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July 16, 2019

Mayor Joe Hogsett  
Members of the City-County Council  
200 East Washington St., Suite 2501  
Indianapolis, IN 46204

We have received the Comprehensive Annual Financial and Single Audit Reports of Marion County, Indiana which have been opined on by BKD LLP, Independent Public Accountants, for the period January 1, 2018 to December 31, 2018. Per the Independent Auditor's Report, the financial statements included in the Comprehensive Annual Financial Report present fairly the financial condition of Marion County, as of December 31, 2018, and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA  
State Examiner

# Marion County, Indiana

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



Year Ended December 31, 2018  
Comprehensive Annual Financial Report





# **Comprehensive Annual Financial Report**

## **Marion County, Indiana**

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

**For the Year Ended December 31, 2018**

Office of Finance and Management



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**For the Year Ended December 31, 2018**

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## Introductory Section



June 27, 2019

To the Honorable County Chief Executive Joe Hogsett, County Commissioners, Members of the City-County Council, and Citizens of Marion County:

I submit to you the Comprehensive Annual Financial Report (“CAFR”) of Marion County (“County”) for the fiscal year ended December 31, 2018. The County is a component unit of the Consolidated City of Indianapolis - Marion County Reporting Entity. This report was prepared by the Office of Finance and Management (“OFM”). Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Controller of the City of Indianapolis. The data, as presented, is accurate in all material respects. It is presented in a manner designed to set forth the financial position and results of operations of the County. Disclosures necessary to enable the reader to gain the maximum understanding of the County’s financial affairs are included.

The CAFR conforms to the standards for financial reporting of the Governmental Accounting Standards Board (“GASB”) and the Government Finance Officers Association of the United States and Canada (“GFOA”). There are three main sections to this report. The Introductory Section includes this letter, a description of the government, a list of elected officials, and the County’s organizational charts. The Financial Section includes the independent auditor’s report, management’s discussion and analysis (“MD&A”), the basic financial statements for the County, and supplementary information. The Statistical Section includes selected financial and demographic information presented on a multiyear basis. The MD&A can be found starting on page 20.

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

This report contains all funds of the County. The County Auditor, Treasurer, Coroner, Prosecutor, Recorder, Sheriff, Surveyor, Assessor, Clerk of the Circuit Court, Judge of the Circuit Court, Superior Court Judges, and the Mayor, as the County Chief Executive, serve as the executive body for the County, while the City-County Council (“Council”) serves as the legislative body for both the City and the County. The Circuit Court and Marion Superior Court serve as the judicial body of the County. The County provides services in protection of people and property, corrections, judicial, culture and recreation, real estate and assessments, and health and welfare.

## ***ECONOMIC CONDITION AND OUTLOOK***

In 2018, the primary economic development goals for Marion County were to assist existing businesses and attract new businesses within its targeted cluster industries to bring high-wage jobs to Marion County. In addition to these goals, the County, in partnership with the Indy Chamber, continued long term economic development planning by completing the Inclusive Growth study, done by HR&A advisors, and using recommendations to develop an Inclusive Incentives strategy, which will reorient and align economic development programs and resources to facilitate long-term investments in competitiveness while ensuring that more residents can connect to economic opportunity. This is a continuation of the work done in 2017 with the Global Cities Initiative, a joint project of The Brookings Institution and JPMorgan Chase as well as an Inclusive Growth Study and Economic Development Incentives Study, both projects of The Brookings Institution.

Develop Indy is engaged in business and community development efforts beyond traditional corporate attraction. 2018 saw more than 1,700 ‘contacts’ with employers through the Indy Chamber’s regulatory ombudsman, an expanded suite of online business services, and business retention outreach. As part of the Indy Chamber and a partner of the County, Develop Indy also continues to serve as a customer service function to support the existing business community, while welcoming new businesses to the County.

### **Targeted Industry Success**

Through an intense analysis of the Greater Indy Region’s industries, assets and more, the regional strategy revealed that five areas – life sciences, manufacturing, logistics, information technology, and sports – reflect the region’s core, clustered economic activities. As for the County, targeted industry clusters complement the natural progression of industry in Marion County: life sciences, advanced manufacturing, digital technology, motorsports, logistics and clean energy.

Companies in our target industries accounted for nearly 54% of the new and retained job announcements in 2018. Information technology was the highest growth industry with nearly 5,800 new and retained job commitments, followed by professional services with more than 2,591 new and retained jobs. A Brookings Institute analysis placed Indianapolis as #7 among 50 major metros with the fastest five-year digital job growth. The average hourly wage for all new job commitments was \$30.18 in 2018.

### **Regional Economy**

Marion County has a growing and diversified economy with employment and per capita income rates that historically have outperformed both state and national averages. The Indianapolis Chamber of Commerce reported 74 successful relocation and expansion projects in 2018, leading to 13,320 jobs attracted or retained with \$558 million in capital investment. Four of Indiana’s Fortune 500 companies are located in Marion County and the County is home to many of the State’s largest public companies, including: Anthem, Inc.; Eli Lilly and Co.; Simon Property Group Inc.; Calumet Specialty Products Partners LP; Allison Transmission Holdings Inc.; and Duke Realty Corp. The County is also a logistics center that features the world’s second-largest FedEx Corp hub, United Parcel Service Inc., Schneider National, Inc. and others.

In transportation, the Indianapolis International Airport (IND) averages 145 daily flights to 51 nonstop destinations including a transatlantic flight to Paris, inaugurated May 2018. In 2018, more than 9.4 million passengers flew through IND, setting a new historical record. IND was voted Best Airport in North America by Airports Council International for the sixth consecutive year and Best Airport in the U.S. by readers of Condé Nast Traveler. Known as the Crossroads of America, Indianapolis is connected to the rest of the nation by four major interstate highways, making it a prime location for distribution and shipping.

The County is home to 20 universities and higher education institutions with over 92,000 students enrolled in 2018 as well as several technical and vocational education programs. These include Indiana University-Purdue University Indianapolis (IUPUI), Butler University, University of Indianapolis, Marian University, Ivy Tech Community College and others. The area is served by 341 K-12 schools, with a population of 132,000 students distributed among 11 public school districts.

Marion County's Healthcare sector has expanded in the past decade and continues to grow. Eskenazi Hospital, Indiana's largest public hospital, was completed in December 2013. The \$750 million state-of-the-art facility houses Level I Trauma and Burn Units, psychiatric, long-term, outpatient, and other care centers. Indiana University Health ("IU Health") continues to expand its three hospital campuses in the County; with IU Health Methodist investing \$1 billion for a new medical center, Riley Hospital completing a \$475 million expansion and IU Health adding a \$142 million maternity and child health center.

Marion County continues to be a major sports and convention destination. Indianapolis Motor Speedway is home to the Indy 500 race, Lucas Oil Stadium is home to the Indianapolis Colts, hosting Super Bowl XLVI and multiple NCAA Men's Final Four tournaments and Big Ten Football Championships. Bankers Life Fieldhouse is home to the Indiana Pacers and the Indiana Fever. Victory Field is home to the Indianapolis Indians, Pittsburgh's Triple-A affiliate. All three major sports facilities are within walking distance or connected by the skywalk system to the Indiana Convention Center. The 15th largest convention center in the U.S. is poised for another major expansion announced in 2018. Indianapolis drew 28.8 million visitors in 2017, with an estimated economic impact of \$5.4 billion dollars. The top annual conventions and events are: Gen Con (61k), National FFA Convention (58k), Big Ten Championship (70k), and the Indy 500 (up to 300k attending). In 2018, Visit Indy had its second-best year on record, securing 896,544 future room nights for conventions, trade shows, meetings and events.

Key cultural destinations include the Indianapolis Zoo, the Indiana State Museum, the NCAA Headquarters and Hall of Champions, the Eiteljorg Museum of American Indian and Western Art, the Children's Museum of Indianapolis, Newfields: A Place for Nature & The Arts (previously known as the Indianapolis Museum of Art) and seven war memorials.

### **2018 Job Commitments and Investments**

In support of the primary economic development goals for the County, 13,320 job commitments (6,891 new jobs/6,429 current and retained jobs) and over \$558M in capital investment from 74 successful relocation and expansion projects were announced in 2018. The average wage for retained jobs was \$28.29 per hour and the average wage for new jobs was \$31.94 per hour. In total, Develop Indy successfully pursued 74 relocation and expansion projects during 2018. These successes were realized due to the partnership between the Mayor's Office and the Indy Chamber.

The commitment from companies to add and retain over 13,320 jobs and invest more than \$558M in Marion County is a testament to the fact that the County continues to be a great place to live and do business. Companies benefit from Marion County's stable, affordable and pro-growth economic environment, skilled workforce, central location, and overall low cost of doing business.

### **2018 Notable Projects**

**Dormakaba**, one of the top three access control and security solutions companies in the global market is nearly doubling their manufacturing operations in Indianapolis and making their presence here their North American HQ. Dormakaba, based in Switzerland, committed to adding 165 new jobs and retaining 419 jobs. Dormakaba has opportunities for all skill levels.

**InfoSys** India-based InfoSys expanded earlier plans for an innovation hub in Indianapolis, adding a thousand jobs to a \$245 million redevelopment at the former Indianapolis Airport terminal to boost its planned workforce to 3,000 on a 132-acre campus.

**Socio Labs**, a B2B SaaS company that helps enterprises and small businesses optimize their events is adding 156 employees to their company in both of their offices. Socio Labs, born in Central Indiana, and headquartered in downtown Indianapolis has a second office in Istanbul, Turkey to service their clients in the European market.

### ***LONG-TERM FINANCIAL PLANNING***

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

### **Property Tax**

The County collected \$136 million in net property tax revenue in 2018. The County expects to collect \$138 million in net property tax revenue in 2019. The Circuit breaker impact is estimated to be \$22 million in 2019, approximately 14% of certified property tax levies. This represents a slight increase from the \$20 million circuit breaker loss in property tax revenue experienced in 2018.

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

- Maximum liability equals 1% of parcel GAV - homesteads;
- Maximum liability equals 2% of parcel GAV - agricultural and other residential;
- Maximum liability equals 3% of parcel GAV - commercial and industrial.

### **Local Income Tax (“LIT”)**

LIT is an income tax based revenue stream with a flat rate structure, imposed on state adjusted gross income of County taxpayers. The tax rate is imposed based on the residency of the taxpayer, not the county of employment. The tax is authorized by statute and is applicable to all Indiana municipalities. The tax does not sunset. The LIT rate is established by the Marion County Income Tax Council.

In Indiana, the State Department of Revenue serves as the collection agent for all County income taxes. Thus, each county relies on annual distributions of county income tax revenues from the State. The State Budget Agency, in collaboration with the State Department of Revenue and the Department of Local Government Finance, administers these annual distributions. These annual distributions are shared among the county government, all townships, and the municipalities located within the county. For Marion County, OFM is responsible for calculating the allocation of county income tax revenues to all eligible entities pursuant to a Marion County specific formula found in State statute. OFM works very closely with the State Budget Agency to track and forecast income tax collections and annual certified distributions.

The certified distribution is a guaranteed amount of LIT revenue remitted by the State Auditor to the County Treasurer monthly in 1/12th increments based on total income tax returns processed from July-December of the prior fiscal year and January-June of the current fiscal year. For 2018, total local income tax revenue distributed to the County was \$79 million which includes the three components of the income taxes, the total rate in 2018 was 1.7218%: County Option Income Tax (“COIT”) (.9643%), Public Safety Income Tax (“PSIT”) (.5000%), and the Local Option Income Tax (“LOIT”) Levy Freeze (.2575%). The effects of economic events on income tax collections are not revealed in annual distributions to counties until two years later, due to the fact that certified distribution are based on income earned two years in arrears. A State-held trust balance can be drawn upon to stabilize collections in weaker years. Per statute, when the balance exceeds 15% of the certified distribution, supplemental distributions are released based upon the balance in the Trust Account reported two years prior to the certified distribution year. Every April, the SBA reviews the amount each local entity has generated in the State-held Trust Fund and, if applicable, distributes any excess in May.

### **5 Year Forecasting**

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

### ***RELEVANT FINANCIAL POLICIES***

#### ***Internal Control Structure***

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

#### ***Budgetary Control***

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

## ***MAJOR INITIATIVES***

In 2013, the Indiana General Assembly passed Senate Enrolled Act 621-2013. Senate Enrolled Act 621 (“SEA 621”) provided that County budgets may be allocated on a semiannual basis as determined by the Controller. In addition, if revenues and fund balance are less than budgeted expenditures, the Controller can reduce County agency budgets to create a funded budget. Under SEA 621 the County may impose management reserves, which places a percentage of each agency and department’s budget into reserve and does not allow for expenditure unless the Controller believes the appropriation is fully supported by a combination of current revenues and existing fund balance. For fiscal year 2018, the County did not place management reserves, and this will continue into 2019.

When Mayor Hogsett took office in 2016, a criminal justice reform task force was created to develop and recommend systematic reform and optimization of the County criminal justice system with a focus on holistic, data-driven criminal justice reform. The task force, which included numerous internal and external stakeholders, worked with the County’s Sheriff, Superior and Circuit Courts, and other criminal justice agencies to develop recommendations. Indianapolis-Marion County, like other large metropolitan areas, is dealing with aging and inefficient criminal justice infrastructure and has a need for newer and more efficient facilities. While this project is about improving facilities, the larger goal is to reform an entire justice system. Through an analysis of current criminal justice procedure, the task force identified that nearly 30% of inmates suffer from mental illness and 85% of inmates suffer from substance abuse or addiction, leading the task force’s conclusion that criminal justice reform must include identifying and diverting non-violent offenders to treatment rather than jail. After multiple years of planning, bonds were issued on April 4, 2019 and the proceeds will be used to build a new adult detention center and courthouse and a new assessment and intervention center. The detention center will replace and consolidate the arrestee processing center, Jail I, Jail II and Hope Hall, and will consist of roughly 2,700 general population beds, 300 specialty beds, and 40,000-50,000 square feet of space for inmate education, job-training, counseling and other programs. The courthouse will consolidate the Marion County Courts (namely, the civil, criminal, juvenile and probate courts) into one building. The assessment and intervention center will be a two-story, approximately 38,000 square foot building with a 90-bed capacity, which will provide temporary shelter, case assessment, and treatment referral services as a means to facilitate pre and post-arrest assessment and diversion. It is anticipated that the facility will be ready for use and occupancy by September 2021, with a final move in date of January 2022.

Finally, the County continues to identify ways to create efficiencies and improve the delivery of services to the County despite limited resources. OFM and the Office of Audit and Performance (“OAP”) work closely with County agencies and the County administration to create opportunities to reduce expenditures and identify new revenue sources. Along with OAP’s work, the County has found ways to reduce liabilities through smart-sizing initiatives to reduce cost, while still maintaining appropriate resource coverage. In addition, the County is working to become more efficient in in-service delivery by utilizing technology, business intelligence, and taking on current operations with a smaller workforce. 2019 budget highlights and initiatives include funding for election machines and staffing needs to carry out the 2019 primary and municipal elections, increase in guardian ad litem funds, funding for an initial hearings court, TPR-CHINS lawyers to advocate for the well-being of abused or neglected children and their parents, and increased funding for mental health and addition services.

**OTHER INFORMATION**

**Audit Committee**

The Consolidated City-County’s Audit Committee was formalized by City-County Council ordinance to provide an independent review body for the audit activities of the County. At December 31, 2018, the Audit Committee members were:

Mr. Charles Johnson III , <i>Chairperson</i>	Engaging Solutions - Managing Principal
Mr. David Reynolds	Indiana General Assembly - Executive Director, Office of Senate Fiscal Policy
Ms. Debra Shoffner	Retired
Mr. Leroy Robinson	City-County Councillor, City of Indianapolis – Marion County
Ms. Bengu Powell	Comer Nowling, Senior Manager
Ms. Janice McHenry	City-County Councillor, City of Indianapolis – Marion County
Mr. Tim Moriarty	Mayor’s Office

**Certificate of Achievement**

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to Marion County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2017. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

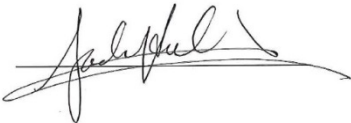
A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement for Excellence in Financial Reporting Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgment**

This report is the combined effort of many people: Office of Finance and Management accountants, County elected and appointed officials, internal auditors, agency chief fiscal officers, and others. I appreciate their diligent and conscientious work, as well as the efforts of our independent auditors, BKD LLP.

The County Chief Executive, Major Hogsett, and I also appreciate your continued guidance, interest, and support of excellence in accounting and financial reporting.

Respectfully submitted,



**Fady Qaddoura**  
Controller

# MARION COUNTY

## ORGANIZATION OF LOCAL GOVERNMENT AND TAXING DISTRICTS

### Introduction

Marion County (“County”) was originally incorporated in 1822. It is the largest county in the State of Indiana (“State”) with a population of 954,670 and a metropolitan area population of approximately 2.0 million people. The County encompasses a land area of 402 square miles. The County, located at the geographic center of the State, serves as the physical, economic, and cultural capital. Marion County, Indiana has a stable and diversified economy with employment rates and income levels consistently above the national averages.

### Form of Government

On January 1, 1970, the governments of the County and City of Indianapolis (“City”) were unified (“Consolidated City of Indianapolis - Marion County” or “Unigov”), in accordance with Indiana Code (“IC”), Section 36-3. Their form of service delivery was consolidated and certain service boundaries of the City were extended to generally coincide with those of the County. Four municipalities (Beech Grove, Lawrence, Speedway, and Southport) located within the County boundaries are specifically excluded from most functions of Unigov by the consolidating act.

In accordance with Governmental Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity* (“GASB Statement No. 14”) and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34* (“GASB Statement No. 61”), the County is considered a component unit of the Consolidated City of Indianapolis - Marion County. The elected officials and the Mayor, as the County Chief Executive, serve as the executive body for both the County and the City, while the City-County Council (“Council”) serves as the legislative body for both the City and the County. The Circuit Court and Marion Superior Court serve as the judicial body of the County. Otherwise, the County is considered a separate legal entity, with its elected officials directly and separately (from City officials) responsible for financial independence, operations, and accountability for fiscal matters.

Based on the criteria established in GASB Statement No. 14, GASB Statement No. 61 and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment for GASB Statement No. 14*, the County has no component units under the current financial reporting requirements.

### Other Governmental Units

The following governmental entities are within the boundaries of Marion County:

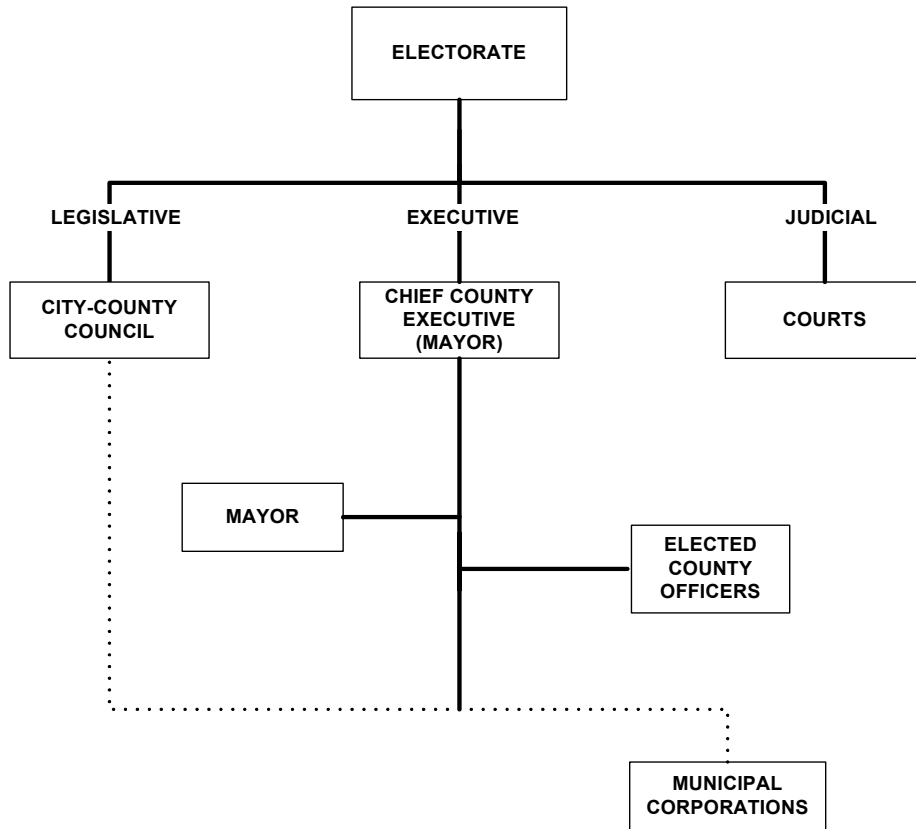
- **City of Indianapolis** as a governmental unit provides the following services: public safety (police and fire), culture and recreation, community development and welfare (including planning and zoning), highways and streets, environmental service (solid waste collection and disposal), and general administrative services.

- The **Capital Improvement Board of Managers of Marion County** (“CIB”) is a separate and distinct municipal corporation with territory coterminous to the territory of Marion County. The CIB is authorized to finance, construct, equip, operate, and maintain any capital facilities or improvements of general public benefit or welfare, which would tend to promote cultural, recreational, public, or civic well-being of the community. The CIB operates facilities used for sports, recreation, and convention activities in downtown Indianapolis. The **Marion County Convention and Recreational Facilities Authority** was created in 1985 under applicable State statutes to provide certain financing for projects of the Board.
- The **Indianapolis Airport Authority** (“Airport Authority”) and the **Health and Hospital Corporation of Marion County** (“HHC”) are separate and distinct municipal corporations with territory coterminous to the territory of Marion County. The Airport Authority was established for the general purpose of acquiring, maintaining, operating, and financing airports and landing fields in and bordering on Marion County. HHC was given the mandate to provide preventative and curative health programs for the residents of the County, including indigent health care.
- The **Indianapolis-Marion County Building Authority** (“Building Authority”) is a separate and distinct municipal corporation that acts as landlord for the City-County Building. The County pays 58% and the City pays 42% of the total lease rental. The Building Authority also has outstanding bonds payable from lease rentals (which are paid from taxes levied) from the County for the Marion County Arrestee Processing Center.
- The **Indianapolis Public Transportation Corporation** (“IndyGo”) is a separate and distinct municipal corporation with territory coterminous to the territory of the consolidated Civil City of Indianapolis. IndyGo provides public transportation service within the County.
- The **Indianapolis Marion County Public Library** is a separate and distinct municipal corporation, the territory of which includes the property in Marion County, excluding the Town of Speedway.

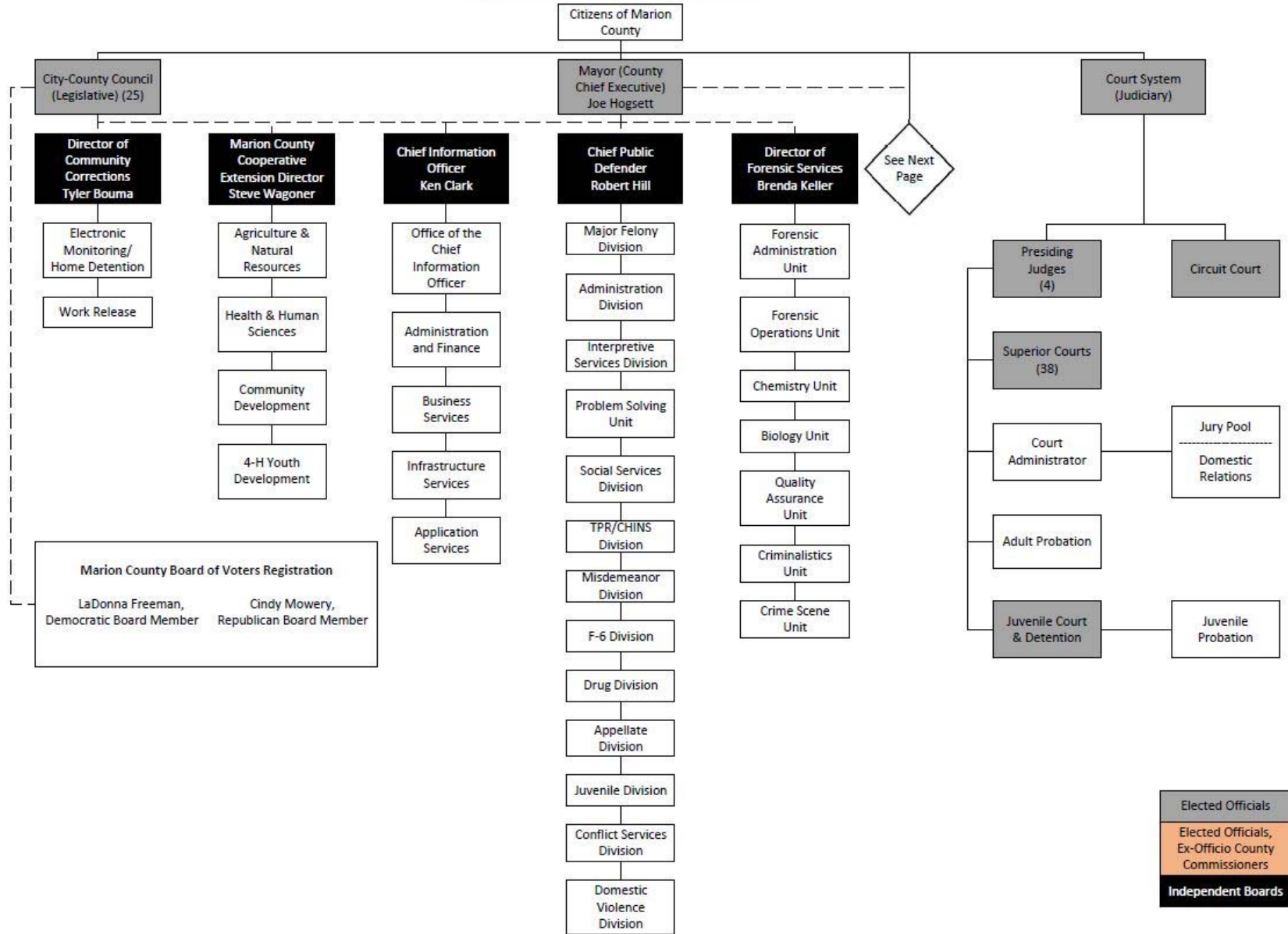
There are also several separate school districts in Marion County. In addition to the general obligation bonds of these school districts, various school building corporations have outstanding bonds payable from lease rentals (which are paid from taxes levied) from school districts for the lease of school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

See page 10 for the Unigov Organizational Chart and page 11 for the Marion County Organizational Chart.

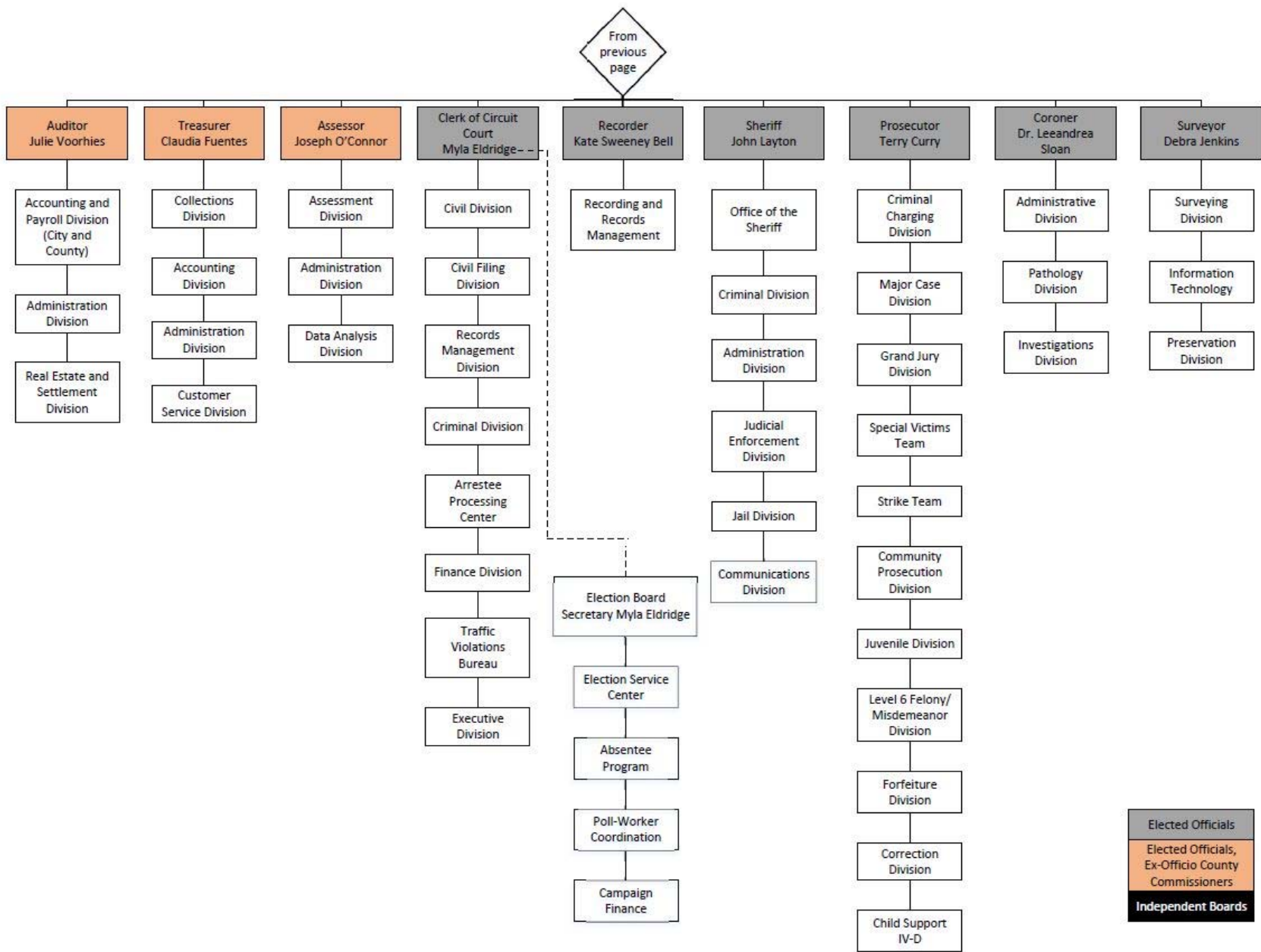
**UNIGOV ORGANIZATIONAL CHART  
CONSOLIDATED GOVERNMENT FOR INDIANAPOLIS – MARION COUNTY**



# Marion County, Indiana Government Organization Chart



Elected Officials
Elected Officials, Ex-Officio County Commissioners
Independent Boards



## Marion County, Indiana 2018 County Elected Officials

	<b>TERM</b>
Auditor .....Julie L. Voorhies	1-1-15 to 12-31-18
Treasurer .....Claudia O. Fuentes	1-1-17 to 12-31-20
Clerk.....Myla A. Eldridge	1-1-15 to 12-31-18
Sheriff .....John R. Layton	1-1-15 to 12-31-18
Recorder.....Kate Sweeney Bell	1-1-15 to 12-31-18
Assessor .....Joseph P. O'Connor	1-1-15 to 12-31-18
Surveyor.....Debra S. Jenkins	1-1-17 to 12-31-20
Coroner .....Dr. Leeandrea Sloan	1-1-17 to 12-31-20
Prosecutor .....Terry Curry	1-1-15 to 12-31-18
County Chief Executive.....Joe Hogsett	1-1-16 to 12-31-19
Board of County Commissioners (Ex-Officio).....Claudia O. Fuentes	1-1-17 to 12-31-20
Board of County Commissioners (Ex-Officio).....Julie L. Voorhies	1-1-15 to 12-31-18
Board of County Commissioners (Ex-Officio).....Joseph P. O'Connor	1-1-15 to 12-31-18

### 2018 Department Heads

Voters Registration .....	Cindy Mowery LaDonna Freeman
Marion County Cooperative Extension.....	Steve Wagoner
Criminal Probation.....	Christine Kerl
Court Administrator.....	Emily VanOsdol
Community Corrections.....	Tyler Bouma
Forensic Services .....	Brenda Keller - Interim
Chief Public Defender.....	Robert Hill
Chief Information Officer.....	Ken Clark
Prosecutor - Child Support.....	John Owens

## Marion County, Indiana 2018 City-County Council Members

Name	Service	Occupation
Vop Osili, President	8	Architect/Principal, A+X Design and Development
Zach Adamson, Vice President	7	Vice President of Compliance and Regulatory Affairs, NESCO
Maggie Lewis, Majority Ldr	10	CEO & Executive Director, Boys and Girls Club of Indianapolis
Michael McQuillen, Majority Ldr	11	Owner, PoliticalParade.com
Stephen J. Clay	4	Senior Pastor, Messiah Missionary Baptist Church
Jeff Coats	3	Product Manager, Salesforce
Susie Cordi	3	Bus Driver
Jared Evans	3	Consultant
Colleen Fanning	3	Owner, Grey Market Wine
Monroe Gray, Jr.	26	Retired
Jason Holliday	7	Account Executive, Ray's Trash Service
LaKeisha Jackson	4	Executive Director, Pathway Resource Center
Blake Johnson	3	Director of Communications, Complete College America
Danielle Coulter	1	Senior Government Affairs Associate, Dant Advocacy
Frank Mascari	8	Jeweler, Spalding Jewelry
Janice McHenry	11	Retired
Jefferson Shreve	1	Founder and Owner, Storage Express
Brian Mowery	3	Logistics Freight Broker, Direct Connect Logistix
William C. Oliver	15	Retired
Marilyn Pfisterer	15	Retired
David Ray	3	Account Manager, Miller-Eads Company
Leroy Robinson	8	CEO, Winthrop Tech
Christine Scales	11	Retired
Joseph Simpson	8	Director of Administration, Indiana Legal Services
John Wesseler	3	Retired

# Marion County, Indiana

## 2018 Judiciary

CIRCUIT COURT ..... Sheryl L. Lynch

**SUPERIOR COURT**

Criminal Division:

Court 1 Major Felony .....	Kurt Eisgruber
Court 2 Major Felony .....	Marc T. Rothenberg
Court 3 Major Felony .....	Sheila A. Carlisle**
Court 4 Major Felony .....	Lisa F. Borges
Court 5 Major Felony .....	Grant Hawkins
Court 6 Major Felony .....	Mark D. Stoner
Court 7 Misdemeanor .....	Clayton Graham
Court 8 Misdemeanor / PAIR / Behavioral Health Court.....	Amy Jones
Court 9 Level Six Felony.....	Barbara Crawford
Court 10 Misdemeanor .....	Linda E. Brown
Court 11 Initial Hearing /APC .....	Commissioners
Court 12 Misdemeanor / Veteran’s Court .....	David Certo
Court 13 Traffic Court .....	Marcel Pratt
Court 14 Level Six Felony / Drug Court/Re-entry Court .....	Jose D. Salinas
Court 15 Level Six Felony .....	Helen Marchal
Court 16 Domestic Violence/Protective Order .....	Angela D. Davis
Court 17 Domestic Violence/Protective Order .....	Christina Klineman**
Court 18 Level Six Felony.....	William Nelson
Court 19 Misdemeanor .....	Rebekah F. Pierson -Treacy
Court 20 Major Felony - Drug .....	Shatrese Flowers
Court 21 Major Felony - Drug .....	Alicia Gooden
Court 24 Level Six Felony .....	Elizabeth A. Christ
Court 25 Level Six Felony Drug Court.....	Clark H. Rogers

Civil Division:

Court 1 Civil / Commercial Court .....	Heather Welch**
Court 2 .....	Timothy Oakes*
Court 3 .....	Gary L. Miller
Court 4 / Magistrate Court.....	Cynthia J. Ayers
Court 5 .....	John M.T. Chavis II
Court 6 .....	Thomas J. Carroll
Court 7 .....	Michael Keele
Court 8 Probate Division .....	Steven R. Eichholtz
Court 9 Juvenile Division .....	Marilyn Moores
Court 10 .....	David Dreyer
Court 11 .....	John Hanley
Court 12 .....	P. J. Dietrick
Court 13 .....	James Joven
Court 14 .....	James Osborn
Title IV-D .....	Magistrate

\*denotes Presiding Judge; \*\* denotes Associate Presiding Judge

**CERTIFIED PUBLIC ACCOUNTANTS**

**BKD, LLP**



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Marion County  
Indiana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morill*

Executive Director/CEO



## Financial Section

## Independent Auditor's Report

To the Honorable Chief Executive  
and Members of the City-County Council  
Marion County, Indiana

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Marion County, Indiana (County), a component unit of the Consolidated City of Indianapolis-Marion County, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 entity'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 entity'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, each major fund and the aggregate remaining fund information of Marion County, Indiana as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, for 2018, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinions are not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension and other postemployment benefit information 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 County's basic financial statements. The combining and individual fund financial statements and schedules, and the introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate 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 and individual fund financial statements and 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 them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated June 27, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*BKD, LLP*

Indianapolis, Indiana  
June 27, 2019

**Management's Discussion and Analysis**  
(Unaudited)

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

This Comprehensive Annual Financial Report presents an analysis of the financial activities of Marion County ("County") for the year ended December 31, 2018 based on currently known facts, decisions, and conditions. For a comprehensive understanding of the financial statements, please review the transmittal letter at the front of this report, along with the County's financial statements, including the footnotes that follow the basic financial statements.

**FINANCIAL HIGHLIGHTS**

- On a government-wide basis, the County's liabilities and deferred inflows exceeded its assets and deferred outflows at December 31, 2018 by \$30.6 million, which represents the total net deficit of the County's governmental activities. Included in this net position amount is a \$125.4 million unrestricted deficit.
- On a government-wide basis, for 2018, the County's total expenses were \$316.8 million or \$7.9 million less than the \$324.7 million generated in charges for services, grants, taxes and other revenues.
- As of December 31, 2018, the County's governmental funds reported combined ending fund balances of \$51.6 million. Of this amount, \$28.0 million was restricted, \$2.8 million was assigned, and \$20.8 million was unassigned.
- The unassigned fund balance for the general fund was \$21.6 million or 11.2% of total general fund expenditures. The unrestricted fund balance, which includes the assigned and unassigned fund balances, was \$24.4 million or 12.6% of total general fund expenditures.
- The general fund revenues were \$25.7 million higher than original budget estimates and \$23.7 million higher than the final budget estimate.
- Effective January 1, 2018, the County adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). Prior year comparative information contained herein has not been restated for adoption of GASB 75.

