

Retirement Benefits – Defined Benefit Pension

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

A member who has reached age sixty-five and has at least ten years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years of creditable service. The average annual compensation in calculation uses the highest twenty calendar quarters of salary in a covered position. All twenty calendar quarters do not need to be continuous, but they must

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

be in groups of four consecutive calendar quarters. The same calendar quarter may not be included in two different groups. For PERF members who serve as an elected official, the highest one year (total of four consecutive quarters) of annual compensation is used. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as a part of the member's annual compensation.

A member who has reached age sixty and has at least fifteen years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit. A member who is at least fifty-five years old and whose age plus number of years of creditable service is at least eighty-five is entitled to 100 percent of the benefits, as described above.

A member who has reached at least the age of fifty and has a least fifteen years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age fifty-nine, the early retirement percentage of the normal annual pension benefit is 89 percent. The amount is reduced five percentage points per year.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly. There was no COLA for the period ending June 30, 2016.

Disability and Survivor Benefits

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

Upon the death in service of a member with fifteen or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two or more years, or surviving dependent children under the age of eighteen. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age fifty or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who has at least sixty-five years of age and had at least ten but not more than fourteen years of creditable service.

Retirement Benefits – Annuity Savings Account

Members are required to participate in an ASA. The ASA consists of the member's contributions, set by statute at 3 percent of compensation, as defined by IC 5-10.2-3-2 for PERF, plus the interest/earnings or losses credited to the member's account. The employer may elect to make the contributions on behalf of the member. In addition, under certain conditions, members may elect to make additional voluntary contributions of up to 10 percent of the compensation into their ASA. A member's contribution and interest credits belong to the member and do not belong to the primary government.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Investments in the members' ASA are individually directed and controlled by the plan participants who direct the investment of their account balances amount the following eight investment options, with varying degrees of risk and return potential:

1. Guaranteed Fund – This fund's objective is to provide stability of principal and a competitive interest rate. The interest rate is set by the INPRS Board of Trustees each year and is guaranteed for the fiscal year. Market risk is assumed by the Fund.
2. Large Cap Equity Index Fund – This fund's objective is to seek investment growth/capital appreciation though passive investment in the stocks of the 500 largest U.S. companies. Market risk is assumed by the member.
3. Small/Mid Cap Equity Fund – This fund's objective is to seek investment growth/capital appreciation through both active and passive investment in the stocks of small- and mid-sized U.S. companies. Market risk is assumed by the member.
4. International Equity Fund – This fund's objective is to seek investment growth/capital appreciation through both active and passive investment in the stocks of non-U.S. companies in both developed and emerging markets. Market risk is assumed by the member.
5. Fixed Income Fund – This fund's objective is to seek total return, consisting of income and capital appreciation. Market risk is assumed by the member.
6. Inflation-Linked Fixed Income Fund – This fund's objective is to provide investors inflation protection and income consistent with investment in inflation-indexed securities. Principal and interest payments are adjusted in response to changes in inflation. Market risk is assumed by the member.
7. Target Date Funds – The Funds are designated to seek an appropriate amount of total return, commensurate with risk, given the specific time horizon of each Fund. The Target Date Funds provide participants with a one-stop shop for investing. Participants simply choose the Fund most appropriate for the member, based upon the year in which the member plans to withdraw money (usually the member's retirement year). Once a participant selects the appropriate Fund, the underlying asset allocation automatically adjusts over time. Market risk is assumed by the member.
8. Money Market Fund – This fund's objective is to provide a market rate of return consistent with the preservation of capital through a shorter maturity, high quality portfolio. Market risk is assumed by the member.

Members may make changes to their investment directions daily and investments are reported at fair market value.

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

Plan Description

The primary government contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund), a cost-sharing, multiple-employer defined benefit plan established to provide retirement, disability, and survivor benefits to all full-time police officers and firefighters who are hired (or rehired) after April 30, 1977. The 1977 Fund is governed by the Indiana Public Retirement System (INPRS) in accordance with IC 36-8-8.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report is available online at www.in.gov/inprs/annualreports.htm or may be obtained by contacting:

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

Indiana Public Retirement System
 One North Capitol, Suite 001
 Indianapolis, IN 46204
 Ph. (888) 526-1687

Membership

As of December 31, 2016, the 1977 Fund membership consisted of:

	PERF - 1977 Police	PERF - 1977 Firefighters
Retired members, beneficiaries, and disabled members receiving benefits	8	19
Inactive vested members entitled to but not yet receiving benefits	-	-
Inactive non-vested members entitled to a distribution of ASA balance	-	-
Active members: vested and non-vested	77	125
Total	85	144

Contributions

The funding policy for the 1977 Fund requires remittances of member and employer contributions based on percentages of the salary of a first class officer or firefighter rather than actual payroll. The employer contribution rate is actuarially determined. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 36-8-8-6. As the 1977 Fund is a cost-sharing system, all risks and costs, including benefit costs, are shared proportionally by the participating employers. During fiscal year 2016, all participating employers were required to contribute 19.7 percent of the salary of a first class officer or firefighter.

The member contribution rate is established by statute, IC 36-8-8-8, at six percent of the salary of a first class officer or firefighter. Each fund member shall contribute during the period of the funds member's employment or for thirty-two years, whichever is shorter. The employer may pay all or a part of the contribution for the member. Member contributions are used to fund a portion of the defined benefit payment, unless the member ends employment other than by death or disability before the fund member completes twenty years of active service. The accumulated value of the member's contribution, including interest, may be withdrawn if the member terminates employment prior to completing twenty years of service. The INPRS Board of Trustees shall return to the fund member in a lump sum the fund member's contributions plus interest, as determined by the INPRS Board of Trustee, in accordance with IC 36-8-8-8.

The primary government's contributions to the plan for the years ending December 31, 2016 and 2015, were \$3,186,832 and \$2,940,121, respectively, equal to the required contributions for each year.

For 2016, the primary government's annual pension cost and related information for the 1977 Plan, as provided by the actuary, is presented in section c. of this note.

Retirement Benefits

A member vests after twenty years of service. If the member retires at or after the age of fifty-two with twenty years of service, the benefit is equal to 50 percent of the salary of a first class officer, as reported by the employer in the year the 1977 Fund member ended

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

service plus one percent of that salary for each six months of active service over twenty years to a maximum of twelve years. At age fifty and with twenty years of service, a member may elect to receive a deducted benefit by a factor established by the fund's actuary, as established by statute IC 36-8-8-11.

The monthly pension benefits for members in pay status may be increased annually in accordance with the cost of living adjustment (COLA) statute IC 36-8-8-15. A member is entitled to an annual increase in the member's benefit based on the percentage increase

in the Consumer Price Index (January – March); however, the maximum increase is 3 percent. There was no COLA for the period ending June 30, 2015.

Disability and Survivor Benefits

The 1977 Fund also provides disability and survivor benefits. An active member may file an application for disability benefits. A determination is then made by the local pension board, and reviewed by the INPRS Board of Trustees, as to whether the member has a covered impairment and whether or not the impairment was incurred in the line of duty. The calculation for disability benefits is based on when the member was first hired, the type of impairment and other factors. In addition, the heirs or estate of a fund member may be entitled to receive \$12,000 upon the member's death.

If a member dies while receiving retirement or disability benefits, there are provisions for the surviving spouse and children to receive apportion of the benefits. The member's surviving spouse is entitled to a monthly benefit equal to 60 percent of the member's monthly benefit during the spouse's lifetime. Each of the member's surviving children are entitled to a monthly benefit equal to 20 percent of the member's monthly benefit until the age of eighteen, or age twenty-three, if a full-time student. If there is no eligible surviving spouse or children, a dependent parent(s) may receive 50 percent of the member's monthly benefit during their lifetime.

Deferred Retirement Option Plan

The Deferred Retirement Option Plan (DROP) for the 1977 Fund was established by the Indiana Legislature in 2002 and is governed by the INPRS Board of Trustees in accordance with IC 36-8-8.5. Members of the 1977 Fund that are eligible to retire may elect to accumulate a DROP benefit while continuing to work. At the time of their election, the member executes an irrevocable election to retire on a DROP retirement date and remains in active service contributing to the fund until that date. The DROP retirement date must be not less the twelve months and not more than thirty-six months after their DROP entry date, and not after the date they reach any mandatory retirement age that may apply.

The member may make an election to enter the DROP only once in their lifetime. The DROP and future retirement monthly benefit is calculated as of the member's DROP entry date. At the time of retirement, the member must choose among the available options for distribution of the accumulated benefit under the DROP.

c. Actuarial Information for the Above Plans

At December 31, 2016, the primary government reported a net pension liability of \$9,166,006 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date for the above plans.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The primary government's proportionate percentage, deferred outflows of resources, deferred inflows of resources, net pension asset/liability and pension expense for the above plans is shown in the following table:

	PERF - Civil	PERF - 1977 Police	PERF - 1977 Firefighters	Totals
Proportionate share	0.0017088	0.0059676	0.0099122	
Net pension liability	\$ 7,755,293	\$ 530,143	\$ 880,570	\$ 9,166,006
Deferred outflow of resources	2,335,028	2,937,102	4,833,354	10,105,484
Deferred inflow of resources	658,271	2,440,160	4,038,414	7,136,845
Pension expense/(income)	1,407,516	703,373	1,156,632	3,267,521

The components of the Net Pension Liability as of June 30, 2016 (measurement date) are as follows:

	PERF	PERF - 1977 Police	PERF - 1977 Firefighters
Total Pension Liability	\$ 31,457,208	\$ 30,075,725	\$ 49,955,862
Plan Fiduciary Net Position	23,701,915	29,545,582	49,075,292
Net Pension Liability	7,755,293	530,143	880,570
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	75.3%	98.2%	98.2%

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PERF - Civil 3.15 years		PERF - 1977 Police 9.04 years		PERF - 1977 Firefighters 9.04 years	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Average Remaining Service Life for 2016:						
Differences between expected and actual experience	\$ 173,748	\$ 14,316	\$ 221,446	\$ 336,317	\$ 367,823	\$ 558,623
Net difference between projected and actual investment earnings on pension plan investments	1,705,745	436,361	2,567,976	611,537	4,265,416	1,015,764
Change of assumptions	342,170	-	-	1,451,611	-	2,411,131
Changes in proportion and differences between employer contributions and proportionate share of contributions	68,335	207,594	93,476	40,695	71,088	52,896
Reversal of prior year's contributions subsequent to the measurement date	(609,682)	-	(572,701)	-	(905,563)	-
Contributions subsequent to the measurement date	654,712	-	626,905	-	1,034,590	-
Total	\$ 2,335,028	\$ 658,271	\$ 2,937,102	\$ 2,440,160	\$ 4,833,354	\$ 4,038,414

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Amortization of Net Deferred Outflows/(Inflows) of Resources - Debit/(Credit)	PERF	PERF - 1977 Police	PERF - 1977 Firefighters
2017	\$ 586,227	\$ 234,752	\$ 378,255
2018	350,523	234,752	378,255
2019	488,573	540,521	886,137
2020	206,404	110,385	171,681
2021	-	(209,007)	(358,831)
Thereafter	-	(468,665)	(789,584)
Total	<u>\$ 1,631,727</u>	<u>\$ 442,738</u>	<u>\$ 665,913</u>

The components of the pension expense as of June 30, 2016 are as follows:

	PERF	PERF - 1977 Police	PERF - 1977 Firefighters
Service Cost			
Total service cost	\$ 326,773	\$ 772,022	\$ 1,282,333
Member contributions	(454)	(266,401)	(442,494)
Administrative and project expenses	39,251	9,855	16,369
Net employer service cost	365,570	515,476	856,208
Interest cost	1,741,552	1,910,936	3,174,070
Expected return on assets	(1,284,943)	(1,957,792)	(3,251,898)
Plan amendments	-	-	-
Recognition of deferred (inflows) / outflows of resources related to:			
Liability experience (gains) / losses	116,302	(19,518)	(32,420)
Assumption changes (gains) / losses	245,868	(198,579)	(329,840)
Investment (gains) / losses	281,303	443,760	737,086
Total	643,473	225,663	374,826
Proportionate share of plan pension expense	\$ 1,465,652	\$ 694,283	\$ 1,153,206
Net amortization of deferred amounts from changes in proportion and difference between employer contributions and proportionate share of contributions	(58,136)	9,090	\$ 3,426
Total pension expense	<u>\$ 1,407,516</u>	<u>\$ 703,373</u>	<u>\$ 1,156,632</u>

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

Actuarial Assumptions

PERF – Civil

Measurement date	June 30, 2016
Valuation date	
Assets	June 30, 2016
Liabilities	

June 30, 2015 - Member census data as of June 30, 2015 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2015 and June 30, 2016. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2015 to the June 30, 2016 measurement date.

Inflation	2.25%
Future salary increases	2.5% - 4.25%
Cost-of-living increases	1.00% compounded annually on employer funded pension, beginning January 1, 2018. Retired members were provided a 13th check by October 1, 2015, and will be provided a 13th check by October 1, 2016, which is reflected in the valuation.

Mortality assumption
 RP-2014 Mortality Total Data Set Mortality Tables with mortality improvement since 2006 using scale MP-2014 removed and projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee report.

Experience study
 The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation based on the results of the study.

Discount rate
 The discount rate used to measure the total pension liability as of June 30, 2016, is 6.75% and is equal to the long-term expected return on plan investments, net of administrative expenses. The INPRS Board of Trustees has established a funding policy of setting the employer contribution rate equal to the greater of: 1) the current contribution rate of 11.2%, or 2) the actuarially determined contribution rate computed by the actuary using the assumptions and methods selected by the Board for the annual actuarial valuations. The assumptions and methods selected by the Board for the June 30, 2016 actuarial valuation include a 6.75% expected return on assets assumption, a 20-year level dollar closed method for amortizing future layers of unfunded actuarial accrued liability (30-years for amortization layers established prior to June 30, 2016), and a 5-year smoothing method for recognizing investment gains and losses in the actuarial value of assets.

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

PERF – 1977 Plans

Measurement date	June 30, 2016
Valuation date	
Assets	June 30, 2016
Liabilities	
	June 30, 2015 - Member census data as of June 30, 2015 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2015 and June 30, 2016. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2015 to the June 30, 2016 measurement date.
Inflation	2.25%
Future salary increases	2.50%
Cost-of-living increases	2.00% compounded annually, beginning July 1, 2017. Actual COLA increases at July 1, 2015 (0.00%) and July 1, 2016 (1.10%) are reflected in the valuation.
Mortality assumption	RP-2014 (with MP-2014 improvement removed) Blue Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.
Experience study	The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation based on the results of the study.
Discount rate	The discount rate used to measure the total pension liability as of June 30, 2016, is 6.75% and is equal to the long-term expected return on plan investments, net of administrative expenses. The INPRS Board of Trustees has established a funding policy of setting the employer contribution rate equal to the greater of: 1) the current contribution rate of 17.5%, or 2) the actuarially determined contribution rate computed by the actuary using the assumptions and methods selected by the Board for the annual actuarial valuations. The assumptions and methods selected by the Board for the June 30, 2016 actuarial valuation include a 6.75% expected return on assets assumption, a 30-year level dollar open method for amortizing the surplus of assets over the actuarially accrued liability (since the plan is over 100% funded as of June 30, 2016), and a 5-year smoothing method for recognizing investment gains and losses in the actuarial value of assets. Therefore, if the Board continues to follow its current funding policy, which it has done for the past several years, the employer contribution rates established will be sufficient to maintain the fully funded status of the plan.

Sensitivity of the net pension liability to changes in the discount rate

PERF – Civil

Discount rate sensitivity	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability/(asset)	\$ 11,138,438	\$ 7,755,293	\$ 4,943,389

PERF – 1977 Police

Discount rate sensitivity	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability/(asset)	\$ 5,413,701	\$ 530,143	\$ (3,410,340)

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

PERF – 1977 Firefighters

Discount rate sensitivity	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net pension liability/(asset)	\$ 8,992,172	\$ 880,570	\$ (5,664,584)

Asset allocation of the pension plan's portfolio

For the PERF – Civil, PERF – 1977 Police and the PERF – 1977 Firefighters plans, the long-term return expectation has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

	Target Asset Allocation	<u>Geometric Basis</u> Long-Term Expected Real Rate of Return
Public Equity	22.0%	5.7%
Private Equity	10.0%	6.2%
Fixed Income - Ex inflation-linked	24.0%	2.7%
Fixed Income - Inflation-linked	7.0%	0.7%
Commodities	8.0%	2.0%
Real Estate	7.0%	2.7%
Absolute Return	10.0%	4.0%
Risk Parity	12.0%	5.0%

Money-weighted rate of return

The money-weighted rate of return equals investment performance, net of pension plan investment expense, adjusted for the changing amount actually invested. For the measurement date of June 30, 2016, the money-weighted return on the plan assets is 1.1% for the PERF Plan and 1.22% for the 1977 Plans.

2. Single-Employer Defined Benefit Pension Plans

a. 1925 Police Officers' Pension Plan

Plan Description

The primary government contributes to the 1925 Police Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The pension board consists of five members, four of which are elected by active members and one of which is elected by retired members. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by and may be amended by the plan administrator, as provided by state statute. The plan administrator does not issue a

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

publicly available financial report that includes financial statements and required supplementary information of the plan.

Contributions

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to 6 percent of the salary of a first class patrolman. The primary government is required to contribute an amount equal to the funding deficit of the difference between receipts of the fund and the required disbursements including administrative costs of the fund (pay-as-you-go basis); the amount contributed for 2016 is \$216,186. The contribution requirements of plan members and the primary government are established by state statute. All of this amount is contributed by the State of Indiana on behalf of the primary government. On behalf contributions from the State of Indiana approximate the amount paid out for benefits and were recognized as revenues and expenditures in the pension trust fund during the year.

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute. The primary government's annual pension cost and related information, as provided the actuary, is presented in section c. of this note.

For 2016, the primary government's annual pension cost and related information for the 1925 Police Officers' Pension Plan, as provided by the actuary, is presented in section c. of this note.

Net Pension Liability

The net pension liability does not include the plan fiduciary net position from the Fiduciary Statements. The pension plan is not administered by a trust, but the funds are in an equivalent arrangement because they are legally protected by state statute. Therefore, while the funds are reported in the Pension Trust Fund, the net pension liability is not reduced by the plan fiduciary net position in order to report in the most conservative manner.

Benefits Provided

The plan provides retirement, disability and death benefits. The benefit provisions of the 1925 Police Officers' Pension Plan for non-converted members are set forth in state statute (IC 36-8-6). The benefits provisions for converted members are set forth in state statute (IC 36-8-8). Unless specifically denoted, provisions for converted and non-converted members are the same. All full-time, fully-paid police officers who were hired before May 1, 1977 or rehired between April 30, 1977 and February 1, 1979 are eligible participants. The pension plan is closed to new entrants.

Eligibility for annuity benefits is as follows. Non-converted members of any age with twenty or more years of creditable service and converted plan members who are age fifty-two with twenty or more years of creditable service are eligible for normal benefits. Normal retirement benefits are calculated at 50% of the base salary of a First Class Police Officer, plus an additional 1% for each completed six months of service over twenty years up to a maximum of 74% with thirty-two years of service.

Non-converted members of any age with twenty or more years of creditable service are eligible to receive early retirement without a benefit reduction. Converted members at age fifty with twenty or more years of creditable service are eligible to receive early retirement benefits, which are reduced by 7% per year for commencement between ages fifty and fifty-two. The late retirement benefit is calculated in the same manner as the normal retirement benefits.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The disability benefit for non-converted members is equal to a sum determined by the local board, but not exceeding 55% of the monthly salary (with longevity pay) of a First Class Police Officer. If a member has more than twenty years of service, the disability benefit, if greater, will be equal to the pension the member would have received if the member had retired on the date of disability. Time spent receiving disability benefits is considered active service for the purpose of determining retirement benefits until the fund member has a total of twenty years of service. If the disability is considered to have occurred while on duty or due to a duty related disease then the member is entitled to have the amount of the disability benefit to be computed as a retirement benefit when the fund member becomes age fifty-five. Converted members disability benefit is only available to members hired prior to January 1, 1990 and who do not choose to be covered by the disability benefit for members hired after 1989. The disability benefit is equal to the benefit the member would have received if the member had retired. If the member does not have twenty years of service or is not at least age fifty-two on the date of disability, the benefit is computed as if the member does have twenty years of service and is age fifty-two on the date of disability.

Pre-retirement death benefits vary for converted and non-converted members and depending upon whether or not the death is considered in the line of duty or not in the line of duty. Such benefits range from 30-55% of a First Class Police Officer monthly salary, with longevity, or from 50-100% of the monthly benefit the member was receiving, or was entitled to receive, on the date of death. Pre-retirement death benefits are payable to the surviving spouse, children and dependent parents of members provided they meet eligibility guidelines. A one-time funeral death benefit is paid to the heirs or estate upon a member's death from any cause and is equal to at least \$12,000. An additional benefit of \$150,000 is paid from the Pension Relief Fund to a surviving spouse, children, or parent(s) if death occurs in the line of duty.