**OVERVIEW OF FINANCIAL STATEMENTS**

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

**Government-Wide Financial Statements**

The first set of financial statements are the government-wide statements, which report information about the County as a whole using accounting methods similar to those used by private sector companies. The two government-wide statements, **Statement of Net Position** and **Statement of Activities**, report the County's net position and how it has changed. Governmental activities are those normally associated with the operation of a government, such as judicial services and community corrections.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

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

The **Statement of Activities** presents information showing how the County's net position changed during the year. All current year's revenues and expenses are accounted for in the statement of activities regardless of the timing of related cash flows. The statement of activities presents the various functions of the County and the extent to which they are supported by charges for services, grants and contributions, taxes, and investment income. The governmental activities of the County include: administration and finance, protection of people and property, corrections, judicial, cultural and recreation, real estate and assessments, and health and welfare.

### **Fund Financial Statements**

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

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

The County maintains several individual governmental funds according to their type (general, special revenue, debt service, and capital projects). 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, Public Safety Income Tax Fund, and State Grant Funds, which are considered to be major funds. Individual fund data for each of the nonmajor governmental funds are provided in the form of combining statements as supplementary information.

2. *Proprietary Funds.* Proprietary funds offer short-term and long-term financial information about services for which the County charges customers, both external customers and internal departments of the County. The County maintains the following type of proprietary funds:
  - *Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis. An internal service fund has been established for the County's Information Services Agency, which provides information technology services to other agencies of the County, and to the City, on a cost reimbursement basis.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

3. *Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of individuals or units of other governments. The County is the trustee or fiduciary responsible for assets that can be used for the trust beneficiaries per trust arrangements. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The County's pension trust funds and agency funds are reported under the fiduciary funds. Since the resources of these funds are not available to support the County's own programs, they are not reflected in the government-wide financial statements.

**Notes to the Basic Financial Statements**

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

**Required Supplementary Information**

In addition to the basic financial statements and notes to the basic financial statements, this report presents required supplementary information concerning the County's budgetary comparisons for the general fund and required supplementary information pertaining to the County's progress in funding its obligation to provide pension and postretirement benefits to its employees.

**Additional Supplementary Information**

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

**Net position.** The County's governmental activities net position at December 31, 2018 and 2017 was a \$30.6 million deficit and a \$25.8 million deficit, respectively.

**Statement of Net Position**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
<b>Assets</b>		
Current and other assets	\$ 88,307,657	\$ 76,164,781
Capital assets net of accumulated depreciation	105,696,573	96,304,731
Total assets	194,004,230	172,469,512
<b>Deferred Outflows of Resources</b>	29,244,901	25,354,053
Total assets and deferred outflow of resources	223,249,131	197,823,565
<b>Liabilities</b>		
Other liabilities	21,857,281	16,633,638
Long-term liabilities	217,094,284	204,480,042
Total liabilities	238,951,565	221,113,680
<b>Deferred Inflows of Resources</b>	14,879,671	2,535,025
Total liabilities and deferred inflow of resources	253,831,236	223,648,705
<b>Net Position</b>		
Net investment in capital assets	70,684,000	65,800,865
Restricted	24,180,030	24,145,835
Unrestricted deficit	(125,446,135)	(115,771,840)
Total net deficit	\$ (30,582,105)	\$ (25,825,140)

**ANALYSIS OF NET POSITION**

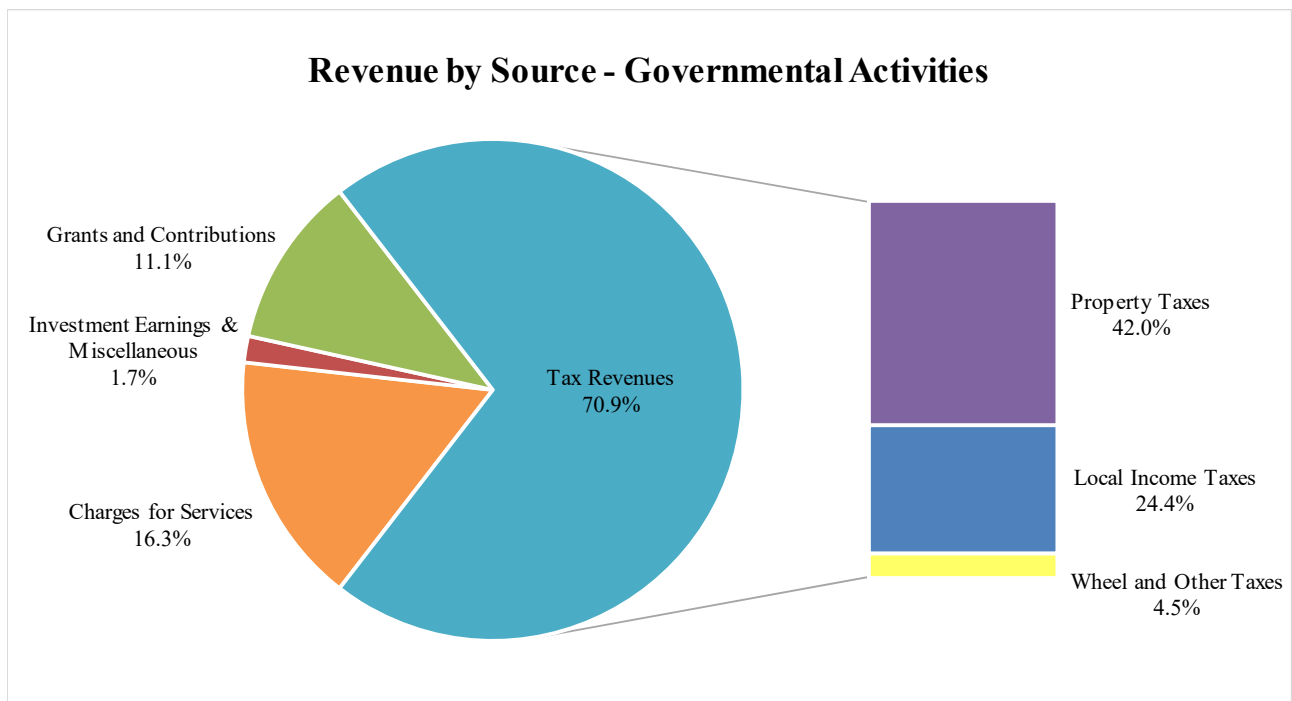
As noted earlier, net position may serve as a useful indicator of a government's financial position. The largest portion of the County's net position reflects its investments of \$70.7 million in capital assets (e.g., net book value of land, buildings, improvements, furniture and equipment, vehicles and software), less related outstanding debt used to acquire those assets. The 2017 balance was \$65.8 million. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be liquidated for these liabilities. Included in the County's total net position, is \$24.2 million in restricted funds, versus \$24.1 million in 2017, which represents resources that are subject to external restrictions on how they may be used.

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

Unrestricted governmental net position showed a \$125.4 million deficit at the end of the year as compared to a \$115.8 million deficit for the prior year. This deficit does not mean the County does not have resources available to pay its bills. Rather, it is the result of having long-term commitments that are greater than currently available resources, mainly net pension liabilities of \$160.3 million.

**Change in net position.** The County's total revenue on a government-wide basis for 2018 was \$324.7 million and \$319.1 million for 2017. Taxes represent 70.9% of the County's revenue (72.6% for 2017). Another 16.3% of revenue (16.0% in 2017) came from fees charged for services, and the remainder came from grants and contributions, interest earnings and miscellaneous revenues.



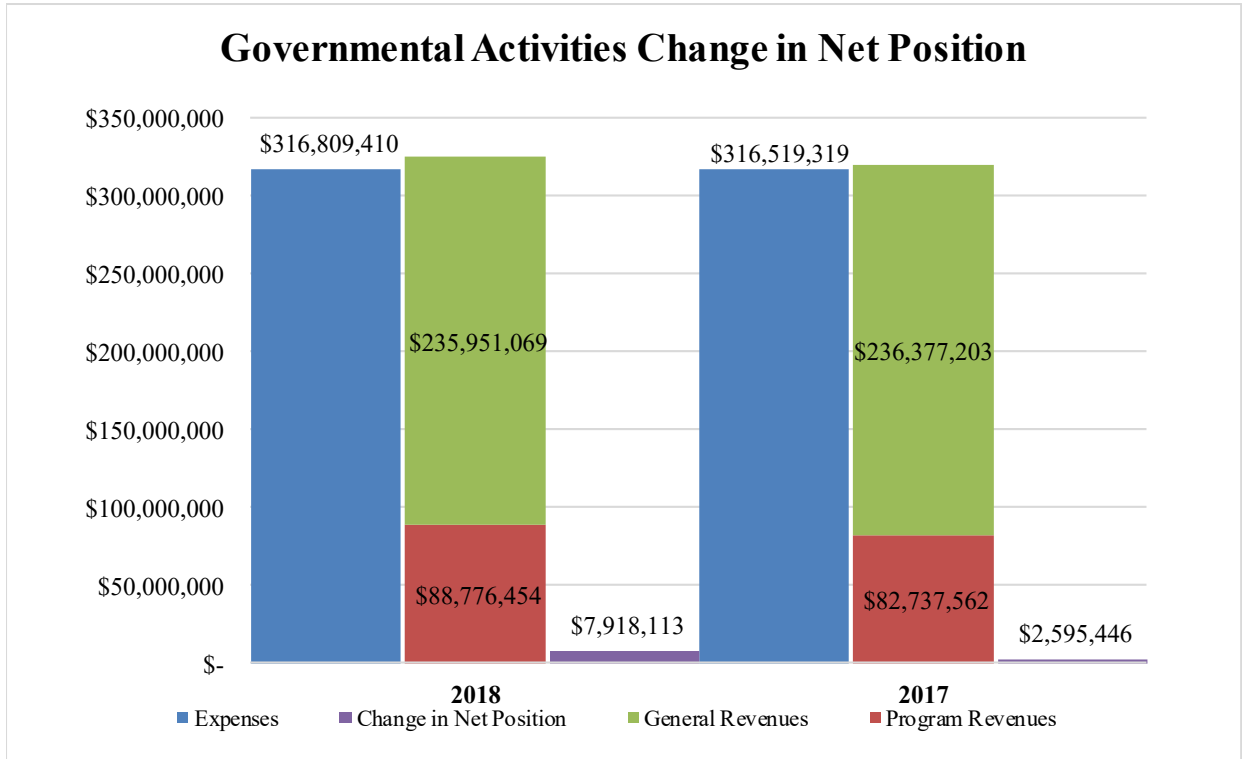
**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

The changes in net position for the years ended December 31, 2018 and 2017 are as follows:

**Schedule of Changes in Net Position**  
**For the Years Ended December 31, 2018 and 2017**

	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
<b>Revenues</b>		
Program revenues:		
Charges for services	\$ 52,854,051	\$ 50,972,016
Operating grants and contributions	35,839,065	28,752,831
Capital grants and contributions	83,338	3,012,715
General revenues:		
Property tax	136,446,155	131,817,727
Local income taxes	79,321,436	81,768,609
Other taxes	14,676,280	18,217,037
Other general revenues	5,507,198	4,573,830
Total revenues	<u>324,727,523</u>	<u>319,114,765</u>
<b>Expenses</b>		
Administration and finance	46,202,934	48,406,528
Protection of people and property	11,450,687	11,074,959
Corrections	124,131,635	126,526,606
Judicial	120,046,424	115,740,755
Culture and recreation	173,069	184,500
Real estate and assessments	8,244,847	7,929,212
Health and welfare	5,402,264	5,500,026
Interest	1,157,550	1,156,733
Total expenses	<u>316,809,410</u>	<u>316,519,319</u>
<b>Change in Net Position</b>	<u>7,918,113</u>	<u>2,595,446</u>
<b>Net Position, Beginning of Year</b> , as previously reported	(25,825,140)	(28,420,586)
Change in accounting principle	(12,675,078)	-
<b>Net Position, Beginning of Year</b> , restated	<u>(38,500,218)</u>	<u>(28,420,586)</u>
<b>Net Position, End of Year</b>	<u>\$ (30,582,105)</u>	<u>\$ (25,825,140)</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
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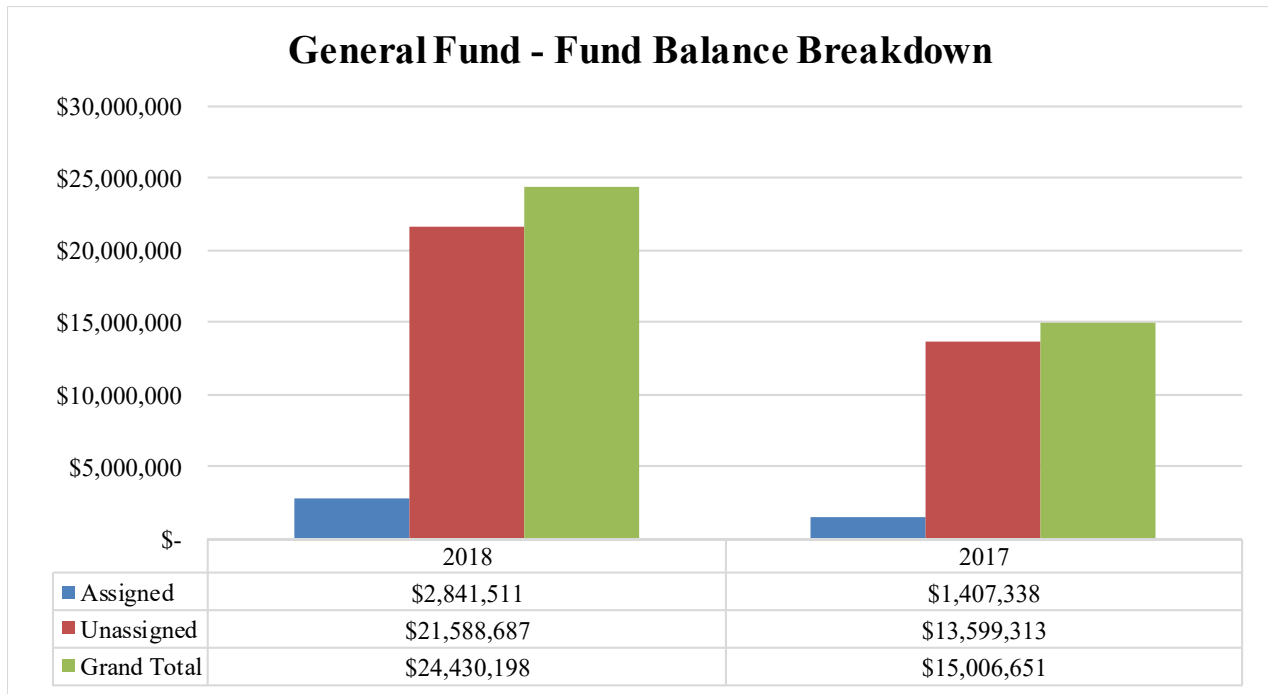
**Governmental activities.** The County’s governmental activities net position increased by \$7.9 million compared to an increase in net position of \$2.6 million in the prior year. Total expenses for governmental activities for 2018 were \$316.8 million, an increase of \$0.3 million from the prior year. Total revenues for governmental activities for 2018 were \$324.7 million, an increase of \$5.6 million from the prior year. This is mainly attributable due to an increase in charges for services mainly generated by the nonmajor special revenue funds and an overall increase in grants and contributions.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

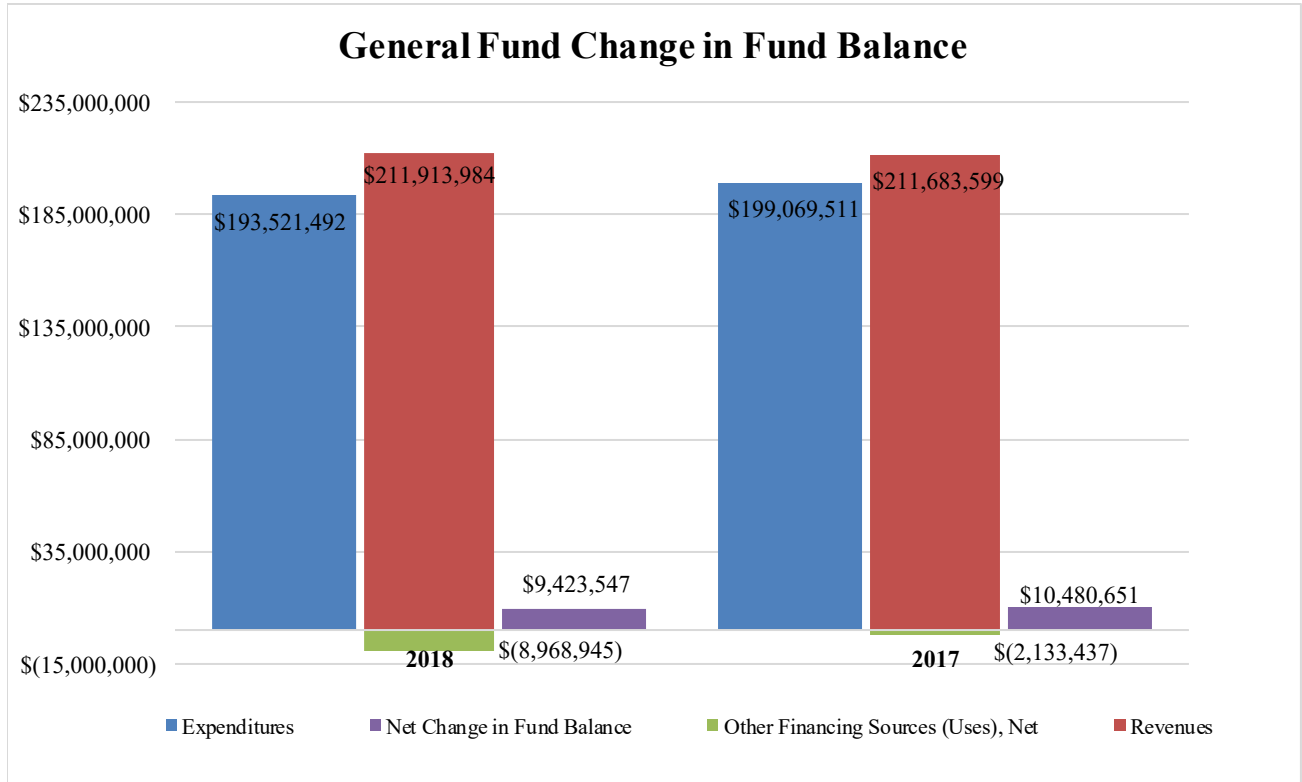
**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

The focus of the County's governmental funds is to provide information on inflows and balances of resources that are available for spending. An unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

At December 31, 2018, the unassigned fund balance of the General Fund was \$21.6 million (as compared to \$13.6 million in 2017), while the total General Fund balance was \$24.4 million (as compared to \$15.0 million in 2017). As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 11.2% of total General Fund expenditures (as compared to 6.8% for 2017), while total fund balance represents 12.6% (7.5% for 2017) of total General Fund expenditures. The fund balance in the County's General Fund increased by \$9.4 million or 62.8% from the prior year fund balance. This is mainly attributable to an overall decrease of \$5.4 million in expenditures, and a net decrease of transfers in/(out) of \$3.7 million, the overall decrease seen in capital outlay is also equally offset by a decrease in other financing sources, related to a capital lease for a building lease entered into in 2017.



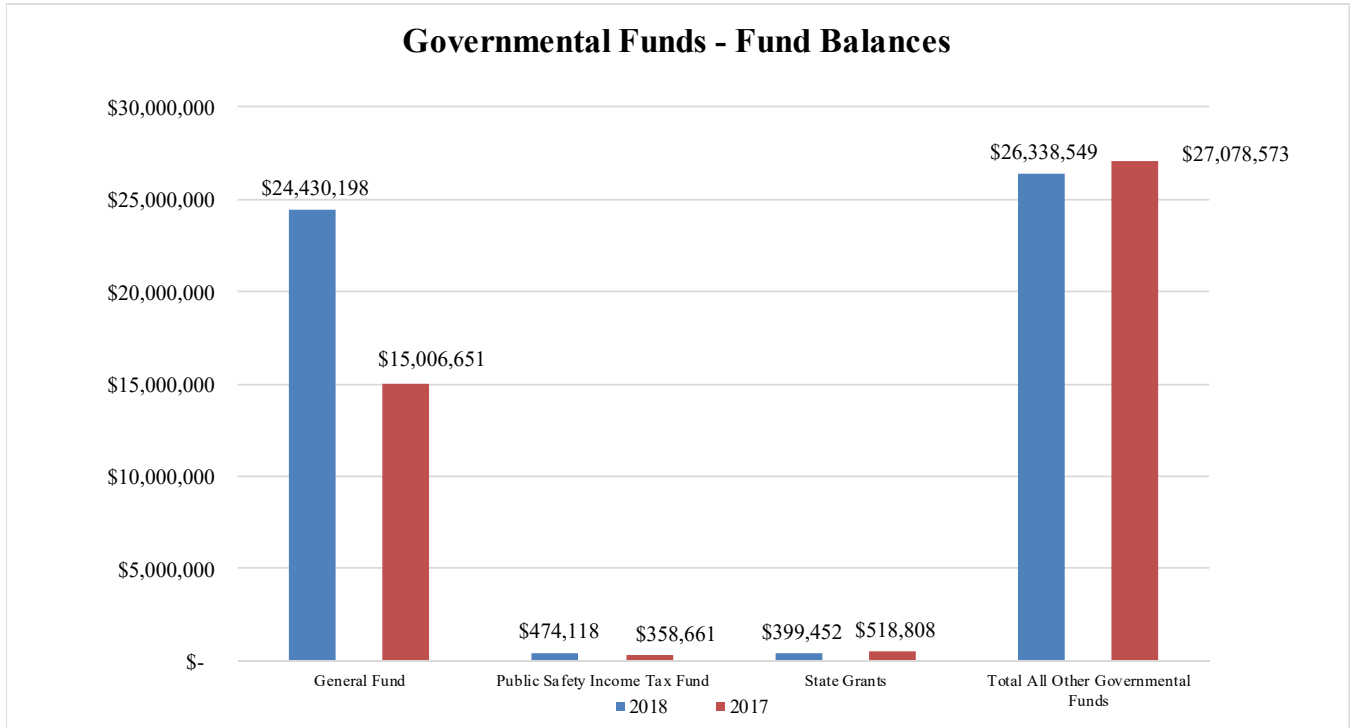
**Marion County, Indiana**  
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**For the Year Ended December 31, 2018**



The Public Safety Income Tax Fund ended the year with a \$0.5 million fund balance (as compared to a \$0.4 million balance in 2017). The fund balance for the Public Safety Income Tax Fund increased by \$0.1 million with both tax revenue and public safety expenditures increasing approximately \$0.4 million.

The State Grants Fund ended the year with a \$0.4 million fund balance (as compared to a \$0.5 million balance in 2017). The fund balance for the State Grants Fund decreased by \$0.1 million mainly due to a decrease in upfront grants received in 2018. These upfront awards are recognized as unearned income on the fund statements, instead of revenue. Overall, grant revenue increased and provided funding for an additional \$1.2 million in expenditures in 2018 as compared to 2017.

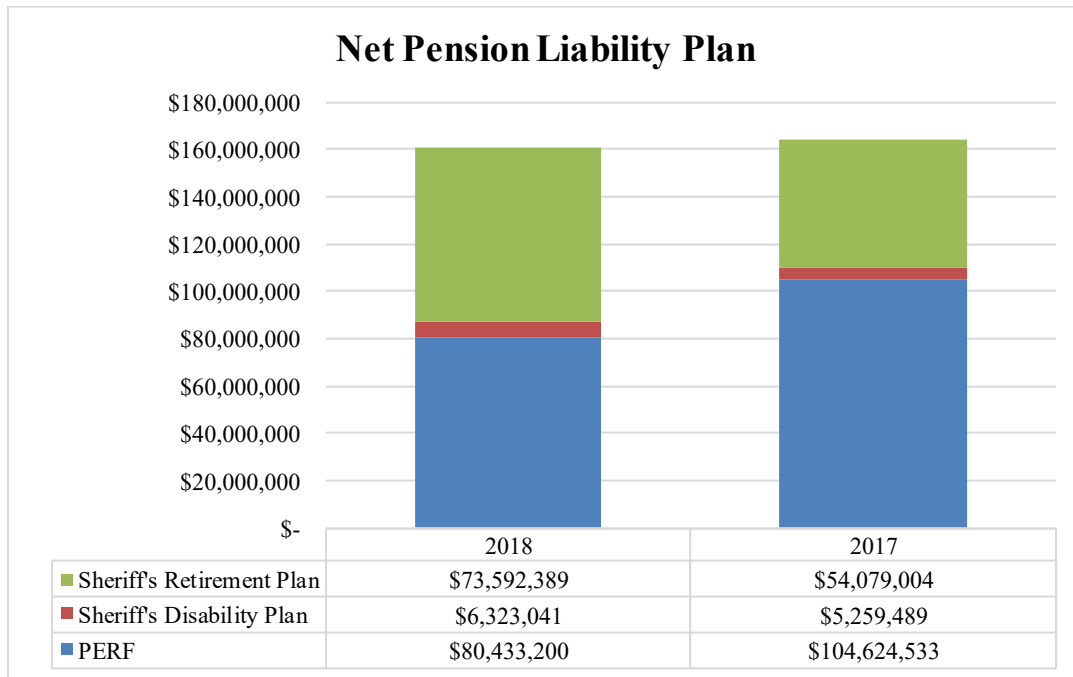
**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**



**Marion County, Indiana**  
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**For the Year Ended December 31, 2018**

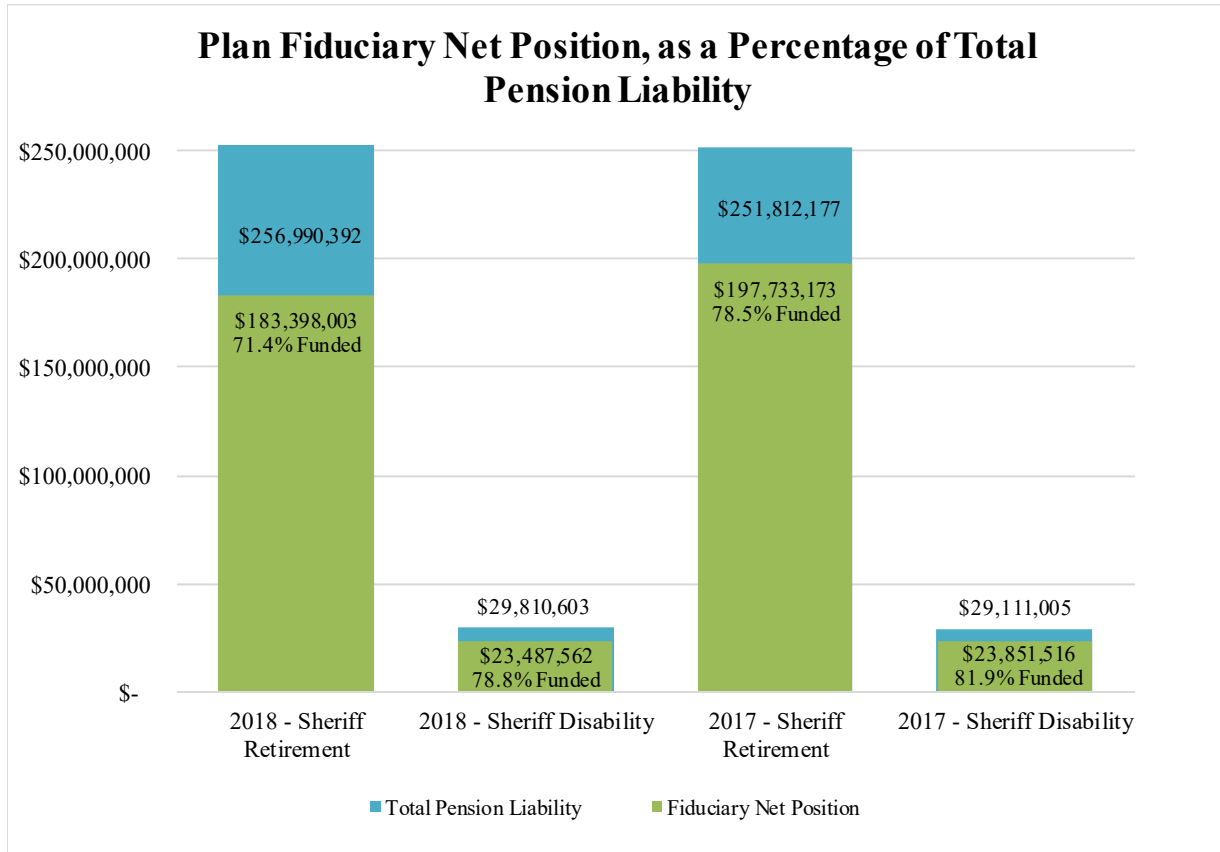
**Fiduciary Funds**

The County maintains fiduciary funds for the assets of the pension trust funds for the Sheriff's Retirement and Disability plan. At the end of 2018, the net position of these pension trust funds amounted to \$206.9 million, which represents a decrease of \$14.7 million in total net position from the prior year.



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

The chart below demonstrates that the County's percentage of funded status declined for both the Sheriff's Retirement plan and the Sheriff's Disability plan from 2017 to 2018.



**Agency Funds**

The County is the custodian of certain agency funds, and the most common use of agency funds is for pass-through activity. Since, by definition, all assets of the agency funds are held for the benefit of other entities, there are no net assets. At the end of 2018, the combined gross assets of the agency funds totaled \$144.4 million (\$136.4 million in 2017).

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

**General Fund Budgetary Highlights**

The final budget for the County's general fund represents the original budget plus any adjustments to appropriations during the year. It does not include encumbrances carried over from the prior year. In 2018, there was a \$1.1 million increase in appropriations during the year to the original General Fund budget or an increase of 0.6%.

Excluding prior year encumbrances, the original General Fund expenditures budget for 2018 was \$185.9 million. The final General Fund expenditures budget was \$187.0 million. Actual expenditures were \$184.5 million. Of the total \$2.6 million underspent from the final budget, \$1.5 million was in general government, \$0.4 million was in public safety, and \$0.6 million was in cultural and recreation. These underspent amounts were due to planned reductions in the budget to fund future budget years. General revenues were originally estimated at \$180.4 million, final estimated at \$182.5 million, and the actual was \$206.2 million, which was \$23.7 million greater than budgeted. Of the \$23.7 million increase, \$22.0 million was originally budgeted to be deposited into another fund. Subsequent to the budget process a decision was made to deposit the county option income tax directly into the General Fund.

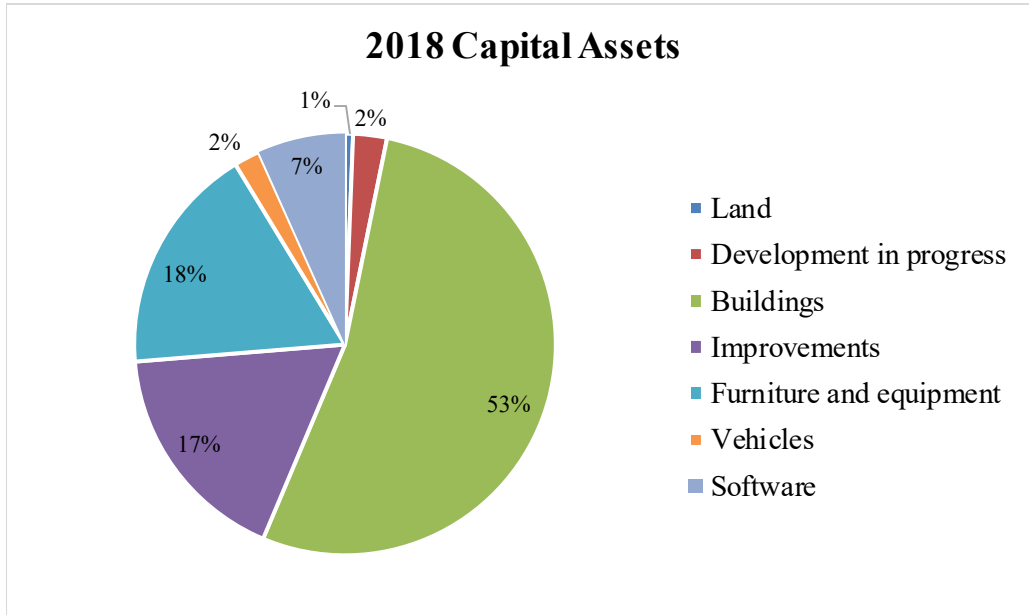
**CAPITAL ASSETS**

**Capital Assets**

The County had \$105.7 million invested in capital assets at December 31, 2018 (net of accumulated depreciation of \$127.3 million) in a broad range of capital assets. This amount represents a net increase for the current year (including additions and deductions) of \$9.4 million.

	<b>Schedule of Capital Assets</b>	
	<b>Governmental Activities</b>	
	<b>2018</b>	<b>2017</b>
Land	\$ 655,172	\$ 655,172
Development in progress	2,736,658	-
Buildings	56,165,640	53,536,874
Improvements	18,348,788	19,894,510
Furniture and equipment	18,593,321	11,767,003
Vehicles	2,109,559	2,515,136
Software	7,087,435	7,936,036
	\$ 105,696,573	\$ 96,304,731
Total assets	\$ 105,696,573	\$ 96,304,731

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**



Major capital asset additions in 2018 for governmental activities included:

- \$6.3 million of additions to buildings, principally new capital leases for office space.
- \$11.1 million of additions to equipment, principally new election machines and capital leases for technology equipment
- \$2.7 million of development costs for the Indy.gov website overhaul.

Depreciation expense for 2018 for governmental activities was \$10.6 million.

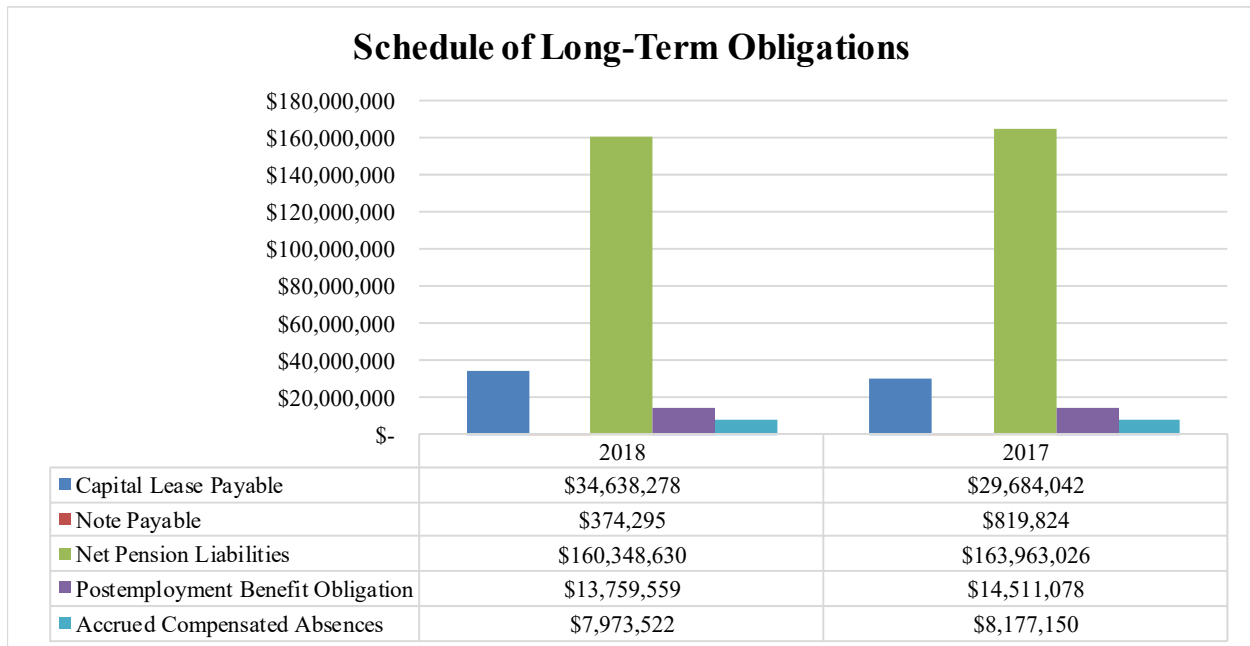
See footnote 8 to the basic financial statements for more information regarding capital assets.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

**LONG-TERM OBLIGATIONS**

**Long-Term Obligations**

At the end of 2018, Marion County had outstanding long-term debt and other long-term obligations for governmental activities of \$217.1 million, compared to \$217.2 (restated for change in accounting principle) at December 31, 2017 as shown below:



As delineated in the chart above, long-term liabilities are primarily composed of net pension liabilities. See footnote 13 to the basic financial statements for more pension details, and footnote 12 for more information regarding long-term liabilities.

**ECONOMIC FACTORS AND THE 2019 BUDGET**

The 2019 original budget for all annually budgeted funds was \$314.0 million. Revisions of \$4.5 million have been made through May 2019, which were primarily due to a \$3.5 million increase for purchase of additional voting machines.