Non-converted members are entitled to the normal retirement benefits described above if termination occurs after earning twenty years of service. If termination occurs before completing twenty years of service, no benefits are payable. Converted members are entitled to the accrued retirement benefit determined as of the termination date and payable commencing on the normal retirement date. If termination occurs before completing twenty years of service, the member shall be entitled to the member's contributions plus accumulated interest.

Cost of living adjustments for non-converted retired members are increased annually based upon increases in the first class salary as approved by the employer. Converted retired members benefits are increased annually based upon increases in the CPI-U index. The increase is subject to a 3% maximum and 0% minimum.

Investments

The pension plan investment policy is consistent with the overall policy of the City as described in Note II. A. – Deposits and Investments. The plan held no investments during the reporting period.

Deferred Retirement Option Plan

The Deferred Retirement Option Plan (DROP) is an optional form of benefit, which allows members who are eligible for an unreduced retirement benefit to continue to work and earn a salary while accumulating a DROP benefit payable in a lump sum or three annual installments. A member who elects to enter the DROP shall execute an irrevocable election to retire on the DROP retirement date. The member shall select a DROP retirement date not less than twelve months and not more than thirty-six months after the member's DROP entry date. While in the DROP, the member shall continue to make applicable fund contributions.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

When a member enters the DROP, a "DROP frozen benefit" will be calculated. This is equal to the member's monthly retirement benefit based upon accrued service and base salary as of the date member enters the DROP. Upon DROP retirement, the member is eligible to receive a lump sum equal to the amount of the DROP frozen benefit multiplied by the number of months in the DROP. The member may elect to receive this amount in three annual installments instead of in a single lump sum. In addition, the member will receive a monthly retirement benefit equal to the DROP frozen benefit. The member will not continue to accrue service credit for the years in the DROP. Cost of living adjustments will not apply to the frozen monthly benefit while in the DROP. The cost of living adjustments will begin to be applied to the frozen monthly benefit, however, in the year after the year in which the member retires.

If a member elected to participate in the DROP, the member may, upon retirement, elect to forego DROP benefits, and instead receive monthly retirement benefits calculate as if the member never elected to participate in the DROP. These benefits would be based upon accrued service and base salary as of the date the member retires. There is no balance of amounts held by the pension plan pursuant to the DROP.

b. 1937 Firefighters' Pension Plan

Plan Description

The primary government contributes to the 1937 Firefighters' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The pension board consists of six members. Four members are elected from the active members, one is elected from retired members and the Fire Chief serves as executive by default. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by and may be amended by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Contributions

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to 6 percent of the salary of a fully paid first class firefighter. The primary government is required to contribute an amount equal to the funding deficit of the difference between receipts of the fund and the required disbursements including administrative costs of the fund (pay-as-you-go basis); the amount contributed for 2016 is \$443,708. The contribution requirements of plan members and the primary government are established by state statute. All of this amount is contributed by the State of Indiana on behalf of the primary government. On behalf contributions from the State of Indiana approximate the amount paid out for benefits and were recognized as revenues and expenditures of the pension trust fund during the year.

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute. The primary government's annual pension cost and related information, as provided the actuary, is presented in section c. of this note.

For 2016, the primary government's annual pension cost and related information for the 1937 Firefighters' Pension Plan, as provided by the actuary, is presented in section c. of this note.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Net Pension Liability

The net pension liability does not include the plan fiduciary net position from the Fiduciary Statements. The pension plan is not administered by a trust, but the funds are in an equivalent arrangement because they are legally protected by state statute. Therefore, while the funds are reported in the Pension Trust Fund, the net pension liability is not reduced by the plan fiduciary net position in order to report in the most conservative manner.

Benefits Provided

The plan provides retirement, disability and death benefits. The benefit provisions of the 1937 Firefighters' Pension Plan for non-converted members are set forth in state statute (IC 36-8-7). The benefits provisions for converted members are set forth in state statute (IC 36-8-8). Unless specifically denoted, provisions for converted and non-converted members are the same. All full-time, fully-paid firefighters who were hired before May 1, 1977 or rehired between April 30, 1977 and February 1, 1979 are eligible participants. The pension plan is closed to new entrants.

Eligibility for annuity benefits is as follows. Non-converted members of any age with twenty or more years of creditable service and converted plan members who are age fifty-two with twenty or more years of creditable service are eligible for normal benefits. Normal retirement benefits are calculated at 50% of the base salary of a First Class Firefighter, plus an additional 1% for each completed six months of service over twenty years up to a maximum of 74% with thirty-two years of service.

Non-converted members of any age with twenty or more years of creditable service are eligible to receive early retirement without a benefit reduction. Converted members at age fifty with twenty or more years of creditable service are eligible to receive early retirement benefits, which are reduced by 7% per year for commencement between ages fifty and fifty-two. The late retirement benefit is calculated in the same manner as the normal retirement benefits.

The disability benefit for non-converted members is equal to a sum determined by the local board, but not exceeding 55% of the monthly salary (with longevity pay) of a First Class Firefighter. If a member has more than twenty years of service, the disability benefit, if greater, will be equal to the pension the member would have received if the member had retired on the date of disability. Time spent receiving disability benefits is considered active service for the purpose of determining retirement benefits until the fund member has a total of twenty years of service. If the disability is considered to have occurred while on duty or due to a duty related disease then the member is entitled to have the amount of the disability benefit to be computed as a retirement benefit when the fund member becomes age fifty-five. Converted member's disability benefit is only available to members hired prior to January 1, 1990 and who do not choose to be covered by the disability benefit for members hired after 1989. The disability benefit is equal to the benefit the member would have received if the member had retired. If the member does not have twenty years of service or is not at least age fifty-two on the date of disability, the benefit is computed as if the member does have twenty years of service and is age fifty-two on the date of disability.

Pre-retirement death benefits vary for converted and non-converted members and depending upon whether or not the death is considered in the line of duty or not in the line of duty. Such benefits range from 30-55% of a First Class Firefighter monthly salary, with longevity, or from 50-100% of the monthly benefit the member was receiving, or was entitled to receive, on the date of death. Pre-retirement death benefits are payable to the surviving spouse, children and dependent parents of members provided they meet eligibility guidelines. A one-time funeral death benefit is paid to the heirs or estate upon a member's death from any cause and is equal to at least \$12,000. An additional benefit of

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

\$150,000 is paid from the Pension Relief Fund to a surviving spouse, children, or parent(s) if death occurs in the line of duty.

Non-converted members are entitled to the normal retirement benefits described above if termination occurs after earning twenty years of service. If termination occurs before completing twenty years of service, no benefits are payable. Converted members are entitled to the accrued retirement benefit determined as of the termination date and payable commencing on the normal retirement date. If termination occurs before completing twenty years of service, the member shall be entitled to the member's contributions plus accumulated interest.

Cost of living adjustments for non-converted retired members are increased annually based upon increases in the first class salary as approved by the employer. Converted retired members benefits are increased annually based upon increases in the CPI-U index. The increase is subject to a 3% maximum and 0% minimum.

Investments

The pension plan investment policy is consistent with the overall policy of the City as described in Note II. A. – Deposits and Investments. The plan held no investments during the reporting period.

Deferred Retirement Option Plan

The Deferred Retirement Option Plan (DROP) is an optional form of benefit, which allows members who are eligible for an unreduced retirement benefit to continue to work and earn a salary while accumulating a DROP benefit payable in a lump sum or three annual installments. A member who elects to enter the DROP shall execute an irrevocable election to retire on the DROP retirement date. The member shall select a DROP retirement date not less than twelve months and not more than thirty-six months after the member's DROP entry date. While in the DROP, the member shall continue to make applicable fund contributions.

When a member enters the DROP, a "DROP frozen benefit" will be calculated. This is equal to the member's monthly retirement benefit based upon accrued service and base salary as of the date member enters the DROP. Upon DROP retirement, the member is eligible to receive a lump sum equal to the amount of the DROP frozen benefit multiplied by the number of months in the DROP. The member may elect to receive this amount in three annual installments instead of in a single lump sum. In addition, the member will receive a monthly retirement benefit equal to the DROP frozen benefit. The member will not continue to accrue service credit for the years in the DROP. Cost of living adjustments will not apply to the frozen monthly benefit while in the DROP. The cost of living adjustments will begin to be applied to the frozen monthly benefit, however, in the year after the year in which the member retires.

If a member elected to participate in the DROP, the member may, upon retirement, elect to forego DROP benefits, and instead receive monthly retirement benefits calculate as if the member never elected to participate in the DROP. These benefits would be based upon accrued service and base salary as of the date the member retires. There is no balance of amounts held by the pension plan pursuant to the DROP.

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

c. Actuarial Information for the Above Plans

	1925 Police Officers' Pension	1937 Firefighters' Pension
Contribution rates:		
City	0%	0%
Plan members	6%	6%
Actuarial valuation date	12-31-16	12-31-16
Actuarial cost method	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, closed
Amortization period*	N/A	N/A
Asset valuation method – N/A-	N/A	N/A
Benefits are funded on a pay- as-you-go basis		

*The initial amortization period for liability experience gains / losses and assumption change gains / losses is the number of years equal to the average expected future working lifetime of all members, active and inactive. A period less than one results in the remaining balance being fully recognized during the current year.

<u>Actuarial Assumptions</u>	1925 Police Officers' Pension	1937 Firefighters' Pension
Investment rate of return	3.23%	3.23%
Projected future salary increases:		
Total	2.50%	2.50%
Attributed to inflation	2.25%	2.25%
Cost-of-living adjustments	2.50/2.00%*	2.50/2.00%*

*2.50% non-converted members; 2.00% converted members

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

d. Financial Statements for Defined Benefits Plans

Statements of Net Position – Pension Trust Funds:

Assets	1925 Police Officers' Pension	1937 Firefighters' Pension	Totals
Cash and cash equivalents	\$ 547,907	\$ 685,908	\$ 1,233,815
Net position restricted for pensions	<u>\$ 547,907</u>	<u>\$ 685,908</u>	<u>\$ 1,233,815</u>

Statements of Changes in Net Position – Pension Trust Funds:

<u>Additions</u>	1925 Police Officers' Pension	1937 Firefighters' Pension	Totals
Contributions:			
Non-employer contributing entity contributions	\$ 213,186	\$ 443,708	\$ 656,894
Reimbursements	3,000	3,000	6,000
Total additions	<u>216,186</u>	<u>446,708</u>	<u>662,894</u>
Deductions			
Benefits and refunds paid to plan members and beneficiaries	234,455	486,107	720,562
Administrative expenses	3,000	3,000	6,000
Total deductions	<u>237,455</u>	<u>489,107</u>	<u>726,562</u>
Net increase in net position	(21,269)	(42,399)	(63,668)
<u>Net position restricted for pensions</u>			
Net Position - beginning	<u>566,176</u>	<u>728,307</u>	<u>1,294,483</u>
Net Position - ending	<u>\$ 544,907</u>	<u>\$ 685,908</u>	<u>\$ 1,230,815</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Sensitivity of the net pension liability to changes in the discount rate

1925 Police Officers' Pension Plan

Discount rate sensitivity	1% Decrease (2.23%)	Current Rate (3.23%)	1% Increase (4.23%)
Net pension liability	\$ 3,807,739	\$ 3,415,886	\$ 3,087,863

1937 Firefighters' Pension Plan

Discount rate sensitivity	1% Decrease (2.23%)	Current Rate (3.23%)	1% Increase (4.23%)
Net pension liability	\$ 8,747,361	\$ 7,809,766	\$ 7,027,582

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at December 31, 2016, was comprised of the following:

	1925 Police Officers' Pension	1937 Firefighters' Pension
Retired members, beneficiaries and disabled members receiving benefits	8	15
Terminated vested plan members entitled to but not yet receiving benefits	-	-
Active plan members	-	-
Total membership	8	15

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Components of the Changes in Net Pension Liability for the Plan as of December 31, 2016, are as follows:

	1925 Police Officers' Pension Plan	1937 Firefighters' Pension Plan
Total Pension Liability		
Total Pension Liability - Beginning of year	\$ 3,757,162	\$ 7,907,143
Service cost	-	-
Interest cost	94,479	204,241
Experience (gains)/losses	33,150	725,743
Assumption changes	(242,473)	(579,810)
Plan amendments	-	-
Projected benefits payments	(226,432)	(447,551)
Total Pension Liability - End of year	\$ 3,415,886	\$ 7,809,766
Plan Fiduciary Net Position		
Plan Fiduciary Net Position - Beginning of year	\$ -	\$ -
Employer contributions	16,986	41,324
Employee contributions	-	-
Non-employer contributing entity contributions	216,186	443,708
Net investment return	-	-
Actual benefits payments	(233,172)	(485,032)
Administrative and project expenses	-	-
Net Pension Liability	\$ 3,415,886	\$ 7,809,766

Components of the Net Pension Liability for the Plan as of December 31, 2016, are as follows:

Retirement Plan	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
1925 Police Officers' Pension Plan	3,415,886	-	3,415,886	0.0%
1937 Firefighters' Pension Plan	7,809,766	-	7,809,766	0.0%

The net pension liability does not include the plan fiduciary net position in the amount of \$1,233,815 from the Fiduciary Statements. Although the funds could be used to reduce the liability, the funds are not held in an irrevocable trust and therefore, the net pension liability is not reduced by the plan fiduciary net position.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The components of the pension expense as of December 31, 2016 are as follows:

	1925 Police	1937 Firefighters
Service Cost	\$ -	\$ -
Interest cost	94,479	204,241
Expected return on assets	-	-
Plan amendments	-	-
Recognition of deferred (inflows) / outflows of resources related to:		
Liability experience (gains) / losses	33,150	725,743
Assumption changes (gains) / losses	(242,473)	(579,810)
Investment (gains) / losses	-	-
Total	(209,323)	145,933
Total pension expense	\$ (114,844)	\$ 350,174

Deferred inflows and outflows of resources

All deferred inflows and outflows of resources arising prior to fiscal 2016 have been fully amortized. The initial amortization period for liability experience gains / losses and assumption change gains / losses is the number of years equal to the average expected future working lifetime of all members, active and inactive. A period less than one results in the remaining balance being fully recognized during the current year. For year-ending December 31, 2016, the period was less than one and therefore, the deferred inflows and outflows were recognized during the fiscal year.

CITY OF NOBLESVILLE
 NOTES TO FINANCIAL STATEMENTS
 (Continued)

Significant Actuarial Assumptions to Measure the Total Pension Liability

Measurement date	December 31, 2016
Valuation date	
Assets	Not applicable. Benefits are paid on a pay-as-you-go basis.
Liabilities	December 31, 2015 - Member census data as of December 31, 2015 was used in the valuation. Standard actuarial techniques were used to roll forward the total pension liability computed as of December 31, 2015 to the December 31, 2016 measurement date. Projected benefit payments, rather than actual benefit payments, were used in the roll forward due to fluctuation in actual benefit payments caused by the DROP payments and lump sum death benefits.
Inflation	2.25%
Future salary increases	2.50%
Cost-of-living increases	Non-converted - 2.50% per year in retirement Converted - 2.00% per year in retirement
Mortality assumption	RP-2014 Blue Collar Mortality Tables with mortality improvement since 2006 using scale MP-2014 removed and projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report.
Experience study	The actuarial assumptions used in the December 31, 2016 valuation were selected and approved by the INPRS Board of Trustees and are consistent with the results of an experience study completed in April 2015, which reflects the experience period beginning July 1, 2010 and ending June 30, 2014. Assumption recommendations from the study were first implemented for the December 31, 2014 valuation and are generally unchanged for the December 31, 2016 valuation. The interest rate continues to equal the Barclay's 20-year Municipal Bond Index rate as of the measurement date, which increased from 2.59% as of December 31, 2015, to 3.23% as of December 31, 2016.
Discount rate	There are no accumulated assets in the Plan. Therefore, the discount rate is set equal to the Barclay's 20-year Municipal Bond Index rate of 3.23% as of December 31, 2016.

Required Supplementary Information

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF NET PENSION LIABILITY AND RELATED RATIOS -
 SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

1925 Police Officers' Pension Plan

Year Ending	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)	Fiduciary Net Position as a Percentage of Total Pension Liability (b/a)	Covered Employer Payroll (c)	Net Pension Liability as a Percentage of Covered Payroll ((a-b)/c)
12-31-12	\$ 2,876,399	\$ -	\$ 2,876,399	0%	\$ -	- No Covered Payroll
12-31-13	3,756,754	-	3,756,754	0%	-	- No Covered Payroll
12-31-14	4,126,737	-	4,126,737	0%	-	- No Covered Payroll
12-31-15	3,757,162	-	3,757,162	0%	-	- No Covered Payroll
12-31-16	3,415,886	-	3,415,886	0%	-	- No Covered Payroll

1937 Firefighters' Pension Plan

Year Ending	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)	Fiduciary Net Position as a Percentage of Total Pension Liability (b/a)	Covered Employer Payroll (c)	Net Pension Liability as a Percentage of Covered Payroll ((a-b)/c)
12-31-12	\$ 6,166,336	\$ -	\$ 6,166,336	0%	\$ -	- No Covered Payroll
12-31-13	7,712,175	-	7,712,175	0%	-	- No Covered Payroll
12-31-14	8,716,709	-	8,716,709	0%	-	- No Covered Payroll
12-31-15	7,907,143	-	7,907,143	0%	-	- No Covered Payroll
12-31-16	7,809,766	-	7,809,766	0%	-	- No Covered Payroll

Note: GASB 68 requires information to be shown for ten years. Until a full ten years trend is compiled, information will be shown for those years for which the information is available.

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
 COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

<u>PERF - Civil</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.0017088	0.0017379	0.0016850
Proportionate share of the net pension liability	\$ 7,755,293	\$ 7,078,296	\$ 4,428,071
Covered payroll	8,293,189	8,349,124	8,250,830
Proportionate share of the net pension liability as a percentage of covered payroll	93.5%	84.8%	53.7%
Plan fiduciary net position as a percentage of the total pension liability	75.3%	77.3%	84.3%
<u>PERF - 1977 Police</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.0059676	0.0060294	0.0063147
Proportionate share of the net pension liability	\$ 530,143	\$ (890,664)	\$ (321,925)
Covered payroll	4,606,681	4,493,930	4,487,104
Proportionate share of the net pension liability as a percentage of covered payroll	11.5%	-19.8%	-7.2%
Plan fiduciary net position as a percentage of the total pension liability	98.2%	103.2%	101.1%
<u>PERF - 1977 Firefighters</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Proportion of the net pension liability	0.0099122	0.0097810	0.0101825
Proportionate share of the net pension liability	\$ 880,570	\$ (1,444,850)	\$ (519,107)
Covered payroll	7,651,710	7,290,133	7,235,488
Proportionate share of the net pension liability as a percentage of covered payroll	11.5%	-19.8%	-7.2%
Plan fiduciary net position as a percentage of the total pension liability	98.2%	103.2%	101.1%

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

Note: GASB 68 requires information to be shown for ten years. Until a full ten years trend is compiled, information will be shown for those years for which the information is available.

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF CITY CONTRIBUTIONS -
 SINGLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

1925 Police Officers' Pension Plan						
Year Ending	Contributions in Relation to the					
	Actuarially Determined Contributions (a)	Actuarially Determined Contributions (b)	Contribution Excess / (Deficiency (b) - (a)	Covered Employer Payroll (c)	Contributions as a Percentage of Covered Payroll (b) / (c)	
12-31-12	\$ 234,500	\$ 234,500	\$ -	\$ -	0%	
12-31-13	271,232	271,232	-	-	0%	
12-31-14	273,438	273,438	-	-	0%	
12-31-15	234,034	234,034	-	-	0%	
12-31-16	233,172	233,172	-	-	0%	

1937 Firefighters' Pension Plan						
Year Ending	Contributions in Relation to the					
	Actuarially Determined Contributions (a)	Actuarially Determined Contributions (b)	Contribution Excess / (Deficiency (b) - (a)	Covered Employer Payroll (c)	Contributions as a Percentage of Covered Payroll (b) / (c)	
12-31-12	\$ 444,995	\$ 444,995	\$ -	\$ -	0%	
12-31-13	452,233	452,233	-	-	0%	
12-31-14	455,905	455,905	-	-	0%	
12-31-15	443,185	443,185	-	-	0%	
12-31-16	485,032	485,032	-	-	0%	

Note: GASB 68 requires information to be shown for ten years. Until a full ten years trend is compiled, information will be shown for those years for which the information is available.

The notes to the required supplementary information are
 an integral part of the required supplementary information.