The 2019 General Fund original budget was \$197.0 million, an increase of 6.1% from the 2018 original General Fund budget of \$186.0 million. Revisions have been made through May 2019.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Management's Discussion and Analysis**  
**For the Year Ended December 31, 2018**

Unemployment rates were as follows:

	<b>April 2019</b>	<b>April 2018</b>
Marion County	3.0%	3.2%
State of Indiana	3.1%	3.1%
United States	3.3%	3.7%

Source: United States Department of Labor, [www.bls.gov](http://www.bls.gov)

**REQUESTS FOR INFORMATION**

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

## **Basic Financial Statements**

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Net Position**  
**December 31, 2018**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 51,179,438
Investments	19,944,770
Property tax receivable	5,070,107
Accounts receivable	10,826,623
Due from federal and state governments	1,241,040
Due from others	45,679
Capital assets (net of accumulated depreciation):	
Land	655,172
Buildings	56,165,640
Improvements	18,348,788
Furniture and equipment	18,593,321
Vehicles	2,109,559
Development in Progress	2,736,658
Software	7,087,435
Total assets	194,004,230
 <b>Deferred Outflows of Resources</b>	
Deferred outflows - pensions	29,244,901
Total assets and deferred outflows of resources	223,249,131
 <b>Liabilities</b>	
Accounts payable	14,315,317
Accrued payroll and payroll taxes	3,398,968
Unearned revenue	4,142,996
Long-term liabilities:	
Due within one year	11,892,083
Due in more than one year	205,202,201
Total liabilities	238,951,565
 <b>Deferred Inflows of Resources</b>	
Deferred inflows - pensions	13,978,859
Deferred inflows - OPEB	900,812
Total deferred inflows of resources	14,879,671
Total liabilities and deferred inflows of resources	253,831,236
 <b>Net Position</b>	
Net investment in capital assets	70,684,000
Restricted for:	
Other purposes by grantors	7,472,204
Statutory restrictions	16,707,826
Unrestricted deficit	(125,446,135)
Total net position (deficit)	\$ (30,582,105)

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Activities**  
**For the Year Ended December 31, 2018**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
<b>Governmental Activities</b>					
Administration and finance	\$ 46,202,934	\$ 21,295,204	\$ 2,837,890	\$ -	\$ (22,069,840)
Protection of people and property	11,450,687	13,598,782	576,358	19,478	2,743,931
Corrections	124,131,635	2,156,279	11,380,124	-	(110,595,232)
Judicial	120,046,424	10,783,655	20,687,647	63,860	(88,511,262)
Culture and recreation	173,069	-	-	-	(173,069)
Real estate and assessments	8,244,847	5,020,131	(1,300)	-	(3,226,016)
Health and welfare	5,402,264	-	358,346	-	(5,043,918)
Interest	1,157,550	-	-	-	(1,157,550)
<b>Total governmental activities</b>	<b>\$ 316,809,410</b>	<b>\$ 52,854,051</b>	<b>\$ 35,839,065</b>	<b>\$ 83,338</b>	<b>(228,032,956)</b>
General revenues:					
					136,446,155
					79,321,436
					14,676,280
					3,897,040
					1,610,158
					<u>235,951,069</u>
Change in net position					7,918,113
Net deficit - beginning of year, as previously reported					(25,825,140)
Change in accounting principle					(12,675,078)
Net deficit - beginning of year, as restated					<u>(38,500,218)</u>
Net deficit - end of year					<u>\$ (30,582,105)</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Balance Sheet - Governmental Funds**  
**December 31, 2018**

	General	Public Safety Income Tax	State Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 23,319,848	\$ 679,707	\$ 3,764,645	\$ 20,800,303	\$ 48,564,503
Investments	9,257,008	269,816	1,494,406	7,885,520	18,906,750
Property tax receivable	4,811,799	-	-	258,308	5,070,107
Accounts receivable	5,468,159	-	-	1,704,333	7,172,492
Due from other funds	906,443	-	-	-	906,443
Due from federal and state governments	-	-	372,959	868,081	1,241,040
	<u>43,763,257</u>	<u>949,523</u>	<u>5,632,010</u>	<u>31,516,545</u>	<u>81,861,335</u>
<b>Total assets</b>					
	<u>\$ 43,763,257</u>	<u>\$ 949,523</u>	<u>\$ 5,632,010</u>	<u>\$ 31,516,545</u>	<u>\$ 81,861,335</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 8,037,872	\$ -	\$ 1,078,106	\$ 3,127,434	\$ 12,243,412
Accrued payroll and payroll taxes	2,421,016	475,405	60,584	370,665	3,327,670
Unearned revenue	-	-	4,089,747	53,249	4,142,996
Due to other funds	-	-	-	860,763	860,763
Total liabilities	<u>10,458,888</u>	<u>475,405</u>	<u>5,228,437</u>	<u>4,412,111</u>	<u>20,574,841</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	<u>8,874,171</u>	<u>-</u>	<u>4,121</u>	<u>765,885</u>	<u>9,644,177</u>
<b>Fund Balances</b>					
Restricted	-	474,118	399,452	27,157,284	28,030,854
Assigned	2,841,511	-	-	-	2,841,511
Unassigned (deficit)	21,588,687	-	-	(818,735)	20,769,952
Total fund balances	<u>24,430,198</u>	<u>474,118</u>	<u>399,452</u>	<u>26,338,549</u>	<u>51,642,317</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>					
	<u>\$ 43,763,257</u>	<u>\$ 949,523</u>	<u>\$ 5,632,010</u>	<u>\$ 31,516,545</u>	<u>\$ 81,861,335</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Reconciliation of the Balance Sheet for Governmental Funds**  
**to the Statement of Net Position**  
**December 31, 2018**

Fund balances - total governmental funds	\$ 51,642,317
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in the governmental activities are not financial resources and, therefore, are not reported in the fund statements	86,103,745
Net position of internal service fund not reported in the fund statements	18,184,784
Net pension liabilities are not due and payable in the current period and, therefore, are not recorded in the funds liabilities	(159,240,859)
OPEB liabilities are not due and payable in the current period and, therefore, are not recorded in the funds liabilities	(13,581,333)
Deferred inflows of resources for resources not meeting availability criteria in fund statements are not in the statement of net position	9,644,177
Deferred inflows of resources related to pensions are not available to pay for current period expenditures and, therefore, are not reported in the fund statements	(13,787,394)
Deferred inflows of resources related to OPEB are not available to pay for current period expenditures and, therefore, are not reported in the fund statements	(889,659)
Deferred outflows of resources related to pensions are not financial resources and, therefore, are not reported in the fund statements	29,111,871
Other liabilities not in the fund statements	(939,677)
Long-term liabilities (excluding net pension and OPEB liabilities) are not due and payable in the current period and, therefore, are not reported in the fund statements	<u>(36,830,077)</u>
Net deficit of governmental activities	<u><u>\$ (30,582,105)</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Governmental Funds**  
**For the Year Ended December 31, 2018**

	General	Public Safety Income Tax	State Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 178,400,265	\$ 41,019,951	\$ -	\$ 10,481,307	\$ 229,901,523
Intergovernmental	19,350,083	1,000	9,745,080	7,736,254	36,832,417
Interest	3,891,075	-	-	5,965	3,897,040
Charges for services	8,949,879	-	-	25,111,111	34,060,990
Traffic violations and court fees	7,555	-	-	1,311	8,866
Miscellaneous	1,315,127	-	896	289,071	1,605,094
Total revenues	<u>211,913,984</u>	<u>41,020,951</u>	<u>9,745,976</u>	<u>43,625,019</u>	<u>306,305,930</u>
<b>Expenditures</b>					
Current:					
General government	106,167,465	14,339,824	3,907,386	29,371,801	153,786,476
Public safety	77,489,332	26,565,670	5,597,536	27,929,543	137,582,081
Culture and recreation	171,823	-	-	-	171,823
Debt service					
Redemption of notes	-	-	-	445,530	445,530
Interest	728,241	-	-	208,969	937,210
Lease payments	2,057,374	-	-	775,328	2,832,702
Capital outlays	6,907,257	-	238,493	1,008,982	8,154,732
Total expenditures	<u>193,521,492</u>	<u>40,905,494</u>	<u>9,743,415</u>	<u>59,740,153</u>	<u>303,910,554</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>18,392,492</u>	<u>115,457</u>	<u>2,561</u>	<u>(16,115,134)</u>	<u>2,395,376</u>
<b>Other Financing Sources (Uses)</b>					
Issuance of capital leases	6,284,248	-	-	-	6,284,248
Transfers in	3,113	-	944	15,993,652	15,997,709
Transfers out	(15,256,306)	-	(122,861)	(618,542)	(15,997,709)
Total other financing sources (uses)	<u>(8,968,945)</u>	<u>-</u>	<u>(121,917)</u>	<u>15,375,110</u>	<u>6,284,248</u>
Net change in fund balances	9,423,547	115,457	(119,356)	(740,024)	8,679,624
Fund (deficit) balances - beginning of year	<u>15,006,651</u>	<u>358,661</u>	<u>518,808</u>	<u>27,078,573</u>	<u>42,962,693</u>
Fund balances - end of year	<u>\$ 24,430,198</u>	<u>\$ 474,118</u>	<u>\$ 399,452</u>	<u>\$ 26,338,549</u>	<u>\$ 51,642,317</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances of Governmental Funds to the**  
**Statement of Activities**  
**For the Year Ended December 31, 2018**

Net change in fund balances - total governmental funds \$ 8,679,624

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

Depreciation expense is not reported in the fund statements, but is reported as a decrease in net position in the statement of activities	(6,999,813)
Capital outlays are reported as expenditures in the fund statements, but are reported as additions to capital assets in the statement of net position	12,488,320
Donations of capital assets are not recorded in the fund statements	83,338
Loss on disposals of capital assets are not recorded in the fund statements	(899,136)
Expenses in the statement of activities that are not expenditures recorded in the fund statements	(268,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements	9,644,177
Revenues in the fund statements but not in the current year statement of activities due to the current financial resources focus of the governmental funds	(10,095,181)
Note payable payments reported as expenditures in the fund statements but as reductions of long-term liabilities in the statement of activities	445,529
Change in net position of internal service funds reported with governmental activities	2,159,579
Decrease in compensated absences that is not reported in the fund statements	187,875
Capital lease payments reported as expenditures in the fund statements but as reductions of long-term liabilities in the statement of activities	2,836,979
Inception of capital lease recorded as other financing sources in the fund statements but not recorded in the statement of activities	(6,284,248)
Net OPEB expense is not recognized in the fund statements, but is reported as a decrease in net position in the statement of activities	(139,581)
Pension expense recognized in the statement of activities in excess of pension contributions recognized as expenditures in the fund statements	(3,921,349)
Change in net position of governmental activities	<u>\$ 7,918,113</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Net Position - Proprietary Fund**  
**December 31, 2018**

	<u><b>Internal Service Fund</b></u>
<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 2,614,935
Investments	1,038,020
Due from other governments	3,654,131
Total current assets	<u>7,307,086</u>
<b>Noncurrent Assets</b>	
Capital assets (net of accumulated depreciation):	
Furniture and equipment	9,773,845
Development in progress	2,736,658
Software	7,082,325
Total capital assets (net of accumulated depreciation)	<u>19,592,828</u>
Total assets	26,899,914
<b>Deferred Outflows of Resources</b>	
Deferred outflows - pensions	<u>133,030</u>
Total assets and deferred outflows of resources	<u>27,032,944</u>
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts payable	1,132,237
Accrued payroll and payroll taxes	71,299
Compensated absences	95,948
Capital lease obligation - current	1,393,464
Total current liabilities	<u>2,692,948</u>
<b>Noncurrent Liabilities</b>	
Compensated absences	5,912
Capital lease obligation	4,660,685
Other postemployment benefit liability (OPEB)	178,226
Net pension liability	1,107,771
Total noncurrent liabilities	<u>5,952,594</u>
Total liabilities	<u>8,645,542</u>
<b>Deferred Inflows of Resources</b>	
Deferred inflows - pensions	191,465
Deferred inflows - OPEB	11,153
Total deferred inflows of resources	<u>202,618</u>
Total liabilities and deferred inflows of resources	<u>8,848,160</u>
<b>Net Position</b>	
Net investment in capital assets	13,538,679
Unrestricted	4,646,105
Total net position	<u>\$ 18,184,784</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Revenues, Expenses and Changes in Fund Net Position -**  
**Proprietary Fund**  
**For the Year Ended December 31, 2018**

	<b>Internal Service Fund</b>
<b>Operating Revenues</b>	
Charges for services	\$ 29,158,027
Miscellaneous	137,940
Total operating revenues	<u>29,295,967</u>
<b>Operating Expenses</b>	
Services and charges	20,547,507
Administration, including salaries and wages	2,726,607
Depreciation and amortization	3,587,037
Other	72,212
Total operating expenses	<u>26,933,363</u>
Operating income	<u>2,362,604</u>
<b>Nonoperating Expenses</b>	
Interest expense	<u>(203,025)</u>
Total nonoperating expenses	<u>(203,025)</u>
<b>Change in Net Position</b>	<u>2,159,579</u>
Total net position - beginning of year, as previously reported	16,204,872
Change in accounting principle	<u>(179,667)</u>
Total net position - beginning of year, as restated	<u>16,025,205</u>
Total net position - end of the year	<u><u>\$ 18,184,784</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Cash Flows - Proprietary Fund**  
**For the Year Ended December 31, 2018**

	<u><b>Internal Service Fund</b></u>
<b>Cash Flows From Operating Activities</b>	
Receipts from users	\$ 28,492,278
Payments for services	(23,264,092)
Payments for administration	(2,773,585)
Net cash provided by operating activities	<u>2,454,601</u>
<b>Cash Flows From Capital and Related Financing Activities</b>	
Purchases of capital assets	(2,766,378)
Payment of capital lease obligations	(4,018,326)
Interest expense payments	(203,025)
Net cash used in capital and related financing activities	<u>(6,987,729)</u>
<b>Cash Flows From Investing Activities</b>	
Purchases of investments	(627,333)
Net cash used in investing activities	<u>(627,333)</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	(5,160,461)
<b>Cash and Cash Equivalents, January 1</b>	<u>7,775,396</u>
<b>Cash and Cash Equivalents, December 31</b>	<u>\$ 2,614,935</u>
<b>Noncash Investing, Capital and Financing Activities</b>	
Issuance of capital leases	<u>\$ 5,525,293</u>
Total noncash investing, capital and financing activities	<u>\$ 5,525,293</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating income	<u>\$ 2,362,604</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization expense	3,587,037
Changes in assets and liabilities:	
Due from other governments	(803,689)
Deferred outflows - pensions	246,667
Accounts payable and accrued liabilities	(2,703,796)
Net pension liability	(337,981)
Net OPEB liability	(1,441)
Deferred inflows - OPEB	11,153
Deferred inflows - pensions	94,047
Total adjustments	<u>91,997</u>
Net cash provided by operating activities	<u>\$ 2,454,601</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Fiduciary Net Position - Fiduciary Funds**  
**December 31, 2018**

	<b>Pension Trust Funds</b>	<b>Agency Funds</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 4,376,142	\$ 92,561,379
Investments		
Mutual funds - bond	96,379,458	-
Mutual funds - equity	73,685,697	-
Mutual funds - international equity	21,565,010	-
Treasurer's pooled investments	-	25,073,573
Accounts receivable	10,958,752	26,811,128
Total current assets	206,965,059	\$ 144,446,080
<b>Liabilities</b>		
Accounts payable	79,494	\$ 811,660
Amounts held in custody	-	143,588,740
Due to other funds	-	45,680
Total current liabilities	79,494	\$ 144,446,080
<b>Net Position</b>		
Net position restricted for pensions	206,885,565	
Total net position	\$ 206,885,565	

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Changes in Fiduciary Net Position - Fiduciary Funds**  
**For the Year Ended December 31, 2018**

	<b>Pension Trust Funds</b>
<b>Additions</b>	
Employer contributions	\$ 10,487,300
Employee contributions	678,293
Investment income	9,314,048
Unrealized losses	(19,322,672)
Total additions	1,156,969
<b>Deductions</b>	
Benefit payments	15,683,776
Administrative expense	172,517
Transfers out of trust	(200)
Total deductions	15,856,093
<b>Change in Net Position Restricted for Pensions</b>	(14,699,124)
Total net position restricted for pensions - beginning of year	221,584,689
Total net position restricted for pensions - end of the year	\$ 206,885,565

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2018**

**Note 1: Summary of Significant Accounting Policies**

***Financial Reporting Entity***

Marion County, Indiana (“County”), was incorporated as a unit of local government by the State of Indiana in 1822, to be governed by the following officials, each of whom is granted certain independent executive authority under the State Constitution:

County Auditor	County Prosecutor	County Surveyor
County Treasurer	County Recorder	Clerk of the Circuit Court
County Coroner	County Sheriff	Judge of the Circuit Court

The legislature of the State of Indiana has provided for certain additional elected officials who are not mentioned in the Constitution to exercise certain independent executive authority. These are the county assessor and superior court judges.

On January 1, 1970, the governments of the City of Indianapolis (“City”) and the County were unified (“Consolidated City of Indianapolis – Marion County” or “Unigov”), in accordance with Indiana Code (“IC”), Section 36-3. Their form of service delivery was consolidated and certain service boundaries of the City were extended to generally coincide with those of the County. Four other municipalities (Speedway, Lawrence, Southport and Beech Grove) located within the County boundaries are specifically excluded from most functions of Unigov by the consolidating act.

In accordance with Governmental Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity* (“GASB Statement No. 14”) and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34* (“GASB Statement No. 61”), the County is considered a component unit of the Consolidated City of Indianapolis - Marion County. The elected officials and the Mayor, as the County Chief Executive, serve as the executive body for both the City and the County, while the City-County Council (“Council”) serves as the legislative body for both the City and the County. The Circuit Court and Marion Superior Court serve as the judicial body of the County. Otherwise, the County is considered a separate legal entity, with its elected officials directly and separately (from City officials) responsible for financial independence, operations, and accountability for fiscal matters.

Based on the criteria established in GASB Statement No. 14, GASB Statement No. 61, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment for GASB Statement No. 14*, the County has no component units under the current financial reporting requirements.

***Government-Wide and Fund Financial Statements***

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

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The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all local taxes.

Following the government-wide financial statement are separate financial statements for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements since their resources are not available to fund County operations. Major individual governmental funds are reported as separate columns in the fund financial statements.

***Measurement Focus, Basis of Accounting and Financial Statement Presentation***

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

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

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

- 1) Expenditures related to compensated absences and claims and judgments are recorded only when payment is due (i.e., matured).
- 2) Prepaid expenditures are not recorded as an asset in the fund financial statements.
- 3) Unmatured debt and accrued interest are not reported because they are not expected to be liquidated currently with expendable available financial resources.

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

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

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

Voluntary nonexchange transactions, such as grants and assistance received from other governmental units, and government-mandated nonexchange transactions are generally recognized as revenues in the period when all eligibility requirements have been met. For these types of transactions, resources received before eligibility requirements are met (excluding time requirements) are reported as liabilities, while resources received before time requirements are met, but after all other eligibility requirements have been met, are reported as deferred inflows of resources in accordance with GASB 65, *Items Previously Reported as Assets and Liabilities*.

Charges for services in the governmental funds, which are exchange transactions are recognized as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded when earned since they are measurable and available.

All proprietary funds and pension trust funds are accounted for using the same measurement focus and basis of accounting as the government-wide financial statements. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred, except as to the accounting for certain pension costs. Unfunded pension liabilities are recorded in the government-wide and proprietary fund financial statements as long-term liabilities due in more than one year.

All agency funds are purely custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for under the accrual basis of accounting.

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The following are the County's major governmental funds:

The *General Fund* is used to account for all receipts and disbursements applicable to the general operations of governmental agencies of the County, except those required to be accounted for in another fund. All operating receipts that are not restricted as to use by sources external to the County are recorded in the General Fund.

The *Public Safety Income Tax*, a special revenue fund, accounts for public safety income tax receipts that are to be appropriated for use by public safety related agencies.

The *State Grants Fund*, a special revenue fund, accounts for state grant programs received from the State of Indiana Department of Corrections, Indiana Criminal Justice Institute, Indiana Division of Family and Children, and various other state agencies.

The other governmental funds of the County are considered nonmajor. They include *special revenue funds*, which account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects and *capital projects funds*, which account for financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Additionally, the County reports the following fund types:

*Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost reimbursement basis. An internal service fund has been established for the County's Information Services Agency, which provides information technology services to other agencies of the County, and to the City, on a cost reimbursement basis.

*Fiduciary Funds* are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governmental units. These include pension trust funds and agency funds. Pension trust funds are accounted for and reported similar to proprietary funds. The pension trust funds account for the two single-employer defined-benefit pension plans of the County. Agency funds are custodial in nature and do not present results of operations. These funds account for the collection, distribution, and escrow of various tax types, fees, and set aside funding.

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

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

Proprietary funds report operating revenues and expenses (those related to goods sold and services provided to customers (other funds, departments or agencies)). All other revenues and expenses are reported as nonoperating.

***Stewardship, Compliance, and Accountability***

Annual budgets are adopted on a budgetary basis, which is essentially the cash basis with the exception of revenues received in the current year but budgeted for in a prior year and that encumbrances and certain accounts payable are treated as expenditures. All annual appropriations lapse at the end of the calendar year, except for capital project funds, which are budgeted on a project basis.

Prior to the first required publication, the Mayor submits to the City-County Council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the City-County Council to obtain taxpayer comments. In October of each year, the City-County Council, through the passage of an ordinance, approves the budget for the next year. The budget becomes legally certified after approval from the State of Indiana Department of Local Government Finance.

Revisions to transfer appropriations between agencies or character of expenditure require approval of the City-County Council. Revisions to increase the appropriations for tax-supported funds require approval of the City-County Council and the State of Indiana Department of Local Government Finance.

***Cash, Cash Equivalents, and Investments***

The County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At December 31, 2018, cash equivalents consisted primarily of money market mutual funds, overnight repurchase agreements, mutual funds and collective investment trusts. Investments are stated at fair value. Fair values for investments are determined by closing market prices at year-end as reported by the investment custodian.

A substantial portion of the County's cash resources are combined to form a cash and investment pool managed by the County Treasurer. All earnings from the pooled investments under Indiana Code 5-13-9-6 are required to be retained in the County's General Fund, except as otherwise provided by law.

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***Receivables***

All property tax and other receivables are shown net of an allowance, if any, for uncollectible balances. There is no allowance at December 31, 2018.

Property taxes are levied as of January 1 on property values assessed as of January 1 of the previous year. The tax levy is divided into two billings due on May 10 and November 10 each year.

***Inventory***

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

***Capital Assets***

Capital assets, which include land, buildings, improvements, furniture, equipment and vehicles are reported in the government-wide financial statements. Capital assets are defined by the County as assets with cost or acquisition value beyond prescribed levels and estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value as of the date of acquisition. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The prescribed capitalization levels for the County are as follows:

All land acquired by the County is capitalized. Land improvements of \$25,000 or greater are capitalized.

All buildings and improvements of \$75,000 or greater are capitalized.

Equipment and vehicles of \$5,000 or greater are capitalized.

Intangible assets such as computer software are required to be reported as capital assets under GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. Other intangible assets are capitalized if the historical cost or acquisition value is \$100,000 or greater.

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

	<b>Years</b>
Buildings	50
Building improvements	20
Furniture, equipment and vehicles	3 - 20
Software	5 - 15

***Unearned Revenue***

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

***Compensated Absences***

County employees earn benefit leave days (in lieu of all vacation, sick, and other accrued leave time), which accumulate to a maximum of 37 days per year, depending on length of service. A total of 165 hours (based on a 37.5-hour work week) or 176 hours (based on a 40-hour work week) earned benefit leave can be carried forward to subsequent years. Accumulated unused sick leave earned before September 1, 1994 is payable only upon the death or retirement of an employee, and only half the accumulated sick leave is then payable.

In accordance with the vesting method provided under GASB Statement No. 16, *Accounting for Compensated Absences*, accumulated benefit and sick leave days are accrued based on assumptions concerning the probability that certain employees will become eligible to receive these benefits in the future. The entire cost of benefit and sick leave is recorded in the government-wide financial statements as a current liability as it is expected to be used within one year.

***Interfund Transactions***

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

**Transfers**

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

**Interfund Services Provided/Used**

Charges or collections for services rendered by one fund for another are recognized as revenues (interfund services provided) of the recipient fund and expenditures or expenses (interfund services used) of the disbursing fund. These transactions are recorded as interfund services because they would be treated as revenues and expenditures or expenses if they involved organizations external to the County.

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Certain internal payments are treated as a reduction of expense, such as reimbursements.

Elimination of interfund activity has been made for governmental activities in the government-wide financial statement except for amounts reported in funds as receivable from or payable to fiduciary funds, which are reported as receivables or payables to external parties.

***Deferred Outflows of Resources and Deferred Inflows of Resources***

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

The County reports both deferred outflows of resources and deferred inflows of resources in the government-wide statement of net position for pension and OPEB items.

Deferred inflows of resources are also reported in the fund financial statements for receivables that are not considered available at year-end or for which eligibility requirements have not been met.

***Net Position/Fund Balances***

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

*Net investment in capital assets* - This category is comprised of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition or construction of those assets.

*Restricted* - This category consists of resources that have external restrictions imposed by outside parties (e.g., creditors, grantors, contributors) or by law through constitutional provisions or enabling legislation.

*Unrestricted* - This category represents resources of the County that are not subject to externally imposed restrictions and that may be used to meet the ongoing obligations to the public and creditors.

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

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

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

*Nonspendable* - This consists of resources that are either: (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted* - This consists of resources that can be spent only for the specific purpose stipulated by constitutional provisions, external parties (e.g., grantors, creditors, or other governments), or enabling legislation. Within the restricted fund balance for the State Grants and Other Aggregate Funds are encumbrances of \$86,235 and \$2,349,213, respectively, which are restricted to fund future capital acquisitions.

*Committed* - This consists of resources that can only be used for specific purposes pursuant to formal action of the government's highest level of decision-making authority. The County's highest level of decision-making authority rests with the Council. Resources are reported as committed by the Council through passage of an ordinance. The Council can modify or rescind a commitment of resources through passage of a new ordinance.

*Assigned* - This consists of resources constrained by the government's intention to use them for specific purposes, but are neither restricted nor committed. By statute, the City Controller has the ability to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments are generally temporary and require no additional action to effect removal of the assignment. Within the assigned fund balance for the General Fund are encumbrances of \$1,290,470, which have been assigned to cover future purchases.

*Unassigned* - This consists of residual fund balances that do not meet the criteria of nonspendable, restricted, committed or assigned. The general fund is the only fund that reports a positive unassigned fund balance.

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

***Postemployment Benefits Other Than Pensions (OPEB)***

The County has a single-employer defined-benefit other postemployment benefit (OPEB) plan. For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

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***Pensions***

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Marion County Sheriff's Department Personnel Retirement Plan, the Marion County Sheriff's Department Personnel Benefit Plan and the Indiana Public Employees' Retirement Fund, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Use of Estimates***

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

***Adoption of GASB 75***

GASB Statement No. 75 - During 2018, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB). This statement requires governments to recognize their unfunded accrued OPEB liability on the face of their financial statements along with incorporating more extensive note disclosures and required supplementary information about their OPEB liabilities and related information. The adoption of GASB Statement No. 75 resulted in a \$12,675,078 decrease in beginning net position of the County's governmental activities as of January 1, 2018. Refer to Note 14 for more information regarding the County's OPEB.

***Future Adoption of Accounting Standards***

GASB has issued a number of pronouncements that may impact future financial presentations. Management has not currently determined what, if any, impact implementation of the following statements may have on the financial statements of the County:

- GASB Statement No. 83, *Certain Asset Retirement Obligations*
- GASB Statement No. 84, *Fiduciary Activities*
- GASB Statement No. 87, *Leases*
- GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- GASB Statement No. 90, *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61*

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**Note 2: Deposits and Investments**

The County's deposits and investments are reflected in the financial statements at December 31, 2018 as follows:

Cash and cash equivalents - governmental funds	\$ 48,564,503
Cash and cash equivalents - internal service fund	<u>2,614,935</u>
Cash and cash equivalents subtotal - governmental activities	<u>51,179,438</u>
Investments - governmental funds	18,906,750
Investments - internal service fund	<u>1,038,020</u>
Investments subtotal - governmental activities	<u>19,944,770</u>
Cash and cash equivalents - pension trust funds	4,376,142
Investments - pension trust funds	191,630,165
Cash and cash equivalents - agency funds	92,561,379
Investments - agency funds	<u>25,073,573</u>
Total deposits and investments	<u><u>\$ 384,765,467</u></u>

***Deposits***

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

The County's cash deposits are insured up to \$250,000 at financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC"). Any cash deposits in excess of the \$250,000 FDIC limits are partially or fully collateralized by the depository institution and insured by the Indiana Public Deposits Insurance Fund ("Fund") via the pledged collateral from the institutions securing deposits of public funds. The Fund is a multiple financial institution collateral pool as provided under IC, Section 5-13-12-1.

***Investments***

**Investment Policy - Primary Government**

Indiana statutes authorize the County to invest in United States obligations and issues of federal agencies, secured repurchase agreements fully collateralized by U.S. Treasury or U.S. agency obligations, municipal securities of Indiana issuers that have not defaulted during the previous twenty years, certificates of deposit and open-end money market mutual funds. It is the policy of the County to invest public funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the County and conforming to all state/local statutes governing the investment of public funds.

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The primary objectives, in priority order, of the County's investment activities are as follows:

**Safety:** Safety of principal is the foremost objective of the investment program. Investments of the County shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required so that no individual investment has a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury securities.

**Liquidity:** The County's investment portfolio will remain sufficiently liquid to enable the County to meet all operating requirements that might be reasonably anticipated.

**Return on Investments:** The County's investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the County's investment risk constraints and the cash flow characteristics of the portfolio.

**Investment Policy – Marion County Sheriff's Department Personnel Retirement and Disability Plans**

The primary objectives for the investment activities of the Marion County Sheriff's Retirement and Disability Plans shall be the following:

**Time Horizon:** Investment guidelines are based upon an investment horizon of greater than five years.

**Risk Tolerances:** To achieve the long-term objectives of the plans, the following factors are considered when establishing the risk tolerance.

1. Each plan's financial condition.
2. Liquidity reserves are established, and any remaining assets are fully invested at all times.

**Performance Expectations:** The desired investment objective is a long-term rate of return on assets that is at least 8.1%. Additionally, it is expected the return will be at least 5.3% greater than the anticipated rate of inflation as measured by the Consumer Price Index.

**Asset Allocation Constraints:** The Board has reviewed the long-term performance characteristics of various asset classes, focusing on balancing risks and rewards and has selected the following asset classes for allowable investments:

1. Domestic large-capitalization equities
2. Domestic small-capitalization equities
3. International equities
4. Domestic fixed income
5. Cash equivalents

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**Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates. The County's investment policy provides that the County seeks to minimize the risk that the fair value of securities in its portfolio will decrease due to changes in general interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The County may invest in securities for more than two years and not more than five years in accordance with IC 5-13-9-5.7. Under this policy, investments having maturities of more than two years are limited to 25% of the total portfolio. In accordance with Indiana statutes, this policy will expire four years from its effective date, or December 18, 2022.

Below is a segmented time distribution for the County's investments at December 31, 2018:

	Fair Value	Investment	Investment
		Maturities (in Years)	Maturities (in Years)
		Less Than 1	1-2
U.S. Government-sponsored enterprise securities			
Federal home loan mortgage corporation	\$ 2,252,111	\$ 1,252,771	\$ 999,340
Federal national mortgage association	1,246,575	1,246,575	-
Federal home loan bank	5,077,185	1,855,274	3,221,911
Federal Farm Credit Banks	8,523,000	999,580	7,523,420
Total U.S. Government-sponsored enterprise securities	17,098,871	5,354,200	11,744,671
United States treasury notes	990,660	990,660	-
Municipal bonds	2,520,054	1,405,389	1,114,665
Money market mutual funds	4,471,016	4,471,016	-
Overnight repurchase agreements	710,944	710,944	-
Mutual funds - bond	96,379,458	96,379,458	-
Mutual funds - equity	73,685,697	73,685,697	-
Mutual funds - international equity	21,565,010	21,565,010	-
State external investment pool - TrustIndiana	18,182,649	18,182,649	-
	<u>\$ 235,604,359</u>	<u>\$ 222,745,023</u>	<u>\$ 12,859,336</u>

**Credit Risk**

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

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At December 31, 2018, the County's investments were rated by Standard & Poor's, Moody's, or Fitch as follows:

	Fair Value	Aaa/AAA	A	Not Rated
U.S. Government-sponsored enterprise securities				
Federal home loan mortgage corporation	\$ 2,252,111	\$ 2,252,111	\$ -	\$ -
Federal national mortgage association	1,246,575	1,246,575	-	-
Federal home loan bank	5,077,185	5,077,185	-	-
Federal Farm Credit Banks	8,523,000	8,523,000	-	-
Total U.S. Government-sponsored enterprise	17,098,871	17,098,871	-	-
United States treasury notes	990,660	990,660	-	-
Municipal bonds	2,520,054	-	2,520,054	-
Money market mutual funds	4,471,016	4,471,016	-	-
Mutual funds - bond	96,379,458	-	-	96,379,458
State external investment pool - TrustINDiana	18,182,649	-	-	18,182,649
	<u>\$ 139,642,708</u>	<u>\$ 22,560,547</u>	<u>\$ 2,520,054</u>	<u>\$ 114,562,107</u>

***Custodial Credit Risk***

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

The County's investments in money market mutual funds and an external investment pool are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. At December 31, 2018, all of the County's remaining investments and collateral securities pledged against County investments are held by the counterparty's trust department or agent in the County's name and are therefore not subject to custodial credit risk.

***Concentration of Credit Risk***

Concentration of credit risk is the risk of loss attributable to the magnitude of a government's investment in a single issuer. It is the policy of the County to diversify its investment portfolio to avoid incurring undue concentration in securities of one type or securities of one financial institution, so that no single investment or class of investments can have a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury securities or to investments held in the pension trust funds.

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As of December 31, 2018, investments that represent 5% or greater of the combined assets of the Retirement and Disability Plans include the following:

<b>Investment</b>	<b>Fair Value</b>
Vanguard Stk Mkt Inst	\$ 45,609,900
Blackrock Total Return-BR	15,935,341
Janus Flexible Bond Fund	15,846,933
Loomis Sales Strategic Alpha	15,189,517
Reams Unconstrained Bond Fund	15,109,954
Vanguard Total International Stock Index Instl	12,532,077
Vanguard Short-Term Bond Index Fund	29,194,091
	<u>\$ 149,417,813</u>

***Foreign Currency Risk***

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

**Note 3: Disclosures About Fair Value of Assets**

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

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

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**Recurring Measurements**

The following table presents the fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>
<b>Investment by fair value level</b>			
U.S. Government-sponsored enterprise securities			
Federal home loan mortgage corporation	\$ 2,252,111	\$ -	\$ 2,252,111
Federal national mortgage association	1,246,575	-	1,246,575
Federal home loan bank	5,077,185	-	5,077,185
Federal Farm Credit Banks	<u>8,523,000</u>	<u>-</u>	<u>8,523,000</u>
Total U.S. Government-sponsored enterprise	17,098,871	-	17,098,871
United States treasury notes	990,660	990,660	-
Municipal bonds	2,520,054	-	2,520,054
Money market mutual funds	4,471,016	4,471,016	-
Overnight repurchase agreements	710,944	710,944	-
Mutual funds - bond	66,079,987	66,079,987	-
Mutual funds - equity	73,685,697	73,685,697	-
Mutual funds - international equity	<u>21,565,010</u>	<u>21,565,010</u>	<u>-</u>
 Total investments measured at fair value	 187,122,239	 <u>\$ 167,503,314</u>	 <u>\$ 19,618,925</u>
<b>Investments measured at the net asset value (NAV) (a)</b>			
State external investment pool - TrustIndiana	18,182,649		
Columbus Unconstrained Bond Fund, LLC	15,109,954		
Loomis Sayles Strategic Alpha Fund	<u>15,189,517</u>		
 Total	 <u>\$ 235,604,359</u>		

(a) Certain investments that are measured using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of net position.

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***Investments***

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

***Investments at NAV***

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

The Columbus Unconstrained Bond Fund, LLC is an alternative asset fund that seeks to maximize risk-adjusted total return by systematically pursuing relative value opportunities throughout all sectors of the fixed income market. There are no unfunded commitments or restrictions on redemptions.

The Loomis Sayles Strategic Alpha Fund seeks to provide an attractive absolute total return, complemented by prudent investment management designed to manage risks and protect investor capital. The secondary goal of the Fund is to achieve these returns with relatively low volatility. There are no unfunded commitments or restrictions on redemptions.

**Note 4: Property Taxes**

Property taxes levied for all governmental entities located within Marion County are collected by the Marion County Treasurer ("Treasurer"). On or before August 1 each year, the Marion County Auditor ("Auditor") must submit to each underlying taxing unit a statement of (i) the estimated assessed value ("AV") of the taxing unit as of March 1 of that year, and (ii) an estimate of the taxes to be distributed to the taxing unit during the last six months of the current budget year. The estimated value is based on property tax lists delivered to the Marion County Auditor by the Marion County Assessor on or before July 1.

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The estimated value is used when the Council meets to establish its budget for the next fiscal year (January 1 through December 31), and to set tax rates and levies. The budget, tax rates and levy must be adopted no later than November 1. The budget, tax levy and tax rate are subject to review and revision by the Indiana Department of Local Government Finance (“DLGF”), which, under certain circumstances, may revise, reduce or increase the budget, tax rate, or levy of the County. The DLGF may increase the tax rate and levy if the tax rate and levy proposed by the County is not sufficient to make its debt service or lease rental payments. The DLGF must certify the levy on or before February 15 of the year following the property tax assessment, which then gives taxing units the ability to accurately project revenue loss due to the circuit breaker impact.

Circuit breakers were enacted by the Indiana General Assembly in 2008 and are better known as property tax caps. The cap guarantees that property tax rates in overlapping districts cannot exceed a certain capped percent of the parcel’s gross assessed value. The circuit breaker amount represents property tax liability waived because the parcel is above the level allowed under the property tax caps. The property tax caps are as follows:

Maximum liability equals 1% of parcel AV - homesteads;

Maximum liability equals 2% of parcel AV - agricultural and other residential;

Maximum liability equals 3% of parcel AV - commercial and industrial.

Taxes are distributed by the Auditor to the County and other units of government by June 30 and December 31 of each year. The County can request advances of its share of collected taxes from the Treasurer once the levy and tax rates are certified by the DLGF.

As noted above, the assessment (or lien) date for Indiana property taxes is January 1 of each year; however, the County does not recognize a receivable on the assessment date since the amount of property taxes to be collected cannot be measured until the levy and tax rates are certified in the subsequent year.

Typically, property tax bills are mailed in April and October of each year and are due and payable by the property owners in May (spring) and November (fall), respectively. Property tax billings are considered delinquent if they are not paid by the respective due date, at which time the applicable property is subject to lien, and penalties and interest are assessed. Appeals may be filed within 45 days following the date the bills are mailed.

Changes in assessed values of real property occur periodically as a result of general reassessments required by the State legislature, as well as when changes occur in the property value due to new construction, demolition or improvements.

Property taxes outstanding at December 31, 2018, net of an allowance for uncollectible amounts, are recorded as a receivable in the governmental fund and government-wide financial statements. However, for the governmental fund financial statements, all property tax receivable amounts are offset by deferred inflows of resources.

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**Note 5: Tax Abatements**

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

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

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

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

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

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

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

***Vacant Building Abatement (IC 6-1.1-12.1)***

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

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

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

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

***Impact of Abatements on Revenues***

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

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

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

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

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The estimated gross amount, on an accrual basis, by which the County's property tax revenues (payable 2018 taxes) were reduced as a result of the aforementioned abatement programs that have been entered into by the City of Indianapolis follows:

Real Property Tax Abatement	\$ 654,547
Personal Property Tax Abatement	1,535,681
Vacant Building Abatement	<u>1,075</u>
Total	<u><u>\$ 2,191,303</u></u>

While the County has calculated the potential impact of existing tax abatements on its property tax revenues for 2018, as shown above, the actual extent of lost revenues is something less than this amount and cannot be easily determined due to the application of circuit breaker credits.

**Note 6: Receivables Disaggregation**

Accounts receivable as of December 31, 2018, for the County are as follows:

	<u>Accounts</u>	<u>Due From Other Governments</u>	<u>Total Accounts Receivable</u>
Governmental Activities			
General Fund	\$ 3,322,951	\$ 2,145,208	\$ 5,468,159
Other Nonmajor Governmental Funds	1,420,578	283,755	1,704,333
Internal Service Fund	<u>-</u>	<u>3,654,131</u>	<u>3,654,131</u>
Total governmental activities	<u><u>\$ 4,743,529</u></u>	<u><u>\$ 6,083,094</u></u>	<u><u>\$ 10,826,623</u></u>

Accounts receivable include certain taxes (other than property taxes), fees and charges and amounts due from other governments.

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**Note 7: Due From Federal and State Governments**

Amounts due under federal grants at December 31, 2018 for specific programs and capital projects include:

	<b>Governmental Activities</b>		
	<b>State Grants</b>	<b>Other Nonmajor Governmental</b>	<b>Total</b>
Reimbursements under federal grants:			
Department of Justice (DOJ)	\$ -	\$ 500,201	\$ 500,201
Department of Health and Human Services (HHS)	-	79,359	79,359
Executive Office of the President (EOP)	-	252,297	252,297
Local Funding	-	36,224	36,224
State of Indiana	372,959	-	372,959
	<u>372,959</u>	<u>-</u>	<u>372,959</u>
 Total governmental activities	 <u>\$ 372,959</u>	 <u>\$ 868,081</u>	 <u>\$ 1,241,040</u>

**Note 8: Capital Assets**

Following is a summary of changes in capital assets for the County's governmental activities for the year ended December 31, 2018:

	<b>January 1, 2018</b>	<b>Transfers/ Additions</b>	<b>Transfers/ Disposals</b>	<b>December 31, 2018</b>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 655,172	\$ -	\$ -	\$ 655,172
Development in progress	-	2,736,658	-	2,736,658
Total capital assets not being depreciated	<u>655,172</u>	<u>2,736,658</u>	<u>-</u>	<u>3,391,830</u>
Capital assets being depreciated:				
Buildings	130,707,610	6,361,404	-	137,069,014
Improvements	31,102,405	-	-	31,102,405
Furniture and equipment	28,385,302	11,185,765	1,676,635	37,894,432
Vehicles	9,675,613	594,001	720,654	9,548,960
Software	13,982,786	-	-	13,982,786
Total capital assets being depreciated	<u>213,853,716</u>	<u>18,141,170</u>	<u>2,397,289</u>	<u>229,597,597</u>
Less accumulated depreciation for:				
Buildings	77,170,736	3,732,638	-	80,903,374
Improvements	11,207,895	1,545,722	-	12,753,617
Furniture and equipment	16,618,299	3,624,033	941,221	19,301,111
Vehicles	7,160,477	835,856	556,932	7,439,401
Software	6,046,750	848,601	-	6,895,351
Total accumulated depreciation	<u>118,204,157</u>	<u>10,586,850</u>	<u>1,498,153</u>	<u>127,292,854</u>
Total capital assets being depreciated, net	<u>95,649,559</u>	<u>7,554,320</u>	<u>899,136</u>	<u>102,304,743</u>
 Governmental activities capital assets, net	 <u>\$ 96,304,731</u>	 <u>\$ 10,290,978</u>	 <u>\$ 899,136</u>	 <u>\$ 105,696,573</u>

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Within the statement of activities, depreciation expense was charged to functions/programs of the County during 2018 as follows:

**Governmental Activities:**

Administration and finance	\$ 1,388,897
Protection of people and property	810,492
Corrections	1,630,315
Judicial	3,117,562
Real estate and assessments	15,348
Health and welfare	37,199
Depreciation on capital assets held by the government's internal services are charged to the administration and finance function	3,587,037
Total depreciation and amortization, governmental activities	\$ 10,586,850

**Note 9: Accounts Payable and Other Liabilities Disaggregation**

Accounts payable and other current liabilities as of December 31, 2018 for the County are as follows:

	Vendors	Due to Other Governments	Claims and Settlements	Total Payables
Governmental activities				
General Fund	\$ 7,375,872	\$ 662,000	\$ -	\$ 8,037,872
State Grants	262,805	815,301	-	1,078,106
Other Nonmajor Governmental	3,117,386	10,048	-	3,127,434
Internal Service Fund	1,132,134	103	-	1,132,237
Adjustment to government-wide	-	-	939,668	939,668
Total governmental activities	\$ 11,888,197	\$ 1,487,452	\$ 939,668	\$ 14,315,317

**Note 10: Leases and Management Contracts**

***Lessee Arrangements***

**Indianapolis-Marion County Building Authority (“Building Authority”)**

The City and the County lease the office building and parking lot facilities they share, among other properties, from the Building Authority. The Building Authority is a separate municipal corporation, acting as a joint building authority, whose purpose is to finance, acquire, construct, improve, renovate, equip, operate, maintain, and manage land, governmental buildings and communication systems for governmental entities within Marion County. Such facilities are sometimes financed by the Building Authority through the issuance of bonded debt.

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The Building Authority enters into long-term lease agreements, primarily with the City and the County, which provide for sufficient rent to service the debt (“Fixed Rentals”) and offset budgeted operating costs (“Additional Rentals”) of the leased facilities. All of the leases contain renewal and purchase options and provide for annual adjustment to the Additional Rentals based upon the operating expense budgets for the facilities. If the purchase options are not exercised, the leases generally provide for the transfer, upon expiration of the lease, of ownership of the facilities to the lessee governments free and clear of all obligations of the lease.

The governing Indiana statute with respect to each of the Building Authority’s leases provides that the lessee governments shall be obligated to levy annually a tax sufficient to produce each year the necessary funds to pay the lease rentals to the Building Authority. During 2018, the County paid \$966,000 and \$5,137,507, respectively, in Fixed Rentals and Additional Rentals. Fixed Rental obligations are accounted for as capital leases and are discussed further in Note 11, while Additional Rental obligations are treated as operating leases. The County’s lease agreements with the Building Authority expire on various dates through 2024.

The City and the County have also entered into a number of management contracts with the Building Authority. Such contracts provide for the construction, operation and/or maintenance of facilities for use by various departments of the City and the County. In some instances, the City and the County advance funds to the Building Authority for construction of new facilities. In other instances, management contracts are established for existing facilities. Under each of their management contracts, the City and the County designate the Building Authority as their agent and manager for purposes of constructing, maintaining and/or managing the facilities. Like Additional Rentals, annual Maintenance Fees are payable to the Building Authority for facilities covered under management contracts and vary each year based on the operating expense budgets for the facilities. During 2018, the County paid the Building Authority \$2,571,209 in Maintenance Fees. The County’s only management contract automatically renews on an annual basis.

**Other Lessee Arrangements**

The County, as lessee, has also entered into various other operating leases for rental of equipment and properties. Total rental expense in relation to other operating leases was \$1,590,110 for governmental activities for 2018. The leases expire at various dates through 2034.

Minimum future payments on all noncancelable operating leases as of December 31, 2018 are as follows:

2019	\$ 1,341,489
2020	1,023,300
2021	502,627
2022	341,038
2023	291,449
2024 - 2028	1,026,358
2029 - 2033	763,289
2034	<u>64,093</u>
Total future minimum payments	<u>\$ 5,353,642</u>

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**Note 11: Capital Lease Obligations**

The County enters into financing arrangements for capital leases from time to time, which for accounting purposes are considered capital lease obligations. These include the previously disclosed leases for certain facilities financed through and maintained by the Building Authority. At December 31, 2018, the total net book value of capital assets under such leases was \$40,322,568 and the related capital lease obligations amounted to \$34,638,278.

The following is a schedule of future minimum lease payments and the net present value of these minimum lease payments as of December 31, 2018.

2019	\$ 5,456,078
2020	5,934,145
2021	5,453,231
2022	4,513,352
2023	2,938,710
2024 - 2028	9,337,948
2029 - 2033	7,284,821
	40,918,285
Amount representing interest	(6,280,007)
Total future minimum payments	\$ 34,638,278

**Note 12: Long-Term Liabilities**

Long-term liabilities for the year ended December 31, 2018 follow:

	January 1, 2018	Additions	Reductions	December 31, 2018	Due Within One Year
<b>Governmental Activities:</b>					
Capital lease payable	\$ 29,684,042	\$ 11,809,540	\$ 6,855,304	\$ 34,638,278	\$ 4,381,420
Note payable	819,824	-	445,529	374,295	248,020
Net pension liabilities	163,963,026	27,363,570	30,977,966	160,348,630	-
Other postemployment benefit liability	14,511,078 *	918,837	1,670,356	13,759,559	-
Accrued compensated absences	8,177,150	12,350,124	12,553,752	7,973,522	7,262,643
Total governmental activities	\$ 217,155,120	\$ 52,442,071	\$ 52,502,907	\$ 217,094,284	\$ 11,892,083

\* As restated for GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

As discussed later in these notes, the County provides pension and postemployment healthcare benefits for employees of the Marion County Sheriff's Department. Civilian employees may continue healthcare coverage but are required to contribute 100% of their annual premium. The County's single employer pension PERF plan and other postemployment benefit plan are funded on a "pay-as-you-go" basis.

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Additionally, long-term liabilities for benefit and sick leave earned but not paid and certain claims and judgments are recorded in the government-wide statements. Other long-term liabilities such as these are generally to be liquidated by the General Fund.

**Note 13: Pension Plans**

The County participates in three separate defined-benefit pension plans. The Public Employees' Retirement Fund of Indiana ("PERF"), administered by the Indiana Public Retirement System ("INPRS"), applies to all full-time County employees. The Marion County Sheriff's Department Personnel Retirement Plan ("Sheriff's Retirement Plan") and the Marion County Sheriff's Department Personnel Benefit Plan ("Sheriff's Disability Plan") covers former Marion County Sheriff Deputies, who effective 1/1/2007 were merged into the Indianapolis Metropolitan Police Department (IMPD). The Sheriff's Retirement and Disability Plans are both closed to new participants.

***Marion County Sheriff's Retirement Plan and Sheriff's Disability Plan - Pension Trust Funds***

**Plan Descriptions**

The Sheriff's Retirement Plan is a single-employer defined-benefit pension plan established to provide retirement, termination/severance, disability, and survivor benefits for a person employed by the Marion County Sheriff's Department as a County Police Officer, Sheriff, or Deputy Sheriff with full police power, as such terms are used in Indiana Code. IC 36-8-10-12 grants the authority to the Sheriff's Department and a trustee to establish and amend the benefit terms to the plan with approval of the City-County Council. The Sheriff's Retirement Plan was established on January 1, 1963 and is administered by the Marion County Sheriff's Department Pension Board ("Pension Board"), comprised of the Sheriff, two members who are participants in the plan elected by a secret vote of the participants of the plan, one member appointed by the Sheriff who is a pensioner currently receiving a benefit per the terms of the plan and one member appointed by the Sheriff from the tax-paying citizens. The County does not issue a separate financial report for this plan, which is included as a pension trust fund in this report.

The Sheriff's Disability Plan is a single-employer defined-benefit pension plan established to provide disability, death, and survivor/dependent benefits for a person employed by the Marion County Sheriff's Department as a County Police Officer, Sheriff, or Deputy Sheriff with full police power, as such terms are used in Indiana Code. IC 36-8-10, Sections 14, 15, 16 and 17, grant the authority to the Sheriff's Department and a trustee to establish and amend the benefit terms to the plan with approval of the City-County Council. The Sheriff's Disability Plan was established on November 1, 1972 and is also administered by the Pension Board. The County does not issue separate financials.

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**Employees Covered by Benefit Terms**

Employees covered by benefit terms of the Sheriff's Retirement and Disability Plans as of December 31, 2018 follows:

	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>
Inactive plan members or beneficiaries currently receiving benefits	369	112
Inactive plan members or beneficiaries entitled to but not yet receiving benefits	3	240
Active plan members	210	210
Total	582	562

**Funding Policy**

The Marion County Sheriff's Department intends to contribute to the Sheriff's Retirement and Disability Plans each year such amounts as may be required to operate the plan on a sound actuarial basis. The minimum annual contribution by the Sheriff's Department must be sufficient, as determined by the plans' consultants, to prevent deterioration in the actuarial status of the trust funds during the year. According to IC 36-8-10-12(e), if the Sheriff's Department fails to make minimum contributions for three successive years, the pension trusts terminate and the trust funds shall be liquidated. For the year ended December 31, 2018, the mandatory member contribution rate for the Sheriff's Retirement Plan was 4.25% of annual pay and the actuarially determined employer contribution rate was 42.8% of annual payroll. For the year ended December 31, 2018, the actuarially determined employer contribution rate for the Sheriff's Disability Plan was 13.5% of annual payroll.

**Retirement and Severance Benefits - Sheriff's Retirement Plan**

The Sheriff's Retirement Plan provides that the monthly retirement benefit shall be a pension payable for the member's lifetime equal to 2.50% of the member's average monthly wage received during the highest paid five calendar years before retirement plus one dollar (\$1.00); this sum is multiplied by the member's years of credited service up to 20 years; plus an additional 2% of the member's average monthly wage, as outlined above, multiplied by the member's years of credited service in excess of 20 years up to an additional 12 years. Members are eligible to retire as of normal retirement for an unreduced benefit upon the earlier of the attainment of age 50 and completion of at least 20 years of credited service or attainment of age 55. A member's normal retirement benefit is limited to 74% of the member's average monthly wage, as outlined above, plus \$20.

A reduced early retirement benefit is available to members with at least ten years of credited service any time after attainment of age 30 with a reduction factor as defined in the plan legal document based upon age and credited service at the early retirement date.

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A member who continues employment beyond normal retirement age is eligible for a late retirement benefit upon actual retirement equal to the member's benefit earned in accordance with the normal retirement formula with credit given for subsequent service (provided that the 32-year credited service maximum shall not be exceeded in computing the benefit).

The severance benefit payable to a member prior to completion of ten years of credited service is a lump-sum payment of the net amount of contributions (including interest) plus the amount transferred by the member for the purchase of credited service. After completion of ten years of credited service, a member may elect to receive either a lump-sum, as outlined above, or a monthly benefit equal to the amount earned under the normal retirement benefit formula, using credited service as of the date of severance, with unreduced payment commencing on the member's normal retirement date or a reduced payment commencing at an earlier date with the reduction factor as defined in the plan legal document.

A member who retires as of an early, normal, or late retirement date, who has attained age 55 as of July 1 of the calendar year in which benefits are increased, and who is receiving monthly retirement benefits from the Plan for July of the payment calendar year shall be eligible for a cost of living adjustment ("COLA") applied until the member's death. The COLA shall be a percentage increase in the eligible retiree's monthly benefit equal to the percentage increase, if any, in the average of the Consumer Price Index prepared by the United States Department of Labor for the first three months of the payment calendar year over the average for the same three months of the preceding calendar year. However, the annual percentage increase shall not exceed two percent 2%.

**Disability and Survivor Benefits - Sheriff's Retirement Plan**

If a member separates employment due to disability, the member will receive the net amount of contributions (including interest) plus the amount transferred by the member for the purchase of credited service.

In the event of the death of a member of the Sheriff's Retirement Plan, not from causes suffered in the line of duty, prior to age 30 or prior to completion of ten years of credited service, the designated beneficiary is entitled to receive a death benefit in the form of a lump-sum equal to the member's net amount of contributions (including interest) plus the amount transferred by the member for the purchase of credited service.

In the event of the death of a member, not from causes suffered in the line of duty, who has attained age 30 and is credited with at least ten years of credited service, the designated beneficiary is entitled to receive a death benefit equal to the commuted value of the monthly benefit determined in accordance with the standard benefit definition, as though the member had severed employment immediately prior to death. Such commuted value is payable to the beneficiary in either the monthly amount that would have been payable to the member until the commuted value is exhausted or as an actuarially equivalent monthly annuity amount for the remainder of the beneficiary's life.

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In the event of the death of a member, from causes suffered in the line of duty, who has attained age 30 and is credited with at least ten years of credited service, the designated beneficiary is entitled to receive a death benefit equal to the commuted value of the monthly benefit determined in accordance with the standard benefit definition, as though the member had severed employment immediately prior to death. Such commuted value is payable to the beneficiary in either the monthly amount that would have been payable to the member until the commuted value is exhausted or as an actuarially equivalent monthly annuity amount for the remainder of the beneficiary's life.

**Disability and Survivor Benefits - Sheriff's Disability Plan**

If an eligible member of the Sheriff's Disability Plan becomes disabled, the plan provides a monthly benefit payable for life or until recovery from the disability. The amount of the monthly benefit is equal to the retirement benefit to which the member would be entitled under the terms of the Retirement Plan at age 50, assuming 20 years of credited service if the disability was not incurred in the line of duty and 32 years of credited service if the disability was incurred in the line of duty. In addition, in the case of disability incurred in the line of duty, medical expenses resulting from such disability may be paid from the plan in an amount, if any, approved by the Pension Board.

Each eligible member is insured by a life insurance contract in the face amount of \$25,000, with a matching amount of accidental death insurance. The purchase and maintenance of the insurance contract is provided outside of the plan.

In the event that an eligible member dies prior to the termination of employment for whatever reason or after actual retirement as of an early, normal, or late retirement date or for reason of disability, a \$200 monthly benefit is payable to the surviving spouse to whom the member was married on the date of death or on the date of retirement, if earlier, for the spouse's remaining lifetime.

In addition, to the surviving spouse's death benefit, a monthly benefit is payable on behalf of each dependent child under the age of 18 years of such deceased member in an amount equal to \$30 per month. The dependent child's monthly benefit ceases upon the earlier of the child's 18th birthday or date of death.

**Contributions Required and Contributions Made**

The Sheriff's Retirement Plan is funded through a combination of employer and required employee contributions. For the year ended December 31, 2018, the mandatory employee contribution rate (per the plan's legal document) was 4.25% of annual pay and the actuarially determined minimum required employer contribution was \$8,039,610 (47.6% of annual covered payroll), equal to the actual amount contributed by the Sheriff's Department plus a portion of the County's delinquent tax collections.

The Sheriff's Disability Plan is funded only through employer contributions. For the year ended December 31, 2018, the actuarially determined minimum employer contribution was \$2,447,690 (14.5% of annual covered payroll), equal to the actual amount contributed by the Sheriff's Department.

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***Deferred Retirement Option Plan***

A Deferred Retirement Option Plan (“DROP”) was established on January 1, 2006 pursuant to the plan legal document and is governed by the Sheriff’s Department and a trustee. Members of the Sheriff’s Retirement Plan that are eligible to retire with an unreduced benefit 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 remain in active service, but the member does not contribute to the fund during the DROP period.

A member of the Sheriff’s Retirement Plan who has attained normal retirement age, or is eligible for immediate payment of an unreduced benefit, may irrevocably elect to enter the DROP for a period not longer than three years and shall not extend beyond the date the member is credited with 32 years of service. The member will not be credited with any additional years of service from the date of entry into the DROP. The member’s DROP frozen benefit will be equal to the monthly pension benefit calculated under the standard benefit formula based upon the member’s salary and years of credited service as of the DROP entry date. Upon actual severance of employment by retirement at any time after the DROP entry date, the member will receive a DROP benefit accumulation in the available form/option elected by the member in addition to the DROP frozen benefit to be paid as a monthly annuity. As of December 31, 2018, the balance of the amounts held by the plan pursuant to the DROP is \$1,133,176.

***Indiana Public Employees’ Retirement Fund***

**Plan Description**

The County also contributes to PERF, a cost-sharing, multiple-employer defined-benefit pension plan established in accordance with IC 5-10.3. PERF is administered by the Indiana Public Retirement System (“INPRS”) and is governed by the INPRS Board of Trustees (“INPRS Board”). PERF provides retirement, disability and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan and certain INPRS employees. All full-time County employees are eligible to participate in this plan. INPRS issues a publicly available financial report that includes financial statements and required supplementary information for PERF, and can be found at <http://www.inprs.in.gov/>. This report may also be obtained by writing to Indiana Public Retirement System, 1 North Capitol, Suite 001, Indianapolis, Indiana 46204, or by calling 888-526-1687.

There are two tiers to the PERF plan. The first is the Public Employee’s Defined Benefit Plan (“PERF Hybrid Plan”) and the second is the My Choice: Retirement Savings Plan for Public Employees (“My Choice Plan”). Effective on January 1, 2017, new employees hired by the County are enrolled in the My Choice Plan.

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

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

**Funding Policy**

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

**PERF Hybrid Plan**

The employer defined-benefit contribution rate is based on an actuarial valuation and is adopted, and may be amended, by the INPRS Board. For 2018, the County contributed 11.2% of employee compensation to the plan. The Defined Contribution Account consists of the employee contribution, which is 3% of compensation as defined by Indiana statutes, plus the interest/earnings or losses credited to the employee's account. The employer may choose to make the contributions on behalf of its participating employees, which the County has elected to do. In addition, under certain circumstances, employees may elect to make additional voluntary contributions of up to 10% of their compensation into their Defined Contribution Account. An employee's contribution and interest credits belong to the employee and do not belong to the state or the County. The PERF Hybrid Plan is closed to new enrollees effective January 1, 2017 with certain exceptions.

**My Choice Plan**

For the My Choice plan member contributions are set by statute at 3% of compensation, plus these members may receive additional employer contributions in lieu of the Public Employees' Defined Benefit Account. The County has elected to make the 3% required contribution on behalf of the employed members and has elected to contribute an additional 1.1% for 2018. In addition, for the My Choice Plan, all participating employers were required to make a 7.1% supplemental contribution toward the fund's actuarial unfunded liability.

**Retirement Benefits - PERF Hybrid Plan**

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

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

An employee who has reached: (1) age 65 and has at least ten years of creditable service; (2) age 60 and has at least 15 years of creditable service; or (3) at least age 55 and whose age plus number of years of creditable service is at least 85 is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit component. This annual pension benefit is equal to 1.10% times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the 20 calendar quarters of creditable service in which the employee's annual compensation was the highest. All 20 calendar quarters do not have to be continuous, but they must be in groups of four consecutive calendar quarters. The same calendar quarter may not be included in two different groups. Employee contributions paid by the employer on behalf of the employee and severance pay up to \$2,000 are included as part of the employee's salary.

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

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

Defined Contribution Account

The Public Employees' Hybrid Members Defined Contribution Account (PERF Hybrid DC) is the defined-contribution component of the Public Employees' Hybrid Plan. The Public Employees' Defined Benefit Account is the other component of the Public Employees' Hybrid Plan. Member contributions are set by statute at 3% of compensation, and the employer may choose to make these contributions on behalf of the member, which the County has done. Members are 100% vested in their account balance, which includes all contributions and earnings. The County has elected to make this contribution on behalf of the employed members. The contribution for the year ended December 31, 2018 was \$2,929,397.

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**Disability and Survivor Benefits**

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

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

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

**Contributions Required and Contributions Made**

Employer contribution rates are adopted annually by the INPRS Board for PERF. The contributions are actuarially determined based on the funding policy, actuarial assumptions and actuarial methods established by the INPRS Board. Contributions determined by the actuarial valuation become effective either 12 or 18 months after the valuation date, depending on the applicable employer. In the case of the County, contribution rates and amounts determined by the June 30, 2016 actuarial valuation and adopted by the INPRS Board therefore become effective on January 1, 2018. The County's contractually required contribution rate for 2018 was 11.2% of annual payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2018, the County's actual employer contributions made of \$11,831,024 (11.2% of annual pay) were equal to the actuarially required contributions, which excludes contributions to the Defined Contribution Accounts.

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**Retirement Benefits - My Choice Plan**

**Defined Contribution Account**

The My Choice Plan is a multi-employer defined-contribution fund that serves as the primary retirement benefit for the My Choice: Retirement Savings Plan for Public Employees (My Choice) members. Effective January 1, 2017, new employees are enrolled in the My Choice Plan. Member contributions are set by statute at 3% of compensation, plus these members may receive additional employer contributions in lieu of the Public Employees' Defined Benefit Account. The County has elected to make the 3% required contribution on behalf of the employed members, which was \$595,446 for 2018. Employers can also choose to make an additional contribution to employee accounts ranging from 0% up to the normal cost of the fund, the normal cost for 2018 was 4.1%. The County elected to contribute an additional 1.1% for 2018, which was \$227,726 for 2018. In addition, for the My Choice Plan, all participating employers are required to make a 7.1% supplemental contribution (\$1,401,493 for 2018) toward the PERF Hybrid Plan's actuarial unfunded liability.

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

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

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

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

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**Actuarial Assumptions**

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

Assumptions	Sheriff's Retirement Plan	Sheriff's Disability Plan	PERF
Date of valuation	December 31, 2018	December 31, 2018	June 30, 2017 - rolled forward to measurement date
Measurement date	December 31, 2018	December 31, 2018	June 30, 2018
Actuarial cost method	Frozen initial liability	Aggregate	Entry age normal - Level Percent of Payroll
Long-term expected return on plan assets	6.75%	6.75%	6.75%
Money-weighted rate of return	-4.81%	-3.99%	9.30%
Inflation rate	3.00%	3.00%	2.25%
Cost of living adjustment	2.00%	2.00%	In lieu of a COLA on January 1, 2019, members in pay were provided a 13th check on October 1, 2018. It is assumed a 13th check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, 0.6% beginning on January 1, 2039.
Salary increase	4.00%	4.00%	2.50% - 4.25%
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2018 (separate employee & annuitant tables and male & female tables)	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2018 (separate employee & annuitant tables and male & female tables)	RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables projected on a generational basis using future mortality improvement inherent in the Social Security Administration's 2014 Trustee Report
Experience period	N/A	N/A	7/1/10 to 6/30/14
Discount rate	2018 2017	6.75% 6.75%	6.75% 6.75%
Asset valuation method	5 year asset smoothing	5 year asset smoothing	5-year smoothing of gains/losses on market value with a 20% corridor
Amortization method	Level percentage of payroll	N/A	Level dollar
Amortization period	Open - 20 years	N/A	Closed - 20 years

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The long-term expected rates of return on pension plan investments was determined using a building-block approach and assumes a pre-defined time horizon. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted-average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table for each of the County's pension plans:

Asset Class	Sheriff's Retirement and Disability Plans		PERF	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	37.00 %	6.90 %	22.00 %	4.40 %
Private equity	-	-	14.00	5.40
Global ex-U.S. equity	13.00	7.05	-	-
Fixed income - ex inflation linked	-	-	20.00	2.20
Fixed income - inflation linked	-	-	7.00	0.80
Domestic fixed	33.00	3.02	-	-
Commodities	-	-	8.00	2.30
Real estate	-	-	7.00	6.50
Absolute return	-	-	10.00	2.70
Risk parity	-	-	12.00	5.20
Short duration	15.00	2.60	-	-
Cash equivalents	2.00	2.27	-	-
Total	<u>100.00 %</u>		<u>100.00 %</u>	

**Discount Rates**

The discount rate used to measure the total pension liability for each of the County's pension plans was 6.75% for the year ended December 31, 2018. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the fiduciary net position for each of these plans was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the respective total pension liabilities.

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

The following represents the County's net pension liabilities, by plan and in the aggregate, calculated using discount rates 1% higher and 1% lower than their respective discount rates at December 31, 2018:

Plan	1% Decrease	Current Rate	1% Increase
Sheriff's Retirement Plan (current rate: 6.75%)	\$ 102,483,972	\$ 73,592,389	\$ 49,465,295
Sheriff's Disability Plan (current rate: 6.75%)	9,970,914	6,323,041	3,330,243
PERF (current rate: 6.75%) - proportionate share	<u>126,614,783</u>	<u>80,433,200</u>	<u>41,922,788</u>
Total	<u>\$ 239,069,669</u>	<u>\$ 160,348,630</u>	<u>\$ 94,718,326</u>

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

The net pension liabilities for the Sheriff's Retirement and Disability Plans were measured as of December 31, 2018 and the total pension liability used to calculate the net liability was determined by actuarial valuations as of that date.

The net pension liability for PERF was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to June 30, 2018. Member census data as of June 30, 2017, was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2017 and June 30, 2018. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2017 to the June 30, 2018 measurement date. Wages reported by the County relative to the collective wages of the plan served as the basis to determine the County's proportionate share. This basis of allocation is consistent with the manner in which contributions to the pension plan are determined. At June 30, 2018, the County's proportion was 2.36774%, which was an increase of 0.02271% from its proportion measured as of June 30, 2017.

At December 31, 2018 and for the year then ended, the County reported the following net pension liabilities, pension expense, deferred outflows of resources and deferred inflows of resources related to the County's three pension plans in which it participates:

Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Sheriff's Retirement Plan	\$ 73,592,389	\$ 17,195,427	\$ 75,210	\$ 11,763,563
Sheriff's Disability Plan	6,323,041	2,391,161	2,904	2,183,138
PERF	<u>80,433,200</u>	<u>9,658,313</u>	<u>13,900,745</u>	<u>12,310,212</u>
Total	<u>\$ 160,348,630</u>	<u>\$ 29,244,901</u>	<u>\$ 13,978,859</u>	<u>\$ 26,256,913</u>

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The components of the net pension liability of the County for the Sheriff's Retirement and Disability Plans as of December 31, 2018 were as follows:

	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>
Total pension liability	\$ 256,990,392	\$ 29,810,603
Plan's fiduciary net position	(183,398,003)	(23,487,562)
County's net pension liability	\$ 73,592,389	\$ 6,323,041
Plan fiduciary net position as a percentage of the total pension liability	71.36 %	78.79 %

The changes in the net pension liability for the Sheriff's Retirement and Disability Plans follow:

	Sheriff's Retirement Plan			Sheriff's Disability Plan		
	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances as of January 1, 2018	\$ 251,812,177	\$ 197,733,173	\$ 54,079,004	\$ 29,111,005	\$ 23,851,516	\$ 5,259,489
Changes for the year						
Service cost	3,293,665	-	3,293,665	783,267	-	783,267
Interest on total pension liability	16,716,291	-	16,716,291	1,947,778	-	1,947,778
Difference between expected and actual	(298,763)	-	(298,763)	(46,408)	-	(46,408)
Effect of assumptions changes	(766,062)	-	(766,062)	(68,178)	-	(68,178)
County contributions	-	8,039,610	(8,039,610)	-	2,447,690	(2,447,690)
Employee contributions	-	678,293	(678,293)	-	-	-
Net transfers	-	200	(200)	-	-	-
Net investment loss	-	(9,121,450)	9,121,450	-	(887,173)	887,173
Administrative expenses	-	(164,907)	164,907	-	(7,610)	7,610
Benefit payments	(13,766,916)	(13,766,916)	-	(1,916,861)	(1,916,861)	-
Total net changes	5,178,215	(14,335,170)	19,513,385	699,598	(363,954)	1,063,552
Balances as of December 31, 2018	\$ 256,990,392	\$ 183,398,003	\$ 73,592,389	\$ 29,810,603	\$ 23,487,562	\$ 6,323,041

Detailed information regarding the fiduciary net position for PERF is available in the separately issued financial report for this plan.

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Deferred outflows of resources and deferred inflows of resources related to pensions as of December 31, 2018 are from the following sources:

	Sheriff's Retirement Plan		Sheriff's Disability Plan		PERF		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 21,102	\$ -	\$ 1,176	\$ 1,051,909	\$ 5,491	\$ 1,051,909	\$ 27,769
Net difference between projected and actual earnings on pension plan investments	21,338,248	4,142,821	2,450,236	59,075	2,382,115	-	26,170,599	4,201,896
Changes of assumptions	-	54,108	-	1,728	191,635	12,913,490	191,635	12,969,326
Changes in proportion and differences between the County's contribution and proportionate share contribution	-	-	-	-	734,198	981,764	734,198	981,764
County's contributions subsequent to the measurement date	-	-	-	-	5,298,456	-	5,298,456	-
Total net changes	21,338,248	4,218,031	2,450,236	61,979	9,658,313	13,900,745	33,446,797	18,180,755
Netting required under GASB Statement No. 68	(4,142,821)	(4,142,821)	(59,075)	(59,075)	-	-	(4,201,896)	(4,201,896)
Adjusted total	\$ 17,195,427	\$ 75,210	\$ 2,391,161	\$ 2,904	\$ 9,658,313	\$ 13,900,745	\$ 29,244,901	\$ 13,978,859

At December 31, 2018, the County reported \$5,298,456 as deferred outflows of resources related to pensions resulting from plan contributions made by the County to PERF, subsequent to the measurement date. Therefore, this amount was recognized as a decrease in the net pension liability for PERF in the year ending December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2018, related to pensions will be recognized in pension expense as follows:

	Sheriff's Retirement Plan	Sheriff's Disability Plan	PERF	Total
2019	\$ 6,272,943	\$ 855,612	\$ 1,088,584	\$ 8,217,139
2020	3,317,089	545,823	(3,301,163)	561,749
2021	3,074,624	483,565	(5,903,805)	(2,345,616)
2022	4,455,561	503,257	(1,424,504)	3,534,314
Total	\$ 17,120,217	\$ 2,388,257	\$ (9,540,888)	\$ 9,967,586

**Marion County, Indiana**  
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***Pension Trust Fund Financial Statements***

As separately issued financial statements are not available for the Sheriff's Retirement and Disability Plans, summarized financial statements for those pension trust funds follow:

	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 3,588,728	\$ 787,414	\$ 4,376,142
Investments			
Mutual funds - bond	84,110,304	12,269,154	96,379,458
Mutual funds - equity	67,496,451	6,189,246	73,685,697
Mutual funds - international equity	19,782,253	1,782,757	21,565,010
Accounts receivable	8,502,918	2,455,834	10,958,752
Due from retirement plan	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 183,480,654</u>	<u>\$ 23,484,405</u>	<u>\$ 206,965,059</u>
<b>Liabilities</b>			
Accounts payable	\$ 82,651	\$ (3,157)	\$ 79,494
Due to disability plan	-	-	-
Total liabilities	<u>82,651</u>	<u>(3,157)</u>	<u>79,494</u>
<b>Net Position</b>			
Net position restricted for pensions	<u>\$ 183,398,003</u>	<u>\$ 23,487,562</u>	<u>\$ 206,885,565</u>
	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>	<b>Total</b>
<b>Additions</b>			
Employer contributions	\$ 8,039,610	\$ 2,447,690	\$ 10,487,300
Employee contributions	678,293	-	678,293
Investment income	8,139,578	1,174,470	9,314,048
Unrealized losses	(17,261,029)	(2,061,643)	(19,322,672)
Total additions	<u>(403,548)</u>	<u>1,560,517</u>	<u>1,156,969</u>
<b>Deductions</b>			
Benefit payments	13,766,915	1,916,861	15,683,776
Administrative expense	164,907	7,610	172,517
Transfer from retirement plan	(200)	-	(200)
Total deductions	<u>13,931,622</u>	<u>1,924,471</u>	<u>15,856,093</u>
Net change in net position	(14,335,170)	(363,954)	(14,699,124)
Net position restricted for pensions - beginning of year	<u>197,733,173</u>	<u>23,851,516</u>	<u>221,584,689</u>
Net position restricted for pensions - end of year	<u>\$ 183,398,003</u>	<u>\$ 23,487,562</u>	<u>\$ 206,885,565</u>

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**Note 14: Other Postemployment Benefit Plan**

***Plan Description***

The County provides certain healthcare benefits to eligible retirees under a single-employer defined benefit OPEB plan administered by the County. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. Payments to the retirees are made on a pay-as-you-go basis. The plan does not issue separate financial statements.

**Current County Employees:**

Eligible retirees and their spouses are covered under the County's health plan until the retiree attains age 65. Spouses still under age 65 when the retiree attains age 65 may elect to stay in the plan until age 65 by paying 100% of the appropriate premium. Retirees and covered spouses pay 100% of the charged premium. Benefit provisions are established and amended by the Council via Indiana state statute.