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF CITY CONTRIBUTIONS -
 COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLANS

PERF - Civil					
Year Ending	Contractually Determined Contributions (a)	Contributions in Relation to the Contractually Determined Contributions (b)	Contribution Excess / (Deficiency (b) - (a)	Covered Employer Payroll (c)	Contributions as a Percentage of Covered Payroll (b) / (c)
12-31-14	\$ 1,211,339	\$ 1,211,339	\$ -	\$ 8,226,633	14.7%
12-31-15	1,227,153	1,227,153	-	8,324,154	14.7%
12-31-16	1,251,159	1,251,159	-	8,189,564	15.3%

PERF - 1977 Police					
Year Ending	Contractually Determined Contributions (a)	Contributions in Relation to the Contractually Determined Contributions (b)	Contribution Excess / (Deficiency (b) - (a)	Covered Employer Payroll (c)	Contributions as a Percentage of Covered Payroll (b) / (c)
12-31-14	\$ 1,100,676	\$ 1,100,676	\$ -	\$ 4,482,709	24.6%
12-31-15	1,128,478	1,128,478	-	4,496,115	25.1%
12-31-16	1,182,619	1,182,619	-	4,612,272	25.6%

PERF - 1977 Firefighters					
Year Ending	Contractually Determined Contributions (a)	Contributions in Relation to the Contractually Determined Contributions (b)	Contribution Excess / (Deficiency (b) - (a)	Covered Employer Payroll (c)	Contributions as a Percentage of Covered Payroll (b) / (c)
12-31-14	\$ 1,774,145	\$ 1,774,145	\$ -	\$ 7,228,380	24.5%
12-31-15	1,811,643	1,811,643	-	7,293,713	24.8%
12-31-16	2,004,213	2,004,213	-	7,661,050	26.2%

Note: GASB 68 requires information to be shown for ten years. Until a full ten years trend is compiled, information will be shown for those years for which the information is available.

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Other Postemployment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-08	\$ -	\$ 17,885,929	\$ (17,885,929)	0%	\$ 15,699,600	(0,114%)
01-01-09	-	20,313,362	(20,313,362)	0%	18,074,247	(112%)
01-01-10	-	22,786,965	(22,786,965)	0%	18,616,475	(122%)
01-01-11	-	25,645,297	(25,645,297)	0%	19,174,969	(134%)
01-01-12	-	21,965,636	(21,965,636)	0%	19,912,927	(110%)
01-01-13	*	*	*	*	*	*
01-01-14	-	27,728,842	(27,728,842)	0%	20,953,006	(132%)
01-01-15	*	*	*	*	*	*
01-01-16	-	51,662,174	(51,662,174)	0%	22,229,044	(232%)
01-01-17	-	40,762,037	(40,762,037)	0%	22,994,997	(177%)

*Information is not available, no actuarial studies were provided for 1/1/13 or 1/1/15.

SCHEDULE OF CONTRIBUTIONS FROM THE
EMPLOYER AND OTHER CONTRIBUTING ENTITIES

Other Postemployment Benefits

Year Ending	Annual Required Contribution	Percentage of ARC Contributed
	(ARC)	City
12-31-08	\$ 2,795,311	6%
12-31-09	2,882,014	3.3%
12-31-10	2,882,014	3.2%
12-31-11	2,951,291	5.3%
12-31-12	2,508,987	8.5%
12-31-13	2,508,987	13.8%
12-31-14	3,482,856	7.3%
12-31-15	3,482,856	9.1%
12-31-16	5,710,291	7.3%

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
For The Year Ended December 31, 2016

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 18,694,442	\$ 15,997,128	\$ 15,934,134	\$ (62,994)
Licenses and permits	1,482,000	1,482,000	1,854,155	372,155
Intergovernmental	19,302,181	20,178,522	20,744,114	565,592
Charges for services	2,243,393	2,243,393	2,588,169	344,776
Fines and forfeits	171,000	171,000	344,804	173,804
Other	356,000	356,000	3,435,187	3,079,187
Total revenues	42,249,016	40,428,043	44,900,563	4,472,520
Expenditures:				
Current:				
General government:				
Board of Works:				
Personal services	447,909	447,909	400,659	47,250
Other services and charges	5,916,114	5,916,114	5,119,758	796,356
Capital outlay	8,000	8,000	-	8,000
Total Board of Works	6,372,023	6,372,023	5,520,417	851,606
Mayor:				
Personal services	590,472	581,472	535,356	46,116
Supplies	9,000	9,199	6,863	2,336
Other services and charges	50,320	50,535	45,032	5,503
Capital outlay	500	500	265	235
Total Mayor	650,292	641,706	587,516	54,190
Controller:				
Personal services	405,943	414,943	408,330	6,613
Supplies	6,000	6,000	5,521	479
Other services and charges	45,600	45,740	41,329	4,411
Capital outlay	500	500	482	18
Total Clerk-Treasurer	458,043	467,183	455,662	11,521
Clerk:				
Personal services	79,351	79,351	74,579	4,772
Supplies	2,000	2,000	1,419	581
Other services and charges	17,750	17,750	13,428	4,322
Capital outlay	500	500	-	500
Total Clerk-Treasurer	99,601	99,601	89,426	10,175
Planning:				
Personal services	1,147,465	1,147,465	1,097,663	49,802
Supplies	23,247	23,249	16,014	7,235
Other services and charges	129,469	54,138	54,137	1
Capital outlay	10,150	10,150	9,476	674
Total Planning	1,310,331	1,235,002	1,177,290	57,712
Court:				
Personal services	237,759	229,759	187,218	42,541
Supplies	2,565	2,565	2,343	222
Other services and charges	6,900	14,900	4,334	10,566
Capital outlay	500	500	-	500
Total Court	247,724	247,724	193,895	53,829

The notes to the required supplementary information are an integral part of the required supplementary information.

Continued on next page

CITY OF NOBLESVILLE
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
For The Year Ended December 31, 2016
(Continued)

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
General government (continued):				
Network Administrator:				
Personal services	482,964	482,234	459,376	22,858
Supplies	9,425	9,425	7,760	1,665
Other services and charges	140,270	140,586	140,353	233
Total Network Administrator	632,659	632,245	607,489	24,756
Council:				
Personal services	260,389	260,389	256,285	4,104
Supplies	500	500	250	250
Other services and charges	61,753	83,260	75,655	7,605
Capital outlay	6,000,000	5,978,500	961,471	5,017,029
Total Council	6,322,642	6,322,649	1,293,661	5,028,988
Human Resources:				
Personal services	278,017	278,497	275,899	2,598
Supplies	1,000	1,000	806	194
Other services and charges	9,625	14,218	10,796	3,422
Total Human Resources	288,642	293,715	287,501	6,214
Maintenance:				
Personal services	376,387	376,387	365,245	11,142
Supplies	41,875	41,875	32,872	9,003
Other services and charges	116,424	117,129	96,474	20,655
Total Economic Development	534,686	535,391	494,591	40,800
Economic Development:				
Personal services	356,526	356,726	319,999	36,727
Supplies	5,641	5,641	3,746	1,895
Other services and charges	212,765	238,324	200,055	38,269
Capital outlay	6,544	6,544	6,297	247
Total Economic Development	581,476	607,235	530,097	77,138
Engineering:				
Personal services	857,843	859,278	827,211	32,067
Supplies	29,600	29,602	19,686	9,916
Other services and charges	1,271,295	1,308,146	1,302,611	5,535
Capital outlay	300,000	291,870	291,870	-
Total Engineering	2,458,738	2,488,896	2,441,378	47,518
Unappropriated:				
Other services and charges	-	-	1,235,752	(1,235,752)
Total Unappropriated	-	-	1,235,752	(1,235,752)
Unclassified				
Other services and charges	15,981,279	15,891,279	2,489,900	13,401,379
Total Unclassified	15,981,279	15,891,279	2,489,900	13,401,379
Total general government	19,956,857	19,943,370	14,914,675	5,028,695

The notes to the required supplementary information are an integral part of the required supplementary information.

Continued on next page

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE -
 GENERAL FUND
 For The Year Ended December 31, 2016
 (Continued)

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
Public safety:				
Police:				
Personal services	8,785,091	8,827,361	8,564,719	262,642
Supplies	416,113	380,593	210,336	170,257
Other services and charges	345,072	366,725	328,573	38,152
Capital outlay	517,124	555,562	547,018	8,544
Total Police	<u>10,063,400</u>	<u>10,130,241</u>	<u>9,650,646</u>	<u>479,595</u>
Fire:				
Personal services	14,035,078	14,041,976	13,733,259	308,717
Supplies	415,132	421,732	418,224	3,508
Other services and charges	500,777	502,016	496,701	5,315
Capital outlay	320,026	246,026	245,536	490
Total Fire	<u>15,271,013</u>	<u>15,211,750</u>	<u>14,893,720</u>	<u>318,030</u>
Total public safety	<u>25,334,413</u>	<u>25,341,991</u>	<u>24,544,366</u>	<u>797,625</u>
Total expenditures	<u>61,272,549</u>	<u>61,176,640</u>	<u>41,948,941</u>	<u>19,227,699</u>
Net change in fund balances	(19,023,533)	(20,748,597)	2,951,622	23,700,219
Fund balance - beginning	<u>(31,854,467)</u>	<u>(41,011,291)</u>	<u>19,497,037</u>	<u>60,508,328</u>
Fund balance - December 31	<u>\$ (50,878,000)</u>	<u>\$ (61,759,888)</u>	<u>\$ 22,448,659</u>	<u>\$ 84,208,547</u>

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGET/GAAP RECONCILIATION -
 GENERAL FUND
 For The Year Ended December 31, 2016

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

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

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

	General
Net change in fund balance (budgetary basis)	\$ 2,951,622
Adjustments:	
To adjust revenues for accruals	411,972
To adjust expenditures for accruals	159,762
Net change in fund balance (GAAP basis)	\$ 3,523,356

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Note I. Financial Report – Pension Plans

A. Changes in assumptions

The discount rate for the 1925 Police Officers' and 1937 Firefighters' Pension plans increased from 2.59% for the December 31, 2015 valuation to 3.23% for the December 31, 2016 valuation, as directed by INPRS. The 3.23% interest rate is equal to the Barclay's 20-year Municipal Bond Index rates. There were no assumptions changes for the PERF Plans in 2016.

B. The net pension liability does not include the plan fiduciary net position from the Fiduciary Statements. The pension plan is not administered by a trust, but the funds are in an equivalent arrangement because they are legally protected by state statute. Therefore, while the funds are reported in the Pension Trust Fund, the net pension liability is not reduced by the plan fiduciary net position in order to report in the most conservative manner.

C. Method and assumptions used in the calculations of actuarially determined contributions:

The actuarially determined contribution rates in the schedule of the 1925 Police Officers' and 1937 Firefighters' Pension plans contributions are calculated as of December 31, 2016 and are based upon the results of an experience study completed in April, 2015. The following actuarial method and assumptions were used to determine contribution rates reported in their respective schedules:

1925 Police Officers' and 1937 Firefighters' Pension Plans

Actuarial cost method	Entry Age Normal - Level percent of payroll
Amortization method	Level percentage of projected payroll, closed
Remaining amortization period	The initial amortization period for liability experience gains / losses and assumption change gains / losses is the number of years equal to the average expected future working lifetime of all members, active and inactive. A period less than one results in the remaining balance being fully recognized during the current year.
Inflation	2.25%
Salary increases	2.50%
Cost-of-Living increases	Non-converted 2.50% per year in retirement Converted 2.00% per year in retirement
Discount rate	3.23% - based upon Barclay's 20-year Municipal Bond Index rate
Mortality assumption	RP-2014 Blue Collar Mortality Tables with mortality improvement since 2006 using scale MP-2014 removed and projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report.

CITY OF NOBLESVILLE
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 (Continued)

An experience study was performed in April, 2015 resulting in an update to several assumptions. These assumption changes included a change in the mortality assumptions, retirement assumptions, withdrawal assumptions, disability assumptions, ASA annuitization assumptions (PERF – Civil only), future salary increase assumptions, inflation assumptions and COLA assumptions (PERF – 77 Plans only). The following actuarial methods and assumptions were used to determine the actuarially determined contribution rates reported in their respective schedules:

PERF and 1977 Fund Plans

Valuation date	June 30, 2016
Actuarial cost method	Entry Age Normal - Level percent of payroll
Actuarial amortization method for unfunded liability	Level dollar
Actuarial amortization period for unfunded liability	30 years, closed
Remaining amortization period in years	30 years
Asset valuation method	5-year smoothing of gains and losses on the Market Value of assets subject to a 20% corridor
Investment rate of return (funding)	6.75%, net of administrative and investment expense, including inflation
Cost of living increases	PERF - Civil - 1%, 1977 Funds 2%
Future salary increases, including inflation	PERF - Civil - 2.5% - 4.25%, 1977 Funds 2.5%
Inflation	2.25%

Note II. Budgets and Budgetary Accounting

Annual budgets are adopted on the cash basis which is not consistent with accounting principles generally accepted in the United States. All annual appropriations lapse at fiscal year-end.

On or before August 31, the City Executive Fiscal Officer submits to the Common Council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the Notice to Taxpayers is submitted through the State's Gateway portal, and a public hearing is conducted by the Common Council to obtain taxpayer comments. Prior to November 1 of each year, the Common Council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance, along with all budget forms for funds for which property taxes are levied or highway use taxes are received are submitted via Gateway to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City receives approval of the Indiana Department of Local Government Finance.

The primary government's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the Common Council. The Indiana Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

CITY OF NOBLESVILLE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
(Continued)

Formal budgetary integration is required by state statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major funds:

General

Nonmajor funds:

Special revenue:

- Motor Vehicle Highway
- Local Road and Street
- Local Law Enforcement Continuing Education
- Park and Recreation
- Park Nonreverting Operating
- Parking Meter

Debt service:

- Fire Station 2 Debt
- Fire Station 7/Street Department Debt
- Fire Stations 5 & 6 Debt
- Little Chicago Road Debt
- City Hall Debt

Capital projects:

- Cumulative Capital Improvement
- Cumulative Capital Development
- Cumulative Building and Fire Fighting Equipment
- Hazel Dell Tax Increment Financing

Supplemental Schedules

NONMAJOR GOVERNMENTAL FUNDS

Special revenue funds - used to account for specific revenues that are legally restricted to expenditure for particular purposes. The title of the fund is descriptive of the activities involved. The primary government maintains the following nonmajor special revenue funds:

Motor Vehicle Highway -	To account for street construction and the operations of the street and maintenance department. Financing is provided by a specific annual property tax levy and by state motor vehicle highway distributions.
Local Road and Street -	To account for operation and maintenance of local and arterial road and street systems. Financing is provided by state gasoline tax distributions.
Local Law Enforcement Continuing Education -	To account for expenditures related to continuing education of law enforcement officers employed by the City. Financing is provided by fees collected for gun permit applications, accident report copies, motor checks, and the violation of City ordinances.
Park and Recreation -	To account for the operations of the City parks and activities sponsored by the parks department. Financing is provided by a specific annual property tax levy, charges for use of park facilities, and donations.
Park Nonreverting Operating -	To account for the operations of the City golf courses and special events. Financing is provided by golf revenue and fees charged for events.
Tree Board Nonreverting -	To account for Federal grant monies used for planting trees in urban areas.
Parking Meter -	To account for the acquisition and maintenance of parking lots. Financing is provided by fees collected for violation of City ordinance governing public parking.
Police Donation -	To account for donations received for police department expenditures.
Fire Donation -	To account for donations received for fire department expenditures.
Wastewater Holding -	To account for developer fees due to the wastewater utility. Fees collected from developers are received by the planning department and then are distributed to the appropriate departments.
Communications -	To account for costs of projects or equipment for communication needs. Financing is provided by enhanced 911 collections.
Electronic Sign -	To account for joint venture between property owners and the City for the maintenance of the electronic sign. Residents paid for the materials and the City provided the Labor.
Cultural Arts -	To account for a summer concert series. Financing is provided by donations from the community.

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

Court Record -	To account for equipment or supplies used by the City Court. Financing is provided by fax fees.
Hazardous Materials -	To account for the Fire Department cleanup of hazardous spills. Financing is provided by payment to the City by the responsible party.
Unemployment -	To account for the City's share of unemployment claims. Financing is provided by other funds of the City.
Deferral Program -	To account for fees collected from individuals involved in the deferral program and used to pay costs of prosecuting City ordinances.
Block Grant -	To account for State and Federal grant monies received by the City for various grant projects.
Sick Pay Out -	To allow the pay out of sick hours the employee has accumulated during employment with the City when the employee leaves their employment with the City. The payout is a percentage of the hours accumulated and is based on the number of years of service.
Trail Maintenance -	To account for funds accumulated for trail maintenance.

Debt service funds - used to account for the accumulation of resources for, and retirement of, general long-term debt principal and interest. The primary government maintains the following nonmajor debt service funds:

Fire Station 2 Debt -	To account for the accumulation of resources and payment of semiannual lease payments for Fire Station 2 through January 15, 2019. Financing is provided by an annual property tax levy.
Fire Stations 5 & 6 Debt -	To account for the accumulation of resources and payment of semiannual lease payments for Fire Stations 5 and 6 through January 15, 2025. Financing is provided by an annual property tax levy.
Little Chicago Road Debt -	To account for the accumulation of resources and payment of semiannual lease payments for Little Chicago Road through January 15, 2026. Financing is provided by an annual property tax levy.

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

City Hall Debt -	To account for the accumulation of resources and payment of semiannual lease payments for City Hall through January 15, 2025. Financing is provided by an annual property tax levy.
Business Park Tax Increment Financing -	To account for the accumulation of resources and payment of semiannual lease payments for the repayment of a refunding bonds issued by the Noblesville Redevelopment Authority (a component of the City of Noblesville). Funding of lease payments is from County Option Income Tax.
Fire Station 7/Street Debt -	To account for the accumulation of resources and payment of semiannual lease payments of Fire Station 7 and the new Street Department Facility through July 15, 2028. Financing is provided by an annual property tax levy.
Noblesville Building Corporation -	To account for the accumulation of resources and payments of general obligation bonds issued by the Noblesville Building Corporation (a component unit of the City of Noblesville). Financing is provided by semiannual lease payments from the County Option Income Tax (COIT), Fire Station 5 & 6 Debt Bonds, and Redevelopment Tax Increment Financing funds.
Capital projects funds - used to account for acquisition and construction of major capital facilities other than those financed by proprietary funds. The primary government maintains the following nonmajor capital projects funds:	
Cumulative Capital Improvement -	To account for financial resources related to the improvement projects financed by state cigarette tax distributions.
Cumulative Capital Development -	To account for expenditures related to the capital improvements for the City. Financing is provided by a specific property tax levy.
Cumulative Building and Fire Fighting Equipment -	To account for expenditures related to the Fire Department capital improvements and acquisitions. Financing is provided by a specific annual property tax levy.
Park Nonreverting Capital -	To account for park expenditures related to long-term maintenance or capital improvements. Financing is provided by golf course revenue.
2009 Construction -	To account for the upgrades to the sewer system on Maple Avenue and a reimbursement for money spent on the parks. Financing was provided by COIT revenues.
Forest Hill School -	To account for capital expenditures for the roadway improvements adjacent to the new Promise Road Elementary. Financing was provided by proceeds of the sale of the old Forest Hill School property.

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

Park Impact Fee -	To account for expenditures relating to the maintenance, landscaping and development of parks. Financing is provided by permit charges assessed for new residential and commercial construction.
Road Impact Fee -	To account for expenditures relating to the maintenance of City streets. Financing is provided by permit charges assessed for new residential and commercial construction.
Field Drive Capital -	To account for the expenditures for capital improvements related to Field Drive infrastructure. Financing was provided by note and bond proceeds.
Redevelopment Tax Increment Financing -	To account for the expenditures for capital improvements. Financing is provided by an annual property tax levy.
Stoney Creek East Tax Increment Financing -	To account for the expenditures for capital improvements related to Stoney Creek East infrastructure. Financing is provided by an annual property tax levy.
Corporate Campus Tax Increment Financing – West -	To account for the expenditures for capital improvements related to Corporate Campus infrastructure. Financing is provided by an annual property tax levy.
Corporate Campus Tax Increment Financing – East -	To account for the expenditures for capital improvements related to Corporate Campus infrastructure. Financing is provided by an annual property tax levy.
Hazel Dell Tax Increment Financing -	To account for the expenditures for capital improvements related to Hazel Dell Road expansion. Financing was provided by bond proceeds.
146 th Street Reimbursement -	To account for the reimbursement of funds from the Federal grant monies. Financing came from Federal grants.
LOIT Special Distribution -	To account for the expenditures of road and bridge improvements. Financing came from a one-time special distribution from the county's trust account maintained by the State under the former local income tax laws.