County employees may retire at any time after age 50 with at least 15 years of service and be eligible for the postemployment benefit.

**Former Marion County Sheriff Deputies:**

Former Marion County Sheriff Deputies that retired prior to July 1, 2007, and their spouses, are covered under the County's health plan for life. Upon attaining age 65, the retiree/spouse is transferred into the Cigna health plan.

Former Marion County Sheriff Deputies that retired on or after July 1, 2007 are eligible for subsidized premiums. These retirees and any covered family members pay approximately 40% of the monthly premium until they are age 65. Members pay 25% of the monthly premium for the Cigna health plan.

Benefit provisions are established through negotiations between the County and the union representing the County's employees and are renegotiated each three-year bargaining period. The plan is not accounted for as a trust fund, because an irrevocable trust has not been established to account for the plan. The plan does not issue a separate financial report.

***Benefits Provided***

The OPEB Plan provides medical benefits to all eligible retirees and their spouses hired by the County. The cost of the benefits vary based on type of employee. The County covers the service and interest costs of administering the plan and bears the risk of premiums not being sufficient to cover actual claims paid.

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The employees covered by the benefit terms at the measurement date of December 31, 2018 are:

	<b>2018</b>
Retirees	133
Spouses of retirees	45
Active employees	2,245
	2,423

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

***Total OPEB Liability***

The County’s total OPEB liability of \$13,759,559 was measured as of December 31, 2018 for the year ended December 31, 2018, and was determined by an actuarial valuation as of January 1, 2018 and was projected forward to the measurement date of December 31, 2018. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.20% for 15 years and 2.50% thereafter
Salary increases	2.75%
Discount rate	4.10%
Healthcare cost trend rates	Pre-65: Ranging between 6.50% and 4.10% over 57 years Post-65: Ranging between 6.40% and 4.30% over 57 years
Retirees' share of benefit- related costs	Ranging between 25% and 100%

The discount rate was based on the Bond Buyer’s General Obligation 20 Bond Municipal Index.

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Mortality rates vary as noted below:

- Pre-Retirement: RP-2014 Employee mortality rates adjusted backwards to the 2006 base year using MP-2014, with generational improvement from 2006 using Scale MP-2017. Separate rates for males and females as appropriate.
- Post-Retirement: RP-2014 Healthy Annuitant mortality rates adjusted backwards to the 2006 base year using MP-2014, with generational improvement from 2006 using Scale MP-2017. Separate rates for males and females as appropriate.
- Post-Disability: RP-2014 Disabled mortality rates adjusted backwards to the 2006 base year using MP-2014, with generational improvement from 2006 using Scale MP-2017. Separate rates for males and females as appropriate.

Coverage assumption - 10% of employees are expected to elect coverage at retirement. 25% of County employees are assumed to have a covered spouse in retirement with no dependent children assumed.

Per retiree, medical benefit costs to the County are determined based on gender and age and vary from \$10,500 per year to \$18,492 per year.

***Changes in the Total OPEB Liability***

Changes in the total OPEB liability are:

	<b>Total OPEB Liability</b>
Balance, beginning of year	\$ 14,511,078
Changes for the year:	
Service cost	416,171
Interest	502,666
Changes of assumptions	(1,035,261)
Benefit payments	(635,095)
Net changes	(751,519)
Balance, end of year	\$ 13,759,559

Changes of assumptions reflect a change in the discount rate from 3.44% at December 31, 2017 to 4.10% at December 31, 2018.

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***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Health Care Cost Trend Rates***

The total OPEB liability of the County has been calculated using a discount rate of 4.10%. The following presents the total OPEB liability using a discount rate 1% higher and 1% lower than the current discount rate.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$ 15,373,847	\$ 13,759,559	\$ 12,386,818

The total OPEB liability of the County has been calculated using health care cost trend rates ranging from 6.50% to 4.10%. The following presents the total OPEB liability using health care cost trend rates 1% higher and 1% lower than the current health care cost trend rates.

	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
Total OPEB liability	\$ 12,201,425	\$ 13,759,559	\$ 15,606,484

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the year ended December 31, 2018, the County recognized OPEB expense of \$784,388, which is comprised of \$774,676 related to governmental funds and \$9,712 related to the internal service fund. At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 900,812

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Amounts reported as deferred inflows of resources at December 31, 2018, related to OPEB will be recognized within OPEB expense as follows for the year ending December 31:

2019	\$	(134,449)
2020		(134,449)
2021		(134,449)
2022		(134,449)
2023		(134,449)
Thereafter		<u>(228,567)</u>
	<u>\$</u>	<u>(900,812)</u>

**Note 15: Deferred Compensation Plan**

Employees of Marion County are eligible to participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code (“IRC”) Section 457. The deferred compensation plan is available to all employees of the County. Under this plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. Plan assets are held in trust by an independent trustee for the exclusive benefit of participants and their beneficiaries and are not included within the accompanying financial statements.

**Note 16: Fund Balances**

The following table displays the breakdown of fund balance by purpose in accordance with GASB Statement No. 54:

	General Fund	Public Safety Income Tax	State Grants	Nonmajor Governmental Funds	Total
Governmental Activities:					
Restricted for					
Administration and finance	\$ -	\$ -	\$ -	\$ 3,408,763	\$ 3,408,763
Protection of people and property	-	474,118	-	1,125,683	1,599,801
Corrections	-	-	-	1,963,995	1,963,995
Judicial	-	-	-	5,669,563	5,669,563
Real estate and assessments	-	-	-	5,676,813	5,676,813
Health and welfare	-	-	-	6,177,665	6,177,665
Debt service	-	-	-	10,781	10,781
Capital projects	-	-	-	1,589,254	1,589,254
Other purposes by grantors	-	-	399,452	1,534,767	1,934,219
	<u>-</u>	<u>474,118</u>	<u>399,452</u>	<u>27,157,284</u>	<u>28,030,854</u>
Assigned to					
Operating expenditures	2,841,511	-	-	-	2,841,511
	<u>2,841,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,841,511</u>
Unassigned (deficit)	<u>21,588,687</u>	<u>-</u>	<u>-</u>	<u>(818,735)</u>	<u>20,769,952</u>
Total fund balance	<u>\$ 24,430,198</u>	<u>\$ 474,118</u>	<u>\$ 399,452</u>	<u>\$ 26,338,549</u>	<u>\$ 51,642,317</u>

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Deficit fund balances by fund are as follows:

Nonmajor Special Revenue Funds	
Adult Probation	\$ (164,442)
County Misdemeanant	(4,046)
Supplemental Public Defender Fee	(15,581)
MC Sheriff Medical Care for Inmates	(563,330)
Nonmajor Debt Service Fund	
Capital Improvement Sinking	(44,686)
Nonmajor Capital Project Funds	
Public Safety Capital Projects	(12,244)

The deficit in the MC Sheriff’s Medical Care for Inmates Fund will be covered by a transfer from the General Fund. The deficit in the Adult Probation, County Misdemeanant, and Supplemental Public Defender Fee Fund will be covered by future charges for services. The County intends to reduce the deficit in the Capital Improvement Sinking Fund and the Public Safety Capital Project Fund by a transfer from the General Fund.

**Note 17: Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is self-insured for vehicle, workers’ compensation, general liability, and high-deductible health insurance. Additionally, the County purchases commercial insurance for claims for all other risks of loss. Settled claims have not exceeded the insurance coverage in any of the past three years. Additionally, the County participates in the City’s self-insurance fund for high-deductible health insurance plan that is offered to current and eligible retired employees. In 2018, the County paid \$23,125,895 relating to these self-insured risks.

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The change in claims for 2018, including an estimate of incurred but not reported claims, is as follows:

	<b>Risk Management</b>	<b>Public Liability Self- Insurance</b>	<b>Total</b>
Unpaid claims, December 31, 2016	\$ 439,778	\$ 150,000	\$ 589,778
Incurred claims and changes in estimates	1,139,204	33,500	1,172,704
Claims paid	<u>(1,057,305)</u>	<u>(33,500)</u>	<u>(1,090,805)</u>
Unpaid claims, December 31, 2017	521,677	150,000	671,677
Incurred claims and changes in estimates	1,072,308	429,833	1,502,141
Claims paid	<u>(1,066,317)</u>	<u>(167,833)</u>	<u>(1,234,150)</u>
Unpaid claims, December 31, 2018	<u>\$ 527,668</u>	<u>\$ 412,000</u>	<u>\$ 939,668</u>

The unpaid claim liability as of December 31, 2018 is included in accounts payable.

**Note 18: Contingent Liabilities and Commitments**

***Lawsuits***

Various lawsuits are pending against the County. In the opinion of the County's Corporation Counsel, the aggregate potential loss on all outstanding litigation for public liability self-insurance was estimated to be \$412,000 at December 31, 2018. This amount has been accrued for in the government-wide statement of net position. Indiana tort law limits the County's liability to \$700,000 per person and \$5,000,000 per occurrence. Additionally, the County is a defendant in various lawsuits for which management has determined that there is a reasonable possibility of an adverse outcome. No accrual has been made in the financial statements for these items, which approximate \$4,400,000 - \$44,000,000, as these potential losses are not both probable and estimable.

***Government Grants***

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under the terms of the grants.

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**Note 19: Related Party Transactions**

The legislative body of the County is the same in several respects as that of the City, and the position of chief executive is held by the Mayor of the City. The County provides certain information technology and telephone services to the City. Receipts from these services were \$17,441,809 for information system costs and \$762,090 for telephone costs in 2018, of which approximately \$3,341,119 is receivable from the City at December 31, 2018. In 2018, the County also received \$6,995,382 of 911 dispatch fees from the City and paid \$758,222 for fuel charges to the City. As of December 31, 2018, the County owed the City \$808,642 for court costs.

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

The County acted as either a subrecipient or a pass-through agent for various state and federal grant programs received from the City during 2018.

The County has entered into various contracts with Health and Hospital Corporation of Marion County ("HHC"). HHC is a separate municipal corporation and is considered to be a component unit of the Consolidated City of Indianapolis - Marion County. HHC has its own governing board, separate from the County's legislative body. HHC activities include the administration of the Division of Public Health and the Division of Public Hospitals. In 2018, the County made \$1,681,439 in distributions funded from property taxes to HHC in support of community mental health centers.

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**Note 20: Interfund Transactions and Balances**

Funds are transferred from one fund to support expenditures of other funds in accordance with authority established for the individual fund. The composition of interfund receivable and payable balances as of December 31, 2018 is as follows:

<b>Interfund Receivables</b>	<b>Interfund Payables</b>	<b>Amount</b>
General Fund	Nonmajor Governmental Funds	\$ 860,763
General Fund	Agency Fund	<u>45,680</u>
		<u><u>\$ 906,443</u></u>

Interfund transfers for the year ended December 31, 2018 consisted of the following:

	<b>Transfers In</b>			<b>Total</b>
	<b>General Fund</b>	<b>State Grants</b>	<b>Nonmajor Governmental Funds</b>	
<b>Transfers Out</b>				
General Fund	\$ -	\$ 944	\$ 15,255,362	\$ 15,256,306
State Grants	-	-	122,861	122,861
Nonmajor Governmental Funds	<u>3,113</u>	-	<u>615,429</u>	<u>618,542</u>
Total	<u><u>\$ 3,113</u></u>	<u><u>\$ 944</u></u>	<u><u>\$ 15,993,652</u></u>	<u><u>\$ 15,997,709</u></u>

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

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**Note 21: Subsequent Events**

On April 4, 2019, the Indianapolis Local Public Improvement Bond Bank issued the Community Justice Campus Bonds, Series 2019A and 2019B for \$610,645,000 and \$13,745,000, respectively. The proceeds from the 2019A series will be used for the purpose of purchasing the Indianapolis-Marion County Building Authority Lease Rental Revenue Bonds, Series 2019A (Jail and Courthouse Project). The proceeds of the Series 2019B bonds will be used for the purpose of purchasing the Indianapolis-Marion County Building Authority Lease Rental Revenue Bonds, Series 2019B (Assessment and Intervention Center Project). The Community Justice Campus will be located at the site of a former gas and coke manufacturing facility, the Citizens Gas & Coke Utility Plant, and will consist of a new adult detention center and courthouse, and a new assessment and intervention center. The Detention Center will replace the existing arrestee processing center, Jail I, Jail II and Hope Hall. The Detention Center will consist of roughly 2,700 general population beds, 300 specialty beds and 40,000-50,000 square feet of space for inmate education, job-training, counseling and other programs. The Courthouse will consolidate the Marion County, Indiana, Courts (namely, the civil, criminal, juvenile and probate courts) into one building. The assessment and intervention center will be a two-story, approximately 38,000 square foot building that has capacity for 90 beds, which will provide temporary shelter, case assessment and treatment referral services. The facilities and land on the campus will be leased by the Building Authority, as lessor, to Marion County, as lessee. Upon completion of the project, the County will pay lease rental payments to the Building Authority to secure the payment of the Series 2019A and Series 2019B Bonds. It is anticipated that the facility will be ready for use and occupancy by September 2021 with a final move in date of January 2022, at which time monthly lease payments will begin, capitalized interest will cover the payments between the time of closing and the occupancy of the campus.

## **Required Supplementary Information**

**Marion County, Indiana**  
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**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**(Budgetary Basis)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 151,633,979	\$ 153,688,492	\$ 178,402,612	\$ 24,714,120
Intergovernmental	18,823,027	18,823,027	14,556,355	(4,266,672)
Charges for services	8,663,406	8,663,406	8,451,726	(211,680)
Interest	960,000	960,000	3,518,528	2,558,528
Miscellaneous	365,201	365,201	1,254,843	889,642
Total revenues	<u>180,445,613</u>	<u>182,500,126</u>	<u>206,184,064</u>	<u>23,683,938</u>
<b>Expenditures</b>				
General government	106,656,552	107,733,509	106,187,617	1,545,892
Public safety	78,157,426	77,747,426	77,358,732	388,694
Cultural and recreation	738,380	738,379	171,253	567,126
Capital outlays	388,602	819,647	762,501	57,146
Total expenditures	<u>185,940,960</u>	<u>187,038,961</u>	<u>184,480,103</u>	<u>2,558,858</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	9,724,451	22,569,122	1,874,829	20,694,293
Sale of capital assets	200,000	200,000	-	(200,000)
Total other financing sources	<u>9,924,451</u>	<u>22,769,122</u>	<u>1,874,829</u>	<u>20,494,293</u>
Net change in fund balances	4,429,104	18,230,287	23,578,790	5,348,503
Fund balances - beginning of year	5,035,668	2,108,463	14,956,082	12,847,619
Cancellation of purchase orders and other	(2,929,206)	(268,757)	(11,353,271)	(11,084,514)
Fund balances - end of year	<u>\$ 6,535,566</u>	<u>\$ 20,069,993</u>	<u>\$ 27,181,601</u>	<u>\$ 7,111,608</u>

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**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - Public Safety Income Tax Fund**  
**(Budgetary Basis)**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 41,177,393	\$ 41,019,950	\$ 41,019,951	\$ 1
Intergovernmental	-	-	1,000	1,000
Total revenues	41,177,393	41,019,950	41,020,951	1,001
<b>Expenditures</b>				
General government	14,681,569	14,681,568	14,359,417	322,151
Public safety	26,904,321	26,904,322	26,561,457	342,865
Total expenditures	41,585,890	41,585,890	40,920,874	665,016
Net change in fund balances	(408,497)	(565,940)	100,077	666,017
Fund balances - beginning of year	341,811	409,482	802,215	392,733
Cancellation of purchase orders and other	67,670	433,906	47,234	(386,672)
Fund balances - end of year	\$ 984	\$ 277,448	\$ 949,526	\$ 672,078

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**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - State Grants Fund**  
**(Budgetary Basis)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 11,401,720	\$ 11,401,720	\$ 9,902,590	\$ (1,499,130)
Miscellaneous	-	-	896	896
Total revenues	<u>11,401,720</u>	<u>11,401,720</u>	<u>9,903,486</u>	<u>(1,498,234)</u>
<b>Expenditures</b>				
General government	4,853,499	5,167,499	3,892,447	1,275,052
Public safety	6,297,221	6,072,220	5,656,836	415,384
Capital outlays	251,000	486,000	229,651	256,349
Total expenditures	<u>11,401,720</u>	<u>11,725,719</u>	<u>9,778,934</u>	<u>1,946,785</u>
<b>Other Financing Uses</b>				
Transfers in	-	-	72,300	72,300
Total other financing uses	<u>-</u>	<u>-</u>	<u>72,300</u>	<u>72,300</u>
Net change in fund balances	-	(323,999)	196,852	520,851
Fund balances - beginning of year	-	409,482	802,215	392,733
Cancellation of purchase orders and other	-	(85,483)	3,457,356	3,542,839
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,456,423</u>	<u>\$ 4,456,423</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Required Supplementary Information - Budgetary Comparison**

***Budgets and Budgetary Accounting***

Budgets, detailed to the agency (i.e., department) and character level, are adopted for all governmental funds except Clerk’s Title IV D Incentive, Clerk’s Title IV D ARRA, General Title IV D ARRA, Sheriff Commissary, Prosecutor’s Title IV D Incentive, Prosecutor’s Title IV D ARRA, Campaign Finance Fines, Court Violations Bureau, and other Special Revenue Funds that are not legally required to do so.

Child Advocacy (Special Revenue Fund), Prosecutor’s PCA Fee (Special Revenue Fund), Sheriff Training and Gun Permit (Special Revenue Fund), Sheriff Accident Report Fees (Special Revenue Fund), Capital Improvement Sinking (Debt Service Fund), Public Safety Interest Escrow (Capital Projects Fund) and Public Safety Capital Projects (Capital Projects Fund) were not budgeted during 2018 due to no expenditure activity.

A separate budgetary report has been prepared, which is detailed to the agency and character level and is available upon request. The budgetary basis of accounting is essentially the cash basis with the exception of revenues received in the current year but budgeted for in a prior year and that encumbrances and certain accounts payable are treated as expenditures.

The timetable for the budgetary process is as follows:

- June 1** Office of Finance and Management provides guidelines to County agencies
- July 1** County officials submit budgets
- August** Office of Finance and Management recommends budget to City-County Council
- September** Council committees review/amend budgets based on public testimony
- October** Council approves budget by last meeting of October
- December** State of Indiana, Department of Local Government Finance reviews/adjusts and gives final approval to budget
- January 1** Budget becomes effective

Revisions to transfer appropriations between agencies or character of expenditure require approval of the City-County Council. Revisions to increase the appropriations require approval of the City-County Council, and if the increased appropriation occurs in a fund that has a tax rate, then the State of Indiana Department of Local Government Finance also must approve the increase.

During the year, the following supplementary appropriations were properly approved for the General Fund, Public Safety Income Tax Fund, and State Grants Fund:

	<b>General</b>	<b>Public Safety Income Tax</b>	<b>State Grants</b>
Original appropriation	\$ 185,940,960	\$ 41,585,890	\$ 11,401,720
Revisions	1,098,001	-	323,999
Revised appropriation	<u>\$ 187,038,961</u>	<u>\$ 41,585,890</u>	<u>\$ 11,725,719</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Required Supplementary Information - Budgetary Comparison**  
**(Continued)**

Unencumbered appropriations lapse at year-end and represent fund balances available for future commitment, except for capital projects funds, which are budgeted on a project basis.

Adjustments necessary to convert the results of 2018 operations from a budgetary basis to a GAAP basis are as follows:

	<b>General</b>	<b>Public Safety Income Tax</b>	<b>State Grants</b>
Net change in fund balance - budgetary basis	\$ 23,578,790	\$ 100,077	\$ 196,852
Add (Deduct):			
Accrued revenues	5,729,921	15,380	-
Accrued expenditures	(10,753,688)	-	(198,654)
Transfer, net	(10,843,775)	-	(195,160)
Encumbrances	4,852,973	-	212,052
Expenditures from prior year encumbrances	(3,140,674)	-	(134,446)
Net change in fund balance - GAAP basis	\$ 9,423,547	\$ 115,457	\$ (119,356)

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Changes in the County's Net Pension Liability -**  
**Sheriff's Retirement Plan \* - Last 10 Fiscal Years**

	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>					
Service cost	\$ 3,293,665	\$ 3,353,009	\$ 3,377,204	\$ 3,438,958	\$ 3,512,394
Interest cost	16,716,291	16,501,226	16,004,062	16,038,453	15,287,781
Experience (gains)/losses	(298,763)	(1,882,023)	(2,410,307)	(4,536,384)	(2,796,688)
Assumption changes	(766,062)	(1,484,444)	2,891,811	(3,008,899)	7,557,415
Projected benefit payments	(13,766,916)	(12,622,240)	(12,297,015)	(12,477,800)	(12,234,746)
Net change in total pension liability	<u>5,178,215</u>	<u>3,865,528</u>	<u>7,565,755</u>	<u>(545,672)</u>	<u>11,326,156</u>
Total pension liability - beginning	<u>251,812,177</u>	<u>247,946,649</u>	<u>240,380,894</u>	<u>240,926,566</u>	<u>229,600,410</u>
Total pension liability - ending	<u>\$ 256,990,392</u>	<u>\$ 251,812,177</u>	<u>\$ 247,946,649</u>	<u>\$ 240,380,894</u>	<u>\$ 240,926,566</u>
<b>Plan Fiduciary Net Position</b>					
County employer contributions	\$ 8,039,610	\$ 8,501,853	\$ 8,051,621	\$ 8,158,271	\$ 7,910,245
Employee contributions	678,293	696,277	701,867	737,899	789,236
Net transfers	200	(545,440)	-	1,371	-
Net investment income (loss)	(9,121,450)	19,092,015	10,529,310	(2,962,919)	8,029,616
Administrative expenses	(164,907)	(181,126)	(138,803)	(173,623)	(155,593)
Actual benefit payments	(13,766,916)	(12,622,240)	(12,297,015)	(12,477,800)	(12,234,746)
Net change in plan fiduciary net position	<u>(14,335,170)</u>	<u>14,941,339</u>	<u>6,846,980</u>	<u>(6,716,801)</u>	<u>4,338,758</u>
Plan fiduciary net position - beginning	<u>197,733,173</u>	<u>182,791,834</u>	<u>175,944,854</u>	<u>182,661,655</u>	<u>178,322,897</u>
Plan fiduciary net position - ending	<u>\$ 183,398,003</u>	<u>\$ 197,733,173</u>	<u>\$ 182,791,834</u>	<u>\$ 175,944,854</u>	<u>\$ 182,661,655</u>
<b>County's Net Pension Liability</b>	<u>\$ 73,592,389</u>	<u>\$ 54,079,004</u>	<u>\$ 65,154,815</u>	<u>\$ 64,436,040</u>	<u>\$ 58,264,911</u>

**Notes to Schedule**

\* *Plan is closed to new members.*

*Required supplementary information is not available for the preceding five years.*

*Benefit changes:* None

*Changes in assumptions:* The following change in assumptions was made from the December 31, 2017 to the December 31, 2018 valuation.

- Change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables).

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Changes in the County's Net Pension Liability -**  
**Sheriff's Disability Plan \* - Last 10 Fiscal Years**

	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>					
Service cost	\$ 783,267	\$ 791,832	\$ 791,666	\$ 791,002	\$ 799,921
Interest cost	1,947,778	1,812,612	1,878,146	1,807,899	1,682,982
Experience (gains)/losses	(46,408)	1,377,816	(2,025,092)	413,949	182,988
Assumption changes	(68,178)	(126,643)	125,792	(255,746)	854,598
Projected benefit payments	(1,916,861)	(1,759,200)	(1,720,689)	(1,712,811)	(1,599,643)
Net change in total pension liability	699,598	2,096,417	(950,177)	1,044,293	1,920,846
Total pension liability - beginning	29,111,005	27,014,588	27,964,765	26,920,472	24,999,626
Total pension liability - ending	<u>\$ 29,810,603</u>	<u>\$ 29,111,005</u>	<u>\$ 27,014,588</u>	<u>\$ 27,964,765</u>	<u>\$ 26,920,472</u>
<b>Plan Fiduciary Net Position</b>					
County employer contributions	\$ 2,447,690	\$ 1,320,396	\$ 2,418,032	\$ 2,160,004	\$ 1,840,453
Net transfers	-	545,440	-	(1,371)	-
Net investment income (loss)	(887,173)	1,597,513	1,089,224	(189,118)	719,888
Administrative expenses	(7,610)	(6,713)	(6,834)	(3,822)	(6,466)
Actual benefit payments	(1,916,861)	(1,759,200)	(1,720,689)	(1,712,811)	(1,599,643)
Net change in plan fiduciary net position	(363,954)	1,697,436	1,779,733	252,882	954,232
Plan fiduciary net position - beginning	23,851,516	22,154,080	20,374,347	20,121,465	19,167,233
Plan fiduciary net position - ending	<u>\$ 23,487,562</u>	<u>\$ 23,851,516</u>	<u>\$ 22,154,080</u>	<u>\$ 20,374,347</u>	<u>\$ 20,121,465</u>
<b>County's Net Pension Liability</b>	<u>\$ 6,323,041</u>	<u>\$ 5,259,489</u>	<u>\$ 4,860,508</u>	<u>\$ 7,590,418</u>	<u>\$ 6,799,007</u>

**Notes to Schedule**

\* Plan is closed to new members.

Required supplementary information is not available for the preceding five years.

Benefit changes: None

Changes in assumptions: The following change in assumptions was made from the December 31, 2017 to the December 31, 2018 valuation.

- Change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables).

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Net Pension Liabilities and Related Ratios -**  
**Last 10 Fiscal Years**

Actuarial Valuation Date	Total Pension Liability	Plan Fiduciary Net Position	County's Net Pension Liability	Fiduciary Net Position as a % of Total Pension Liability	County's Covered Payroll	County's Net Pension Liability as a % of Covered Payroll
<b>Sheriff's Retirement Plan *</b>						
12/31/2018	\$ 256,990,392	\$ 183,398,003	\$ 73,592,389	71.36 %	\$ 16,874,696	436.11 %
12/31/2017	251,812,177	197,733,173	54,079,004	78.52	17,767,398	304.37
12/31/2016	247,946,649	182,791,834	65,154,815	73.72	18,104,156	359.89
12/31/2015	240,380,894	175,944,854	64,436,040	73.19	18,425,920	349.70
12/31/2014	240,926,566	182,661,655	58,264,911	75.82	18,831,122	309.41
<b>Sheriff's Disability Plan *</b>						
12/31/2018	\$ 29,810,603	\$ 23,487,562	\$ 6,323,041	78.79 %	\$ 16,874,696	37.47 %
12/31/2017	29,111,005	23,851,516	5,259,489	81.93	17,767,398	29.60
12/31/2016	27,014,588	22,154,080	4,860,508	82.01	18,104,056	26.85
12/31/2015	27,964,765	20,374,347	7,590,418	72.86	18,425,920	41.19
12/31/2014	26,920,472	20,121,465	6,799,007	74.74	18,831,122	36.11

\* Plans closed to new members

**Notes to Schedule**

*Required supplementary information is not available for the preceding five years.*

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Investment Returns -**  
**Last 10 Fiscal Years**

Actuarial Valuation Date	December 31				
	2018	2017	2016	2015	2014
<b>Sheriff's Retirement Plan *</b>					
Annual money-weighted rate of return, net of investment expense	-4.81%	10.87%	6.22%	-1.70%	4.70%
<b>Sheriff's Disability Plan *</b>					
Annual money-weighted rate of return, net of investment expense	-3.99%	7.63%	5.63%	-1.03%	3.95%

\* Plans closed to new members

**Notes to Schedule**

*Required supplementary information is not available for the preceding five years.*

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of County's Proportionate Share of Net Pension Liability -**  
**PERF Plan - Last 10 Fiscal Years**

	2018	2017	2016	2015	2014
<b>PERF</b>					
County's proportion of the net pension liability	2.37 %	2.35 %	2.38 %	2.32 %	2.27 %
County's proportionate share of the net pension liability	\$ 80,433,200	\$ 104,624,533	\$ 107,973,226	\$ 94,632,250	\$ 59,656,492
County's covered payroll	120,815,683	116,340,785	114,019,597	111,289,286	110,832,741
County's proportionate share of the net pension liability as a percentage of its covered payroll	67 %	90 %	95 %	85 %	54 %
Plan fiduciary net position as a percentage of the total pension liability (a)	78.9 % *	72.7 %	71.2 %	73.3 %	81.1 %

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

**Notes to Schedule**

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

*Required supplementary information is not available for the preceding five years.*

*Benefit changes:* None

*Changes in assumptions during 2018:*

- In lieu of a COLA on January 1, 2019, members in pay were provided a 13<sup>th</sup> check on October 1, 2018. It is assumed a 13<sup>th</sup> check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed:  
0.4% beginning on January 1, 2022  
0.5% beginning on January 1, 2034  
0.6% beginning on January 1, 2039

*Changes in actuarial methods:* None

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of County's Pension Contributions -**  
**Last 10 Fiscal Years**

	2018	2017	2016	2015	2014
<b>Sheriff's Retirement Plan *</b>					
Actuarially determined contribution	\$ 7,739,257	\$ 8,169,492	\$ 7,756,375	\$ 7,900,004	\$ 7,730,980
Contributions in relation to the actuarially determined contribution	8,039,610	8,501,853	8,051,621	8,158,275	7,910,245
Contribution deficiency (excess)	(300,353)	(332,361)	(295,246)	(258,271)	(179,265)
County's covered payroll	16,874,696	17,767,398	18,104,056	18,425,920	18,831,122
Contributions as a percentage of covered payroll	47.6 %	47.9 %	44.5 %	44.3 %	42.0 %
<b>Sheriff's Disability Plan *</b>					
Actuarially determined contribution	\$ 2,447,690	\$ 1,865,836	\$ 2,418,032	\$ 2,160,004	\$ 1,840,453
Contributions in relation to the actuarially determined contribution	2,447,690	1,865,836	2,418,032	2,160,004	1,840,453
Contribution deficiency (excess)	-	-	-	-	-
County's covered payroll	16,874,696	17,767,398	18,104,056	18,425,920	18,831,122
Contributions as a percentage of covered payroll	14.5 %	10.5 %	13.4 %	11.7 %	9.8 %
<b>PERF **</b>					
Contractually required contribution	\$ 11,831,024	\$ 12,252,354	\$ 12,919,625	\$ 13,051,666	\$ 12,112,202
Contributions in relation to the contractually required contribution	11,831,024	12,252,354	12,919,625	13,051,666	12,112,202
Contribution deficiency (excess)	-	-	-	-	-
County's covered payroll	105,634,143	109,396,020	115,353,798	116,532,728	110,110,926
Contributions as a percentage of covered payroll	11.2 %	11.2 %	11.2 %	11.2 %	11.0 %

\* Plans closed to new members

\*\* Plan closed to new members with limited exceptions

**Notes to Schedule**

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

*Required supplementary information is not available for the preceding five years.*

**PERF**

*Benefit changes:* None

*Changes in assumptions during 2018:*

- In lieu of a COLA on January 1, 2019, members in pay were provided a 13<sup>th</sup> check on October 1, 2018. It is assumed a 13<sup>th</sup> check would continue for the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, were assumed:
  - 0.4% beginning on January 1, 2022
  - 0.5% beginning on January 1, 2034
  - 0.6% beginning on January 1, 2039

*Changes in actuarial methods:* None

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Changes in the County's Total OPEB Liability and Related Ratios -**  
**Last 10 Fiscal Years**

	<b>2018</b>
<b>TOTAL OPEB LIABILITY</b>	
Service cost	\$ 416,171
Interest	502,666
Changes of assumptions	(1,035,261)
Benefit payments	(635,095)
Net change in total OPEB liability	(751,519)
Total OPEB liability - beginning	14,511,078
Total OPEB liability - ending	\$ 13,759,559
Covered-employee payroll	\$ 119,889,856
Total OPEB liability as a percentage of covered-employee payroll	11.48%

**Notes to Schedule**

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

*Required supplementary information is not available for the preceding nine years.*

*Benefit changes:* None

*Changes of assumptions:* Discount rate increased from 3.44% at December 31, 2017 to 4.10% at December 31, 2018.

*Trust:* No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

## **Other Supplementary Information**

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Balance Sheet - General Fund**  
**December 31, 2018**

**Assets**

Cash and cash equivalents	\$ 23,319,848
Investments	9,257,008
Property tax receivable	4,811,799
Accounts receivable	5,468,159
Due from other funds	<u>906,443</u>
Total assets	<u><u>\$ 43,763,257</u></u>

**Liabilities, Deferred Inflows of Resources  
and Fund Balances**

**Liabilities**

Accounts payable	\$ 8,037,872
Accrued payroll and payroll taxes	2,421,016
Total liabilities	<u>10,458,888</u>

**Deferred Inflows of Resources**

Unavailable revenues	<u>8,874,171</u>
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**Fund Balances**

Assigned	2,841,511
Unassigned	<u>21,588,687</u>
Total fund balances	<u>24,430,198</u>

Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 43,763,257</u></u>
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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Revenues, Expenditures and Changes in Fund Balance -**  
**General Fund**  
**Year Ended December 31, 2018**

<b>Revenues</b>	
Taxes	\$ 178,400,265
Intergovernmental	19,350,083
Interest	3,891,075
Charges for services	8,949,879
Traffic violations and court fees	7,555
Contributions	-
Miscellaneous	1,315,127
Total revenues	<u>211,913,984</u>
<b>Expenditures</b>	
Current:	
General government	106,167,465
Public safety	77,489,332
Culture and recreation	171,823
Debt service	
Interest	728,241
Lease payments	2,057,374
Capital outlays	6,907,257
Total expenditures	<u>193,521,492</u>
<b>Excess of Revenues Over Expenditures</b>	<u>18,392,492</u>
<b>Other Financing Sources (Uses)</b>	
Issuance of capital leases	6,284,248
Transfers in	3,113
Transfers out	<u>(15,256,306)</u>
Total other financing sources (uses)	<u>(8,968,945)</u>
Net change in fund balances	9,423,547
Fund balances - beginning of year	<u>15,006,651</u>
Fund balances - end of year	<u><u>\$ 24,430,198</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character - General Fund**  
**Budget and Actual (Budgetary Basis)**  
**Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
Prosecuting Attorney	County General			
Personal services		\$ 15,694,356	\$ 15,694,356	\$ -
Supplies		81,700	81,700	-
Other services and charges		2,661,261	2,651,164	10,097
Capital outlay		10,000	10,000	-
Total		<u>18,447,317</u>	<u>18,437,220</u>	<u>10,097</u>
Prosecutor's Child Support IV-D Agency	County General			
Personal services		3,334,088	3,334,061	27
Supplies		40,300	40,300	-
Other services and charges		1,064,167	1,063,727	440
Capital outlay		15,000	14,984	16
Total		<u>4,453,555</u>	<u>4,453,072</u>	<u>483</u>
Forensic Services	County General			
Personal services		5,606,460	5,503,816	102,644
Supplies		345,454	212,861	132,593
Other services and charges		654,877	582,758	72,119
Capital outlay		295,000	262,625	32,375
Total		<u>6,901,791</u>	<u>6,562,060</u>	<u>339,731</u>
County Sheriff	County General			
Personal services		32,059,472	32,089,022	(29,550)
Supplies		1,575,422	1,575,384	38
Other services and charges		30,656,903	30,656,902	1
Capital outlay		245,800	245,797	3
Total		<u>64,537,597</u>	<u>64,567,105</u>	<u>(29,508)</u>
Community Corrections	County General			
Personal services		1,968,399	1,967,364	1,035
Supplies		189,400	153,708	35,692
Other services and charges		4,691,038	4,615,757	75,281
Capital outlay		28,000	20,031	7,969
Total		<u>6,876,837</u>	<u>6,756,860</u>	<u>119,977</u>
Circuit Court	County General			
Personal services		1,159,090	1,016,500	142,590
Supplies		5,000	3,141	1,859
Other services and charges		328,610	303,081	25,529
Capital outlay		3,000	733	2,267
Total		<u>1,495,700</u>	<u>1,323,455</u>	<u>172,245</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character - General Fund**  
**Budget and Actual (Budgetary Basis) (Continued)**  
**Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
Marion County Superior Court	County General			
Personal services		\$ 20,477,327	\$ 19,901,043	\$ 576,284
Supplies		123,485	123,174	311
Other services and charges		11,747,400	11,386,827	360,573
Capital outlay		85,500	85,450	50
Total		<u>32,433,712</u>	<u>31,496,494</u>	<u>937,218</u>
County Auditor	County General			
Personal services		1,407,823	1,231,229	176,594
Other services and charges		6,777,627	6,878,852	(101,225)
Total		<u>8,185,450</u>	<u>8,110,081</u>	<u>75,369</u>
Clerk of the Circuit Court	County General			
Personal services		4,752,695	4,498,148	254,547
Supplies		14,518	14,439	79
Other services and charges		743,535	695,231	48,304
Total		<u>5,510,748</u>	<u>5,207,818</u>	<u>302,930</u>
County Election Board	County General			
Personal services		1,350,000	1,198,312	151,688
Supplies		75,000	52,351	22,649
Other services and charges		2,251,760	2,251,760	-
Capital outlay		96,084	96,080	4
Total		<u>3,772,844</u>	<u>3,598,503</u>	<u>174,341</u>
Voters' Registration	County General			
Personal services		764,611	703,726	60,885
Supplies		18,300	18,300	-
Other services and charges		292,260	278,992	13,268
Capital outlay		8,604	7,080	1,524
Total		<u>1,083,775</u>	<u>1,008,098</u>	<u>75,677</u>
County Coroner	County General			
Personal services		1,175,857	1,175,857	-
Supplies		64,502	64,502	-
Other services and charges		1,867,521	1,867,521	-
Capital outlay		3,614	2,645	969
Total		<u>3,111,494</u>	<u>3,110,525</u>	<u>969</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character - General Fund**  
**Budget and Actual (Budgetary Basis) (Continued)**  
**Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
County Treasurer	County General			
Personal services		\$ 1,587,492	\$ 1,468,385	\$ 119,107
Supplies		6,025	3,716	2,309
Other services and charges		1,001,485	959,594	41,891
Capital outlay		2,000	521	1,479
Total		<u>2,597,002</u>	<u>2,432,216</u>	<u>164,786</u>
County Surveyor	County General			
Personal services		127,448	121,168	6,280
Total		<u>132,873</u>	<u>121,321</u>	<u>11,552</u>
County Assessor	County General			
Personal services		3,277,330	3,238,259	39,071
Supplies		22,893	14,059	8,834
Other services and charges		1,255,697	1,179,224	76,473
Capital outlay		14,000	3,509	10,491
Total		<u>4,569,920</u>	<u>4,435,051</u>	<u>134,869</u>
Marion County Public Defender Agency	County General			
Personal services		17,753,779	17,749,425	4,354
Supplies		29,655	29,560	95
Other services and charges		4,388,448	4,386,852	1,596
Capital outlay		13,045	13,045	-
Total		<u>22,184,927</u>	<u>22,178,882</u>	<u>6,045</u>
Cooperative Extension Service	County General			
Personal services		223,225	164,362	58,863
Supplies		5,030	3,141	1,889
Other services and charges		515,164	513,839	1,325
Total		<u>743,419</u>	<u>681,342</u>	<u>62,077</u>
Total – General Funds – by Department and Division		<u>\$ 187,038,961</u>	<u>\$ 184,480,103</u>	<u>\$ 2,558,858</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Governmental Funds by Fund Type**  
**December 31, 2018**

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 18,223,249	\$ 7,718	\$ 2,569,336	\$ 20,800,303
Investments	6,862,537	3,063	1,019,920	7,885,520
Property tax receivable	61,007	-	197,301	258,308
Accounts receivable	1,631,299	-	73,034	1,704,333
Due from federal and state governments	868,081	-	-	868,081
	<u>27,646,173</u>	<u>10,781</u>	<u>3,859,591</u>	<u>31,516,545</u>
Total assets	<u>\$ 27,646,173</u>	<u>\$ 10,781</u>	<u>\$ 3,859,591</u>	<u>\$ 31,516,545</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,127,434	\$ -	\$ 2,000,000	\$ 3,127,434
Accrued payroll and payroll taxes	370,665	-	-	370,665
Unearned revenue	53,249	-	-	53,249
Due to other funds	803,833	44,686	12,244	860,763
Total liabilities	<u>2,355,181</u>	<u>44,686</u>	<u>2,012,244</u>	<u>4,412,111</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	<u>495,550</u>	<u>-</u>	<u>270,335</u>	<u>765,885</u>
<b>Fund Balances</b>				
Restricted	25,557,247	10,781	1,589,256	27,157,284
Unassigned (deficits)	<u>(761,805)</u>	<u>(44,686)</u>	<u>(12,244)</u>	<u>(818,735)</u>
Total fund balances (deficits)	<u>24,795,442</u>	<u>(33,905)</u>	<u>1,577,012</u>	<u>26,338,549</u>
	<u>\$ 27,646,173</u>	<u>\$ 10,781</u>	<u>\$ 3,859,591</u>	<u>\$ 31,516,545</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 27,646,173</u>	<u>\$ 10,781</u>	<u>\$ 3,859,591</u>	<u>\$ 31,516,545</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Governmental Funds by Fund Type**  
**Year Ended December 31, 2018**

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$ 4,637,837	\$ -	\$ 5,843,470	\$ 10,481,307
Intergovernmental	7,736,254	-	-	7,736,254
Interest	5,965	-	-	5,965
Charges for services	25,111,111	-	-	25,111,111
Traffic violations and court fees	1,311	-	-	1,311
Miscellaneous	259,679	-	29,392	289,071
Total revenues	<u>37,752,157</u>	<u>-</u>	<u>5,872,862</u>	<u>43,625,019</u>
<b>Expenditures</b>				
Current				
General government	22,808,156	-	6,563,645	29,371,801
Public safety	27,929,543	-	-	27,929,543
Debt service				
Redemption of notes	445,530	-	-	445,530
Interest on notes	18,297	-	190,672	208,969
Lease payments	-	-	775,328	775,328
Capital outlays	763,982	-	245,000	1,008,982
Total expenditures	<u>51,965,508</u>	<u>-</u>	<u>7,774,645</u>	<u>59,740,153</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(14,213,351)</u>	<u>-</u>	<u>(1,901,783)</u>	<u>(16,115,134)</u>
<b>Other Financing Sources (Uses)</b>				
Notes issued	-	-	-	-
Transfers in	15,993,652	-	-	15,993,652
Transfers out	(618,542)	-	-	(618,542)
Total other financing sources (uses)	<u>15,375,110</u>	<u>-</u>	<u>-</u>	<u>15,375,110</u>
Net change in fund balances	1,161,759	-	(1,901,783)	(740,024)
Fund balances (deficits) - beginning of year	<u>23,633,683</u>	<u>(33,905)</u>	<u>3,478,795</u>	<u>27,078,573</u>
Fund balances (deficits) - end of year	<u>\$ 24,795,442</u>	<u>\$ (33,905)</u>	<u>\$ 1,577,012</u>	<u>\$ 26,338,549</u>

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for operating revenues that are restricted for particular purposes by state or federal statute or that are committed to expenditures for specific purposes other than debt service or capital projects designated by authority of the City-County Council to be maintained in separate funds.

**IDENTIFICATION SECURITY PROTECTION**—This fund was created by IC 36-2-7.5-11 for the purpose of purchasing, upgrading, implementing, or maintaining redacting technology used in the office of the County Recorder.

**ADULT PROBATION**—Established to account for receipt of adult probation fees to be appropriated by the City-County Council for the courts' use in providing probation services to adults.

**CLERK'S RECORD PERPETUATION**—Created by IC 33-19-6-1.5. Established to account for all revenue for access provided to public records received pursuant to section 285-307(3) of this Code, all revenue for facsimile documents sent by the clerk, and all revenue received for the facsimile transmission to the clerk of court pleadings. This fund is to be used for the preservation of records or the improvement of record keeping systems and equipment.

**SURVEYOR'S CORNER PERPETUATION**—Established to account for receipt of fees collected by the County Recorder to be appropriated by the City-County Council for establishing or relocating corners and the keeping of the corner record book.

**COUNTY RECORDS PERPETUATION**—Established to account for certain fees that are collected by the County Recorder for the preservation of records and the improvement of recording systems and equipment. (IC 36-2-7-10(d))

**PROPERTY REASSESSMENT**—Used for the purpose of receiving and holding in escrow tax distribution for the funding for the next property reassessment. Funds held in escrow until distributions are authorized by the State Legislature, whereby the distribution is made to the Marion County Assessor.

**PROSECUTOR'S DIVERSION**—Established to account for collection of user fees related to the operation of pretrial diversion programs. All money collected in this fund must be appropriated by the City-County Council and can be used only as the Prosecuting Attorney directs for pretrial diversion programs.

**LAW ENFORCEMENT**—Established to account for the payment of restitution by certain offenders.

**CLERK'S TITLE IV D INCENTIVE**—This fund was created by IC 12-17-2-26. The revenues received in this fund are an incentive from the state/federal government for enhancing child support enforcement. These funds per the statute are eligible to be spent without appropriation.

**SHERIFF'S COMMISSARY**—Established to account for money collected in the jail commissary, which is required to be spent according to IC 36-8-10-21.

**GUARDIAN AD LITEM**—Created by IC 31-40-3-1. This fund was created to collect from the parent or guardian of the estate of any child for whom a guardian ad litem is appointed to pay to the probation department a user fee of not more than one hundred dollars (\$100) for deposit by the probation department in the guardian ad litem fund if a guardian ad litem has been appointed. The fund is to be used by the juvenile courts in providing guardian ad litem services and the costs of representation for the guardians ad litem.

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS (CONTINUED)

COUNTY MISDEMEANANT—Established by the State of Indiana to provide incentive to counties to locally house misdemeanants. This fund may be used only for funding the operation of a county jail, jail programs, or other local correctional facilities. (IC 11-12-6-6)

ALCOHOL AND DRUG SERVICES—Established to account for the collection of court fees to be appropriated by the City-County Council for the operation of alcohol and drug services program.

COMMUNITY CORRECTIONS HOME DETENTION—Established to collect user fees related to the supervision of home detention. (IC 11-2-7-1)

COUNTY AUDITOR'S INELIGIBLE DEDUCTIONS—This fund was created by IC 6-1.1-12-17. Monies in the fund may be used only for specific purposes outlined under IC 6-1.1-36-17 (e) and may be expended upon appropriation by the county fiscal body.

LAW ENFORCEMENT EQUITABLE SHARING—Established in accordance with federal guidelines to track all funds received under the Equitable Sharing Program.

LOCAL EMERGENCY PLANNING—This fund was established to account for any revenue produced by any fee or charge imposed under section 10 or 10.4 of chapter 2 of IC 13-25 and accrued interest and other investment earnings. The purpose of the fund is to provide the county with funds to help implement SARA (42 U.S.C. 11001 et seq.).

SUPPLEMENTAL PUBLIC DEFENDER FEE—Established to account for the collection of fees assessed, at the discretion of the judge, on a defendant to cover costs incurred by the County as a result of court appointed legal services rendered to the defendant. (IC 33-40-3-1, 3 & 4)

DEFERRAL PROGRAM FEES—Established to account for the collection of traffic violation process fees for people who are released on their own recognizance.

COUNTY DRUG FREE COMMUNITY—Established to promote comprehensive local alcohol and drug abuse prevention initiatives by supplementing local funding for treatment, education, and criminal justice efforts. (IC 5-2-11-2).

COUNTY ELECTED OFFICIALS' TRAINING—Established to account for money deposited by the county recorder in accordance with the requirements of IC 36-2-7.5-6(c)(3) and for any other sources required or permitted by law. Monies may be used solely to provide training of County elected officials required by IC 36-2-11-2.5, IC 36-2-12-2.5, and other similar laws.

FEDERAL GRANTS—Established to account for federal grant programs received from the U.S. Marshal, U.S. Department of Justice, U.S. Department of Health and Human Services, and various other federal agencies.

PROSECUTOR'S PCA FEE—Pursuant to IC 31-25-4-14.1, chooses a Private Collection Agency (PCA) to collect arrears on child support cases that only have state assigned arrears. A contract is entered into with the PCA, which stipulates that 10% of collected money goes to the Prosecutor's office. There is no restriction on the usage of PCA money, but the County policy on the usage of funds must be followed.

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS (CONTINUED)

ENHANCED ACCESS—Established for the replacement, improvement, and expansion of capital expenditures and the reimbursement of operating expenses incurred in providing enhanced access to public information. (IC 5-14-3-8.3) Revised Code of the Consolidated City and County Indianapolis/Marion, Indiana – Title I Chapter 135 Article V Sec. 135-511.

PROSECUTOR’S TITLE IV D INCENTIVE—Created by IC 12-17-2-26, the receipts received in this fund are an incentive from the state/federal government for enhancing child support enforcement. These funds per the statute are eligible to be spent without appropriation.

SHERIFF’S CIVIL DIVISION FEES—Created by the City-County Council, Ordinance No. 86 (2004), the fund shall consist of fees collected in the processing of real estate foreclosures and orders of eviction. Receipts received in this fund are for the purpose of carrying out the functions of the Marion County Sheriff’s Department. Amounts shall be paid from this fund only pursuant to appropriations authorized by the City-County Council. Revised Code of the Consolidated City and County Indianapolis/Marion, Indiana – Title I Chapter 135 Article II Sec. 135-281 (c).

ENDORSEMENT FEE—Established to account for the receipt of fees charged on documents for endorsing a document affecting an interest in real property. This fund is to be used for the improvement and maintenance of the real property records systems and equipment. (IC 36-2-11-14) Revised Code of the Consolidated City and County Indianapolis/Marion, Indiana – Title I Chapter 135 Article II Sec. 135-222.

COUNTY SALES DISCLOSURE—Established to account for the receipt of fees charged on the filing of a sales disclosure form. This fund is to be used for the administration of the sales disclosure function, training of assessing officials, or the purchasing of computer software or hardware for a property record system (IC 6-1.1-5.5-4.5).

GENERAL TITLE IV D INCENTIVE—Created by IC 31-25-4-23.5 (a). Receipts received will come from incentive payments outlined in 23(a)(1) of the above chapter referenced above. Monies may be used solely for child support enforcement purposes.

COMMISSIONER & GUARDIAN AD LITEM—Created by IC 34-28-5-4 (h) and IC 34-28-5-5 (e). This fund was created to collect an additional infraction judgment fee of \$35 on traffic violations. Funds may be used solely for the purposes of funding compensation of commissioners and the cost of the County’s Guardian Ad Litem program.

MC SHERIFF MEDICAL CARE FOR INMATES FUND—Established to account for all fees and moneys generated by health care and prescription co-payments by incarcerated persons and also for all moneys generated by contracts, grants, gifts, appropriations and any other source, which are designated for inmate medical expenses.

THE MECA EMERGENCY COMMUNIATION FUND - Created in 1999 by General Ordinance #148, based on guidance for E-911 fees collected under IC 36-8-16.7. Monies in this fund shall be used only for the purpose allowed by IC 36-8-16.7.

OTHER—Used to account for activities of 21 other less significant revenue sources and related expenditures.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds**  
**December 31, 2018**

	<b>Identification Security Protection</b>	<b>Adult Probation</b>	<b>Clerk's Record Perpetuation</b>	<b>Surveyor's Corner Perpetuation</b>	<b>County Records Perpetuation</b>	<b>Property Reassessment</b>	<b>Prosecutor's Diversion</b>	<b>Law Enforcement</b>
<b>Assets</b>								
Cash and cash equivalents	\$ 77,941	\$ -	\$ 1,186,802	\$ 441,581	\$ 1,424,686	\$ 901,330	\$ 194,593	\$ 222,559
Investments	30,940	-	471,111	175,290	565,541	357,791	77,244	88,348
Property tax receivable	-	-	-	-	-	61,007	-	-
Accounts receivable	4,829	90,624	61,853	46,830	134,564	22,592	16,105	-
Due from federal and state governments	-	-	-	-	-	-	-	-
Total assets	<u>\$ 113,710</u>	<u>\$ 90,624</u>	<u>\$ 1,719,766</u>	<u>\$ 663,701</u>	<u>\$ 2,124,791</u>	<u>\$ 1,342,720</u>	<u>\$ 287,942</u>	<u>\$ 310,907</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ -	\$ -	\$ 17,741	\$ 3,552	\$ 14,350	\$ 8,631	\$ -	\$ 6,955
Accrued payroll and payroll taxes	-	16,699	11,452	8,354	17,714	26,480	4,232	12,853
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	-	238,367	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>255,066</u>	<u>29,193</u>	<u>11,906</u>	<u>32,064</u>	<u>35,111</u>	<u>4,232</u>	<u>19,808</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,599</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	113,710	-	1,690,573	651,795	2,092,727	1,224,010	283,710	291,099
Unassigned	-	(164,442)	-	-	-	-	-	-
Total fund balances (deficits)	<u>113,710</u>	<u>(164,442)</u>	<u>1,690,573</u>	<u>651,795</u>	<u>2,092,727</u>	<u>1,224,010</u>	<u>283,710</u>	<u>291,099</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 113,710</u>	<u>\$ 90,624</u>	<u>\$ 1,719,766</u>	<u>\$ 663,701</u>	<u>\$ 2,124,791</u>	<u>\$ 1,342,720</u>	<u>\$ 287,942</u>	<u>\$ 310,907</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)**  
**December 31, 2018**

	Clerk's Title IV D Incentive	Sheriff Commissary	Guardian Ad Litem	County Misdemeanant	Alcohol and Drug Services	Home Detention	County Auditor's Ineligible Deductions	Law Enforcement Equitable Sharing	Local Emergency Planning
<b>Assets</b>									
Cash and cash equivalents	\$ 1,047,401	\$ 935,461	\$ 193,054	\$ 9,277	\$ 96,412	\$ 621,972	\$ 2,336,853	\$ 251,544	\$ 204,673
Investments	415,775	-	76,634	3,683	38,271	246,898	927,633	99,853	81,247
Property tax receivable	-	-	-	-	-	-	-	-	-
Accounts receivable	177,346	-	-	-	33,722	179,908	39,345	-	-
Due from federal and state governments	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 1,640,522</u>	<u>\$ 935,461</u>	<u>\$ 269,688</u>	<u>\$ 12,960</u>	<u>\$ 168,405</u>	<u>\$ 1,048,778</u>	<u>\$ 3,303,831</u>	<u>\$ 351,397</u>	<u>\$ 285,920</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ 850	\$ -	\$ 237,652	\$ 14,234	\$ -	\$ 346,688	\$ 23,980	\$ 926	\$ 1,970
Accrued payroll and payroll taxes	6,158	-	-	2,772	1,812	58,241	7,342	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Total liabilities	<u>7,008</u>	<u>-</u>	<u>237,652</u>	<u>17,006</u>	<u>1,812</u>	<u>404,929</u>	<u>31,322</u>	<u>926</u>	<u>1,970</u>
<b>Deferred Inflows of Resources</b>									
Unavailable revenues	<u>88,673</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	1,544,841	935,461	32,036	-	166,593	643,849	3,272,509	350,471	283,950
Unassigned	-	-	-	(4,046)	-	-	-	-	-
Total fund balances (deficits)	<u>1,544,841</u>	<u>935,461</u>	<u>32,036</u>	<u>(4,046)</u>	<u>166,593</u>	<u>643,849</u>	<u>3,272,509</u>	<u>350,471</u>	<u>283,950</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,640,522</u>	<u>\$ 935,461</u>	<u>\$ 269,688</u>	<u>\$ 12,960</u>	<u>\$ 168,405</u>	<u>\$ 1,048,778</u>	<u>\$ 3,303,831</u>	<u>\$ 351,397</u>	<u>\$ 285,920</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)**  
**December 31, 2018**

	Supplemental Public Defender Fee	Deferral Program Fees	County Drug Free Community	County Elected Elected Officials' Training	Federal Grants	Prosecutor's PCA Fee	Enhanced Access	Prosecutor's Title IV D Incentive
<b>Assets</b>								
Cash and cash equivalents	\$ 13,410	\$ 625,087	\$ 25,520	\$ 365,115	\$ 541,599	\$ 262,017	\$ 761,971	\$ 1,995,681
Investments	5,323	248,134	10,131	144,935	214,993	104,010	302,470	792,202
Property tax receivable	-	-	-	-	-	-	-	-
Accounts receivable	10,919	61,982	64,796	4,829	-	13,361	11,648	268,320
Due from federal and state governments	-	-	33,838	-	831,857	-	-	-
Total assets	<u>\$ 29,652</u>	<u>\$ 935,203</u>	<u>\$ 134,285</u>	<u>\$ 514,879</u>	<u>\$ 1,588,449</u>	<u>\$ 379,388</u>	<u>\$ 1,076,089</u>	<u>\$ 3,056,203</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ 45,233	\$ 3,863	\$ 11,556	\$ -	\$ 68,210	\$ 41,917	\$ 27,993	\$ 95,758
Accrued payroll and payroll taxes	-	-	-	-	34,567	-	-	1,973
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>45,233</u>	<u>3,863</u>	<u>11,556</u>	<u>-</u>	<u>102,777</u>	<u>41,917</u>	<u>27,993</u>	<u>97,731</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenues	-	-	2,026	-	99,169	-	-	133,410
<b>Fund Balances</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	931,340	120,703	514,879	1,386,503	337,471	1,048,096	2,825,062
Unassigned (deficits)	(15,581)	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>(15,581)</u>	<u>931,340</u>	<u>120,703</u>	<u>514,879</u>	<u>1,386,503</u>	<u>337,471</u>	<u>1,048,096</u>	<u>2,825,062</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 29,652</u>	<u>\$ 935,203</u>	<u>\$ 134,285</u>	<u>\$ 514,879</u>	<u>\$ 1,588,449</u>	<u>\$ 379,388</u>	<u>\$ 1,076,089</u>	<u>\$ 3,056,203</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)**  
**December 31, 2018**

	Sheriff's Civil Division Fees	Endorsement Fee	County Sales Disclosure	MECA Emergency Communication	General Title IV D Incentive	Commissioner & Guardian Ad Litem	MC Sheriff Medical Care for Inmates	Other	Total Special Revenue
<b>Assets</b>									
Cash and cash equivalents	\$ 88,330	\$ 221,020	\$ 220,311	991,119	\$ 1,032,686	\$ 260,380	\$ -	\$ 672,864	\$ 18,223,249
Investments	35,064	87,736	87,454	393,433	409,933	103,360	-	267,100	6,862,537
Property tax receivable	-	-	-	-	-	-	-	-	61,007
Accounts receivable	66,390	26,975	18,453	-	177,346	80,774	2,136	15,652	1,631,299
Due from federal and state governments	-	-	-	-	-	-	-	2,386	868,081
<b>Total assets</b>	<b>\$ 189,784</b>	<b>\$ 335,731</b>	<b>\$ 326,218</b>	<b>1,384,552</b>	<b>\$ 1,619,965</b>	<b>\$ 444,514</b>	<b>\$ 2,136</b>	<b>\$ 958,002</b>	<b>\$ 27,646,173</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ -	\$ -	\$ -	136,074	\$ -	\$ -	\$ -	\$ 19,301	\$ 1,127,434
Accrued payroll and payroll taxes	2,601	-	1,765	144,015	7,480	2,947	-	1,208	370,665
Unearned revenue	-	-	-	-	-	-	-	53,249	53,249
Due to other funds	-	-	-	-	-	-	565,466	-	803,833
<b>Total liabilities</b>	<b>2,601</b>	<b>-</b>	<b>1,765</b>	<b>280,089</b>	<b>7,480</b>	<b>2,947</b>	<b>565,466</b>	<b>73,758</b>	<b>2,355,181</b>
<b>Deferred Inflows of Resources</b>									
Unavailable revenues	-	-	-	-	88,673	-	-	-	495,550
<b>Fund Balances</b>									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	187,183	335,731	324,453	1,104,463	1,523,812	441,567	-	898,650	25,557,247
Unassigned (deficits)	-	-	-	-	-	-	(563,330)	(14,406)	(761,805)
<b>Total fund balances (deficits)</b>	<b>187,183</b>	<b>335,731</b>	<b>324,453</b>	<b>1,104,463</b>	<b>1,523,812</b>	<b>441,567</b>	<b>(563,330)</b>	<b>884,244</b>	<b>24,795,442</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 189,784</b>	<b>\$ 335,731</b>	<b>\$ 326,218</b>	<b>1,384,552</b>	<b>\$ 1,619,965</b>	<b>\$ 444,514</b>	<b>\$ 2,136</b>	<b>\$ 958,002</b>	<b>\$ 27,646,173</b>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2018**

	Identification Security Protection	Adult Probation	Clerk's Record Perpetuation	Surveyor's Corner Perpetuation	County Records Perpetuation	Property Reassessment	Prosecutor's Diversion	Law Enforcement
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,830,468	\$ -	\$ -
Intergovernmental	-	-	5,350	-	(1,300)	-	-	886,850
Interest	-	-	-	-	-	-	-	-
Charges for services	66,266	1,310,378	923,604	679,650	1,878,542	-	218,309	-
Traffic violations and court fees	-	-	-	-	-	-	-	-
Miscellaneous	-	(3,356)	2,568	-	-	9,405	-	270
Total revenues	<u>66,266</u>	<u>1,307,022</u>	<u>931,522</u>	<u>679,650</u>	<u>1,877,242</u>	<u>1,839,873</u>	<u>218,309</u>	<u>887,120</u>
<b>Expenditures</b>								
Current								
General government	44,586	1,611,362	1,064,784	518,404	1,450,279	1,724,204	237,830	661,392
Public safety	-	-	-	-	-	-	-	5,586
Debt service								
Redemption of notes	-	-	-	-	-	-	-	-
Interest on notes	-	-	-	-	-	-	-	-
Capital outlays	-	-	15,211	19,093	672	-	-	-
Total expenditures	<u>44,586</u>	<u>1,611,362</u>	<u>1,079,995</u>	<u>537,497</u>	<u>1,450,951</u>	<u>1,724,204</u>	<u>237,830</u>	<u>666,978</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>21,680</u>	<u>(304,340)</u>	<u>(148,473)</u>	<u>142,153</u>	<u>426,291</u>	<u>115,669</u>	<u>(19,521)</u>	<u>220,142</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	21,680	(304,340)	(148,473)	142,153	426,291	115,669	(19,521)	220,142
Fund balances (deficits) - beginning of year	92,030	139,898	1,839,046	509,642	1,666,436	1,108,341	303,231	70,957
Fund balances (deficits) - end of year	<u>\$ 113,710</u>	<u>\$ (164,442)</u>	<u>\$ 1,690,573</u>	<u>\$ 651,795</u>	<u>\$ 2,092,727</u>	<u>\$ 1,224,010</u>	<u>\$ 283,710</u>	<u>\$ 291,099</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds (Continued)**  
**For the Year Ended December 31, 2018**

	Clerk's Title IV D Incentive	Sheriff Commissary	Guardian Ad Litem	County Misdemeanant	Alcohol and Drug Services	Home Detention	County Auditor's Ineligible Deductions	Law Enforcement Equitable Sharing	Local Emergency Planning
<b>Revenues</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537,369	\$ -	\$ -
Intergovernmental	446,163	-	-	582,583	-	676,600	-	930,850	-
Interest	-	-	-	-	-	-	-	-	-
Charges for services	-	4,450,644	1,260,296	-	411,696	2,108,223	-	-	-
Traffic violations and court fees	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	119,602	-	-	(21,844)
Total revenues	<u>446,163</u>	<u>4,450,644</u>	<u>1,260,296</u>	<u>582,583</u>	<u>411,696</u>	<u>2,904,425</u>	<u>537,369</u>	<u>930,850</u>	<u>(21,844)</u>
<b>Expenditures</b>									
Current									
General government	374,973	-	6,802,651	-	340,343	177,158	1,670,174	61,828	37,921
Public safety	-	4,205,744	-	641,552	-	2,545,330	-	-	-
Debt service									
Redemption of notes	-	445,530	-	-	-	-	-	-	-
Interest on notes	-	18,297	-	-	-	-	-	-	-
Capital outlays	2,915	-	-	-	-	-	14,283	504,134	-
Total expenditures	<u>377,888</u>	<u>4,669,571</u>	<u>6,802,651</u>	<u>641,552</u>	<u>340,343</u>	<u>2,722,488</u>	<u>1,684,457</u>	<u>565,962</u>	<u>37,921</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>68,275</u>	<u>(218,927)</u>	<u>(5,542,355)</u>	<u>(58,969)</u>	<u>71,353</u>	<u>181,937</u>	<u>(1,147,088)</u>	<u>364,888</u>	<u>(59,765)</u>
<b>Other Financing Sources (Uses)</b>									
Transfers in	57,443	-	5,351,274	-	-	124,496	-	-	-
Transfers out	-	-	-	-	-	(944)	-	-	-
Total other financing sources (uses)	<u>57,443</u>	<u>-</u>	<u>5,351,274</u>	<u>-</u>	<u>-</u>	<u>123,552</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	125,718	(218,927)	(191,081)	(58,969)	71,353	305,489	(1,147,088)	364,888	(59,765)
Fund balances (deficits) - beginning of year	<u>1,419,123</u>	<u>1,154,388</u>	<u>223,117</u>	<u>54,923</u>	<u>95,240</u>	<u>338,360</u>	<u>4,419,597</u>	<u>(14,417)</u>	<u>343,715</u>
Fund balances (deficits) - end of year	<u>\$ 1,544,841</u>	<u>\$ 935,461</u>	<u>\$ 32,036</u>	<u>\$ (4,046)</u>	<u>\$ 166,593</u>	<u>\$ 643,849</u>	<u>\$ 3,272,509</u>	<u>\$ 350,471</u>	<u>\$ 283,950</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds (Continued)**  
**For the Year Ended December 31, 2018**

	Supplemental Public Defender Fee	Deferral Program Fees	County Drug Free Community	County Elected Officials' Training	Federal Grants	Prosecutor's PCA Fee	Enhanced Access	Prosecutor's Title IV D Incentive
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	124,383	-	2,992,701	(23,297)	-	671,255
Interest	-	-	-	-	-	-	-	-
Charges for services	132,584	1,505,581	298,063	66,266	-	-	221,817	-
Traffic violations and court fees	-	1,311	-	-	-	-	-	-
Miscellaneous	250	-	-	-	5,354	42,303	-	1,701
Total revenues	<u>132,834</u>	<u>1,506,892</u>	<u>422,446</u>	<u>66,266</u>	<u>2,998,055</u>	<u>19,006</u>	<u>221,817</u>	<u>672,956</u>
<b>Expenditures</b>								
Current								
General government	135,972	859,437	368,185	1,958	1,838,974	-	165,472	866,923
Public safety	-	-	-	-	899,794	-	-	-
Debt service								
Redemption of notes	-	-	-	-	-	-	-	-
Interest on notes	-	-	-	-	-	-	-	-
Capital outlays	-	27,969	-	-	112,240	-	-	37,272
Total expenditures	<u>135,972</u>	<u>887,406</u>	<u>368,185</u>	<u>1,958</u>	<u>2,851,008</u>	<u>-</u>	<u>165,472</u>	<u>904,195</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(3,138)</u>	<u>619,486</u>	<u>54,261</u>	<u>64,308</u>	<u>147,047</u>	<u>19,006</u>	<u>56,345</u>	<u>(231,239)</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	16,343	-	-	-	-	140,698
Transfers out	-	-	-	-	(3,113)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>16,343</u>	<u>-</u>	<u>(3,113)</u>	<u>-</u>	<u>-</u>	<u>140,698</u>
Net change in fund balances	(3,138)	619,486	70,604	64,308	143,934	19,006	56,345	(90,541)
Fund balances (deficits) - beginning of year	<u>(12,443)</u>	<u>311,854</u>	<u>50,099</u>	<u>450,571</u>	<u>1,242,569</u>	<u>318,465</u>	<u>991,751</u>	<u>2,915,603</u>
Fund balances (deficits) - end of year	<u>\$ (15,581)</u>	<u>\$ 931,340</u>	<u>\$ 120,703</u>	<u>\$ 514,879</u>	<u>\$ 1,386,503</u>	<u>\$ 337,471</u>	<u>\$ 1,048,096</u>	<u>\$ 2,825,062</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds (Continued)**  
**For the Year Ended December 31, 2018**

	Sheriff's Civil Division Fees	Endorsement Fee	County Sales Disclosure	MECA Emergency Communication	General Title IV D Incentive	Commissioner & Guardian Ad Litem	MC Sheriff Medical Care for Inmates	Other	Total Special Revenue
<b>Revenues</b>									
Taxes	\$ -	\$ -	\$ -	\$ 2,270,000	\$ -	\$ -	\$ -	\$ -	\$ 4,637,837
Intergovernmental	-	-	-	-	446,163	-	-	(2,047)	7,736,254
Interest	-	-	-	5,965	-	-	-	-	5,965
Charges for services	414,990	231,274	150,055	6,995,382	-	1,516,447	19,482	251,562	25,111,111
Traffic violations and court fees	-	-	-	-	-	-	-	-	1,311
Miscellaneous	-	-	-	-	-	-	4,482	98,944	259,679
Total revenues	<u>414,990</u>	<u>231,274</u>	<u>150,055</u>	<u>9,271,347</u>	<u>446,163</u>	<u>1,516,447</u>	<u>23,964</u>	<u>348,459</u>	<u>37,752,157</u>
<b>Expenditures</b>									
Current									
General government	-	154,301	107,251	-	357,948	970,742	-	203,104	22,808,156
Public safety	500,614	-	-	8,602,475	-	-	10,528,448	-	27,929,543
Debt service									
Redemption of notes	-	-	-	-	-	-	-	-	445,530
Interest on notes	-	-	-	-	-	-	-	-	18,297
Capital outlays	-	-	-	-	-	-	-	30,193	763,982
Total expenditures	<u>500,614</u>	<u>154,301</u>	<u>107,251</u>	<u>8,602,475</u>	<u>357,948</u>	<u>970,742</u>	<u>10,528,448</u>	<u>233,297</u>	<u>51,965,508</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(85,624)</u>	<u>76,973</u>	<u>42,804</u>	<u>668,872</u>	<u>88,215</u>	<u>545,705</u>	<u>(10,504,484)</u>	<u>115,162</u>	<u>(14,213,351)</u>
<b>Other Financing Sources (Uses)</b>									
Transfers in	-	-	-	-	-	-	10,303,398	-	15,993,652
Transfers out	-	-	-	-	-	(400,000)	-	(214,485)	(618,542)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>	<u>10,303,398</u>	<u>(214,485)</u>	<u>15,375,110</u>
Net change in fund balances	(85,624)	76,973	42,804	668,872	88,215	145,705	(201,086)	(99,323)	1,161,759
Fund balances (deficits) - beginning of year	<u>272,807</u>	<u>258,758</u>	<u>281,649</u>	<u>435,591</u>	<u>1,435,597</u>	<u>295,862</u>	<u>(362,244)</u>	<u>983,567</u>	<u>23,633,683</u>
Fund balances (deficits) - end of year	<u>\$ 187,183</u>	<u>\$ 335,731</u>	<u>\$ 324,453</u>	<u>\$ 1,104,463</u>	<u>\$ 1,523,812</u>	<u>\$ 441,567</u>	<u>\$ (563,330)</u>	<u>\$ 884,244</u>	<u>\$ 24,795,442</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended December 31, 2018**

	Identification Security				Surveyor's Corner				County Records Perpetuation		Property Reassessment	
	Protection		Adult Probation		Clerk's Record Perpetuation		Perpetuation		Final Budget	Actual	Final Budget	Actual
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual				
<b>Revenues</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,804,990	\$ 1,830,468
Intergovernmental	-	-	-	-	4,000	5,350	-	-	-	(1,300)	-	-
Interest	-	-	-	(3,356)	-	-	-	-	-	-	-	-
Charges for services	71,912	61,437	1,514,000	1,219,754	920,000	850,665	708,685	632,820	2,045,365	1,743,978	-	-
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	812	-	-	-	-	-	9,405
Total revenues	<u>71,912</u>	<u>61,437</u>	<u>1,514,000</u>	<u>1,216,398</u>	<u>924,000</u>	<u>856,827</u>	<u>708,685</u>	<u>632,820</u>	<u>2,045,365</u>	<u>1,742,678</u>	<u>1,804,990</u>	<u>1,839,873</u>
<b>Expenditures</b>												
Current												
General government	40,000	40,000	1,660,765	1,611,269	1,063,260	980,626	580,757	513,235	1,675,285	1,520,362	1,979,312	1,787,695
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	20,000	15,757	45,400	31,170	17,320	672	-	-
Total expenditures	<u>40,000</u>	<u>40,000</u>	<u>1,660,765</u>	<u>1,611,269</u>	<u>1,083,260</u>	<u>996,383</u>	<u>626,157</u>	<u>544,405</u>	<u>1,692,605</u>	<u>1,521,034</u>	<u>1,979,312</u>	<u>1,787,695</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>31,912</u>	<u>21,437</u>	<u>(146,765)</u>	<u>(394,871)</u>	<u>(159,260)</u>	<u>(139,556)</u>	<u>82,528</u>	<u>88,415</u>	<u>352,760</u>	<u>221,644</u>	<u>(174,322)</u>	<u>52,178</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	31,912	21,437	(146,765)	(394,871)	(159,260)	(139,556)	82,528	88,415	352,760	221,644	(174,322)	52,178
Fund balances (deficits) - beginning of year	281,565	81,659	163,752	61,949	909,977	1,459,719	62,741	457,058	813,824	1,551,920	300,820	1,133,232
Cancellation of purchase orders and other	(207,377)	5,786	(190,345)	94,555	607,870	164,164	343,461	55,477	537,347	140,323	825,013	3
Fund balances (deficits) - end of year	<u>\$ 106,100</u>	<u>\$ 108,882</u>	<u>\$ (173,358)</u>	<u>\$ (238,367)</u>	<u>\$ 1,358,587</u>	<u>\$ 1,484,327</u>	<u>\$ 488,730</u>	<u>\$ 600,950</u>	<u>\$ 1,703,931</u>	<u>\$ 1,913,887</u>	<u>\$ 951,511</u>	<u>\$ 1,185,413</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

	Prosecutor's Diversion		Law Enforcement		Guardian Ad Litem		County Misdemeanant		Alcohol and Drug Services		Home Detention	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	1,055,000	-	582,583	582,583	-	-	142,620	425,000
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	226,000	202,204	-	-	-	1,305,444	-	-	350,000	377,974	3,592,738	2,090,654
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	232,876	102,791
Total revenues	<u>226,000</u>	<u>202,204</u>	<u>-</u>	<u>-</u>	<u>1,055,000</u>	<u>1,305,444</u>	<u>582,583</u>	<u>582,583</u>	<u>350,000</u>	<u>377,974</u>	<u>3,968,234</u>	<u>2,618,445</u>
<b>Expenditures</b>												
Current												
General government	300,500	238,339	883,517	647,876	6,565,000	6,565,000	-	-	349,614	339,897	180,000	176,567
Public safety	-	-	-	-	-	-	627,527	626,426	-	-	2,228,581	2,220,749
Capital outlays	-	-	10,000	9,814	-	-	-	-	-	-	-	-
Total expenditures	<u>300,500</u>	<u>238,339</u>	<u>893,517</u>	<u>657,690</u>	<u>6,565,000</u>	<u>6,565,000</u>	<u>627,527</u>	<u>626,426</u>	<u>349,614</u>	<u>339,897</u>	<u>2,408,581</u>	<u>2,397,316</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(74,500)</u>	<u>(36,135)</u>	<u>(893,517)</u>	<u>(657,690)</u>	<u>(5,510,000)</u>	<u>(5,259,556)</u>	<u>(44,944)</u>	<u>(43,843)</u>	<u>386</u>	<u>38,077</u>	<u>1,559,653</u>	<u>221,129</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	886,850	770,525	5,351,274	5,351,274	-	-	-	-	-	122,861
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>886,850</u>	<u>770,525</u>	<u>5,351,274</u>	<u>5,351,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>122,861</u>
Net change in fund balances	(74,500)	(36,135)	(6,667)	112,835	(158,726)	91,718	(44,944)	(43,843)	386	38,077	1,559,653	343,990
Fund balances (deficits) - beginning of year	100,319	292,535	946,507	1,168,804	219,971	159,402	49,000	45,012	53,935	71,211	246,766	(381,556)
Cancellation of purchase orders and other	196,508	15,437	(879,302)	(256,613)	308,537	72,472	(3,443)	5,656	98,603	25,395	(944,574)	868,036
Fund balances (deficits) - end of year	<u>\$ 222,327</u>	<u>\$ 271,837</u>	<u>\$ 60,538</u>	<u>\$ 1,025,026</u>	<u>\$ 369,782</u>	<u>\$ 323,592</u>	<u>\$ 613</u>	<u>\$ 6,825</u>	<u>\$ 152,924</u>	<u>\$ 134,683</u>	<u>\$ 861,845</u>	<u>\$ 830,470</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