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 5,656,180	\$ 3,694,545	\$ 29,455,216	\$ 38,805,941
Receivables:				
Taxes	135,780	121,527	47,557	304,864
Intergovernmental	<u>502,654</u>	<u>107,582</u>	<u>65,436</u>	<u>675,672</u>
Total assets	<u>\$ 6,294,614</u>	<u>\$ 3,923,654</u>	<u>\$ 29,568,209</u>	<u>\$ 39,786,477</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 280,911	\$ -	\$ 39,066	\$ 319,977
Accrued payroll and withholdings payable	106,141	-	-	106,141
Contracts payable	<u>-</u>	<u>-</u>	<u>387,556</u>	<u>387,556</u>
Total liabilities	<u>387,052</u>	<u>-</u>	<u>426,622</u>	<u>813,674</u>
Deferred inflows of resources:				
Unavailable revenue	<u>255,979</u>	<u>229,109</u>	<u>112,993</u>	<u>598,081</u>
Total liabilities and deferred inflows of resources	<u>643,031</u>	<u>229,109</u>	<u>539,615</u>	<u>1,411,755</u>
Fund balances:				
Spendable:				
Restricted	4,382,789	2,085,432	12,290,804	18,759,025
Committed	45,051	1,609,113	16,509,808	18,163,972
Assigned	1,276,436	-	227,982	1,504,418
Unassigned	<u>(52,693)</u>	<u>-</u>	<u>-</u>	<u>(52,693)</u>
Total fund balances	<u>5,651,583</u>	<u>3,694,545</u>	<u>29,028,594</u>	<u>38,374,722</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 6,294,614</u>	<u>\$ 3,923,654</u>	<u>\$ 29,568,209</u>	<u>\$ 39,786,477</u>

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 3,776,068	\$ 3,800,463	\$ 24,158,989	\$ 31,735,520
Licenses and permits	62,955	-	-	62,955
Intergovernmental	3,066,123	295,114	925,489	4,286,726
Charges for services	1,238,631	-	2,527,643	3,766,274
Fines and forfeits	26,553	-	-	26,553
Other	175,601	595	2,112,981	2,289,177
Total revenues	<u>8,345,931</u>	<u>4,096,172</u>	<u>29,725,102</u>	<u>42,167,205</u>
Expenditures:				
Current:				
General government	293,606	35,843	1,068,467	1,397,916
Public safety	87,353	-	150,000	237,353
Highways and streets	4,097,815	-	121,108	4,218,923
Economic Development	-	-	2,835,607	2,835,607
Culture and recreation	2,720,664	-	155,091	2,875,755
Debt service:				
Principal	424,363	2,745,000	1,316,213	4,485,576
Interest	20,007	863,258	300,488	1,183,753
Bond issuance costs and escrow funding	-	108,710	-	108,710
Capital outlay	774,418	213,693	5,165,012	6,153,123
Total expenditures	<u>8,418,226</u>	<u>3,966,504</u>	<u>11,111,986</u>	<u>23,496,716</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(72,295)</u>	<u>129,668</u>	<u>18,613,116</u>	<u>18,670,489</u>
Other financing sources (uses):				
Transfers in	431,000	2,886,000	2,513,808	5,830,808
Transfers out	-	(3,438,837)	(14,305,353)	(17,744,190)
Transfer from Proprietary Fund	-	-	200,000	200,000
Payment to refunded bond escrow	-	(7,358,112)	-	(7,358,112)
Issuance of refunding bonds	-	7,410,000	-	7,410,000
Financing by capital lease	736,901	-	-	736,901
Total other financing sources and uses	<u>1,167,901</u>	<u>(500,949)</u>	<u>(11,591,545)</u>	<u>(10,924,593)</u>
Net change in fund balances	<u>1,095,606</u>	<u>(371,281)</u>	<u>7,021,571</u>	<u>7,745,896</u>
Fund balances - beginning before reinstatement	7,413,742	4,065,826	22,007,023	33,486,591
Restatement - See Note I.E.	<u>(2,857,765)</u>	<u>-</u>	<u>-</u>	<u>(2,857,765)</u>
Fund balances - beginning after reinstatement	<u>4,555,977</u>	<u>4,065,826</u>	<u>22,007,023</u>	<u>30,628,826</u>
Fund balances - ending	<u>\$ 5,651,583</u>	<u>\$ 3,694,545</u>	<u>\$ 29,028,594</u>	<u>\$ 38,374,722</u>

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2016

<u>Assets</u>	<u>Motor Vehicle Highway</u>	<u>Local Road and Street</u>	<u>Local Law Enforcement Continuing Education</u>	<u>Park and Recreation</u>
Cash and cash equivalents	\$ 2,277,572	\$ 1,457,060	\$ 184,838	\$ 497,443
Receivables:				
Taxes	79,315	-	-	56,465
Intergovernmental	<u>328,286</u>	<u>124,382</u>	<u>-</u>	<u>49,986</u>
Total assets	<u>\$ 2,685,173</u>	<u>\$ 1,581,442</u>	<u>\$ 184,838</u>	<u>\$ 603,894</u>
 <u>Liabilities, Deferred Inflows and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 206,848	\$ 55	\$ 795	\$ 22,217
Accrued payroll and withholdings payable	<u>65,319</u>	<u>-</u>	<u>-</u>	<u>28,936</u>
Total liabilities	<u>272,167</u>	<u>55</u>	<u>795</u>	<u>51,153</u>
Deferred inflows of resources:				
Unavailable revenue	<u>149,528</u>	<u>-</u>	<u>-</u>	<u>106,451</u>
Total liabilities and deferred inflows of resources	<u>421,695</u>	<u>55</u>	<u>795</u>	<u>157,604</u>
Fund balances:				
Spendable:				
Restricted	2,263,478	1,581,387	184,043	-
Committed	-	-	-	-
Assigned	-	-	-	446,290
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>2,263,478</u>	<u>1,581,387</u>	<u>184,043</u>	<u>446,290</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,685,173</u>	<u>\$ 1,581,442</u>	<u>\$ 184,838</u>	<u>\$ 603,894</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET-
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2016
 (Continued)

<u>Assets</u>	Park Nonreverting Operating	Tree Board Nonreverting	Parking Meter	Police Donation	Fire Donation
Cash and cash equivalents	\$ 3,203	\$ 9,176	\$ 543,105	\$ 11,095	\$ 6,572
Receivables:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total assets	<u>\$ 3,203</u>	<u>\$ 9,176</u>	<u>\$ 543,105</u>	<u>\$ 11,095</u>	<u>\$ 6,572</u>
 <u>Liabilities, Deferred Inflows and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ 45,858	\$ -	\$ 209	\$ 1,333	\$ -
Accrued payroll and withholdings payable	10,038	-	1,848	-	-
Total liabilities	<u>55,896</u>	<u>-</u>	<u>2,057</u>	<u>1,333</u>	<u>-</u>
Deferred inflows of resources:					
Unavailable revenue	-	-	-	-	-
Total liabilities and deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Spendable:					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	9,176	541,048	9,762	6,572
Unassigned	(52,693)	-	-	-	-
Total fund balances	<u>(52,693)</u>	<u>9,176</u>	<u>541,048</u>	<u>9,762</u>	<u>6,572</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 3,203</u>	<u>\$ 9,176</u>	<u>\$ 543,105</u>	<u>\$ 11,095</u>	<u>\$ 6,572</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET-
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2016
 (Continued)

<u>Assets</u>	<u>Wastewater Holding</u>	<u>Communications</u>	<u>Electronic Sign</u>	<u>Cultural Arts</u>
Cash and cash equivalents	\$ 5,958	\$ 8,173	\$ 6,336	\$ 40,355
Receivables:				
Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Total assets	<u>\$ 5,958</u>	<u>\$ 8,173</u>	<u>\$ 6,336</u>	<u>\$ 40,355</u>
 <u>Liabilities, Deferred Inflows and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 3,570
Accrued payroll and withholdings payable	-	-	-	-
Total liabilities	-	-	-	3,570
Deferred inflows of resources:				
Unavailable revenue	-	-	-	-
Total liabilities and deferred inflows of resources	-	-	-	3,570
Fund balances:				
Spendable:				
Restricted	-	-	-	-
Committed	5,958	8,173	-	-
Assigned	-	-	6,336	36,785
Unassigned	-	-	-	-
Total fund balances	<u>5,958</u>	<u>8,173</u>	<u>6,336</u>	<u>36,785</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 5,958</u>	<u>\$ 8,173</u>	<u>\$ 6,336</u>	<u>\$ 40,355</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET-
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2016
 (Continued)

<u>Assets</u>	<u>Court Record</u>	<u>Hazardous Materials</u>	<u>Unemployment</u>	<u>Deferral Program</u>
Cash and cash equivalents	\$ 22,574	\$ 5	\$ 30,915	\$ 279,502
Receivables:				
Taxes	-	-	-	-
Intergovernmental	-	-	-	-
Total assets	<u>\$ 22,574</u>	<u>\$ 5</u>	<u>\$ 30,915</u>	<u>\$ 279,502</u>
 <u>Liabilities, Deferred Inflows and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 26	\$ -	\$ -	\$ -
Accrued payroll and withholdings payable	-	-	-	-
Total liabilities	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:				
Unavailable revenue	-	-	-	-
Total liabilities and deferred inflows of resources	<u>26</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Spendable:				
Restricted	22,548	-	-	279,502
Committed	-	5	30,915	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>22,548</u>	<u>5</u>	<u>30,915</u>	<u>279,502</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 22,574</u>	<u>\$ 5</u>	<u>\$ 30,915</u>	<u>\$ 279,502</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET-
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2016
 (Continued)

<u>Assets</u>	<u>Block Grant</u>	<u>Sick Pay Out</u>	<u>Trail Maintenance</u>	<u>Totals</u>
Cash and cash equivalents	\$ 51,831	\$ 543	\$ 219,924	\$ 5,656,180
Receivables:				
Taxes	-	-	-	135,780
Intergovernmental	-	-	-	502,654
Total assets	<u>\$ 51,831</u>	<u>\$ 543</u>	<u>\$ 219,924</u>	<u>\$ 6,294,614</u>
 <u>Liabilities, Deferred Inflows and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 280,911
Accrued payroll and withholdings payable	-	-	-	106,141
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>387,052</u>
Deferred inflows of resources:				
Unavailable revenue	-	-	-	255,979
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>643,031</u>
Fund balances:				
Spendable:				
Restricted	51,831	-	-	4,382,789
Committed	-	-	-	45,051
Assigned	-	543	219,924	1,276,436
Unassigned	-	-	-	(52,693)
Total fund balances	<u>51,831</u>	<u>543</u>	<u>219,924</u>	<u>5,651,583</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 51,831</u>	<u>\$ 543</u>	<u>\$ 219,924</u>	<u>\$ 6,294,614</u>

(This page intentionally left blank.)

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR DEBT SERVICE FUNDS
 December 31, 2016

	<u>Fire Station 2 Debt</u>	<u>Fire Stations 5 & 6 Debt</u>	<u>Little Chicago Road Debt</u>	<u>City Hall Debt</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 59,902	\$ 262,691	\$ 247,781	\$ 687,924
Receivables:				
Taxes	3,563	15,491	38,882	41,748
Intergovernmental	<u>3,154</u>	<u>13,713</u>	<u>34,421</u>	<u>36,958</u>
Total assets	<u>\$ 66,619</u>	<u>\$ 291,895</u>	<u>\$ 321,084</u>	<u>\$ 766,630</u>
 <u>Deferred Inflows and Fund Balances</u>				
Deferred inflows of resources:				
Unavailable revenue	<u>\$ 6,717</u>	<u>\$ 29,204</u>	<u>\$ 73,303</u>	<u>\$ 78,706</u>
Total liabilities and deferred inflows of resources	<u>6,717</u>	<u>29,204</u>	<u>73,303</u>	<u>78,706</u>
 Fund balances:				
Spendable:				
Restricted	59,902	262,691	247,781	687,924
Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>59,902</u>	<u>262,691</u>	<u>247,781</u>	<u>687,924</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 66,619</u>	<u>\$ 291,895</u>	<u>\$ 321,084</u>	<u>\$ 766,630</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR DEBT SERVICE FUNDS
 December 31, 2016
 (Continued)

	Business Park Tax Increment Financing	Fire Station 7/ Street Debt	Noblesville Building Corporation	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 480,636	\$ 346,498	\$ 1,609,113	\$ 3,694,545
Receivables:				
Taxes	-	21,843	-	121,527
Intergovernmental	-	19,336	-	107,582
	\$ 480,636	\$ 387,677	\$ 1,609,113	\$ 3,923,654
Total assets	\$ 480,636	\$ 387,677	\$ 1,609,113	\$ 3,923,654
 <u>Deferred Inflows and Fund Balances</u>				
Deferred inflows of resources:				
Unavailable revenue	\$ -	\$ 41,179	\$ -	\$ 229,109
	-	41,179	-	229,109
Total liabilities and deferred inflows of resources	-	41,179	-	229,109
Fund balances:				
Spendable:				
Restricted	480,636	346,498	-	2,085,432
Committed	-	-	1,609,113	1,609,113
	480,636	346,498	1,609,113	3,694,545
Total fund balances	480,636	346,498	1,609,113	3,694,545
Total liabilities, deferred inflows and fund balances	\$ 480,636	\$ 387,677	\$ 1,609,113	\$ 3,923,654

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2016

	<u>Cumulative Capital Improvement</u>	<u>Cumulative Capital Development</u>	<u>Cumulative Building and Fire Fighting Equipment</u>	<u>Park Nonreverting Capital</u>	<u>2009 Construction</u>	<u>Forest Hill School</u>
<u>Assets</u>						
Cash and cash equivalents	\$ 644,738	\$ 2,278,513	\$ 819,702	\$ 230,714	\$ 659	\$ 250,852
Receivables:						
Taxes	-	34,235	13,322	-	-	-
Intergovernmental	23,336	30,307	11,793	-	-	-
Total assets	<u>\$ 668,074</u>	<u>\$ 2,343,055</u>	<u>\$ 844,817</u>	<u>\$ 230,714</u>	<u>\$ 659</u>	<u>\$ 250,852</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>						
Liabilities:						
Accounts payable	\$ 18,732	\$ 4,007	\$ -	\$ 2,732	\$ -	\$ -
Contacts payable	-	-	-	-	-	-
Total liabilities	<u>18,732</u>	<u>4,007</u>	<u>-</u>	<u>2,732</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:						
Unavailable revenue	<u>23,336</u>	<u>64,542</u>	<u>25,115</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>42,068</u>	<u>68,549</u>	<u>25,115</u>	<u>2,732</u>	<u>-</u>	<u>-</u>
Fund balances:						
Spendable:						
Restricted	626,006	2,274,506	819,702	-	-	-
Committed	-	-	-	-	659	250,852
Assigned	-	-	-	227,982	-	-
Total fund balances	<u>626,006</u>	<u>2,274,506</u>	<u>819,702</u>	<u>227,982</u>	<u>659</u>	<u>250,852</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 668,074</u>	<u>\$ 2,343,055</u>	<u>\$ 844,817</u>	<u>\$ 230,714</u>	<u>\$ 659</u>	<u>\$ 250,852</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2016
 (Continued)

	<u>Park Impact Fee</u>	<u>Road Impact Fee</u>	<u>Field Drive Capital</u>	<u>Redevelopment Tax Increment Financing</u>	<u>Stoney Creek East Tax Increment Financing</u>
<u>Assets</u>					
Cash and cash equivalents	\$ 4,050,343	\$ 6,567,445	\$ 104,939	\$ 802,160	\$ 1,251,142
Receivables:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total assets	<u>\$ 4,050,343</u>	<u>\$ 6,567,445</u>	<u>\$ 104,939</u>	<u>\$ 802,160</u>	<u>\$ 1,251,142</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ 605	\$ 9,800	\$ -	\$ 2,448	\$ -
Contacts payable	<u>31,533</u>	<u>116,675</u>	<u>-</u>	<u>-</u>	<u>214,537</u>
Total liabilities	<u>32,138</u>	<u>126,475</u>	<u>-</u>	<u>2,448</u>	<u>214,537</u>
Deferred inflows of resources:					
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>32,138</u>	<u>126,475</u>	<u>-</u>	<u>2,448</u>	<u>214,537</u>
Fund balances:					
Spendable:					
Restricted	-	-	-	-	-
Committed	4,018,205	6,440,970	104,939	799,712	1,036,605
Assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>4,018,205</u>	<u>6,440,970</u>	<u>104,939</u>	<u>799,712</u>	<u>1,036,605</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 4,050,343</u>	<u>\$ 6,567,445</u>	<u>\$ 104,939</u>	<u>\$ 802,160</u>	<u>\$ 1,251,142</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2016
 (Continued)

	Corporate Campus Tax Increment Financing - West	Corporate Campus Tax Increment Financing - East	Hazel Dell Tax Increment Financing	146th Street Reimbursement	LOIT Special Distribution	Totals
<u>Assets</u>						
Cash and cash equivalents	\$ 1,090	\$ 203,054	\$ 627,564	\$ 3,051,711	\$ 8,570,590	\$ 29,455,216
Receivables:						
Taxes	-	-	-	-	-	47,557
Intergovernmental	-	-	-	-	-	65,436
Total assets	<u>\$ 1,090</u>	<u>\$ 203,054</u>	<u>\$ 627,564</u>	<u>\$ 3,051,711</u>	<u>\$ 8,570,590</u>	<u>\$ 29,568,209</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>						
Liabilities:						
Accounts payable	\$ -	\$ 742	\$ -	\$ -	\$ -	\$ 39,066
Contacts payable	-	-	-	24,811	-	387,556
Total liabilities	-	742	-	24,811	-	426,622
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	112,993
Total liabilities and deferred inflows of resources	-	742	-	24,811	-	539,615
Fund balances:						
Spendable:						
Restricted	-	-	-	-	8,570,590	12,290,804
Committed	1,090	202,312	627,564	3,026,900	-	16,509,808
Assigned	-	-	-	-	-	227,982
Total fund balances	1,090	202,312	627,564	3,026,900	8,570,590	29,028,594
Total liabilities, deferred inflows and fund balances	<u>\$ 1,090</u>	<u>\$ 203,054</u>	<u>\$ 627,564</u>	<u>\$ 3,051,711</u>	<u>\$ 8,570,590</u>	<u>\$ 29,568,209</u>

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2016

	Motor Vehicle Highway	Local Road and Street	Local Law Enforcement Continuing Education	Park and Recreation
Revenues:				
Taxes	\$ 2,204,144	\$ -	\$ -	\$ 1,571,924
Licenses and permits	-	-	60,485	-
Intergovernmental	2,148,404	751,478	-	166,241
Charges for services	1,125	-	3,120	142,630
Fines and forfeits	-	-	4,223	-
Other	53,049	-	-	5,954
Total revenues	<u>4,406,722</u>	<u>751,478</u>	<u>67,828</u>	<u>1,886,749</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	48,492	-
Highways and streets	3,862,040	235,775	-	-
Culture and recreation	-	-	-	1,519,659
Debt service:				
Principal	2,219	248,215	-	73,284
Interest	136	11,192	-	3,447
Capital outlay	-	538,782	-	-
Total expenditures	<u>3,864,395</u>	<u>1,033,964</u>	<u>48,492</u>	<u>1,596,390</u>
Excess (deficiency) of revenues over (under) expenditures	<u>542,327</u>	<u>(282,486)</u>	<u>19,336</u>	<u>290,359</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Financing by capital lease	-	542,306	-	-
Total other financing sources and uses	<u>-</u>	<u>542,306</u>	<u>-</u>	<u>-</u>
Net change in fund balances	542,327	259,820	19,336	290,359
Fund balances - beginning	<u>1,721,151</u>	<u>1,321,567</u>	<u>164,707</u>	<u>155,931</u>
Fund balances - ending	<u>\$ 2,263,478</u>	<u>\$ 1,581,387</u>	<u>\$ 184,043</u>	<u>\$ 446,290</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Park Nonreverting Operating	Tree Board Nonreverting	Parking Meter	Police Donation	Fire Donation
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	957,742	-	127,716	-	-
Fines and forfeits	-	-	-	-	-
Other	27,289	-	-	5,915	1,499
Total revenues	985,031	-	127,716	5,915	1,499
Expenditures:					
Current:					
General government	-	115	85,384	-	-
Public safety	-	-	-	11,335	9,551
Highways and streets	-	-	-	-	-
Culture and recreation	1,126,181	-	-	-	-
Debt service:					
Principal	97,423	-	-	-	-
Interest	5,035	-	-	-	-
Capital outlay	190,095	-	-	-	-
Total expenditures	1,418,734	115	85,384	11,335	9,551
Excess (deficiency) of revenues over (under) expenditures	(433,703)	(115)	42,332	(5,420)	(8,052)
Other financing sources (uses):					
Transfers in	230,000	-	-	-	-
Transfers out	-	-	-	-	-
Financing by capital lease	194,595	-	-	-	-
Total other financing sources and uses	424,595	-	-	-	-
Net change in fund balances	(9,108)	(115)	42,332	(5,420)	(8,052)
Fund balances - beginning	(43,585)	9,291	498,716	15,182	14,624
Fund balances - ending	\$ (52,693)	\$ 9,176	\$ 541,048	\$ 9,762	\$ 6,572

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Wastewater Holding	Communications	Electronic Sign	Cultural Arts
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	1,645	825	-
Intergovernmental	-	-	-	-
Charges for services	6,298	-	-	-
Fines and forfeits	-	-	-	-
Other	-	-	-	64,934
Total revenues	6,298	1,645	825	64,934
Expenditures:				
Current:				
General government	3,330	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	58,175
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	3,330	-	-	58,175
Excess (deficiency) of revenues over (under) expenditures	2,968	1,645	825	6,759
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Financing by capital lease	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	2,968	1,645	825	6,759
Fund balances - beginning	2,990	6,528	5,511	30,026
Fund balances - ending	\$ 5,958	\$ 8,173	\$ 6,336	\$ 36,785

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	<u>Court Record</u>	<u>Hazardous Materials</u>	<u>Unemployment</u>	<u>Deferral Program</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	6,200	-	-	16,130
Other	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>6,200</u>	<u>-</u>	<u>-</u>	<u>16,130</u>
Expenditures:				
Current:				
General government	376	-	1,509	-
Public safety	-	-	-	1,234
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	3,222	-	-	-
Interest	197	-	-	-
Capital outlay	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,795</u>	<u>-</u>	<u>1,509</u>	<u>1,234</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,405</u>	<u>-</u>	<u>(1,509)</u>	<u>14,896</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Financing by capital lease	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,405	-	(1,509)	14,896
Fund balances - beginning	<u>20,143</u>	<u>5</u>	<u>32,424</u>	<u>264,606</u>
Fund balances - ending	<u>\$ 22,548</u>	<u>\$ 5</u>	<u>\$ 30,915</u>	<u>\$ 279,502</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Block Grant	Sick Pay Out	Trail Maintenance	Totals
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 3,776,068
Licenses and permits	-	-	-	62,955
Intergovernmental	-	-	-	3,066,123
Charges for services	-	-	-	1,238,631
Fines and forfeits	-	-	-	26,553
Other	16,961	-	-	175,601
	<u>16,961</u>	<u>-</u>	<u>-</u>	<u>8,345,931</u>
Total revenues	<u>16,961</u>	<u>-</u>	<u>-</u>	<u>8,345,931</u>
Expenditures:				
Current:				
General government	-	202,892	-	293,606
Public safety	16,741	-	-	87,353
Highways and streets	-	-	-	4,097,815
Culture and recreation	-	-	16,649	2,720,664
Debt service:				
Principal	-	-	-	424,363
Interest	-	-	-	20,007
Capital outlay	45,541	-	-	774,418
	<u>62,282</u>	<u>202,892</u>	<u>16,649</u>	<u>8,418,226</u>
Total expenditures	<u>62,282</u>	<u>202,892</u>	<u>16,649</u>	<u>8,418,226</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(45,321)</u>	<u>(202,892)</u>	<u>(16,649)</u>	<u>(72,295)</u>
Other financing sources (uses):				
Transfers in	-	201,000	-	431,000
Transfers out	-	-	-	-
Financing by capital lease	-	-	-	736,901
	<u>-</u>	<u>201,000</u>	<u>-</u>	<u>1,167,901</u>
Total other financing sources and uses	<u>-</u>	<u>201,000</u>	<u>-</u>	<u>1,167,901</u>
Net change in fund balances	(45,321)	(1,892)	(16,649)	1,095,606
Fund balances - beginning	<u>97,152</u>	<u>2,435</u>	<u>236,573</u>	<u>4,555,977</u>
Fund balances - ending	<u>\$ 51,831</u>	<u>\$ 543</u>	<u>\$ 219,924</u>	<u>\$ 5,651,583</u>

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR DEBT SERVICE FUNDS
 For The Year Ended December 31, 2016

	Fire Station 2 Debt	Fire Stations 5 & 6 Debt	Little Chicago Road Debt	City Hall Debt
Revenues:				
Taxes	\$ 113,676	\$ 492,004	\$ 478,840	\$ 1,325,036
Intergovernmental	12,399	45,128	45,599	126,043
Other	-	-	-	-
Total revenues	<u>126,075</u>	<u>537,132</u>	<u>524,439</u>	<u>1,451,079</u>
Expenditures:				
General government	1,019	1,700	-	3,890
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs and escrow funding	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>1,019</u>	<u>1,700</u>	<u>-</u>	<u>3,890</u>
Excess (deficiency) of revenues over (under) expenditures	<u>125,056</u>	<u>535,432</u>	<u>524,439</u>	<u>1,447,189</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(125,000)	(567,000)	(528,000)	(1,448,000)
Payment to refunded bond escrow	-	-	-	-
Issuance of refunding bonds	-	-	-	-
Total other financing sources and uses	<u>(125,000)</u>	<u>(567,000)</u>	<u>(528,000)</u>	<u>(1,448,000)</u>
Net change in fund balances	56	(31,568)	(3,561)	(811)
Fund balances - beginning	<u>59,846</u>	<u>294,259</u>	<u>251,342</u>	<u>688,735</u>
Fund balances - ending	<u>\$ 59,902</u>	<u>\$ 262,691</u>	<u>\$ 247,781</u>	<u>\$ 687,924</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR DEBT SERVICE FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Business Park Tax Increment Financing	Fire Station 7/ Street Debt	Noblesville Building Corporation	Totals
Revenues:				
Taxes	\$ 697,803	\$ 693,104	\$ -	\$ 3,800,463
Intergovernmental	-	65,945	-	295,114
Other	-	-	595	595
Total revenues	<u>697,803</u>	<u>759,049</u>	<u>595</u>	<u>4,096,172</u>
Expenditures:				
General government	29,234	-	-	35,843
Debt service:				
Principal	515,000	-	2,230,000	2,745,000
Interest	234,506	-	628,752	863,258
Bond issuance costs and escrow funding	-	-	108,710	108,710
Capital outlay	213,693	-	-	213,693
Total expenditures	<u>992,433</u>	<u>-</u>	<u>2,967,462</u>	<u>3,966,504</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(294,630)</u>	<u>759,049</u>	<u>(2,966,867)</u>	<u>129,668</u>
Other financing sources (uses):				
Transfers in	-	-	2,886,000	2,886,000
Transfers out	(30,000)	(736,000)	(4,837)	(3,438,837)
Payment to refunded bond escrow	-	-	(7,358,112)	(7,358,112)
Issuance of refunding bonds	-	-	7,410,000	7,410,000
Total other financing sources and uses	<u>(30,000)</u>	<u>(736,000)</u>	<u>2,933,051</u>	<u>(500,949)</u>
Net change in fund balances	(324,630)	23,049	(33,816)	(371,281)
Fund balances - beginning	<u>805,266</u>	<u>323,449</u>	<u>1,642,929</u>	<u>4,065,826</u>
Fund balances - ending	<u>\$ 480,636</u>	<u>\$ 346,498</u>	<u>\$ 1,609,113</u>	<u>\$ 3,694,545</u>

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2016

	Cumulative Capital Improvement	Cumulative Capital Development	Cumulative Building and Fire Fighting Equipment	Park Nonreverting Capital	2009 Construction	Forest Hill School
Revenues:						
Taxes	\$ -	\$ 950,749	\$ 370,896	\$ -	\$ -	\$ -
Intergovernmental	132,455	103,360	40,222	-	-	-
Charges for services	-	-	-	115,559	-	-
Other	-	-	-	-	-	-
Total revenues	<u>132,455</u>	<u>1,054,109</u>	<u>411,118</u>	<u>115,559</u>	<u>-</u>	<u>-</u>
Expenditures:						
Current:						
General government	127,429	452,940	-	-	-	-
Public safety	-	-	150,000	-	-	-
Highways and streets	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-
Culture and recreation	-	-	-	76,351	-	-
Debt service:						
Principal	-	118,193	413,020	-	-	-
Interest	-	1,926	12,557	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	<u>127,429</u>	<u>573,059</u>	<u>575,577</u>	<u>76,351</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,026</u>	<u>481,050</u>	<u>(164,459)</u>	<u>39,208</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Transfer from Proprietary Fund	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>5,026</u>	<u>481,050</u>	<u>(164,459)</u>	<u>39,208</u>	<u>-</u>	<u>-</u>
Fund balances - beginning	<u>620,980</u>	<u>1,793,456</u>	<u>984,161</u>	<u>188,774</u>	<u>659</u>	<u>250,852</u>
Fund balances - ending	<u>\$ 626,006</u>	<u>\$ 2,274,506</u>	<u>\$ 819,702</u>	<u>\$ 227,982</u>	<u>\$ 659</u>	<u>\$ 250,852</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Park Impact Fee	Road Impact Fee	Field Drive Capital	Redevelopment Tax Increment Financing	Stoney Creek East Tax Increment Financing
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ 2,345,386	\$ 2,427,261
Intergovernmental	-	-	-	-	-
Charges for services	1,077,175	1,334,909	-	-	-
Other	296,889	21,094	-	1,031,353	-
	<u>1,374,064</u>	<u>1,356,003</u>	<u>-</u>	<u>3,376,739</u>	<u>2,427,261</u>
Total revenues					
Expenditures:					
Current:					
General government	-	-	393	19,486	360,406
Public safety	-	-	-	-	-
Highways and streets	-	121,108	-	-	-
Economic Development	-	-	-	1,229,907	-
Culture and recreation	78,740	-	-	-	-
Debt service:					
Principal	-	-	-	250,000	335,000
Interest	-	-	-	171,885	30,995
Capital outlay	810,431	2,786,966	-	127,367	1,058,943
	<u>889,171</u>	<u>2,908,074</u>	<u>393</u>	<u>1,798,645</u>	<u>1,785,344</u>
Total expenditures					
Excess (deficiency) of revenues over (under) expenditures	<u>484,893</u>	<u>(1,552,071)</u>	<u>(393)</u>	<u>1,578,094</u>	<u>641,917</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	1,213,808
Transfers out	-	-	-	(1,468,782)	(1,684,500)
Transfer from Proprietary Fund	-	-	-	200,000	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,268,782)</u>	<u>(470,692)</u>
Total other financing sources and uses					
Net change in fund balances	484,893	(1,552,071)	(393)	309,312	171,225
Fund balances - beginning	<u>3,533,312</u>	<u>7,993,041</u>	<u>105,332</u>	<u>490,400</u>	<u>865,380</u>
Fund balances - ending	<u>\$ 4,018,205</u>	<u>\$ 6,440,970</u>	<u>\$ 104,939</u>	<u>\$ 799,712</u>	<u>\$ 1,036,605</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Corporate Campus Tax Increment Financing - West	Corporate Campus Tax Increment Financing - East	Hazel Dell Tax Increment Financing	146th Street Reimbursement	LOIT Special Distribution	Totals
Revenues:						
Taxes	\$ 4,057,297	\$ 3,757,341	\$ 1,679,469	\$ -	\$ 8,570,590	\$ 24,158,989
Intergovernmental	-	577,661	71,791	-	-	925,489
Charges for services	-	-	-	-	-	2,527,643
Other	-	763,004	-	641	-	2,112,981
Total revenues	4,057,297	5,098,006	1,751,260	641	8,570,590	29,725,102
Expenditures:						
Current:						
General government	7,676	53,983	-	46,154	-	1,068,467
Public safety	-	-	-	-	-	150,000
Highways and streets	-	-	-	-	-	121,108
Economic Development	-	1,605,700	-	-	-	2,835,607
Culture and recreation	-	-	-	-	-	155,091
Debt service:						
Principal	-	200,000	-	-	-	1,316,213
Interest	-	83,125	-	-	-	300,488
Capital outlay	-	43,386	-	337,919	-	5,165,012
Total expenditures	7,676	1,986,194	-	384,073	-	11,111,986
Excess (deficiency) of revenues over (under) expenditures	4,049,621	3,111,812	1,751,260	(383,432)	8,570,590	18,613,116
Other financing sources (uses):						
Transfers in	-	-	-	1,300,000	-	2,513,808
Transfers out	(5,647,000)	(3,563,071)	(1,942,000)	-	-	(14,305,353)
Transfer from Proprietary Fund	-	-	-	-	-	200,000
Total other financing sources and uses	(5,647,000)	(3,563,071)	(1,942,000)	1,300,000	-	(11,591,545)
Net change in fund balances	(1,597,379)	(451,259)	(190,740)	916,568	8,570,590	7,021,571
Fund balances - beginning	1,598,469	653,571	818,304	2,110,332	-	22,007,023
Fund balances - ending	\$ 1,090	\$ 202,312	\$ 627,564	\$ 3,026,900	\$ 8,570,590	\$ 29,028,594

(This page intentionally left blank.)

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016

	Motor Vehicle Highway				Local Road and Street			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 2,579,239	\$ 2,207,095	\$ 2,204,144	\$ (2,951)	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	2,112,666	2,126,370	2,151,849	25,479	740,645	740,645	752,833	12,188
Charges for services	-	-	1,125	1,125	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	2,190	2,190	53,049	50,859	-	-	-	-
Total revenues	<u>4,694,095</u>	<u>4,335,655</u>	<u>4,410,167</u>	<u>74,512</u>	<u>740,645</u>	<u>740,645</u>	<u>752,833</u>	<u>12,188</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highways and streets:								
Personal services	2,966,077	2,966,948	2,812,028	154,920	-	-	-	-
Supplies	797,146	806,907	681,415	125,492	162,110	162,110	162,110	-
Other services and charges	236,521	287,180	204,863	82,317	500,000	500,000	333,966	166,034
Capital	124,170	57,189	29,074	28,115	-	-	-	-
Total highways and streets	<u>4,123,914</u>	<u>4,118,224</u>	<u>3,727,380</u>	<u>390,844</u>	<u>662,110</u>	<u>662,110</u>	<u>496,076</u>	<u>166,034</u>
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>4,123,914</u>	<u>4,118,224</u>	<u>3,727,380</u>	<u>390,844</u>	<u>662,110</u>	<u>662,110</u>	<u>496,076</u>	<u>166,034</u>
Other financing uses:								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Net change in fund balances	570,181	217,431	682,787	465,356	78,535	78,535	256,757	178,222
Fund balances - beginning	<u>2,084,494</u>	<u>721,588</u>	<u>1,594,785</u>	<u>873,197</u>	<u>946,878</u>	<u>861,825</u>	<u>1,200,303</u>	<u>338,478</u>
Fund balances - December 31	<u>\$ 2,654,675</u>	<u>\$ 939,019</u>	<u>\$ 2,277,572</u>	<u>\$ 1,338,553</u>	<u>\$ 1,025,413</u>	<u>\$ 940,360</u>	<u>\$ 1,457,060</u>	<u>\$ 516,700</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Local Law Enforcement Continuing Education			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	30,000	30,000	60,485	30,485
Intergovernmental	-	-	-	-
Charges for services	-	-	3,120	3,120
Fines and forfeits	9,000	9,000	4,223	(4,777)
Other	-	-	-	-
Total revenues	<u>39,000</u>	<u>39,000</u>	<u>67,828</u>	<u>28,828</u>
Expenditures:				
Current:				
General government:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital	-	-	-	-
Total general government	-	-	-	-
Public safety:				
Personal services	16,497	16,497	16,497	-
Supplies	31,000	31,000	31,000	-
Other services and charges	-	-	200	(200)
Total public safety	<u>47,497</u>	<u>47,497</u>	<u>47,697</u>	<u>(200)</u>
Highways and streets:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital	-	-	-	-
Total highways and streets	-	-	-	-
Culture and recreation:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital	-	-	-	-
Total culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>47,497</u>	<u>47,497</u>	<u>47,697</u>	<u>(200)</u>
Other financing uses:				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net change in fund balances	(8,497)	(8,497)	20,131	28,628
Fund balances - beginning	<u>166,396</u>	<u>166,396</u>	<u>164,707</u>	<u>(1,689)</u>
Fund balances - December 31	<u>\$ 157,899</u>	<u>\$ 157,899</u>	<u>\$ 184,838</u>	<u>\$ 26,939</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Park and Recreation				Park Nonreverting Operating			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 1,836,196	\$ 1,571,262	\$ 1,567,691	\$ (3,571)	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	164,007	141,855	170,474	28,619	-	-	-	-
Charges for services	65,000	65,000	142,630	77,630	-	-	957,742	957,742
Fines and forfeits	-	-	-	-	-	-	-	-
Other	34,000	34,000	5,954	(28,046)	-	-	27,289	27,289
Total revenues	<u>2,099,203</u>	<u>1,812,117</u>	<u>1,886,749</u>	<u>74,632</u>	<u>-</u>	<u>-</u>	<u>985,031</u>	<u>985,031</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:								
Personal services	1,238,586	1,239,731	1,170,826	68,905	600,888	600,888	563,824	37,064
Supplies	102,807	105,080	82,424	22,656	233,157	250,132	236,908	13,224
Other services and charges	224,528	226,633	195,429	31,204	280,771	286,393	183,218	103,175
Capital	128,753	128,753	178,286	(49,533)	217,003	217,015	229,826	(12,811)
Total culture and recreation	<u>1,694,674</u>	<u>1,700,197</u>	<u>1,626,965</u>	<u>73,232</u>	<u>1,331,819</u>	<u>1,354,428</u>	<u>1,213,776</u>	<u>140,652</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,694,674</u>	<u>1,700,197</u>	<u>1,626,965</u>	<u>73,232</u>	<u>1,331,819</u>	<u>1,354,428</u>	<u>1,213,776</u>	<u>140,652</u>
Other financing uses:								
Transfers in	-	-	-	-	-	-	230,000	230,000
Transfers out	-	-	-	-	-	-	-	-
Net change in fund balances	404,529	111,920	259,784	147,864	(1,331,819)	(1,354,428)	1,255	1,355,683
Fund balances - beginning	<u>1,041,481</u>	<u>(9,601)</u>	<u>237,659</u>	<u>247,260</u>	<u>(3,780,278)</u>	<u>(3,824,413)</u>	<u>1,948</u>	<u>3,826,361</u>
Fund balances - December 31	<u>\$ 1,446,010</u>	<u>\$ 102,319</u>	<u>\$ 497,443</u>	<u>\$ 395,124</u>	<u>\$ (5,112,097)</u>	<u>\$ (5,178,841)</u>	<u>\$ 3,203</u>	<u>\$ 5,182,044</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Parking Meter				Fire Station 2 Debt			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 115,864	\$ 115,812	\$ 113,676	\$ (2,136)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	11,392	8,952	12,399	3,447
Charges for services	85,000	85,000	127,716	42,716	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	85,000	85,000	127,716	42,716	127,256	124,764	126,075	1,311
Expenditures:								
Current:								
General government:								
Personal services	84,731	84,731	77,337	7,394	-	-	-	-
Supplies	5,921	5,921	3,980	1,941	-	-	-	-
Other services and charges	7,248	7,248	4,665	2,583	-	-	-	-
Capital	5,500	5,500	907	4,593	-	-	-	-
Total general government	103,400	103,400	86,889	16,511	-	-	-	-
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	-	-	-	-	-	-	-	-
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	103,400	103,400	86,889	16,511	-	-	-	-
Other financing uses:								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(127,000)	(127,000)	(126,019)	981
Net change in fund balances	(18,400)	(18,400)	40,827	59,227	256	(2,236)	56	2,292
Fund balances - beginning	348,201	347,701	502,278	154,577	132,169	128,163	59,846	(68,317)
Fund balances - December 31	\$ 329,801	\$ 329,301	\$ 543,105	\$ 213,804	\$ 132,425	\$ 125,927	\$ 59,902	\$ (66,025)