	County Auditor's Ineligible Deductions		Law Enforcement Equitable Sharing		Local Emergency Planning		Supplemental Public Defender Fee		MC Sheriff Medical Care for Inmates	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>										
Taxes	\$ 550,000	\$ 507,595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	175,000	121,915	305,500	17,275
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	100,000	-	65,000	34,428	-	-	-	4,482
Total revenues	<u>550,000</u>	<u>507,595</u>	<u>100,000</u>	<u>-</u>	<u>65,000</u>	<u>34,428</u>	<u>175,000</u>	<u>121,915</u>	<u>305,500</u>	<u>21,757</u>
<b>Expenditures</b>										
Current										
General government	2,031,366	1,601,576	370,850	74,357	110,000	38,799	119,700	107,223	-	-
Public safety	-	-	-	-	-	-	-	-	10,528,447	10,528,447
Capital outlays	16,000	14,283	660,000	504,134	-	-	-	-	-	-
Total expenditures	<u>2,047,366</u>	<u>1,615,859</u>	<u>1,030,850</u>	<u>578,491</u>	<u>110,000</u>	<u>38,799</u>	<u>119,700</u>	<u>107,223</u>	<u>10,528,447</u>	<u>10,528,447</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,497,366)</u>	<u>(1,108,264)</u>	<u>(930,850)</u>	<u>(578,491)</u>	<u>(45,000)</u>	<u>(4,371)</u>	<u>55,300</u>	<u>14,692</u>	<u>(10,222,947)</u>	<u>(10,506,690)</u>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	930,850	1,047,175	-	-	-	-	10,303,397	10,303,398
Transfers out	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>930,850</u>	<u>1,047,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,303,397</u>	<u>10,303,398</u>
Net change in fund balances	(1,497,366)	(1,108,264)	-	468,684	(45,000)	(4,371)	55,300	14,692	80,450	(203,292)
Fund balances (deficits) - beginning of year	653,413	3,333,197	468,870	68,648	132,025	344,593	62,183	(22,864)	(80,450)	362,329
Cancellation of purchase orders and other	2,503,639	(33,513)	(468,870)	258,277	207,404	(56,272)	(132,108)	8,913	(290,663)	(724,504)
Fund balances (deficits) - end of year	<u>\$ 1,659,686</u>	<u>\$ 2,191,420</u>	<u>\$ -</u>	<u>\$ 795,609</u>	<u>\$ 294,429</u>	<u>\$ 283,950</u>	<u>\$ (14,625)</u>	<u>\$ 741</u>	<u>\$ (290,663)</u>	<u>\$ (565,467)</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

	Deferral Program Fees		County Drug Free Community		County Elected Officials' Training		Federal Grants		Enhanced Access		Sheriff's Civil Division Fees	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	20,000	11,160	-	-	7,212,050	2,007,569	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	1,400,000	1,443,599	315,000	276,528	71,912	61,437	-	-	242,220	210,169	660,000	348,600
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	2,500	-
Miscellaneous	-	1,311	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>1,400,000</u>	<u>1,444,910</u>	<u>335,000</u>	<u>287,688</u>	<u>71,912</u>	<u>61,437</u>	<u>7,212,050</u>	<u>2,007,569</u>	<u>242,220</u>	<u>210,169</u>	<u>662,500</u>	<u>348,600</u>
<b>Expenditures</b>												
Current												
General government	1,154,233	887,516	68,536	44,777	15,635	712	3,759,730	1,706,883	650,000	618,529	-	-
Public safety	-	-	-	-	-	-	2,431,569	895,537	-	-	500,000	500,001
Capital outlays	62,500	33,588	-	-	-	-	607,911	85,991	-	-	-	-
Total expenditures	<u>1,216,733</u>	<u>921,104</u>	<u>68,536</u>	<u>44,777</u>	<u>15,635</u>	<u>712</u>	<u>6,799,210</u>	<u>2,688,411</u>	<u>650,000</u>	<u>618,529</u>	<u>500,000</u>	<u>500,001</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>183,267</u>	<u>523,806</u>	<u>266,464</u>	<u>242,911</u>	<u>56,277</u>	<u>60,725</u>	<u>412,840</u>	<u>(680,842)</u>	<u>(407,780)</u>	<u>(408,360)</u>	<u>162,500</u>	<u>(151,401)</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	8,212	-	-	-	-	-	-	-	-
Transfers out	-	-	(320,000)	(329,179)	-	-	-	(3,113)	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(320,000)</u>	<u>(320,967)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,113)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	183,267	523,806	(53,536)	(78,056)	56,277	60,725	412,840	(683,955)	(407,780)	(408,360)	162,500	(151,401)
Fund balances (deficits) - beginning of year	1,340,328	1,127,422	54,153	69,310	422,866	443,213	-	-	1,130,360	679,106	93,200	198,768
Cancellation of purchase orders and other	(1,092,601)	(804,207)	44,174	33,752	12,875	5,636	(412,840)	683,955	149,718	10,311	(90,945)	76,027
Fund balances (deficits) - end of year	<u>\$ 430,994</u>	<u>\$ 847,021</u>	<u>\$ 44,791</u>	<u>\$ 25,006</u>	<u>\$ 492,018</u>	<u>\$ 509,574</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 872,298</u>	<u>\$ 281,057</u>	<u>\$ 164,755</u>	<u>\$ 123,394</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

	Endorsement Fee		County Sales Disclosure		MECA Emergency Communication		Commissioner & Guardian Ad Litem		Other - County Grants		Other - Marion Superior Court Equipment	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,270,000	\$ 2,270,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	66,720	21,161	-	-
Interest	-	-	-	-	-	5,653	-	-	-	-	-	-
Charges for services	217,416	204,299	135,324	131,603	5,812,000	6,995,382	1,300,000	1,390,525	-	-	20,000	13,234
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	3,000	42,524
Total revenues	<u>217,416</u>	<u>204,299</u>	<u>135,324</u>	<u>131,603</u>	<u>8,082,000</u>	<u>9,271,035</u>	<u>1,300,000</u>	<u>1,390,525</u>	<u>66,720</u>	<u>21,161</u>	<u>23,000</u>	<u>55,758</u>
<b>Expenditures</b>												
Current												
General government	159,317	154,301	107,718	106,945	-	-	1,000,000	972,392	54,020	31,780	30,000	7,500
Public safety	-	-	-	-	8,529,552	8,529,552	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-	1,000	-	7,500	1,796
Total expenditures	<u>159,317</u>	<u>154,301</u>	<u>107,718</u>	<u>106,945</u>	<u>8,529,552</u>	<u>8,529,552</u>	<u>1,000,000</u>	<u>972,392</u>	<u>55,020</u>	<u>31,780</u>	<u>37,500</u>	<u>9,296</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>58,099</u>	<u>49,998</u>	<u>27,606</u>	<u>24,658</u>	<u>(447,552)</u>	<u>741,483</u>	<u>300,000</u>	<u>418,133</u>	<u>11,700</u>	<u>(10,619)</u>	<u>(14,500)</u>	<u>46,462</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(400,000)	(400,000)	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>	<u>(400,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	58,099	49,998	27,606	24,658	(447,552)	741,483	(100,000)	18,133	11,700	(10,619)	(14,500)	46,462
Fund balances (deficits) - beginning of year	47,682	243,453	71,363	271,644	71,363	271,644	63,334	209,728	-	41,337	13,701	96,112
Cancellation of purchase orders and other	200,279	15,305	210,895	11,463	1,675,833	289,993	84,488	95,731	(11,700)	4,128	96,933	2,402
Fund balances (deficits) - end of year	<u>\$ 306,060</u>	<u>\$ 308,756</u>	<u>\$ 309,864</u>	<u>\$ 307,765</u>	<u>\$ 1,299,644</u>	<u>\$ 1,303,120</u>	<u>\$ 47,822</u>	<u>\$ 323,592</u>	<u>\$ -</u>	<u>\$ 34,846</u>	<u>\$ 96,134</u>	<u>\$ 144,976</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

	Other - Section 102 HAVA Reimbursement		Other - Sheriff's Continuing Education		Other - Jury Pay		Other - Juvenile Probation		Other - County Extradition	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	32,000	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	14,301	2,600	115,000	108,723	20,000	4,042	1,000	4,200
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>32,000</u>	<u>-</u>	<u>14,301</u>	<u>2,600</u>	<u>115,000</u>	<u>108,723</u>	<u>20,000</u>	<u>4,042</u>	<u>1,000</u>	<u>4,200</u>
<b>Expenditures</b>										
Current										
General government	14,000	-	-	-	75,000	74,997	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Capital outlays	18,000	-	-	-	-	-	-	-	-	-
Total expenditures	<u>32,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>74,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>-</u>	<u>14,301</u>	<u>2,600</u>	<u>40,000</u>	<u>33,726</u>	<u>20,000</u>	<u>4,042</u>	<u>1,000</u>	<u>4,200</u>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	14,301	2,600	40,000	33,726	20,000	4,042	1,000	4,200
Fund balances (deficits) - beginning of year	4,104	24,094	81,891	67,716	64,053	48,366	79,552	92,284	5,810	7,810
Cancellation of purchase orders and other	(4,010)	-	(20,676)	-	(10,113)	7,775	(5,224)	544	5,200	-
Fund balances (deficits) - end of year	<u>\$ 94</u>	<u>\$ 24,094</u>	<u>\$ 75,516</u>	<u>\$ 70,316</u>	<u>\$ 93,940</u>	<u>\$ 89,867</u>	<u>\$ 94,328</u>	<u>\$ 96,870</u>	<u>\$ 12,010</u>	<u>\$ 12,010</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

	Other - Alt Dispute Resolution		Other - Drug Treatment Diversion		Other - County Sex & Violent Offender Administration		Other - County Offender Transportation	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	5,194	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Charges for services	80,000	59,781	-	23,623	12,500	6,765	2,000	12,588
Traffic violations and court fees	-	-	-	-	-	-	-	-
Miscellaneous	-	51,452	-	-	-	-	-	-
Total revenues	<u>80,000</u>	<u>116,427</u>	<u>-</u>	<u>23,623</u>	<u>12,500</u>	<u>6,765</u>	<u>2,000</u>	<u>12,588</u>
<b>Expenditures</b>								
Current								
General government	78,061	61,320	43,000	2,584	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	<u>78,061</u>	<u>61,320</u>	<u>43,000</u>	<u>2,584</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>1,939</u>	<u>55,107</u>	<u>(43,000)</u>	<u>21,039</u>	<u>12,500</u>	<u>6,765</u>	<u>2,000</u>	<u>12,588</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,939	55,107	(43,000)	21,039	12,500	6,765	2,000	12,588
Fund balances (deficits) - beginning of year	772	(79)	34,696	84,256	93,590	67,325	13,778	24,692
Cancellation of purchase orders and other	<u>3,362</u>	<u>5,320</u>	<u>87,421</u>	<u>20,783</u>	<u>(29,920)</u>	<u>-</u>	<u>21,644</u>	<u>450</u>
Fund balances (deficits) - end of year	<u>\$ 6,073</u>	<u>\$ 60,348</u>	<u>\$ 79,117</u>	<u>\$ 126,078</u>	<u>\$ 76,170</u>	<u>\$ 74,090</u>	<u>\$ 37,422</u>	<u>\$ 37,730</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
Prosecuting Attorney	Law Enforcement			
Personal services		\$ 461,667	\$ 367,109	\$ 94,558
Supplies		41,350	20,616	20,734
Other services and charges		380,500	260,152	120,348
Capital outlay		10,000	9,814	186
Total		<u>893,517</u>	<u>657,691</u>	<u>235,826</u>
Prosecuting Attorney	Law Enforcement Equitable Sharing			
Supplies		10,000	-	10,000
Other services and charges		360,850	74,356	286,494
Capital outlay		660,000	504,134	155,866
Total		<u>1,030,850</u>	<u>578,490</u>	<u>452,360</u>
Prosecuting Attorney	Prosecutor's Diversion			
Personal services		300,500	238,340	62,160
Total		<u>300,500</u>	<u>238,340</u>	<u>62,160</u>
Prosecuting Attorney	County Drug Free Community			
Supplies		8,000	-	8,000
Other services and charges		20,536	4,777	15,759
Total		<u>28,536</u>	<u>4,777</u>	<u>23,759</u>
Prosecuting Attorney	Public Safety Income Tax Fund			
Personal services		2,236,856	2,236,856	-
Total		<u>2,236,856</u>	<u>2,236,856</u>	<u>-</u>
Prosecuting Attorney	Deferral Program Fees			
Personal services		757,019	545,200	211,819
Supplies		30,000	26,461	3,539
Other services and charges		260,500	209,139	51,361
Capital outlay		62,500	33,588	28,912
Total		<u>1,110,019</u>	<u>814,388</u>	<u>295,631</u>
Prosecuting Attorney	Federal Grants			
Personal services		1,335,072	791,884	543,188
Supplies		25,000	11,992	13,008
Other services and charges		1,142,960	357,651	785,309
Capital outlay		261,909	65,500	196,409
Total		<u>2,764,941</u>	<u>1,227,027</u>	<u>1,537,914</u>
Prosecuting Attorney	State Grants			
Personal services		1,147,933	1,054,687	93,246
Supplies		25,000	8,775	16,225
Other services and charges		307,159	97,473	209,686
Capital outlay		90,000	80,466	9,534
Total		<u>1,570,092</u>	<u>1,241,401</u>	<u>328,691</u>
Total - Prosecuting Attorney		<u>\$ 9,935,311</u>	<u>\$ 6,998,970</u>	<u>\$ 2,936,341</u>
Forensic Services	Federal Grants			
Personal services		\$ 386,103	\$ 211,668	\$ 174,435
Supplies		345,226	209,685	135,541
Other services and charges		366,407	180,549	185,858
Capital outlay		246,272	10,923	235,349
Total		<u>1,344,008</u>	<u>612,825</u>	<u>731,183</u>
Total - Forensic Services		<u>\$ 1,344,008</u>	<u>\$ 612,825</u>	<u>\$ 731,183</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
County Sheriff	MECA Emergency Communications			
Personal services		\$ 7,556,112	\$ 7,556,112	\$ -
Other services and charges		973,440	973,440	-
Total		<u>8,529,552</u>	<u>8,529,552</u>	<u>-</u>
County Sheriff	Sheriff's Civil Division Fees			
Personal services		500,000	500,000	-
Total		<u>500,000</u>	<u>500,000</u>	<u>-</u>
County Sheriff	MC Sheriff Medical Care for Inmates			
Other services and charges		10,528,447	10,528,447	-
Total		<u>10,528,447</u>	<u>10,528,447</u>	<u>-</u>
County Sheriff	Public Safety Income Tax Fund			
Personal services		26,127,219	25,796,605	330,614
Total		<u>26,127,219</u>	<u>25,796,605</u>	<u>330,614</u>
County Sheriff	County Misdemeanant			
Supplies		142,277	142,260	17
Other services and charges		188,929	188,929	-
Total		<u>331,206</u>	<u>331,189</u>	<u>17</u>
County Sheriff	Federal Grants			
Personal services		300,000	38,500	261,500
Supplies		294,000	29,993	264,007
Other services and charges		376,550	29,992	346,558
Capital outlay		100,000	9,568	90,432
Total		<u>1,070,550</u>	<u>108,053</u>	<u>962,497</u>
County Sheriff	State Grants			
Personal services		328,690	253,301	75,389
Supplies		40,000	7,484	32,516
Capital outlay		165,000	3,844	161,156
Total		<u>533,690</u>	<u>264,629</u>	<u>269,061</u>
Total - County Sheriff		<u>\$ 47,620,664</u>	<u>\$ 46,058,475</u>	<u>\$ 1,562,189</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
Community Corrections	Public Safety Income Tax Fund			
Personal services		\$ 777,103	\$ 764,852	\$ 12,251
Total		<u>777,103</u>	<u>764,852</u>	<u>12,251</u>
Community Corrections	County Misdemeanant			
Personal services		296,320	295,238	1,082
Total		<u>296,320</u>	<u>295,238</u>	<u>1,082</u>
Community Corrections	Home Detention			
Personal services		1,545,181	1,537,366	7,815
Other services and charges		683,401	683,383	18
Total		<u>2,228,582</u>	<u>2,220,749</u>	<u>7,833</u>
Community Corrections	Federal Grants			
Personal services		279,189	165,447	113,742
Supplies		424	-	424
Other services and charges		72,670	29,706	42,964
Total		<u>352,283</u>	<u>195,153</u>	<u>157,130</u>
Community Corrections	State Grants			
Personal services		3,750,077	3,621,642	128,435
Supplies		187,500	50,936	136,564
Other services and charges		1,765,954	1,719,322	46,632
Capital outlay		225,000	148,362	76,638
Total		<u>5,928,531</u>	<u>5,540,262</u>	<u>388,269</u>
Total - Community Corrections		<u>\$ 9,582,819</u>	<u>\$ 9,016,254</u>	<u>\$ 566,565</u>
Marion County Superior Court	Adult Probation			
Personal services		\$ 1,660,765	\$ 1,611,269	\$ 49,496
Total		<u>1,660,765</u>	<u>1,611,269</u>	<u>49,496</u>
Marion County Superior Court	Other - Marion Superior Court Equipment			
Other services and charges		30,000	7,500	22,500
Capital outlay		7,500	1,796	5,704
Total		<u>37,500</u>	<u>9,296</u>	<u>28,204</u>
Marion County Superior Court	Commissioner & Guardian Ad Litem			
Personal services		1,000,000	972,392	27,608
Total		<u>1,000,000</u>	<u>972,392</u>	<u>27,608</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
Marion County Superior Court	Guardian Ad Litem			
Other services and charges		\$ 6,565,000	\$ 6,565,000	\$ -
Total		<u>6,565,000</u>	<u>6,565,000</u>	<u>-</u>
Marion County Superior Court	Other - Alt Dispute Resolution			
Personal services		63,061	61,320	1,741
Other services and charges		15,000	-	15,000
Total		<u>78,061</u>	<u>61,320</u>	<u>16,741</u>
Marion County Superior Court	Alcohol and Drug Services			
Personal services		349,614	339,897	9,717
Total		<u>349,614</u>	<u>339,897</u>	<u>9,717</u>
Marion County Superior Court	Country Drug Free Community			
Other services and charges		40,000	40,000	-
Total		<u>40,000</u>	<u>40,000</u>	<u>-</u>
Marion County Superior Court	Public Safety Income Tax Fund			
Personal services		12,444,713	12,122,560	322,153
Total		<u>12,444,713</u>	<u>12,122,560</u>	<u>322,153</u>
Marion County Superior Court	Deferral Program Fees			
Personal services		106,714	106,714	-
Total		<u>106,714</u>	<u>106,714</u>	<u>-</u>
Marion County Superior Court	Other - Jury Pay			
Other services and charges		75,000	74,997	3
Total		<u>75,000</u>	<u>74,997</u>	<u>3</u>
Marion County Superior Court	Other - Drug Treatment Diversion			
Personal services		20,000	-	20,000
Supplies		1,000	500	500
Other services and charges		22,000	2,084	19,916
Total		<u>43,000</u>	<u>2,584</u>	<u>40,416</u>
Marion County Superior Court	Home Detention			
Personal services		146,262	146,257	5
Supplies		1,200	1,200	-
Other services and charges		32,538	29,109	3,429
Total		<u>180,000</u>	<u>176,566</u>	<u>3,434</u>
Marion County Superior Court	Federal Grants			
Personal services		363,898	164,520	199,378
Supplies		11,205	774	10,431
Other services and charges		591,740	170,615	421,125
Capital outlay		10,730	-	10,730
Total		<u>977,573</u>	<u>335,909</u>	<u>641,664</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
Marion County Superior Court	State Grants			
Personal services		\$ 1,951,287	\$ 1,537,978	\$ 413,309
Supplies		49,230	13,191	36,039
Other services and charges		1,550,389	1,120,978	429,411
Capital outlay		6,000	1,128	4,872
Total		<u>3,556,906</u>	<u>2,673,275</u>	<u>883,631</u>
Marion County Superior Court	Other - County Grants			
Personal services		30,600	20,288	10,312
Supplies		5,000	1,350	3,650
Other services and charges		16,120	7,905	8,215
Capital outlay		1,000	-	1,000
Total		<u>52,720</u>	<u>29,543</u>	<u>23,177</u>
Total - Marion County Superior Court		<u>\$ 27,167,566</u>	<u>\$ 25,121,322</u>	<u>\$ 2,046,244</u>
County Auditor	Property Reassessment			
Personal services		\$ 54,371	\$ 44,068	\$ 10,303
Other services and charges		5,330	4,769	561
Total		<u>59,701</u>	<u>48,837</u>	<u>10,864</u>
County Auditor	County Auditor's Ineligible Deductions			
Personal services		582,502	453,792	128,710
Supplies		40,110	12,790	27,320
Other services and charges		1,408,754	1,134,994	273,760
Capital outlay		16,000	14,283	1,717
Total		<u>2,047,366</u>	<u>1,615,859</u>	<u>431,507</u>
County Auditor	Local Emergency Planning			
Other services and charges		110,000	38,799	71,201
Total		<u>110,000</u>	<u>38,799</u>	<u>71,201</u>
Total - County Auditor		<u>\$ 2,217,067</u>	<u>\$ 1,703,495</u>	<u>\$ 513,572</u>
Clerk of the Circuit Court	Clerk's Record Perpetuation			
Personal services		\$ 452,260	\$ 428,038	\$ 24,222
Supplies		75,500	18,576	56,924
Other services and charges		535,500	534,010	1,490
Capital outlay		20,000	15,757	4,243
Total		<u>1,083,260</u>	<u>996,381</u>	<u>86,879</u>
Total - Clerk of the Circuit Court		<u>\$ 1,083,260</u>	<u>\$ 996,381</u>	<u>\$ 86,879</u>
County Election Board	Other - Section 102 HAVA Reimbursement			
Supplies		\$ 14,000	\$ -	\$ 14,000
Capital outlay		18,000	-	18,000
Total		<u>32,000</u>	<u>-</u>	<u>32,000</u>
Total - County Election Board		<u>\$ 32,000</u>	<u>\$ -</u>	<u>\$ 32,000</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
County Coroner				
Other services and charges	Federal Grants	\$ 1,000	\$ -	\$ 1,000
Total		<u>1,000</u>	<u>-</u>	<u>1,000</u>
Total - County Coroner		<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 1,000</u>
County Recorder	County Elected Officials' Training			
Other services and charges		\$ 4,635	\$ 35	\$ 4,600
Total		<u>4,635</u>	<u>35</u>	<u>4,600</u>
County Recorder	Identification Security Protection			
Other services and charges		40,000	40,000	-
Total		<u>40,000</u>	<u>40,000</u>	<u>-</u>
County Recorder	County Records Perpetuation			
Personal services		1,019,284	924,259	95,025
Supplies		8,051	2,770	5,281
Other services and charges		647,951	593,333	54,618
Capital outlay		17,320	672	16,648
Total		<u>1,692,606</u>	<u>1,521,034</u>	<u>171,572</u>
Total - County Recorder		<u>\$ 1,737,241</u>	<u>\$ 1,561,069</u>	<u>\$ 176,172</u>
County Treasurer	County Elected Officials' Training			
Other services and charges		\$ 5,000	\$ -	\$ 5,000
Total		<u>5,000</u>	<u>-</u>	<u>5,000</u>
County Surveyor	County Elected Officials' Training			
Other services and charges		6,000	677	5,323
Total		<u>6,000</u>	<u>677</u>	<u>5,323</u>
County Surveyor	Surveyor's Corner Perpetuation			
Personal services		447,725	380,224	67,501
Supplies		7,100	7,077	23
Other services and charges		125,933	125,933	-
Capital outlay		45,400	31,169	14,231
Total		<u>626,158</u>	<u>544,403</u>	<u>81,755</u>
Total - County Surveyor		<u>\$ 637,158</u>	<u>\$ 545,080</u>	<u>\$ 92,078</u>
Information Services Agency	Enhanced Access			
Other services and charges		\$ 650,000	\$ 618,529	\$ 31,471
Total		<u>650,000</u>	<u>618,529</u>	<u>31,471</u>
Total - Information Services Agency		<u>\$ 650,000</u>	<u>\$ 618,529</u>	<u>\$ 31,471</u>
County Assessor	Property Reassessment			
Personal services		\$ 1,466,277	\$ 1,424,646	\$ 41,631
Other services and charges		453,333	314,208	139,125
Total		<u>1,919,610</u>	<u>1,738,854</u>	<u>180,756</u>
County Assessor	Endorsement Fee			
Other services and charges		159,317	154,301	5,016
Total		<u>159,317</u>	<u>154,301</u>	<u>5,016</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2018**

Department and Division	Fund	Final Budget	Actual	Variance
County Assessor	County Sales Disclosure			
Personal services		\$ 83,978	\$ 83,978	\$ -
Other services and charges		23,740	22,969	771
Total		<u>107,718</u>	<u>106,947</u>	<u>771</u>
Total - County Assessor		<u>\$ 2,186,645</u>	<u>\$ 2,000,102</u>	<u>\$ 186,543</u>
Marion County Public Defender Agency	Supplemental Public Defender Fee			
Other services and charges		\$ 119,700	\$ 107,223	\$ 12,477
Total		<u>119,700</u>	<u>107,223</u>	<u>12,477</u>
Marion County Public Defender Agency	Federal Grants			
Personal services		288,855	209,445	79,410
Total		<u>288,855</u>	<u>209,445</u>	<u>79,410</u>
Marion County Public Defender Agency	State Grants			
Personal services		136,500	59,366	77,134
Total		<u>136,500</u>	<u>59,366</u>	<u>77,134</u>
Marion County Public Defender Agency	Other - County Grants			
Personal services		1,000	1,000	-
Other services and charges		1,300	1,238	62
Total		<u>2,300</u>	<u>2,238</u>	<u>62</u>
Total - Marion County Public Defender Agency		<u>\$ 547,355</u>	<u>\$ 378,272</u>	<u>\$ 169,083</u>
Total - Special Revenue Funds - by Department and Division		<u>\$ 104,742,094</u>	<u>\$ 95,610,774</u>	<u>\$ 9,131,320</u>

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## **NONMAJOR GOVERNMENTAL FUNDS**

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### **DEBT SERVICE FUNDS**

Debt Service Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest.

COUNTY SINKING—Established to account for the resources devoted to the payment of interest and principal on long-term general obligation debt issued by the County.

CAPITAL IMPROVEMENT SINKING—Established to account for the resources devoted to the payment of interest and principal on long-term debt issued by the County.

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Debt Service Funds**  
**December 31, 2018**

	<b>County Sinking</b>	<b>Capital Improvement Sinking</b>	<b>Total Debt Service</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 7,718	\$ -	\$ 7,718
Investments	3,063	-	3,063
Total assets	\$ 10,781	\$ -	\$ 10,781
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Due to other funds	\$ -	\$ 44,686	\$ 44,686
Total liabilities	-	44,686	44,686
<b>Fund Balance</b>			
Restricted	10,781	-	10,781
Unassigned (deficits)	-	(44,686)	(44,686)
Total fund balances (deficit)	10,781	(44,686)	(33,905)
Total liabilities and fund balances	\$ 10,781	\$ -	\$ 10,781

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances - Nonmajor Debt Service Funds**  
**For the Year Ended December 31, 2018**

	<b>County Sinking</b>	<b>Capital Improvement Sinking</b>	<b>Total Debt Service</b>
<b>Revenues</b>			
Total revenues	\$ -	\$ -	\$ -
<b>Expenditures</b>			
Total expenditures	-	-	-
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	-	-
Net change in fund balances	-	-	-
Fund balances (deficit) - beginning of year	10,781	(44,686)	(33,905)
Fund balances (deficit) - end of year	\$ 10,781	\$ (44,686)	\$ (33,905)

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## **NONMAJOR GOVERNMENTAL FUNDS**

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### **CAPITAL PROJECTS FUNDS**

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the construction of capital facilities and other capital assets.

**PUBLIC SAFETY CAPITAL PROJECTS**—Established to account for the development of the County integrated justice system and the upgrade of equipment for the County Forensic Services lab and County Sheriff's Department.

**CUMULATIVE CAPITAL DEVELOPMENT**—Used to account for financial resources to be used for the renovation and/or construction of major capital facilities as approved by the City-County Council, other than those financed by proprietary funds.

**PUBLIC SAFETY INTEREST ESCROW**—Established to account for the development of the County integrated justice system and the upgrade of equipment for the County Forensic Services lab and County Sheriff's Department.

**CAPITAL IMPROVEMENT LEASE**—Established for the purpose of funding capital lease obligations of County offices. The fund shall consist of all taxes and miscellaneous receipts allocated to the capital lease fund. Amounts may be paid from this fund from appropriations authorized by the City-County Council.

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Capital Projects Funds**  
**December 31, 2018**

	<b>Public Safety Capital Projects</b>	<b>Cumulative Capital Development</b>	<b>Public Safety Interest Escrow</b>	<b>Capital Improvement Lease</b>	<b>Total Capital Projects</b>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ 2,489,733	\$ 1,206	\$ 78,397	\$ 2,569,336
Investments	-	988,320	479	31,121	1,019,920
Property tax receivable	-	166,148	-	31,153	197,301
Accounts receivable	-	59,979	-	13,055	73,034
	<u>-</u>	<u>59,979</u>	<u>-</u>	<u>13,055</u>	<u>73,034</u>
Total assets	<u>\$ -</u>	<u>\$ 3,704,180</u>	<u>\$ 1,685</u>	<u>\$ 153,726</u>	<u>\$ 3,859,591</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Due to other funds	12,244	-	-	-	12,244
Total liabilities	<u>12,244</u>	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>2,012,244</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	-	226,127	-	44,208	270,335
	<u>-</u>	<u>226,127</u>	<u>-</u>	<u>44,208</u>	<u>270,335</u>
<b>Fund Balances</b>					
Restricted	-	1,478,053	1,685	109,518	1,589,256
Unassigned (deficits)	(12,244)	-	-	-	(12,244)
Total fund balances (deficit)	<u>(12,244)</u>	<u>1,478,053</u>	<u>1,685</u>	<u>109,518</u>	<u>1,577,012</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 3,704,180</u>	<u>\$ 1,685</u>	<u>\$ 153,726</u>	<u>\$ 3,859,591</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended December 31, 2018**

	<b>Public Safety Capital Projects</b>	<b>Cumulative Capital Development</b>	<b>Public Safety Interest Escrow</b>	<b>Capital Improvement Lease</b>	<b>Total Capital Projects</b>
<b>Revenues</b>					
Taxes	\$ -	\$ 4,881,137	\$ -	\$ 962,333	\$ 5,843,470
Miscellaneous	-	25,081	-	4,311	29,392
Total revenues	<u>-</u>	<u>4,906,218</u>	<u>-</u>	<u>966,644</u>	<u>5,872,862</u>
<b>Expenditures</b>					
Current					
General government	-	6,563,645	-	-	6,563,645
Debt service					
Interest	-	-	-	190,672	190,672
Lease payments	-	-	-	775,328	775,328
Capital outlays	-	245,000	-	-	245,000
Total expenditures	<u>-</u>	<u>6,808,645</u>	<u>-</u>	<u>966,000</u>	<u>7,774,645</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>(1,902,427)</u>	<u>-</u>	<u>644</u>	<u>(1,901,783)</u>
Net change in fund balances	-	(1,902,427)	-	644	(1,901,783)
Fund balances (deficit) - beginning of year	<u>(12,244)</u>	<u>3,380,480</u>	<u>1,685</u>	<u>108,874</u>	<u>3,478,795</u>
Fund balances - end of year	<u>\$ (12,244)</u>	<u>\$ 1,478,053</u>	<u>\$ 1,685</u>	<u>\$ 109,518</u>	<u>\$ 1,577,012</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Capital Projects Funds - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended December 31, 2018**

	<b>Cumulative Capital Development</b>		<b>Capital Improvement Lease</b>	
	<b>Final Budget</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
<b>Revenue</b>				
Taxes	\$ 4,806,272	\$ 4,881,137	\$ 955,926	\$ 962,334
Miscellaneous	-	25,081	-	4,311
Total revenues	<u>4,806,272</u>	<u>4,906,218</u>	<u>955,926</u>	<u>966,645</u>
<b>Expenditures</b>				
Current				
General government	349,079	349,079	-	-
Public safety	-	-	966,000	966,000
Capital outlays	<u>245,000</u>	<u>245,000</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>594,079</u>	<u>594,079</u>	<u>966,000</u>	<u>966,000</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>4,212,193</u>	<u>4,312,139</u>	<u>(10,074)</u>	<u>645</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Transfers out	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	12,193	112,139	(10,074)	645
Fund balances - beginning of year	2,758,732	3,175,320	50,521	108,874
Cancellation of purchase orders and other	<u>715,903</u>	<u>133,803</u>	<u>(133,140)</u>	<u>(1)</u>
Fund balances - end of year	<u><u>\$ 3,486,828</u></u>	<u><u>\$ 3,421,262</u></u>	<u><u>\$ (92,693)</u></u>	<u><u>\$ 109,518</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Expenditures by Character -**  
**Nonmajor Capital Projects Funds - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended December 31, 2018**

<b>Department and Division</b>	<b>Fund</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
Forensic Services	County Cumulative Capital Improvement			
Capital outlay		\$ 65,000	\$ 65,000	\$ -
Total		<u>65,000</u>	<u>65,000</u>	<u>-</u>
County Sheriff	Capital Improvement Leases			
Other services and charges		966,000	966,000	-
Total		<u>966,000</u>	<u>966,000</u>	<u>-</u>
County Sheriff	County Cumulative Capital Improvement			
Capital outlay		180,000	180,000	-
Total		<u>180,000</u>	<u>180,000</u>	<u>-</u>
Marion County Superior Court	County Cumulative Capital Improvement			
Other services and charges		233,631	233,631	-
Total		<u>233,631</u>	<u>233,631</u>	<u>-</u>
County Election Board	County Cumulative Capital Improvement			
Other services and charges		115,448	115,448	-
Total		<u>115,448</u>	<u>115,448</u>	<u>-</u>
Total – Capital Projects Funds – by Department and Division		<u>\$ 1,560,079</u>	<u>\$ 1,560,079</u>	<u>\$ -</u>

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## **FIDUCIARY FUND TYPES**

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### **PENSION TRUST FUNDS**

Pension Trust Funds are those funds held in trust for disbursement to covered employees.

MARION COUNTY SHERIFF'S DEPARTMENT PERSONNEL RETIREMENT PLAN (RETIREMENT)—To account for assets held in the Marion County Law Enforcement Personnel Retirement Plan for eligible employees of the Marion County Sheriff's Department.

MARION COUNTY SHERIFF'S DEPARTMENT PERSONNEL BENEFITS PLAN (DISABILITY)—To account for assets held in the Marion County Law Enforcement Personnel Dependents and Disability Benefits Plan for eligible employees of the Marion County Sheriff's Department.

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Fiduciary Net Position - Pension Trust Funds**  
**December 31, 2018**

	<u>Retirement</u>	<u>Disability</u>	<u>Total</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 3,588,728	\$ 787,414	\$ 4,376,142
Investments			
Mutual funds - bond	84,110,304	12,269,154	96,379,458
Mutual funds - equity	67,496,451	6,189,246	73,685,697
Mutual funds - international equity	19,782,253	1,782,757	21,565,010
Accounts receivable	<u>8,502,918</u>	<u>2,455,834</u>	<u>10,958,752</u>
Total current assets	<u>183,480,654</u>	<u>23,484,405</u>	<u>206,965,059</u>
<b>Liabilities</b>			
Accounts payable	<u>82,651</u>	<u>(3,157)</u>	<u>79,494</u>
Total current liabilities	<u>82,651</u>	<u>(3,157)</u>	<u>79,494</u>
<b>Net Position</b>			
Net position restricted for pensions	<u>183,398,003</u>	<u>23,487,562</u>	<u>206,885,565</u>
Total net position	<u><u>\$ 183,398,003</u></u>	<u><u>\$ 23,487,562</u></u>	<u><u>\$ 206,885,565</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Fiduciary Net Position -**  
**Pension Trust Funds**  
**For the Year Ended December 31, 2018**

	<u>Retirement</u>	<u>Disability</u>	<u>Total</u>
<b>Additions</b>			
Employer contributions	\$ 8,039,610	\$ 2,447,690	\$ 10,487,300
Employee contributions	678,293	-	678,293
Investment income	8,139,578	1,174,470	9,314,048
Unrealized losses	(17,261,029)	(2,061,643)	(19,322,672)
Total additions	<u>(403,548)</u>	<u>1,560,517</u>	<u>1,156,969</u>
<b>Deductions</b>			
Benefit payments	13,766,915	1,916,861	15,683,776
Administrative expense	164,907	7,610	172,517
Transfer from retirement plan	(200)	-	(200)
Total deductions	<u>13,931,622</u>	<u>1,924,471</u>	<u>15,856,093</u>
Changes in net position	(14,335,170)	(363,954)	(14,699,124)
Total net position - beginning of year	<u>197,733,173</u>	<u>23,851,516</u>	<u>221,584,689</u>
Total net position - end of the year	<u>\$ 183,398,003</u>	<u>\$ 23,487,562</u>	<u>\$ 206,885,565</u>

## FIDUCIARY FUND TYPES

### AGENCY FUNDS

Agency Funds are used to account for transactions related to assets of others held on their behalf by the County.