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Fire Station 7/Street Dept				Fire Stations 5 & 6 Debt			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 710,298	\$ 709,982	\$ 693,105	\$ (16,877)	\$ 503,758	\$ 503,534	\$ 492,004	\$ (11,530)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	55,639	54,873	65,944	11,071	48,791	38,918	45,128	6,210
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>765,937</u>	<u>764,855</u>	<u>759,049</u>	<u>(5,806)</u>	<u>552,549</u>	<u>542,452</u>	<u>537,132</u>	<u>(5,320)</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	-	-	-	-	-	-	-	-
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	-	-	-	-	-	-	-	-
Other financing uses:								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(741,000)	(741,000)	(736,000)	5,000	(569,000)	(569,000)	(568,700)	300
Net change in fund balances	24,937	23,855	23,049	(806)	(16,451)	(26,548)	(31,568)	(5,020)
Fund balances - beginning	<u>1,122,319</u>	<u>1,082,557</u>	<u>323,449</u>	<u>(759,108)</u>	<u>\$ 566,396</u>	<u>\$ 552,406</u>	<u>\$ 294,259</u>	<u>(258,147)</u>
Fund balances - December 31	<u>\$ 1,147,256</u>	<u>\$ 1,106,412</u>	<u>\$ 346,498</u>	<u>\$ (759,914)</u>	<u>\$ 549,945</u>	<u>\$ 525,858</u>	<u>\$ 262,691</u>	<u>\$ (263,167)</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Little Chicago Road Debt				City Hall Debt			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 491,164	\$ 490,945	\$ 478,840	\$ (12,105)	\$ 1,357,627	\$ 1,357,023	\$ 1,325,036	\$ (31,987)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	45,553	37,945	45,599	7,654	113,914	104,884	126,043	21,159
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>536,717</u>	<u>528,890</u>	<u>524,439</u>	<u>(4,451)</u>	<u>1,471,541</u>	<u>1,461,907</u>	<u>1,451,079</u>	<u>(10,828)</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(530,000)	(530,000)	(529,700)	300	(1,455,165)	(1,455,165)	(1,451,890)	3,275
Net change in fund balances	6,717	(1,110)	(5,261)	(4,151)	16,376	6,742	(811)	(7,553)
Fund balances - beginning	<u>886,980</u>	<u>849,903</u>	<u>253,042</u>	<u>(596,861)</u>	<u>1,503,081</u>	<u>1,449,971</u>	<u>688,735</u>	<u>(761,236)</u>
Fund balances - December 31	<u>\$ 893,697</u>	<u>\$ 848,793</u>	<u>\$ 247,781</u>	<u>\$ (601,012)</u>	<u>\$ 1,519,457</u>	<u>\$ 1,456,713</u>	<u>\$ 687,924</u>	<u>\$ (768,789)</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Cumulative Capital Improvement				Cumulative Capital Development			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,113,304	\$ 952,672	\$ 950,749	\$ (1,923)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	132,521	132,521	132,455	(66)	98,403	86,008	103,360	17,352
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>132,521</u>	<u>132,521</u>	<u>132,455</u>	<u>(66)</u>	<u>1,211,707</u>	<u>1,038,680</u>	<u>1,054,109</u>	<u>15,429</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	130,000	130,000	108,697	21,303	625,000	628,000	465,340	162,660
Capital	-	-	-	-	130,000	130,000	129,905	95
Total general government	<u>130,000</u>	<u>130,000</u>	<u>108,697</u>	<u>21,303</u>	<u>755,000</u>	<u>758,000</u>	<u>595,245</u>	<u>162,755</u>
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>130,000</u>	<u>130,000</u>	<u>108,697</u>	<u>21,303</u>	<u>755,000</u>	<u>758,000</u>	<u>595,245</u>	<u>162,755</u>
Other financing uses:								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Net change in fund balances	2,521	2,521	23,758	21,237	456,707	280,680	458,864	178,184
Fund balances - beginning	<u>592,244</u>	<u>592,244</u>	<u>620,980</u>	<u>28,736</u>	<u>2,348,874</u>	<u>1,843,226</u>	<u>1,819,649</u>	<u>(23,577)</u>
Fund balances - December 31	<u>\$ 594,765</u>	<u>\$ 594,765</u>	<u>\$ 644,738</u>	<u>\$ 49,973</u>	<u>\$ 2,805,581</u>	<u>\$ 2,123,906</u>	<u>\$ 2,278,513</u>	<u>\$ 154,607</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2016
 (Continued)

	Cumulative Building and Fire Fighting Equipment				Hazel Dell Tax Increment Financing			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 433,231	\$ 370,723	\$ 370,896	\$ 173	\$ 2,048,521	\$ 2,048,177	\$ 1,679,469	\$ (368,708)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	41,005	33,470	40,222	6,752	84,666	59,738	71,791	12,053
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	474,236	404,193	411,118	6,925	2,133,187	2,107,915	1,751,260	(356,655)
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	-	-	-	-	-	-	-	-
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	599,948	599,948	575,577	24,371	-	-	-	-
Total expenditures	599,948	599,948	575,577	24,371	-	-	-	-
Other financing uses:								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(1,944,000)	(1,944,000)	(1,942,000)	2,000
Net change in fund balances	(125,712)	(195,755)	(164,459)	31,296	189,187	163,915	(190,740)	(354,655)
Fund balances - beginning	1,918,324	1,717,338	984,161	(733,177)	264,275	250,191	818,304	568,113
Fund balances - December 31	\$ 1,792,612	\$ 1,521,583	\$ 819,702	\$ (701,881)	\$ 453,462	\$ 414,106	\$ 627,564	\$ 213,458

(This page intentionally left blank.)

FIDUCIARY FUNDS

Trust funds - used to account for assets held by the primary government in a trustee capacity.

Pension trust funds

Police Pension - To account for resources related to police pension benefit payments to qualified police officers and/or their beneficiaries.

Fire Pension - To account for resources related to pension benefit payments to qualified firefighters and/or their beneficiaries.

Agency funds - used to account for assets held by the primary government as an agent for individuals, private organizations, other governments and/or other funds.

Payroll - To account for the payroll of City employees. Gross payroll is treated as expenditures in other City funds and transferred into this fund, which serves as a clearing account.

Escrow - To account for the tracking of fees that are deposited for vendor security bonds, maintenance bonds, and performance bonds. These bonds are normally held for specific length of time and then returned to the payee.

City Court - To account for fines and fees collected by the City Court.

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF NET POSITION -
 PENSION TRUST FUNDS
 December 31, 2016

	Pension Trust Funds		
	Police Pension	Fire Pension	Totals
<u>Assets</u>			
Cash and cash equivalents	\$ 547,907	\$ 685,908	\$ 1,233,815
Total assets	547,907	685,908	1,233,815
Net position restricted for pensions	547,907	685,908	1,233,815
Total net position restricted for pensions	\$ 547,907	\$ 685,908	\$ 1,233,815

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF CHANGES IN NET POSITION -
 PENSION TRUST FUNDS
 For The Year Ended December 31, 2016

	Pension Trust Funds		
	Police Pension	Fire Pension	Totals
<u>Additions</u>			
Contributions:			
Employer	\$ -	\$ -	\$ -
Non-employer contributing entity contributions	216,186	443,708	659,894
Total contributions	216,186	443,708	659,894
Reimbursements	3,000	3,000	6,000
Total additions	219,186	446,708	665,894
<u>Deductions</u>			
Benefits	234,455	486,107	720,562
Administrative expense	3,000	3,000	6,000
Total deductions	237,455	489,107	726,562
Net increase in net position	(18,269)	(42,399)	(60,668)
<u>Net position restricted for pensions</u>			
Net position - beginning	566,176	728,307	1,294,483
Net position - ending	\$ 547,907	\$ 685,908	\$ 1,233,815

CITY OF NOBLESVILLE
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS
For The Year Ended December 31, 2016

	<u>Payroll</u>	<u>Escrow</u>	<u>City Court</u>	<u>Totals</u>
Assets:				
Cash and cash equivalents, January 1, 2016	\$ 15,782	\$ 258,780	\$ 60,419	\$ 334,981
Additions	28,879,332	1,145,505	835,564	30,860,401
Deductions	<u>(28,885,379)</u>	<u>(1,053,829)</u>	<u>(847,007)</u>	<u>(30,786,215)</u>
Cash and cash equivalents, December 31, 2016	<u>\$ 9,735</u>	<u>\$ 350,456</u>	<u>\$ 48,976</u>	<u>\$ 409,167</u>
Liabilities:				
Trust payable, January 1, 2016	\$ -	\$ -	\$ 60,419	\$ 60,419
Additions	-	-	835,564	835,564
Deductions	<u>-</u>	<u>-</u>	<u>(847,007)</u>	<u>(847,007)</u>
Trust payable, December 31, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,976</u>	<u>\$ 48,976</u>
Liabilities:				
Performance deposits payable, January 1, 2016	\$ -	\$ 258,780	\$ -	\$ 258,780
Additions	-	1,145,505	-	1,145,505
Deductions	<u>-</u>	<u>(1,053,829)</u>	<u>-</u>	<u>(1,053,829)</u>
Performance deposits payable, December 31, 2016	<u>\$ -</u>	<u>\$ 350,456</u>	<u>\$ -</u>	<u>\$ 350,456</u>
Payroll withholdings payable, January 1, 2016	\$ 15,782	\$ -	\$ -	\$ 15,782
Additions	28,879,332	-	-	28,879,332
Deductions	<u>(28,885,379)</u>	<u>-</u>	<u>-</u>	<u>(28,885,379)</u>
Payroll withholdings payable, December 31, 2016	<u>\$ 9,735</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,735</u>

STATISTICAL SECTION

**STATISTICAL
SECTION**

Statistical Section

This part of the City of Noblesville's comprehensive annual 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 City's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	139-143
Revenue Capacity These schedules contain information to help the reader assess the City's local revenue source, property taxes.	145-149
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	150-155
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	156-159
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	160-162

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

(This page intentionally left blank.)

CITY OF NOBLESVILLE
Net Position by Component
As of December 31,

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 145,567,900	\$ 134,342,338	\$ 121,218,630	\$ 114,473,654	\$ 111,063,125	\$ 100,501,820	\$ 93,878,151	\$ 96,105,611	\$ 127,424,781	\$ 123,500,699
Restricted	42,660,844	35,133,129	34,505,854	32,301,880	31,638,300	33,519,810	25,626,888	30,658,397	25,929,821	14,871,782
Unrestricted	(14,724,499)	(7,111,071)	7,656,911	14,997,585	13,233,741	14,726,063	16,150,864	18,097,682	19,829,946	23,652,015
Total governmental activities net position	\$ 173,504,245	\$ 162,364,396	\$ 163,381,395	\$ 161,773,119	\$ 155,935,166	\$ 148,747,693	\$ 135,655,903	\$ 144,861,690	\$ 173,184,548	\$ 162,024,496
Business - Type Activities:										
Invested in capital assets, net of related debt	\$ 82,597,844	\$ 80,474,188	\$ 80,865,842	\$ 78,132,289	\$ 79,660,471	\$ 80,257,088	\$ 80,563,974	\$ 71,429,268	\$ 70,311,934	\$ 67,208,835
Restricted	5,821,267	5,675,787	5,756,425	5,673,161	4,669,581	3,903,753	4,639,898	1,523,784	2,065,804	23,419,114
Unrestricted	23,864,932	19,983,359	17,032,778	16,975,886	15,682,765	13,661,085	16,264,900	24,761,609	19,941,737	(380,408)
Total business - type activities net position	\$ 112,284,043	\$ 106,133,334	\$ 103,655,045	\$ 100,781,336	\$ 100,012,817	\$ 97,821,926	\$ 101,468,772	\$ 97,714,661	\$ 92,319,475	\$ 90,247,541
Primary government:										
Invested in capital assets, net of related debt	\$ 228,165,744	\$ 214,816,526	\$ 202,084,472	\$ 192,605,943	\$ 190,723,596	\$ 180,758,908	\$ 174,442,125	\$ 167,534,879	\$ 197,736,715	\$ 190,709,534
Restricted	48,482,111	40,808,916	40,262,279	37,975,041	36,307,881	37,423,563	30,266,786	32,182,181	27,995,625	38,290,896
Unrestricted	9,140,433	12,872,288	24,689,689	31,973,471	28,916,506	28,387,148	32,415,764	42,859,291	39,771,683	23,271,607
Total primary government net position	\$ 285,788,288	\$ 268,497,730	\$ 267,036,440	\$ 262,554,455	\$ 255,947,983	\$ 246,569,619	\$ 237,124,675	\$ 242,576,351	\$ 265,504,023	\$ 252,272,037

The City of Noblesville implemented GASB 63 for the fiscal year ended December 31, 2012. Prior to the implementation, net position was stated as net assets.

a Capital assets for 2007 were restated in 2008 to include \$42.7 million of infrastructure assets from the 146th Street project.

b Restricted funds from governmental activities include bond proceeds for debt service reserves and capitalized interest.

c Restricted funds from business activities include new revenue bond proceeds for construction of improvements to wastewater utility facilities.

d Capital assets for 2008 were restated in 2009 to include a prior period adjustment of \$34,431,662 due to overstatement of capital assets for infrastructure. This was offset by a \$5,591,065 adjustment to eliminate pension obligations assumed by the state.

e The change in the unrestricted balance in the governmental funds is primarily due to the implementation of GASB 68 and GASB 71. The net pension asset, net pensions liability and OPEB obligation increased by a net \$14.6 million from the prior year.

f Capital assets were restated in 2015 to include a prior period adjustment of \$2,837,217 due to overstatement of capital assets for improvements.

CITY OF NOBLESVILLE

Changes in Net Position

For the years ended December 31,

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Expenses:										
Governmental Activities:										
General government	\$ 22,570,301	\$ 21,513,337	\$ 22,819,562	\$ 16,170,350	\$ 14,977,533	\$ 16,156,250	\$ 15,567,425	\$ 23,812,537	\$ 14,192,964	\$ 9,958,044
Public safety	26,272,849	25,618,321	26,621,910	24,538,187	24,141,504	24,179,519	23,105,515	22,963,366	23,282,769	21,691,988
Highways and streets	11,390,173	13,258,585	7,811,899	10,709,480	10,390,631	12,868,209	10,098,081	11,651,825	8,048,830	2,226,661
Culture and recreation	3,743,991	3,749,832	2,775,891	2,883,329	3,479,086	2,930,555	3,037,866	3,898,546	2,657,713	2,060,880
Economic Development	5,933,414	84,133	6,088,104	2,450,465	58,644	-	20,316	1,241,557	-	-
Interest on long-term debt	5,539,319	6,333,374	7,083,600	8,395,540	8,484,701	9,398,440	9,416,948	10,108,830	11,517,623	6,990,544
Total governmental activities expenses	75,450,047	70,557,582	73,200,966	65,147,351	61,532,099	65,532,973	61,246,151	73,676,661	59,699,899	42,928,117
Business-Type Activities:										
Wastewater	11,269,497	10,305,263	10,497,493	10,721,810	8,950,764	9,939,013	8,515,722	9,073,403	10,342,104	10,867,030
Total business-type activities expenses	11,269,497	10,305,263	10,497,493	10,721,810	8,950,764	9,939,013	8,515,722	9,073,403	10,342,104	10,867,030
Total primary government expenses	86,719,544	80,862,845	83,698,459	75,869,161	70,482,863	75,471,986	69,761,873	82,750,064	70,042,003	53,795,147
Program Revenues:										
Governmental Activities:										
Charges for services:										
General Government	4,212,057	2,547,606	3,219,779	2,763,026	1,503,676	1,762,854	1,956,741	3,079,111	3,256,605	3,251,548
Public Safety	4,001,857	3,602,836	4,392,253	5,037,767	3,369,859	3,479,598	3,856,827	2,829,023	2,093,103	2,259,777
Highways and streets	1,436,904	1,693,328	1,502,685	767,562	1,090,011	985,835	1,422,557	5,445,030	1,873,564	2,380,210
Culture and recreation	2,611,765	2,755,148	2,243,418	2,683,009	2,416,648	2,333,572	1,919,948	2,055,999	2,269,568	2,778,122
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
General Government	-	-	-	-	-	-	-	3,169	195,690	115,190
Public Safety	-	-	-	-	-	-	-	45,000	49,399	107,557
Highways and streets	2,660,424	2,818,025	2,935,345	2,350,287	2,057,868	1,727,122	1,612,725	5,379,422	5,863,335	2,276,912
Culture and recreation	-	-	-	-	-	-	-	-	-	39,582
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
General Government	-	-	-	-	-	-	-	-	-	352,550
Public Safety	-	-	-	-	-	-	-	-	-	53,371
Highways and streets	6,757,792	5,512,986	3,593,149	4,539,159	4,567,202	4,678,475	2,927,352	4,818,117	3,544,410	6,975,876
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Total governmental activities revenues	21,680,799	18,929,929	17,886,629	18,140,810	15,005,264	14,967,456	13,696,150	23,654,871	19,145,674	20,590,695
Business-Type Activities:										
Wastewater:										
Charges for services	14,602,625	13,726,815	11,925,499	11,424,691	10,358,608	10,465,336	10,078,803	9,573,608	10,305,669	10,265,927
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	2,991,116	1,410,532	1,969,450	790,197	923,099	602,915	1,497,444	4,581,935	1,194,750	3,315,824
Total business-type activities revenues	17,593,741	15,137,347	13,894,949	12,214,888	11,281,707	11,068,251	11,576,247	14,155,543	11,500,419	13,581,751
Total primary government revenues	39,274,540	34,067,276	31,781,578	30,355,698	26,286,971	26,035,707	25,272,397	37,810,414	30,646,093	34,172,446
Net Revenues (expenses):										
Governmental activities	(53,769,248)	(51,627,653)	(55,314,337)	(47,006,541)	(46,526,835)	(50,565,517)	(47,550,001)	(50,021,790)	(40,554,225)	(22,337,422)
Business-type activities	6,324,244	4,832,084	3,397,456	1,493,078	2,330,943	1,129,238	3,060,525	5,082,140	1,158,315	2,714,721
Total net revenues (expenses):	(47,445,004)	(46,795,569)	(51,916,881)	(45,513,463)	(44,195,892)	(49,436,279)	(44,489,476)	(44,939,650)	(39,395,910)	(19,622,701)

CITY OF NOBLESVILLE
Changes in Net Position
For the years ended December 31,
(continued)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property Taxes	\$ 39,176,776	\$ 37,839,905	\$ 35,527,771	\$ 33,685,434	\$ 33,518,336	\$ 33,429,880	\$ 31,499,986	\$ 30,726,558	\$ 31,297,880	\$ 21,496,817
Food and beverage tax	1,799,917	1,554,345	1,495,509	1,470,626	1,354,073	1,035,443	1,134,993	976,370	1,057,393	906,666
County Option income tax ^b	19,915,934	18,799,297	16,028,903	17,209,846	15,391,329	18,872,642	7,278,699	14,510,985	14,819,612	12,939,381
Financial institutions tax	93,226	86,477	81,556	90,680	83,525	89,317	103,537	111,783	113,471	68,756
Auto and aircraft excise tax ^b	2,652,929	2,306,721	2,321,322	2,091,156	2,005,476	1,948,698	1,860,137	2,037,471	1,914,759	1,158,011
Commercial vehicle excise tax	30,798	30,393	30,785	32,869	32,700	32,700	32,197	32,107	36,149	20,881
State cigarette tax ^b	168,579	166,133	174,956	250,456	175,426	143,823	146,638	153,567	34,900	37,660
Gaming tax	307,849	307,860	307,860	307,860	307,860	246,253	246,254	246,254	246,845	248,132
Other taxes	121,870	194,360	282,868	72,283	358,162	1,393,226	1,329,562	1,283,876	221,809	102,025
Other Miscellaneous	282,421	177,227	137,730	183,394	197,775	1,457,788	96,081	94,128	351,169	479,202
Unrestricted investment earnings	91,347	152,006	81,927	75,691	87,537	107,044	181,152	366,182	1,620,290	3,759,583
Transfers	267,451	(332,792)	572,495	200,000	200,000	4,900,493	-	-	-	-
Total Governmental activities:	64,909,097	61,281,932	57,043,682	55,670,295	53,714,308	63,657,307	43,909,236	50,539,281	51,714,277	41,217,114
Business - Type activities:										
Other Miscellaneous	-	-	-	-	-	-	-	-	-	470,461
Unrestricted investment earnings	93,916	150,630	48,748	46,830	59,948	124,409	84,208	313,046	913,619	1,514,374
Transfers	(267,451)	332,792	(572,495)	(200,000)	(200,000)	(4,900,493)	-	-	-	-
Total Business - Type activities:	(173,535)	483,422	(523,747)	(153,170)	(140,052)	(4,776,084)	84,208	313,046	913,619	1,984,855
Total Primary Government	64,735,562	61,765,354	56,519,935	55,517,125	53,574,256	58,881,223	43,993,444	50,852,327	52,627,896	43,201,949
Change in net position										
Governmental activities	11,139,849	9,654,279	1,729,345	8,663,754	7,187,473	13,091,790	(3,640,765)	517,491	11,160,052	18,879,692
Business-type activities	6,150,709	5,315,506	2,873,709	1,339,908	2,190,891	(3,646,846)	3,144,733	5,395,186	2,071,934	4,699,556
Total primary government	\$ 17,290,558	\$ 14,969,785	\$ 4,603,054	\$ 10,003,662	\$ 9,378,364	\$ 9,444,944	\$ (496,032)	\$ 5,912,677	\$ 13,231,986	\$ 23,579,248

Notes:

- a Various road maintenance and repair projects were completed in 2005 and 2006 that would interface with the Corporate Campus, 146th Street Extension and Hamilton Town Center.
- b In 2007, developers contributed a lower level of infrastructure assets.
- c The increase in 2008 was a result of unusually low expenses in 2007. The majority of roadwork in 2007 included new bond funded capitalized infrastructure. Street repair and maintenance expenditures returned to historical norms in 2008.
- d The increase in 2008 was due to interest incurred on three major bond issues in 2007, in addition the City reimbursed the County \$1.9 Million which paid a portion of the County's short term financing obligation for the 146th street project based on agreement.
- e Increase due to additional tax increment revenues from growth in the City's economic development district and increase in the general levy to support the cost of services to growing areas.
- f The increase is due to a \$2 million transfer to the wastewater utility and overstatement of capital additions in 2008 which was corrected in 2009 with a prior period adjustment.
- g The increase in 2009 was due to pension obligations paid by the state that received in the general fund and are expensed into the pension obligation funds.
- h The decrease in COIT taxes is due to the recognition in 2010 of new State estimates of the balance in undistributed county option income taxes which now indicate distributions to the City exceed actual collections by \$5.2 million.
- i COIT increased after State discovered previously reported excess distributions were erroneous.
- j Wastewater transferred \$4.7 million of infrastructure capital assets to the City related to the Maple Ave. project and \$200,000 in cash for payment of portion of 2009 COIT Bond payment.
- k Increase in Economic Development expenditures related to the City's investment in the BlueSky Technologies Inc. downtown headquarters project.

CITY OF NOBLESVILLE
Fund Balances of Governmental Funds
As of December 31,

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Reserved	\$ 282,822	\$ 309,649	\$ 109,704	\$ 394,996	\$ 195,808	\$ 412,644	\$ 340,366	\$ 788,475	\$ -	\$ -
Unreserved	24,586,862	18,178,914	15,372,664	13,981,022	14,414,375	10,611,369	3,390,856 a	10,054,004	11,365,305	9,575,844
Total general fund	\$ 24,869,684	\$ 18,488,563	\$ 15,482,368	\$ 14,376,018	\$ 14,610,183	\$ 11,024,013 (1)	\$ 3,731,222	\$ 10,842,479	\$ 11,365,305	\$ 9,575,844
All other governmental funds:										
Reserved							\$ 140,000	\$ 182,703	\$ 52,257	\$ 8,000
Unreserved, reported in:										
Special revenue funds							9,596,605	7,133,268	4,518,786	8,746,607
Debt service funds							16,577,470	21,535,866	16,705,425	13,796,356
Capital projects funds							33,861,901	34,733,159	39,471,780	37,923,233
Total all other governmental funds	\$ 18,759,025	\$ 9,407,820	\$ 8,524,492	\$ 6,656,775	\$ 7,132,134	\$ 9,907,989	\$ 60,175,976	\$ 63,584,996	\$ 60,748,248	\$ 60,474,196
Spendable										
Restricted	41,620,246	38,347,660	35,694,449	37,902,843	38,354,850	38,824,798				
Committed	1,504,418	4,017,828	6,946,625	9,885,624	7,063,957	8,031,407				
Assigned	(52,693)	(43,585)	(8,734)	(42,286)	(28,136)	(23,399)				
Unassigned	61,830,996	51,729,723	51,156,832	54,402,956	52,522,805	56,740,795				
Total all other governmental funds	\$ 61,830,996	\$ 51,729,723	\$ 51,156,832	\$ 54,402,956	\$ 52,522,805	\$ 56,740,795	\$ 60,175,976	\$ 63,584,996	\$ 60,748,248	\$ 60,474,196

(1) In fiscal year 2011, the City implemented GASB 54 which changed the reporting for Governmental Fund Balances. The table reflects the new reporting for fiscal years after 2010.

a Due to \$7.2 million decrease in county option income tax revenue.

CITY OF NOBLESVILLE

Changes in Fund Balances of Governmental Funds
For the years ended December 31.

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Taxes	\$ 64,737,096	\$ 54,099,969	\$ 50,826,602	\$ 47,153,892	\$ 48,909,665	\$ 52,302,522	\$ 39,692,534	\$ 46,983,488	\$ 42,828,747	\$ 35,313,930
Licenses and Permits	1,657,028	1,367,622	1,162,793	1,092,746	1,041,469	880,514	1,211,889	2,839,614	4,015,080	4,766,746
Inergovernmental	8,548,171	8,194,392	8,312,947	7,418,576	7,006,243	9,561,405	6,400,980	10,109,448	9,733,750	4,568,974
Charges for Services	6,985,501	7,426,221	6,163,387	6,453,022	4,608,884	4,968,841	4,266,662	3,391,410	3,498,977	4,255,528
Fines and Forfeits	371,357	600,700	1,877,505	1,228,182	1,360,929	1,229,212	1,510,745	871,529	529,368	226,955
Miscellaneous	4,744,022	813,896	1,702,464	1,929,422	1,024,593	2,397,883	2,643,998	6,035,727	3,420,874	9,514,350
Total Revenues	87,043,175	72,502,800	70,045,698	65,275,840	63,951,783	71,340,377	55,726,808	70,231,216	64,026,796	58,646,483
Expenditures										
General Government	16,018,660	15,874,520	15,576,962	12,186,309	10,608,113	9,595,888	10,886,951	12,313,353	10,549,024	9,456,041
Public Safety	24,818,465	24,152,778	23,775,669	22,464,378	22,732,098	22,662,721	21,521,289	21,644,333	20,476,142	15,608,097
Highways and Streets	4,490,484	4,317,061	3,787,550	3,591,857	3,170,642	2,955,128	3,736,184	4,894,379	4,909,892	4,981,030
Culture and Recreation	6,549,474	2,895,237	2,215,298	2,118,893	2,680,447	2,369,580	2,313,302	2,416,834	2,292,540	2,190,187
Economic Development	2,835,607						20,316	1,241,557		
Capital Outlay	11,299,335	9,185,528	19,015,359	8,887,341	9,177,513	15,680,430	18,504,712	28,793,258	31,744,668	57,263,116
Debt Service:										^a
Principal	14,182,797	13,132,466	10,615,415	9,268,325	8,171,799	6,309,128	5,723,110	4,554,177	3,512,432	2,405,000
Interest	5,886,664	6,289,637	7,892,897	8,614,800	8,791,201	9,296,031	9,649,715	9,198,157	10,114,585	6,939,697
Issuance costs	796,680	1,211,827	1,060,373	105,305	274,708		373,748	581,322	498,100	144,714
Total Expenditures	86,878,166	77,059,054	83,939,523	67,237,208	65,606,521	68,868,906	72,729,327	85,637,370	84,097,383	98,987,882
Excess (deficiency) of revenues over (under) expenditures	165,009	(4,556,254)	(13,893,825)	(1,961,368)	(1,654,738)	2,471,471	(17,002,519)	(15,406,154)	(20,070,587)	(40,341,399)
Other Financing Sources (Uses)										
Financing by capital lease	1,744,279	1,706,445	1,939,265	935,654	181,330	1,186,139	162,527	3,118,161	438,435	176,861
Transfers in	19,661,010	16,887,479	17,041,102	17,191,252	16,254,913	20,957,273	15,955,695	15,776,830	11,662,418	7,915,290
Transfers out	(19,661,010)	(16,887,479)	(17,041,102)	(17,191,252)	(16,254,913)	(20,957,273)	(15,955,695)	(15,776,830)	(11,662,418)	(7,915,290)
Transfer from Proprietary Fund	200,000	200,000	200,000	200,000	200,000	200,000				
Transfer to Wastewater Utility								(2,000,000)		
Payment to refunded bond escrow	(31,056,894)	(22,711,473)	(82,050,214)	(5,498,300)	(23,982,202)		(15,337,538)	(4,226,832)		
Issuance of debt	45,430,000	28,840,000	91,665,000	7,970,000	24,235,000		20,730,000	20,845,000	21,615,000	24,330,000
Premium (discount) on issuance of debt		100,368			388,790		927,253	(16,258)	80,665	(209,238)
Total other financing sources (uses)	16,317,385	8,135,340	11,754,051	3,607,354	1,022,918	1,386,139	6,482,242	17,720,071	22,134,100	24,297,623
Net change in fund balance	\$ 16,482,394	\$ 3,579,086	\$ (2,139,774)	\$ 1,645,986	\$ (631,820)	\$ 3,857,610	\$ (10,520,277)	\$ 2,313,917	\$ 2,063,513	\$ (16,043,776)
Debt service as a percentage of noncapital expenditures	26.6%	28.6%	28.5%	30.6%	30.1%	29.3%	28.4%	24.2%	26.0%	22.4%

^a City issued \$24 million for Hazel Dell Road extension.
^b Due to decline in local option income tax collections.
^c Discretionary capital outlay expenditures lowered in anticipation of lower tax revenues.
^d Increase in County Option Income Tax due to State correcting previously understated tax collections and distributions.
^e The State of Indiana made a one-time special income tax distribution out of excess trust funds on hand. The City received approximately \$8.5 million from this special distribution.

(This page intentionally left blank.)

CITY OF NOBLESVILLE
Assessed Value and True Tax Value of Taxable Property
Last Ten Fiscal Years

	Real Property					
	Residential	Commercial	Industry	Other (3)	Total Real Property	
2016	\$ 622,590,325	\$ 320,440,274	\$ 31,553,243	\$ 4,333,143	\$ 978,916,985	
2015	586,811,497	304,508,025	28,926,527	4,518,637	924,764,686	
2014	548,297,686	305,579,010	28,510,678	4,016,320	886,403,694	
2013	527,158,290	309,009,681	27,785,329	4,010,176	867,963,476	
2012	523,665,894	310,967,771	27,020,979	4,022,320	865,676,964	
2011	519,476,575	316,341,707	24,909,933	3,353,651	864,081,866	
2010	521,890,929	283,664,987	29,882,179	3,741,538	839,179,633	
2009	519,754,416 (6)	261,839,660	19,503,459	4,391,530	805,489,065	
2008	704,495,331	228,779,813	17,894,646	3,654,537	954,824,327	
2007	641,280,191	195,884,750	14,517,472	3,484,120	855,166,533 (5)	

	Total					
	Personal Property	Total Real and Personal Property	Less Tax Increment District	Assessed Value (1)	True Tax Value (2)	
2016	\$ 63,705,453	\$ 1,042,622,438	\$ 203,026,566	\$ 839,595,872	\$ 2,518,787,617	1.1358
2015	58,002,032	982,766,718	190,542,296	792,224,422	2,376,673,264	1.2021
2014	55,589,937	941,993,631	154,313,353	787,680,278	2,363,040,834	1.2060
2013	53,836,760	921,800,236	151,020,477	770,779,759	2,312,339,276	1.1534
2012	53,115,341	918,792,305	152,789,786	766,002,519	2,298,007,557	1.1502
2011	63,449,760	927,531,626	175,867,017	751,664,609	2,254,993,827	1.0521
2010	53,872,349	893,051,982	160,326,332	732,725,650	2,198,176,950	1.0276
2009	49,676,897	855,165,962	138,069,674	717,096,288	2,151,288,862	1.0615
2008	44,880,451	999,704,778	108,682,282	891,022,496	2,673,067,486	0.7814
2007	41,141,530 (4)	896,308,063	86,201,737	810,106,326	2,430,318,978	0.7670

(1) Property reassessments were effective in 2003.

(2) True tax value is 3 times assessed value. Beginning in 2002, tax rates were based upon \$100 of true tax value. In prior years, the rate was per \$100 of assessed value.

(3) Includes adjustments due to appeals as well as assessed values from property classes of agriculture, exempt, utility and other as defined by the County Auditor's office.

(4) Decrease in 2007 due to elimination of business inventories from taxable property.

(5) Beginning in 2007 real property assessments were adjusted annually to market value based on sales data ("Trending").

(6) Decrease due to supplemental homestead deductions provided in 2009.

Source: Hamilton County Auditor's Office - Total Assessed and true tax values are those amounts that have been reported to and certified by the State each year.

CITY OF NOBLESVILLE
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

	2016	2015	2014	2013	2012
City Direct Rates					
Corporation General	\$ 0.7422	\$ 0.7803	\$ 0.7630	\$ 0.7451	\$ 0.7494
MVH	0.1024	0.0919	0.0965	0.1081	0.0936
Fire Pension	-	-	-	-	-
Police Pension	-	-	-	-	-
Cumulative Cap Development	0.0442	0.0463	0.0486	0.0294	0.0280
Park	0.0729	0.0752	0.0662	0.0675	0.0591
Debt Service	0.0046	0.0058	0.0059	0.0056	0.0070
Lease Rental	0.0539	0.0651	0.0723	0.0702	0.0869
Fire Building Debt	0.0200	0.0233	0.0288	0.0281	0.0345
Thoroughfare Bond	0.0195	0.0204	0.0268	0.0146	0.0321
Fire Equipment Debt	-	-	-	-	-
Cum Fire Special	0.0172	0.0180	0.0189	0.0194	0.0185
Redevelopment Bonds #1	-	-	-	-	-
Redevelopment Bonds #2	-	-	-	-	-
Obligation Bond	-	-	-	-	-
Corporate Bond #2	0.0307	0.0441	0.0444	0.0471	-
City Redevelopment TIF TIR	-	-	-	-	-
Debt Payment	0.0282	0.0317	0.0346	0.0183	0.0411
Total Direct Rate	<u>\$ 1.1358</u>	<u>\$ 1.2021</u>	<u>\$ 1.2060</u>	<u>\$ 1.1534</u>	<u>\$ 1.1502</u>
Overlapping Rates:					
State Rate	-	-	-	-	-
County Rate	0.2814	0.2926	0.3054	0.3074	0.2901
Solid Waste	0.0032	0.0033	0.0033	0.0033	0.0032
Township Rates					
Noblesville	0.0078	0.0080	0.0079	0.0078	0.0076
Delaware	0.0243	0.0241	0.0232	0.0241	0.0224
Wayne	0.0144	0.0145	0.0153	0.0158	0.0161
Fall Creek	0.0038	0.0077	0.0047	0.0050	0.0079
Library Rates	0.0647	0.0677	0.0708	0.0702	0.0756
School Districts					
Noblesville School Corporation	1.2882	1.4984	1.4520	1.4584	1.3502
Hamilton Southeastern School Corp	1.1342	1.1426	1.1501	1.1746	1.1376

Source: Hamilton County Auditor's Office

CITY OF NOBLESVILLE
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(continued)

	2011	2010	2009	2008	2007
City Direct Rates					
Corporation General	\$ 0.7234	\$ 0.6681	\$ 0.6127	\$ 0.4662	\$ 0.4652
MVH	0.1019	0.1115	0.1021	0.0673	0.0606
Fire Pension	-	-	-	-	0.0082
Police Pension	-	-	-	-	0.0037
Cumulative Cap Development	0.0299	0.0299	0.0300	0.0300	0.0300
Park	0.0598	0.0635	0.0581	0.0377	0.0393
Debt Service	0.0038	0.0051	0.0052	0.0032	0.0048
Lease Rental	0.0482	0.0572	0.0482	0.0338	0.0387
Fire Building Debt	0.0213	0.0231	0.0256	0.0210	0.0236
Thoroughfare Bond	0.0196	0.0213	0.0238	0.0193	0.0219
Fire Equipment Debt	-	0.0005	0.0304	0.0255	0.0273
Cum Fire Special	0.0198	0.0198	0.0199	0.0199	0.0199
Redevelopment Bonds #1	-	-	-	0.0200	-
Redevelopment Bonds #2	-	-	-	0.0100	-
Obligation Bond	-	-	0.0400	-	-
Corporate Bond #2	-	-	-	-	-
City Redevelopment TIF TIR	-	-	0.0339	0.0275	0.0238
Debt Payment	0.0244	0.0276	0.0316	-	-
Total Direct Rate	<u>\$ 1.0521</u>	<u>\$ 1.0276</u>	<u>\$ 1.0615</u>	<u>(1) \$ 0.7814</u>	<u>\$ 0.7670</u>
Overlapping Rates:					
State Rate	-	-	-	0.0024	0.0024
County Rate	0.2769	0.2724	0.2651	0.2046	0.2191
Solid Waste	0.0030	0.0030	0.0029	0.0023	0.0024
Township Rates					
Noblesville	0.0052	0.0073	0.0088	0.0073	0.0087
Delaware	0.0208	0.0226	0.0264	0.0086	0.0088
Wayne	0.0160	0.0160	0.0156	0.0129	0.0135
Fall Creek	0.0105	0.0110	0.0116	0.0077	0.0090
Library Rates	0.0615	0.0615	0.0615	0.0486	0.0572
School Districts					
Noblesville School Corporation	1.3686	1.1173	1.0750	1.5660	1.4703
Hamilton Southeastern School Corp	1.1263	1.1151	1.1041	1.5514	1.4990

(1) Increase in tax rate was due to decrease in taxable assessed value as a result of new supplemental homestead deductions.

CITY OF NOBLESVILLE
Principal Taxpayers
Current and Nine Years Ago

Taxpayer	2016			2007		
	Assessed Value	Rank	Percent of Total City Assessed Value *	Assessed Value	Rank	Percent of Total City Assessed Value *
Hamilton Town Center LLC	\$ 19,780,280	1	2.36%			
SMC Corporation	13,406,253	2	1.60%			
Pedcor Property Acquisition LLC / Lions Creek Associates Ltd.	11,908,630	3	1.42%	\$ 7,634,007	3	0.94%
Prairie Lakes Apartments LLC	11,468,367	4	1.37%			
Autumn Breeze Apartment Homes LLC	7,421,400	5	0.88%			
Town & Country Noblesville Station	6,519,300	6	0.78%			
Inland Southeast Stoney Creek LLC/Inland Real Estate Corp./Inland Real Estate BSC LLC	6,036,900	7	0.72%	14,576,117	1	1.80%
Northlake Village Apartments	5,515,033	8	0.66%	4,857,233	6	0.60%
Meijer Stores LP	5,496,883	9	0.65%	8,115,293	2	1.00%
Duke Energy	5,071,283	10	0.60%			
Supermarkets/Mundy Realty/Village Pantry				6,562,640	4	0.81%
Wal-Mart Stores, Inc.				5,057,020	5	0.62%
Lowe's Home Center				4,552,733	7	0.56%
Klipsch Music Center (formerly, Deer Creek Amphitheater)				4,507,130	8	0.56%
BFS Diversified Products LLC/Firestone				4,061,960	9	0.50%
Village of Pebblebrook Apartments				3,860,933	10	0.48%
	<u>\$ 92,624,329</u>		<u>11.04%</u>	<u>\$ 63,785,066</u>		<u>7.87%</u>

Source: Hamilton County Auditor's Office

* Based on City's assessed values as reported on assessed value table.

Note- Total Assessed Value of the City of Noblesville is \$839,595,872 for 2016 and \$810,106,326 for 2007, According to the Hamilton County Auditor's office.

CITY OF NOBLESVILLE

Property Taxes Levied and Collected
Last Ten Fiscal Years

	Total Taxes Levied for the Current Fiscal Year	Collection of Current Fiscal		% of Levy	Collections of Prior Year Levies (B)	Total Collections	
		Year Tax Levy (A)	Year Tax Levy			Amount (C)	% of Levy
2016	\$ 25,011,973	\$	23,253,951	92.97%	\$ 1,666,053	24,920,004	99.63%
2015	24,024,178		21,590,353	89.87%	1,812,366	23,402,719	97.41%
2014	24,024,254		21,402,447	89.09%	2,158,577	23,561,024	98.07%
2013	22,375,332		20,278,330	90.63%	1,819,649	22,097,979	98.76%
2012	22,203,527		21,399,097	96.38%	1,013,643	22,412,740	100.94%
2011	20,186,694		18,828,498	93.27%	799,275	19,627,773	97.23%
2010	20,344,472		18,857,208	92.69%	1,420,632	20,277,840	99.67%
2009	22,951,944		21,555,699	93.92%	1,333,751	22,889,450	99.73%
2008	20,967,522		N/A	N/A	N/A	20,729,792	98.87%
2007	18,697,437		N/A	N/A	N/A	18,636,739	99.68%
2006	17,301,765		N/A	N/A	N/A	17,118,116	98.94%

(A) Amount represents collections of tax levy due in the reporting year. For 2008 and years prior, the data to segregate collections for the current year levy from collections of prior levies is not available.

(B) Collections of prior year levies represents any collections for years prior to the reporting year. The data to segregate collections by year billed is unavailable.

(C) Total collections in the reporting year is the total of taxes due and collected in reporting year and any delinquent taxes collected in reporting year.

Note: Hamilton County Auditor's Office system is not set-up to track collections by year levied. As of the end of 2016, total delinquent property tax due to the City for 2016 and all prior years was approximately \$879,743.

Source: Hamilton County Auditor's Office

CITY OF NOBLESVILLE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities										
Property Tax				Revenue Bonds						
	Building Corporation Bonds		Redevelopment Bonds		COIT Bonds		Tax Increment Bonds		Capital Leases	
	2016	\$	22,768,313	\$	4,340,000	\$	5,405,531	\$	162,910,614	\$
2015		24,385,818		4,735,000		6,168,589		155,762,527		3,461,345
2014		26,490,795		5,115,000		6,906,647		156,630,940		3,202,327
2013		27,577,577		5,570,000		7,719,656		149,265,752		2,383,216
2012		29,290,758		5,542,794		6,001,093		153,034,105		2,446,531
2011		30,940,820		5,834,910		6,580,694		157,574,307		3,171,999
2010		32,402,694		6,116,915		6,985,253		160,936,481		2,969,988
2009		33,560,226		7,408,375		7,479,712		156,929,679		3,840,026
2008		33,580,000		8,690,000		3,370,000		144,070,000		1,702,034
2007		25,130,000		9,900,000		3,670,000		132,280,000		1,942,674

Business Activities										
	Total Governmental Activities		Sewage Revenue Bonds		Capital Leases	Total Primary Government		Percentage of Personal Income ¹	Debt per Capita ¹	
	2016	\$	198,977,136	\$	38,652,519	\$	103,278	\$	237,732,933	6.22%
2015		194,513,279		40,889,842		152,880		235,556,001	6.31%	3,982
2014		198,345,709		41,954,716		201,171		240,501,596	7.36%	4,159
2013		192,516,201		43,912,941		-		236,429,142	7.47%	4,188
2012		196,315,281		40,144,358		-		236,459,639	8.26%	4,280
2011		204,102,730		41,439,047		-		245,541,777	9.29%	4,522
2010		209,411,331		30,738,030		-		240,149,361	10.14%	4,621
2009		209,218,018		31,933,143		-		241,151,161	10.10%	4,791
2008		191,412,034		33,025,000		-		224,437,034	11.39%	5,281
2007		172,922,674		33,675,000		-		206,597,674	10.88%	4,971

¹ Population and personal income data can be found in the Demographics and Economic Schedule

Notes:

- 1) The debt capacity statistical tables have been revised for the years 2009 through 2014 to include premiums, discounts and similar adjustments. Information to restate earlier years was not available.

CITY OF NOBLESVILLE
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

	Building Corporation Bonds	Redevelopment Bonds	Total	Funds Restricted for Principal/Interest	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value*	Net Bonded Debt Per Capita *
2016	\$ 22,768,313	\$ 4,340,000	\$ 27,108,313	\$ 3,694,545	\$ 23,413,768	2.79%	396
2015	24,385,818	4,735,000	29,120,818	4,098,801	25,022,017	3.16%	423
2014	26,490,795	5,115,000	31,605,795	3,605,357	28,000,438	3.55%	484
2013	27,577,577	5,570,000	33,147,577	3,117,761	30,029,816	3.90%	532
2012	29,290,758	5,542,794	34,833,552	3,861,745	30,971,807	4.04%	561
2011	30,940,820	5,834,910	36,775,730	7,571,067	29,204,663	3.89%	538
2010	32,402,694	6,116,915	38,519,609	7,427,748	31,091,861	4.24%	598
2009	33,560,226	7,408,375	40,968,601	9,970,223	30,998,378	4.32%	616
2008	33,580,000	8,690,000	42,270,000	7,649,437	34,620,563	3.89%	815
2007	25,130,000	9,900,000	35,030,000	3,133,891	31,896,109	3.94%	767
2006	25,580,000	11,075,000	36,655,000	2,975,356	33,679,644	4.79%	840
2005	25,905,000	12,095,000	38,000,000	2,620,442	35,379,558	5.53%	899

* The City's population can be found in the Demographics and Economics Schedule and the assessed value can be found on the Assessed Value Schedule.

Notes:

- 1) This schedule includes only debt repaid with property taxes. It excludes bonds payable from income taxes and tax increment financing bonds.
- 2) The bonded debt on this schedule which is outstanding at December 31, 2016 is not reflected on the computation of legal debt margin because it was issued as lease rental obligations which are exempt from the 2% limitation.
- 3) Based on the assumptions described above, outstanding balances from the following bond issues included in the ratios above: \$278,313 2001 Building Corp. Lease Rental Bonds; \$4,235,000 2014 Building Corp. First Mortgage Refunding Bonds; \$11,165,000 2014B Building Corp. First Mortgage Refunding Bonds; \$7,090,000 2016 Building Corporation Refunding Mortgage Bonds.
- 4) The amount of debt service funds netted against outstanding debt represents cash restricted by ordinance for the repayment of the property tax paid bonds listed above.

CITY OF NOBLESVILLE
Direct and Overlapping Debt
At December 31, 2016

<u>Governmental Unit</u>	<u>Outstanding Debt</u>	<u>Percent Applicable to Noblesville</u>	<u>Amount Applicable to Noblesville</u>
Direct Debt:			
City of Noblesville	\$ 198,977,136	100.00%	\$ 198,977,136
Overlapping Debt Paid with Property Taxes:			
Hamilton Southeastern School Corporation	315,160,000	4.11%	12,953,076
Noblesville Schools	158,601,149	85.03%	134,858,557
Noblesville Southeastern Public Library	13,620,000	28.04%	3,819,048
Hamilton County	100,980,000	13.15%	13,278,870
Wayne Township	180,000	48.73%	87,714
Delaware Township	1,460,000	0.98%	14,308
Other Overlapping Debt:			
Hamilton County Tax Increment Bonds	53,305,000	13.15%	7,009,608
Hamilton County - County Option Income Tax	12,010,000	13.15%	1,579,315
Hamilton County - Revenue Bonds	<u>2,770,000</u>	13.15%	<u>364,255</u>
Subtotal Overlapping Debt	<u>\$ 658,086,149</u>		<u>\$ 173,964,751</u>
Total Direct and Overlapping Debt			<u><u>\$ 372,941,887</u></u>

Note: The percentage of overlapping debt applicable is estimated using assessed values. The percentages are calculated by deterring the portion of another governmental unit's assessed value that is within the City's corporate boundaries and dividing it by each unit total assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF NOBLESVILLE

Legal Debt Margin
December 31, 2016

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed value	\$ 839,595,872
Debt Limit (2% of assessed value)	16,791,917
Debt applicable to limit (A)	<u>8,215,000</u>
Legal debt margin	<u><u>\$ 8,576,917</u></u>

	<u>Debt Limit</u>	<u>Total net debt applicable to limit</u>	<u>Legal debt margin</u>	<u>Total net debt applicable to the limit as a percentage of debt limit</u>
2016	\$ 16,791,917	\$ 8,215,000	\$ 8,576,917	48.92%
2015	15,844,488	5,110,000	10,734,488	32.25%
2014	15,753,606	3,560,000	12,193,606	22.60%
2013	15,415,595	3,970,000	11,445,595	25.75%
2012	15,320,050	4,365,000	10,955,050	28.49%
2011	15,033,292	4,745,000	10,288,292	31.56%
2010	14,654,513	5,110,000	9,544,513	34.87%
2009	14,341,926	5,470,000	8,871,926	38.14%
2008	17,820,450	1,210,000	16,610,450	6.79%
2007	16,202,127	1,380,000	14,822,127	8.52%

(A) All other outstanding debt of the City is structured as lease transactions or tax increment district bonds. Neither of these types of obligations are subject to the 2% limitation shown above. Currently the only outstanding debt subject to the City's statutory debt limit are the 2009 COIT Bonds, the 2013 Taxable Economic Development Bonds and the 2016 Taxable Economic Development Bonds. The Redevelopment Commission may also issue general obligation debt subject to its own 2% limit. As of 12/31/2016, the Commission had \$9,935,000 outstanding Redevelopment District Bonds subject to this debt limit.

CITY OF NOBLESVILLE

Governmental Activities Pledged Revenue Coverage
Last Ten Fiscal Years

	County Option Income Tax				Tax Increment Bonds ¹			
	COIT Revenue	Debt Service		Coverage	Tax Increment	Debt Service		Coverage
		Principal	Interest			Principal	Interest	
2016	\$ 16,808,268	765,000	213,680	17.17	\$ 14,665,532	8,375,000	4,101,478	1.18
2015	16,034,385	740,000	232,339	16.49	14,590,928	6,850,000	3,315,240	1.44
2014	14,911,368	815,000	258,355	13.89	12,341,719	4,240,000	5,397,184	1.28
2013	13,941,052	750,000	273,368	13.62	11,383,937	3,785,000	5,567,548	1.22
2012	13,528,329	590,000	256,438	15.98	11,494,982	3,585,000	5,668,258	1.24
2011	12,636,365 (2)	415,000	252,312	18.94	13,763,302	3,090,000	6,091,768	1.50
2010	12,884,599	360,000	232,605	21.74	12,070,518	2,065,000	5,993,948	1.50
2009	13,183,558	365,000	304,121	19.70	9,202,134	1,500,000	6,446,480	1.16
2008	12,159,501	305,000	185,778	24.78	7,079,079	1,115,000	5,252,031	1.11
2007	11,069,152	295,000	200,353	22.35	5,807,060	495,000	4,019,340	1.29
2006	10,225,147	280,000	214,135	20.69	3,718,543	480,000	943,670	2.61

Source: Pledged revenue data provided by the County Auditor is based upon actual annual COIT and Tax Increment distributions to the City.

- (1) The tax increment bonds have other back up security for debt service payments in the event tax increment is not sufficient. These include, depending on the bond, tax payer agreements, COIT and special benefits tax levies.
- (2) Includes \$1,507,611 of undistributed 2011 COIT distributions the State had mistakenly withheld and paid to the City in April of 2012.

CITY OF NOBLESVILLE

Business - Type Activities Pledged Revenue Coverage
Last Ten Fiscal Years

	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Sewage Revenue Bond Debt Service Requirements		Total	Coverage
				Principal	Interest		
2016	\$ 14,696,541	\$ 6,470,493	8,226,048	\$ 2,289,602	\$ 1,245,199	3,534,801	2.33
2015	13,877,445	5,501,009	8,376,436	20,773,291 (4)	1,134,927	21,908,218	0.38
2014	11,974,247	5,714,967	6,259,280	2,033,750	1,695,625	3,729,375	1.68
2013	11,471,521	5,635,435	5,836,086	9,055,000 (3)	1,626,433	10,681,433	0.55
2012	10,418,556	4,720,032	5,698,524	1,285,000	1,882,563	3,167,563	1.80
2011	10,589,745	5,686,411	4,903,334	1,235,000	1,752,587	2,987,587	1.64
2010	10,163,011	5,064,162	5,098,849	1,180,000	1,433,450	2,613,450	1.95
2009	9,886,654	5,848,823	4,037,831	670,000	1,478,525	2,148,525	1.88
2008	11,219,288	6,846,590	4,372,698	650,000	1,500,275	2,150,275	2.03
2007	11,780,301	8,500,192	3,280,109	630,000	1,069,339	1,699,339	1.93

(1) Gross Revenues include sewage works operating and non-operating revenues.

(2) Operating Expenses include all sewage works expenses except interest on debt, depreciation and amortization.

(3) Includes \$7,710,000 refunding of the 2003 Bonds. Bond coverage excluding principal refunded was 1.96.

(4) Includes \$18,860,000 refunding of the 2006 and 2007 Bonds. Bond coverage excluding principal refunded was 2.75.

CITY OF NOBLESVILLE

Demographic and Economic Statistics
Last Ten Years

	City of Noblesville				Hamilton County (3)			
	Population (1)	School Enrollment (2)	Unemployment Rate (3)	Personal Income (millions of dollars) (4)	Per Capita Personal Income (4)	Population	Personal Income (millions of dollars)	Per Capita Personal Income
2016	59,153	10,426	3.4%	\$ 3,824.5	\$ 64,654	316,373	\$ 20,454.8	\$ 64,654
2015	59,153	10,126	3.5%	3,735.0	63,141	309,697	19,554.6	63,141
2014	57,824	9,947	4.4%	3,267.9	56,515	302,623	17,102.7	56,515
2013	56,458	9,780	6.0%	3,164.5	56,051	296,693	16,629.9	56,051
2012	55,243	9,516	6.7%	2,862.9	51,824	289,495	15,002.8	51,824
2011	54,295	9,181	7.9%	2,643.7	48,692	276,452	13,461.0	48,692
2010	51,969	9,009	9.3%	2,367.5	45,556	274,569	12,723.1	45,556
2009	50,329	8,989	8.6%	2,388.4	47,456	279,287	12,857.6	47,456
2008	42,500	8,779	5.6%	1,971.1	46,378	269,785	12,512.1	46,378
2007	41,561	8,536	3.7%	1,898.3	45,676	261,661	11,509.4	45,676

Sources:

- 1) Population for 2010 is per official 2010 U.S. census. Estimated population for 2008, 2009, 2012, 2013, 2014, 2015 & 2016 are from the Noblesville Planning Department. Population for 2006, 2007 & 2011 are U.S. Census Bureau, estimates.
- 2) State of Indiana, Department of Education for students attending Noblesville School Corporation schools.
- 3) State of Indiana, Department of Workforce Development (IDWD).
- 4) Personal income and per capita income statistics are not maintained by the State for municipalities. Personal income data is available through the Indiana Department of Workforce Development, however, the smallest unit of government for which this can be obtained is the county level. Hamilton County personal income and per capita income figures are for the prior calendar year. In order to provide personal income data for the required ratios outlined in GASB 44, we have used Hamilton County data, as displayed above, from the IDWD. We have assumed that the per capita personal income for the County is reasonably representative of Noblesville per capita personal income. Personal income for the City shown above is calculated using City population estimates times the County per capita personal income.

CITY OF NOBLESVILLE
Principal Employers
Current year and nine years ago

<u>Employer</u>	<u>2016</u>			<u>2007</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment *</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment *</u>
Noblesville School Corporation	1,526	1	4.59%	1,110	2	5.07%
Riverview Hospital (1)	1,291	2	3.88%	1,300	1	5.93%
SMC Corporation of America	895	3	2.69%			
Hamilton County	775	4	2.33%	742	3	3.39%
Wal-Mart Stores, Inc. (1)	400	5	1.20%			
Ambu, Inc. (formerly King Systems)	391	6	1.17%	400	4	1.83%
City of Noblesville (1)	380	7	1.14%	386	5	1.76%
Firestone Industrial Products	327	8	0.98%	327	6	1.49%
Helmer Inc.	256	9	0.77%			
Marsh Supermarkets	245	10	0.74%			
Ryan Fire Protection				195	7	0.89%
Industrial Dielectrics, Inc.				180	8	0.82%
Riverwalk Village				179	9	0.82%
Perfecto				178	10	0.81%
Total	6,486		19.49%	4,997		22.81%

* Total employment as used above represents the total employment of all employers located within City limits. Total employment for 2016 and 2007 was 33,279 and 21,909 respectively.

(1) Includes full and part time employment

Source: Noblesville Department of Economic Development

(This page intentionally left blank.)

CITY OF NOBLESVILLE

Full-Time-Equivalent City Government Employees by Function/Program
Last Ten Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Government										
Board of Works	3	3	3	3	3	3	3	3	6	5
Mayor	5	5	6	6	6	6	6	6	6	6
Controller (Clerk-Treasurer)	5	5	5	5	5	5	5	5	5	5
Planning	12	13	13	13	13	13	15	17	19	21
Court	3	3	3	3	3	3	3	3	3	3
Network Administrator	6	4	4	4	3	3	3	3	3	3
Council	9	7	7	7	7	7	7	7	7	7
Human Resources	3	3	3	3	2	2	2	2	2	2
Economic Development	4	3	3	4	5	3	3	3	4	4
Engineering	11	10	10	10	10	10	10	10	11	11
Public Safety										
Police										
Officers	76	76	73	73	72	72	72	75	73	67
Civilians	10	11	10	10	10	10	9	11	12	11
Fire										
Firefighters and Officers	132	127	122	126	126	125	125	130	124	124
Civilians	3	3	5	5	5	5	5	6	6	6
Emergency Medical Services										
Volunteer Police	0	0	0	0	0	0	0	0	0	0
Communications	0	0	0	4	4	19	19	19	19	17
Highway and Streets	35	32	35	35	34	33	34	37	37	37
Parks and recreation	19	22	22	22	21	19	16	20	20	19
Wastewater	36	33	33	33	35	35	36	38	41	38
TOTAL	<u>372</u>	<u>360</u>	<u>357</u>	<u>366</u>	<u>364</u>	<u>373</u>	<u>373</u>	<u>395</u>	<u>398</u>	<u>386</u>

Source: Year End Reports of City Departments. EMS Communication functions were assumed by the County in 2014.

CITY OF NOBLESVILLE
 Operating Indicators by Function/Program
 Last Ten Years

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Government					
Building Permits Issued:					
Residential (Single/Multi Families)	678	1,242	790	685	398
Commercial	57	28	23	14	12
Estimated Property Value of Building Permits Issued	\$ 215,503,338	\$ 249,761,726	\$ 343,389,819	\$ 152,490,663	\$ 148,893,479
Public Safety					
Police:					
Calls for Service	48,536	44,329	44,086	43,370	43,859
Physical Arrests	1,073	1,160	1,079	1,178	1,501
Citations Issued	1,596	1,490	1,579	1,959	2,800
Fire:					
Emergency Medical Responses	3,442	3,969	3,730	3,496	3,590
Fire Runs	2,142	1,323	1,257	1,077	1,204
Highway and Streets					
Total miles of public streets	260.08	255.6	248.13	247.52	246.9
Parks and recreation					
Golf Rounds Played	41,000	37,183	36,072	37,657	40,164
Number of reservations at Forest Park Inn	345	283	124	115	125 *
Wastewater					
Average daily sewage treatment (millions of gallons)	5.786	5.974	5.684	5.699	4.896
Number of customers served	20,032	19,359	18,846	18,368	17,874

* Starting in 2012, reservations recorded are paid reservations.

CITY OF NOBLESVILLE
 Operating Indicators by Function/Program
 Last Ten Years
 (continued)

	2011	2010	2009	2008	2007
Building Permits issued:					
Residential (Single/Multi Families)	410	408	918	1,000	633
Commercial	12	13	11	45	59
Estimated Property Value of Building Permits issued	\$ 129,969,200	\$ 74,865,132	\$ 97,321,243	\$ 196,201,736	\$ 224,490,136
Public Safety					
Police:					
Calls for Service	41,107	40,753	44,244	47,378	46,589
Physical arrests	1,399	1,398	1,435	1,290	1,427
Citations Issued	3,090	3,120	3,043	4,269	3,407
Fire:					
Emergency Medical responses	3,440	3,190	3,117	3,181	2,931
Fire Runs	1,273	1,380	1,188	1,303	1,116
Highway and Streets					
Total miles of public streets	242.8	239.8	236.65	231.36	224.95
Parks and recreation					
Golf Rounds Played	39,875	44,706	47,171	45,313	46,633
Number of reservations at Forest Park Inn	327	359	438	288	313
Wastewater					
Average daily sewage treatment (million of gallons)	4,930	4,930	5,010	4,600	4,450
Number of customers served	17,501	17,097	16,753	16,267	15,604

Source: Year End Reports of City Departments

CITY OF NOBLESVILLE
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	7	7	7	7	7	7	7	7	6	6
Other public works										
Highways / Streets (miles)	260.08	255.60	248.13	247.52	246.90	242.80	239.80	236.65	231.26	212.2
Traffic signals	20	19	19	19	19	19	18	18	11	11
Street Lights	877	865	861	857	857	857	774	727	717 ^a	296
Parks and recreation										
Number of Parks	5	5	4	4	4	4	4	4	4	4
Acreage	872.59	872.59	864	858.86	852.36	833.7	833.7	899.3	899.3	899.3
Playgrounds	6	6	6	6	6	6	6	6	6	6
Baseball/softball diamonds	3	3	3	3	3	3	3	3	3	3
Soccer/football fields	22	22	22	22	22	22	22	9	9	9
Basketball Courts	12	12	12	12	12	12	12	12	12	12
Public Golf Courses	2	2	2	2	2	2	2	2	2	2
Public Pool *	1	1	1	1	1	1	1	1	1	1
Wastewater										
Sanitary sewers (miles)	252.40	271.28	264.10	261.12	258.74	256.29	254.6	251.27	246	241.59
Storm sewers (miles)	215.60	214.20	205.36	204.14	197.65	193.18	187.2	183.42	173	164.93

* Dillon Park opened a spray park in 2007

^aThe increase in 2008 was a result of the implementation of GIS resulting in a more accurate tracking of street lights.

Source: Year End Reports of City Departments