**PROPERTY TAX REFUNDS**—Established to refund money to taxpayers where an error has occurred in the assessment of property tax.

**STATE TAXES**—Established to account for inheritance taxes, forfeiture of bonds, and fines paid in all courts, which are collected by the County and remitted to the State of Indiana.

**TAX SALE REDEMPTION**—Established as an escrow account for funds received from property sold in a tax sale.

**TAX SALE SURPLUS**—Established to account for funds received over and above delinquent taxes received from property sold in a tax sale.

**ASSESSOR'S CASH**—Represent various custodial and fiduciary bank accounts maintained by the designated department in the course of normal operations.

**SALE OF COUNTY OWNED PROPERTY**—Established to record funds received from the sale of County properties that were claimed for delinquent taxes.

**TREASURER'S SURPLUS**—Established to account for overpayment of taxes or misapplication of tax payments received.

**COURT COSTS TO MUNICIPALITIES**—Established to account for the portion of court costs collected and subsequently disbursed to various municipalities, maintaining a law enforcement agency that prosecutes at least 50% of the City's or town's ordinance violations in Marion County.

**HOMESTEAD CREDIT REBATE**—Established to account for monies related to the property tax relief approved by the Indiana General Assembly in 2007. The rebates were distributed to homeowners who had a valid homestead deduction and were not delinquent on their property taxes.

**LOCAL OPTION INCOME TAX**—Established to account for monies received from local option income taxes.

**TREASURER'S TAX COLLECTION**—Established to account for advancement and final distribution of taxes collected by the County Treasurer for all taxing units within the County (including entities outside of Marion County's reporting entity).

**DELINQUENT BUSINESS PERSONAL PROPERTY**—Established to account for monies collected on delinquent business personal property tax returns. The monies collected shall be to pay the contract for the audit of the business personal property returns, with any remaining balance distributed to the appropriate taxing units.

**LAW ENFORCEMENT CONTINUING EDUCATION**—Established to account for fees collected by the County and subsequently disbursed to various law enforcement agencies for continuing education programs.

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## FIDUCIARY FUND TYPES

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### AGENCY FUNDS (CONTINUED)

PAYROLL—Established to account for the receipt of the gross payroll transfers from all County funds having personal services expenditures and the subsequent disbursements of net payroll checks and withholdings.

CLERK OF CIRCUIT COURT—Represent various custodial and fiduciary bank accounts maintained by the designated department in the course of normal operations.

SHERIFF—Represent various custodial and fiduciary bank accounts maintained by the designated department in the course of normal operations.

RECORDER'S CASH—Represent various custodial and fiduciary bank accounts maintained by the designated department in the course of normal operations.

OTHER—Represents 24 other less significant fiduciary funds that are maintained by Marion County on behalf of others.

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Assets and Liabilities - Agency Funds**  
**December 31, 2018**

	Property Tax Refunds	State Taxes	Tax Sale Redemption	Tax Sale Surplus	Assessor's Cash	County Owned Property	Sale of Treasurer's Surplus	Court Costs to Municipalities	Homestead Credit Rebate
<b>Assets</b>									
Cash and cash equivalents	\$ 1,672,237	\$ -	\$ -	\$ 18,440,124	\$ 174,093	\$ 1,902,297	\$ 653,529	\$ 944,590	\$ 3,341,156
Investments	663,809	-	-	7,319,961	69,108	755,132	259,424	374,963	1,326,299
Accounts receivable	-	-	239,805	-	(61,890)	-	-	12,780	-
Total assets	<u>\$ 2,336,046</u>	<u>\$ -</u>	<u>\$ 239,805</u>	<u>\$ 25,760,085</u>	<u>\$ 181,311</u>	<u>\$ 2,657,429</u>	<u>\$ 912,953</u>	<u>\$ 1,332,333</u>	<u>\$ 4,667,455</u>
<b>Liabilities</b>									
Amounts held in custody	\$ 2,336,046	\$ (19,113)	\$ 223,053	\$ 25,760,085	\$ 181,311	\$ 2,657,429	\$ 912,953	\$ 1,332,333	\$ 4,667,455
Accounts payable	-	-	-	-	-	-	-	-	-
Due to other funds	-	19,113	16,752	-	-	-	-	-	-
Total liabilities	<u>\$ 2,336,046</u>	<u>\$ -</u>	<u>\$ 239,805</u>	<u>\$ 25,760,085</u>	<u>\$ 181,311</u>	<u>\$ 2,657,429</u>	<u>\$ 912,953</u>	<u>\$ 1,332,333</u>	<u>\$ 4,667,455</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Assets and Liabilities - Agency Funds (Continued)**  
**December 31, 2018**

	Local Option Income Tax	Treasurer's Tax Collection	Delinquent Business Personal Property	Law Enforcement Continuing Education	Payroll	Clerk of Circuit Court	Sheriff	Recorder's Cash	Other	Total Agency
<b>Assets</b>										
Cash and cash equivalents	\$ -	\$ 27,220,747	\$ 2,168,473	\$ 910,946	\$ 2,373,444	\$ 30,584,453	\$ 1,472,685	\$ 396,846	\$ 305,759	\$ 92,561,379
Investments	-	11,861,407	860,794	361,608	942,158	-	-	157,532	121,378	25,073,573
Accounts receivable	-	26,110,589	-	8,842	425,738	-	-	16,876	58,388	26,811,128
Total assets	\$ -	\$ 65,192,743	\$ 3,029,267	\$ 1,281,396	\$ 3,741,340	\$ 30,584,453	\$ 1,472,685	\$ 571,254	\$ 485,525	\$ 144,446,080
<b>Liabilities</b>										
Amounts held in custody	\$ -	\$ 65,192,743	\$ 2,311,267	\$ 1,281,396	\$ 3,741,340	\$ 30,584,453	\$ 1,472,685	\$ 477,594	\$ 475,710	\$ 143,588,740
Accounts payable	-	-	718,000	-	-	-	-	93,660	-	811,660
Due to other funds	-	-	-	-	-	-	-	-	9,815	45,680
Total liabilities	\$ -	\$ 65,192,743	\$ 3,029,267	\$ 1,281,396	\$ 3,741,340	\$ 30,584,453	\$ 1,472,685	\$ 571,254	\$ 485,525	\$ 144,446,080

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**December 31, 2018**

	<b>Balance January 1, 2018</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31, 2018</b>
<b>Property Tax Refunds</b>				
Assets				
Cash and cash equivalents	\$ 2,757,250	\$ 12,889,240	\$ 13,974,253	\$ 1,672,237
Investments	145,635	518,174	-	663,809
Total assets	\$ 2,902,885	\$ 13,407,414	\$ 13,974,253	\$ 2,336,046
Liabilities				
Amounts held in custody	\$ 2,902,885	\$ 13,407,414	\$ 13,974,253	\$ 2,336,046
Total liabilities	\$ 2,902,885	\$ 13,407,414	\$ 13,974,253	\$ 2,336,046
<b>State Taxes</b>				
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Total assets	\$ -	\$ -	\$ -	\$ -
Liabilities				
Amounts held in custody	\$ (20,508)	\$ 45,601	\$ 44,206	\$ (19,113)
Due to other funds	20,508	-	1,395	19,113
Total liabilities	\$ -	\$ 45,601	\$ 45,601	\$ -
<b>Tax Sale Redemption</b>				
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts receivable	275,697	-	35,892	239,805
Total assets	\$ 275,697	\$ -	\$ 35,892	\$ 239,805
Liabilities				
Amounts held in custody	\$ 89,684	\$ 133,369	\$ -	\$ 223,053
Due to other funds	186,013	3,646,610	3,815,871	16,752
Total liabilities	\$ 275,697	\$ 3,779,979	\$ 3,815,871	\$ 239,805
<b>Tax Sale Surplus</b>				
Assets				
Cash and cash equivalents	\$ 19,057,585	\$ 14,424,547	\$ 15,042,008	\$ 18,440,124
Investments	1,006,600	6,313,361	-	7,319,961
Total assets	\$ 20,064,185	\$ 20,737,908	\$ 15,042,008	\$ 25,760,085
Liabilities				
Amounts held in custody	\$ 20,064,185	\$ 20,737,908	\$ 15,042,008	\$ 25,760,085
Total liabilities	\$ 20,064,185	\$ 20,737,908	\$ 15,042,008	\$ 25,760,085

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**(Continued)**  
**December 31, 2018**

	Balance January 1, 2018	Additions	Deductions	Balance December 31, 2018
<b>Assessor's Cash</b>				
Assets				
Cash and cash equivalents	\$ 206,684	\$ 363,673	\$ 396,264	\$ 174,093
Investments	10,917	58,191	-	69,108
Accounts receivable	2,885	-	64,775	(61,890)
Total assets	<u>\$ 220,486</u>	<u>\$ 421,864</u>	<u>\$ 461,039</u>	<u>\$ 181,311</u>
Liabilities				
Amounts held in custody	<u>\$ 220,486</u>	<u>\$ 421,864</u>	<u>\$ 461,039</u>	<u>\$ 181,311</u>
Total liabilities	<u>\$ 220,486</u>	<u>\$ 421,864</u>	<u>\$ 461,039</u>	<u>\$ 181,311</u>
<b>Sale of County Owned Property</b>				
Assets				
Cash and cash equivalents	\$ 1,446,034	\$ 2,678,174	\$ 2,221,911	\$ 1,902,297
Investments	76,378	678,754	-	755,132
Total assets	<u>\$ 1,522,412</u>	<u>\$ 3,356,928</u>	<u>\$ 2,221,911</u>	<u>\$ 2,657,429</u>
Liabilities				
Amounts held in custody	<u>\$ 1,522,412</u>	<u>\$ 3,356,928</u>	<u>\$ 2,221,911</u>	<u>\$ 2,657,429</u>
Total liabilities	<u>\$ 1,522,412</u>	<u>\$ 3,356,928</u>	<u>\$ 2,221,911</u>	<u>\$ 2,657,429</u>
<b>Treasurer's Surplus</b>				
Assets				
Cash and cash equivalents	\$ 753,222	\$ 1,078,353	\$ 1,178,046	\$ 653,529
Investments	39,784	219,640	-	259,424
Total assets	<u>\$ 793,006</u>	<u>\$ 1,297,993</u>	<u>\$ 1,178,046</u>	<u>\$ 912,953</u>
Liabilities				
Amounts held in custody	<u>\$ 793,006</u>	<u>\$ 1,297,993</u>	<u>\$ 1,178,046</u>	<u>\$ 912,953</u>
Total liabilities	<u>\$ 793,006</u>	<u>\$ 1,297,993</u>	<u>\$ 1,178,046</u>	<u>\$ 912,953</u>
<b>Court Costs to Municipalities</b>				
Assets				
Cash and cash equivalents	\$ 1,046,078	\$ (95,288)	\$ 6,200	\$ 944,590
Investments	55,253	319,710	-	374,963
Accounts receivable	13,782	-	1,002	12,780
Total assets	<u>\$ 1,115,113</u>	<u>\$ 224,422</u>	<u>\$ 7,202</u>	<u>\$ 1,332,333</u>
Liabilities				
Amounts held in custody	<u>\$ 1,115,113</u>	<u>\$ 224,422</u>	<u>\$ 7,202</u>	<u>\$ 1,332,333</u>
Total liabilities	<u>\$ 1,115,113</u>	<u>\$ 224,422</u>	<u>\$ 7,202</u>	<u>\$ 1,332,333</u>
<b>Homestead Credit Rebate</b>				
Assets				
Cash and cash equivalents	\$ 4,433,868	\$ (1,091,502)	\$ 1,210	\$ 3,341,156
Investments	234,192	1,092,107	-	1,326,299
Total assets	<u>\$ 4,668,060</u>	<u>\$ 605</u>	<u>\$ 1,210</u>	<u>\$ 4,667,455</u>
Liabilities				
Amounts held in custody	<u>\$ 4,668,060</u>	<u>\$ 605</u>	<u>\$ 1,210</u>	<u>\$ 4,667,455</u>
Total liabilities	<u>\$ 4,668,060</u>	<u>\$ 605</u>	<u>\$ 1,210</u>	<u>\$ 4,667,455</u>

# Marion County, Indiana

## (A Component Unit of the Consolidated City of Indianapolis - Marion County) Combining Statement of Changes in Assets and Liabilities - Agency Funds (Continued)

December 31, 2018

	Balance January 1, 2018	Additions	Deductions	Balance December 31, 2018
<b>Local Option Income Tax</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 4,334	\$ 1,175,741	\$ 1,180,075	\$ -
Investments	229	-	229	-
Total assets	\$ 4,563	\$ 1,175,741	\$ 1,180,304	\$ -
<b>Liabilities</b>				
Amounts held in custody	\$ 4,563	\$ 1,175,741	\$ 1,180,304	\$ -
Total liabilities	\$ 4,563	\$ 1,175,741	\$ 1,180,304	\$ -
<b>Treasurer's Tax Collection</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 23,398,969	\$ 1,405,220,233	\$ 1,401,398,455	\$ 27,220,747
Investments	15,387,191	4,732,849	8,258,633	11,861,407
Accounts receivable	25,698,407	27,643,932	27,231,750	26,110,589
Due from other funds	-	-	-	-
Total assets	\$ 64,484,567	\$ 1,437,597,014	\$ 1,436,888,838	\$ 65,192,743
<b>Liabilities</b>				
Amounts held in custody	\$ 64,484,567	\$ 1,437,597,014	\$ 1,436,888,838	\$ 65,192,743
Total liabilities	\$ 64,484,567	\$ 1,437,597,014	\$ 1,436,888,838	\$ 65,192,743
<b>Delinquent Business Personal Property</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 6,308,951	\$ 2,238,707	\$ 6,379,185	\$ 2,168,473
Investments	333,232	527,562	-	860,794
Total assets	\$ 6,642,183	\$ 2,766,269	\$ 6,379,185	\$ 3,029,267
<b>Liabilities</b>				
Amounts held in custody	\$ 6,642,183	\$ 2,048,269	\$ 6,379,185	\$ 2,311,267
Accounts Payable	-	718,000	-	718,000
Total liabilities	\$ 6,642,183	\$ 2,766,269	\$ 6,379,185	\$ 3,029,267
<b>Law Enforcement Continuing Education</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,203,241	\$ (121,010)	\$ 171,285	\$ 910,946
Investments	63,554	298,054	-	361,608
Accounts receivable	10,842	-	2,000	8,842
Total assets	\$ 1,277,637	\$ 177,044	\$ 173,285	\$ 1,281,396
<b>Liabilities</b>				
Amounts held in custody	\$ 1,277,637	\$ 177,044	\$ 173,285	\$ 1,281,396
Total liabilities	\$ 1,277,637	\$ 177,044	\$ 173,285	\$ 1,281,396
<b>Payroll</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 3,335,741	\$ 173,358,027	\$ 174,320,324	\$ 2,373,444
Investments	176,190	765,968	-	942,158
Accounts receivable	308,364	117,374	-	425,738
Total assets	\$ 3,820,295	\$ 174,241,369	\$ 174,320,324	\$ 3,741,340
<b>Liabilities</b>				
Amounts held in custody	\$ 3,810,228	\$ 174,241,369	\$ 174,310,257	\$ 3,741,340
Due to other funds	10,067	-	10,067	-
Total liabilities	\$ 3,820,295	\$ 174,241,369	\$ 174,320,324	\$ 3,741,340

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**(Continued)**  
**December 31, 2018**

	<u>Balance January 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2018</u>
<b>Clerk of Circuit Court</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 20,844,049	\$ 57,039,063	\$ 47,298,659	\$ 30,584,453
Total assets	<u>\$ 20,844,049</u>	<u>\$ 57,039,063</u>	<u>\$ 47,298,659</u>	<u>\$ 30,584,453</u>
<b>Liabilities</b>				
Amounts held in custody	\$ 20,844,049	\$ 57,039,063	\$ 47,298,659	\$ 30,584,453
Total liabilities	<u>\$ 20,844,049</u>	<u>\$ 57,039,063</u>	<u>\$ 47,298,659</u>	<u>\$ 30,584,453</u>
<b>Sheriff</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 6,659,950	\$ 69,650,193	\$ 74,837,458	\$ 1,472,685
Total assets	<u>\$ 6,659,950</u>	<u>\$ 69,650,193</u>	<u>\$ 74,837,458</u>	<u>\$ 1,472,685</u>
<b>Liabilities</b>				
Amounts held in custody	\$ 6,659,950	\$ 69,650,193	\$ 74,837,458	\$ 1,472,685
Total liabilities	<u>\$ 6,659,950</u>	<u>\$ 69,650,193</u>	<u>\$ 74,837,458</u>	<u>\$ 1,472,685</u>
<b>Recorder's Cash</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 552,533	\$ 5,276,910	\$ 5,432,597	\$ 396,846
Investments	29,184	128,348	-	157,532
Accounts receivable	27,574	-	10,698	16,876
Total assets	<u>\$ 609,291</u>	<u>\$ 5,405,258</u>	<u>\$ 5,443,295</u>	<u>\$ 571,254</u>
<b>Liabilities</b>				
Amounts held in custody	\$ 609,291	\$ 5,311,598	\$ 5,443,295	\$ 477,594
Accounts Payable	-	93,660	-	93,660
Total liabilities	<u>\$ 609,291</u>	<u>\$ 5,405,258</u>	<u>\$ 5,443,295</u>	<u>\$ 571,254</u>
<b>Other</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 414,099	\$ 9,078,425	\$ 9,186,765	\$ 305,759
Investments	24,787	128,207	31,616	121,378
Accounts receivable	55,313	11,317	8,242	58,388
Total assets	<u>\$ 494,199</u>	<u>\$ 9,217,949</u>	<u>\$ 9,226,623</u>	<u>\$ 485,525</u>
<b>Liabilities</b>				
Amounts held in custody	\$ 484,385	\$ 9,217,948	\$ 9,226,623	\$ 475,710
Due to other funds	9,814	1	-	9,815
Total liabilities	<u>\$ 494,199</u>	<u>\$ 9,217,949</u>	<u>\$ 9,226,623</u>	<u>\$ 485,525</u>
<b>Total Agency</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 92,422,588	\$ 1,753,163,486	\$ 1,753,024,695	\$ 92,561,379
Investments	17,583,126	15,780,925	8,290,478	25,073,573
Accounts receivable	26,392,864	27,772,623	27,354,359	26,811,128
Due from other funds	-	-	-	-
Total assets	<u>\$ 136,398,578</u>	<u>\$ 1,796,717,034</u>	<u>\$ 1,788,669,532</u>	<u>\$ 144,446,080</u>
<b>Liabilities</b>				
Amounts held in custody	\$ 136,172,176	\$ 1,796,084,343	\$ 1,788,667,779	\$ 143,588,740
Accounts Payable	-	811,660	-	811,660
Due to other funds	226,402	3,646,611	3,827,333	45,680
Total liabilities	<u>\$ 136,398,578</u>	<u>\$ 1,800,542,614</u>	<u>\$ 1,792,495,112</u>	<u>\$ 144,446,080</u>



## **Statistical Section (Unaudited)**

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statistical Section (Unaudited)**  
**Table of Contents**

The statistical section of this report presents detailed information in order to understand what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

**Financial Trends**

**Tables 1-4** contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

**Revenue Capacity**

**Tables 5-10** contain information to help the reader assess one of the County's most significant sources of revenue, property taxes.

**Debt Capacity**

**Tables 11-12** present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue debt in the future.

**Demographic and Economic Information**

**Tables 13-15** offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

**Operating Information**

**Tables 16-17** contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

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

**Table 1**  
**Net Position by Component - Accrual Basis of Accounting**  
**Last Ten Fiscal Years**

	December 31		
	2018	2017	2016
<b>Governmental Activities</b>			
Net investment in capital assets	\$ 70,684,000	\$ 65,800,865	\$ 66,590,393
Restricted - Other purposes by grantors	7,472,204	7,723,057	5,183,374
Statutory restrictions	16,707,826	16,422,778	14,742,787
Unrestricted (deficit)	(125,446,135)	(115,771,840)	(114,937,140)
	<u>\$ (30,582,105)</u>	<u>\$ (25,825,140)</u>	<u>\$ (28,420,586)</u>
Total governmental activities net position	<u>\$ (30,582,105)</u>	<u>\$ (25,825,140)</u>	<u>\$ (28,420,586)</u>

**Notes to Schedule:**

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Table 2**  
**Schedule of Changes in Net Position - Accrual Basis of Accounting**  
**Last Ten Fiscal Years**

	Years Ended December 31		
	2018	2017	2016
<b>Expenses</b>			
Governmental activities			
Administration and finance	\$ 46,202,934	\$ 48,406,528	\$ 41,571,975
Protection of people and property	11,450,687	11,074,959	11,929,592
Corrections	124,131,635	126,526,606	133,711,478
Judicial	120,046,424	115,740,755	115,680,791
Culture and recreation	173,069	184,500	526,889
Real estate and assessments	8,244,847	7,929,212	9,412,762
Health and welfare	5,402,264	5,500,026	5,808,973
Interest	1,157,550	1,156,733	741,900
Total governmental activities expenses	<u>316,809,410</u>	<u>316,519,319</u>	<u>319,384,360</u>
<b>Program Revenues</b>			
Governmental activities			
Charges for services			
Administration and finance	21,295,204	20,637,831	22,333,145
Protection of people and property	13,598,782	11,685,296	10,845,741
Corrections	2,156,279	3,418,422	3,685,598
Judicial	10,783,655	10,774,720	11,056,240
Real estate and assessments	5,020,131	4,455,747	3,612,469
Operating grants and contributions	35,839,065	28,752,831	34,372,716
Capital Grants and Contributions	83,338	3,012,715	-
Total governmental activities program revenues	<u>88,776,454</u>	<u>82,737,562</u>	<u>85,905,909</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (228,032,956)</u>	<u>\$ (233,781,757)</u>	<u>\$ (233,478,451)</u>
<b>General Revenues and Other Changes in Net Position</b>			
Governmental activities			
Taxes			
Property taxes	136,446,155	131,817,727	125,822,359
Local income tax	79,321,436	81,768,609	75,100,242
Other taxes	14,676,280	18,217,037	19,652,233
Unrestricted investment earnings (losses)	3,897,040	1,770,874	1,149,404
Other	1,610,158	2,802,956	2,509,276
Total governmental activities general revenues and other changes in net position	<u>235,951,069</u>	<u>236,377,203</u>	<u>224,233,514</u>
<b>Change in Net Position</b>			
Total governmental activities	<u>\$ 7,918,113</u>	<u>\$ 2,595,446</u>	<u>\$ (9,244,937)</u>

**Notes to Schedule:**

Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.

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

**Table 3**  
**Program Revenues by Function/Program - Accrual Basis of Accounting**  
**Last Ten Fiscal Years**

Function/Program	December 31		
	2018	2017	2016
Governmental activities			
Charges for services			
Administration and finance	\$ 24,133,094	\$ 26,379,412	\$ 25,232,397
Protection of people and property	14,194,618	12,439,239	11,748,652
Corrections	13,536,403	11,938,596	16,536,152
Judicial	31,535,162	27,492,018	28,600,283
Real estate and assessments	5,018,831	4,455,747	3,612,469
Health and welfare	358,346	32,550	175,956
Total governmental activities program revenues	\$ 88,776,454	\$ 82,737,562	\$ 85,905,909

**Notes to Schedule:**

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Table 4**  
**Fund Balances - Governmental Funds - Modified Accrual Basis of Accounting**  
**Last Ten Fiscal Years**

		<b>December 31</b>		
		<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>General Fund</b>				
Assigned		\$ 2,841,511	\$ 1,407,338	\$ 1,413,316
Unassigned		21,588,687	13,599,313	3,112,684
Total General Fund		\$ 24,430,198	\$ 15,006,651	\$ 4,526,000
<b>All Other Governmental Funds</b>				
Restricted		\$ 28,030,854	\$ 28,402,076	\$ 28,034,865
Unassigned		(818,735)	(446,034)	(2,648,207)
Total all other governmental funds		\$ 27,212,119	\$ 27,956,042	\$ 25,386,658

**Notes to Schedule:**

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

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

**Table 5**  
**Schedule of Changes in Fund Balances - Governmental Funds -**  
**Modified Accrual Basis of Accounting**  
**Last Ten Fiscal Years**

	December 31		
	2018	2017	2016
<b>Revenues</b>			
Taxes	\$ 229,901,523	\$ 232,343,786	\$ 219,749,361
Intergovernmental	36,832,417	28,398,073	34,003,640
Interest	3,897,040	1,785,859	1,169,415
Charges for services	34,060,990	32,830,555	31,693,959
Traffic violations and court fees	8,866	5,403	14,844
Contributions	-	2,345,611	-
Miscellaneous	1,605,094	2,435,681	2,520,605
Total revenues	<u>306,305,930</u>	<u>300,144,968</u>	<u>289,151,824</u>
<b>Expenditures</b>			
Current			-
General government	153,786,476	142,453,646	144,385,711
Public safety	137,582,081	136,729,507	140,831,986
Culture and recreation	171,823	182,997	214,360
Debt service			
Redemption of notes	445,530	241,422	235,887
Interest on notes	937,210	957,958	15,980
Lease payments	2,832,702	4,745,273	5,454,915
Capital outlays	8,154,732	19,254,483	4,147,815
Total expenditures	<u>303,910,554</u>	<u>304,565,286</u>	<u>295,286,654</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,395,376</u>	<u>(4,420,318)</u>	<u>(6,134,830)</u>
<b>Other Financing Sources (Uses)</b>			
Notes issued	-	616,396	-
Issuance of capital leases	6,284,248	16,853,957	2,910,840
Transfers in	15,997,709	19,957,725	16,321,134
Transfers out	(15,997,709)	(19,957,725)	(16,321,134)
Total other financing sources (uses), net	<u>6,284,248</u>	<u>17,470,353</u>	<u>2,910,840</u>
Net change in fund balances	<u>\$ 8,679,624</u>	<u>\$ 13,050,035</u>	<u>\$ (3,223,990)</u>
Debt service as a percentage of noncapital expenditures	1.4%	2.1%	1.9%
Debt service expenditures	\$ 4,215,442	\$ 5,944,653	\$ 5,706,782
Noncapital expenditures	291,422,234	286,167,261	294,422,062

**Notes to Schedule:**

Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.

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

**Table 6**  
**Tax Revenues by Source - Governmental Funds**  
**Last Ten Fiscal Years**

Fiscal Year	Property Taxes	Local Option Income Tax	Other (a)	Total Taxes
2016	\$ 125,209,983	\$ 75,100,242	\$ 19,439,136	\$ 219,749,361
2017	132,325,580	81,768,609	18,249,597	232,343,786
2018	136,168,632	79,321,436	14,411,455	229,901,523

**Notes to Schedule:**

(a) Includes financial institution and other local taxes.

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

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

**Table 7**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
*(In thousands)*

<b>Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Personal Property</b>	<b>Other</b>	<b>Total Taxable Assessed Value (a) (b)</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Taxable Assessed Value as a % of Actual Taxable Value (a)</b>
2009	\$ 18,016,590	\$ 14,553,256	\$ 2,813,644	\$ 5,657,964	\$ 324,992	\$ 41,366,446	0.8634 %	\$ 41,366,446	100 %
2010	16,775,664	14,576,670	3,044,559	5,745,524	324,320	40,466,737	0.8673	40,466,737	100
2011	16,287,697	13,923,228	3,221,540	5,449,472	895,749	39,777,686	0.9525	39,777,686	100
2012	15,978,644	13,498,295	3,298,832	5,467,373	868,354	39,111,498	1.0034	39,111,498	100
2013	16,191,259	13,110,440	3,189,252	5,841,671	888,684	39,221,306	0.9802	39,221,306	100
2014	18,171,183	13,464,533	3,103,892	5,972,597	842,391	41,554,596	0.7667	41,554,596	100
2015	18,103,687	13,437,532	3,096,297	6,160,989	977,912	41,776,417	0.7069	41,776,417	100
2016	18,531,258	13,631,932	3,139,384	6,325,056	903,782	42,531,412	0.7136	42,531,412	100
2017	19,125,058	13,538,083	3,066,967	6,659,770	885,892	43,275,770	0.7313	43,275,770	100
2018	19,839,568	14,114,626	3,150,699	6,700,531	894,001	44,699,425	0.7243	44,699,425	100

**Notes to Schedule:**

Tax-exempt property for 2018 of \$922,233 represents charitable organizations and other deductions. Government property is generally not assessed.

- (a) Represents the assessment (Marion County Auditor's "certified abstract") on March 1 of the prior year for taxes due and payable in the year indicated.
- (b) In 2018, total taxable assessed value includes \$4,192,813 of assessed valuation for Marion County Tax Increment Financing Districts.

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

**Table 8**

**Direct and Overlapping Governments - Property Tax Rates (a) (b)**  
**December 31, 2018**

Year	Marion County		Overlapping Rates						Total Direct and Overlapping Rates
	Operating Millage	City Direct Rates			Total City-County Approved	Other Direct Rates			
		City of Indianapolis	Municipal Corporations			School	Other		
2009	\$ 0.3513	\$ 0.8634	\$ 0.3254	\$ 1.5401	\$ 1.1569	\$ 0.0578	\$ 2.7548		
2010	0.3534	0.8673	0.3282	1.5489	1.3692	0.0615	2.9796		
2011	0.3665	0.9525	0.3685	1.6875	1.4065	0.0615	3.1555		
2012	0.4007	1.0034	0.3958	1.7999	1.2711	0.0670	3.1380		
2013	0.3932	0.9802	0.4314	1.8048	1.4829	0.0607	3.3484		
2014	0.4034	0.7667	0.4340	1.6041	1.2889	0.0620	2.9550		
2015	0.3825	0.7069	0.4205	1.5099	1.3504	0.0607	2.9210		
2016	0.3883	0.7136	0.4454	1.5473	1.4170	0.0630	3.0273		
2017	0.3943	0.7313	0.4517	1.5773	0.9735	0.0619	2.6127		
2018	0.3893	0.7243	0.4488	1.5624	1.1336	0.0587	2.7547		

**Notes to Schedule:**

- (a) Rate of District 101 (Indianapolis-Center Township), which is the only rate that includes all major services.
- (b) Data presented is per the tax rate schedule certified by the Department of Local Government Finance (DLGF).

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

**Table 9**  
**Principal Property Tax Payers**  
**December 31, 2018**  
*(In thousands)*

	2018				0			
	Taxpayers	Taxable Assessed Value (a)	Rank	Percentage of Total County Taxable Assessed Value	Taxpayers	Taxable Assessed Value (b) (c)	Rank	Percentage of Total County Taxable Assessed Value
1	Eli Lilly and Company	\$ 1,218,912	1	2.727 %	Eli Lilly and Company	\$ 1,312,077	1	3.430 %
2	Citizens Energy Group	469,516	2	1.050	Indianapolis Power & Light	381,597	2	0.997
3	Indianapolis Power and Light Company	400,796	3	0.897	Indiana Bell	283,297	3	0.740
4	Federal Express Corporation	245,092	4	0.548	Simon Property Group	191,132	4	0.500
5	Convention Headquarters Hotels, LLC	189,133	5	0.423	General Motors	183,985	5	0.481
6	Hertz Indianapolis 111 Monument, LLC	154,583	6	0.346	Sexton Properties	181,809	6	0.475
7	American United Life Insurance Company	114,781	7	0.257	Citizens Gas & Coke Utility	148,011	7	0.387
8	SVC Manufacturing	92,792	8	0.208	Macquarie Office Monument	144,640	8	0.378
9	Castleton Square, LLC	81,858	9	0.183	American United Life	140,114	9	0.366
10	IMD2 LLC	76,250	10	0.171	Community Hospital Foundation	130,201	10	0.340
11	Southwest Airlines Co.	75,184	11	0.168	Dugan Realty, LLP	115,274	11	0.301
12	Keystone Investors, LLC	72,661	12	0.163	Keystone Investors, LLC	109,559	12	0.286
13	Westin Indianapolis LLC	68,924	13	0.154	Duke Weeks Realty, LP	105,025	13	0.275
14	DOW Agrosciences, LLC	68,016	14	0.152	Rolls Royce	104,937	14	0.274
15	Rolls-Royce Corporation	67,566	15	0.151	Roche Diagnostics Corp	96,580	15	0.252
16	Ms Operations Center Partners LLC	64,852	16	0.145	Target	94,621	16	0.247
17	Axis FC LLC	62,192	17	0.139	Indianapolis Motor Speedway	93,828	17	0.245
18	NG 211 N Pennsylvania St, LLC	61,995	18	0.139	International Truck and Engine	93,329	18	0.244
19	Celco Partnership	60,450	19	0.135	SVC Manufacturing	77,940	19	0.204
20	Circle Centre Development Co.	58,753	20	0.131	VV USA City, LP	75,550	20	0.197
		\$ 3,704,306		8.287		\$ 4,063,506		10.619

**Notes to Schedule:**

- (a) Represents the January 1, 2017 valuations for taxes due and payable in 2018 as represented by the taxpayer. Amounts in thousands. Net assessed valuation was determined using public records from the Marion County Treasurer's Office.
- (b) Represents the March 1, 2008 valuations for taxes due and payable in 2009 as represented by the taxpayer. Amounts in thousands. Net assessed valuation was determined using public records from the Marion County Treasurer's Office.
- (c) Data presented as originally published in the 2009 City of Indianapolis Comprehensive Annual Financial Report.

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

**Table 10**  
**Property Tax Levies and Collections**  
**December 31, 2018**  
**(In thousands)**

Fiscal Year Ended December 31	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy (a)		Amount	Percentage of Levy (a)
2016	\$ 123,133	\$ 124,811	101.4 %	\$ 3,957	\$ 128,768	104.6 %
2017	128,833	127,970	99.3	3,373	131,343	101.9
2018	133,862	132,456	98.9	-	132,456	98.9

(a) The annual levy has an estimated contingency built-in for potential appeals. If those appeals are less than the estimate, the City would receive revenue over the total levy amount.

**Notes to Schedule:**

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

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

**Table 11**  
**Ratios of Outstanding Debt by Type**  
**December 31, 2018**

Fiscal Year Ended December 31	Governmental Activities			Percentage of Personal Income (a)	Per Capita (a)
	Note Payable	Capital Leases	Total Governmental Activities Debt		
2016	\$ 1,786,238	\$ 18,874,240	\$ 20,660,478	0.04500 %	\$ 22
2017	819,824	29,684,042	30,503,866	0.06716	32
2018	374,295	34,638,278	35,012,573	0.07232	37

(a) See schedule 13 for personal income and population data. These ratios are calculated using personal income and population.

**Notes to Schedule:**

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

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

**Table 12**  
**Schedule of Direct and Overlapping Debt and Bonded Debt Limit (a)**  
**December 31, 2018**  
*(In thousands)*

	Assessed Value (d)	Bonding Limit		Bonds Outstanding (g)
		%	Dollar Amount	
<b>Direct Debt</b>				
Marion County	\$ 40,737,646	0.67%	\$ 272,942	\$ -
<b>Other Direct Debt</b>				
Note payable				374
Capital leases				34,638
Total County Direct Debt				\$ 35,012
<b>Overlapping</b>				
<b>City of Indianapolis</b>				
Civil City	\$ 38,185,727	0.67%	255,844	\$ 52,140
Park District	40,737,646	0.67%	272,942	4,925
Redevelopment District	38,185,727	(e)	-	-
Stormwater Control District	40,737,646	0.67%	272,942	-
Metropolitan Thoroughfare District	40,737,646	1.33%	541,811	24,585
Solid Waste Disposal District	38,235,668	2.00%	764,713	-
Public Safety Communications and Computer Facilities District	40,737,646	0.67%	272,942	36,310
Premium on General Obligation Debt	-		-	6,480
Total City General Obligation Debt	277,557,706		2,381,194	124,440
<b>Municipal Corporations:</b>				
Indianapolis Airport Authority	40,737,646	0.67%	272,942	-
Health and Hospital Corporation	40,737,646	0.67%	272,942	179,335
Capital Improvement Board of Managers	40,737,646	0.67%	272,942	-
Indianapolis-Marion County Building Authority	40,737,646	(b)	-	-
Indianapolis-Marion County Public Library	40,124,284	0.67%	268,833	71,150
Indianapolis Public Transportation Corporation	38,617,780	0.67%	258,739	-
Total Municipal Corporations	241,692,648		1,346,398	250,485
<b>School Districts</b>				
Beech Grove	435,690	(f)	2,919	3,147
Decatur	1,699,074	(f)	11,384	2,715
Franklin	2,310,919	(f)	15,483	-
Indianapolis Public Schools	11,032,088	(f)	73,915	43,705
Lawrence	5,024,205	(f)	33,763	18,495
Perry	3,501,987	(f)	23,463	14,670
Pike	4,717,204	(f)	31,605	28,240
Speedway	764,586	(f)	5,123	-

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

**Table 12**  
**Schedule of Direct and Overlapping Debt and Bonded Debt Limit (a) (Continued)**  
**December 31, 2018**  
*(In thousands)*

	Assessed Value (d)	Bonding Limit		Bonds Outstanding (g)
		%	Dollar Amount	
<b>School Districts (continued)</b>				
Warren	\$ 2,578,639	(f)	\$ 17,277	\$ -
Washington	6,131,928	(f)	41,084	31,630
Wayne	2,977,094	(f)	19,947	4,000
Total School Districts	<u>41,173,414</u>		<u>275,963</u>	<u>146,602</u>
<b>Other Cities and Towns</b>				
Beech Grove	432,053	0.67%	2,895	1,000
Lawrence	1,456,563	0.67%	9,759	3,628
Southport	49,940	0.67%	335	281
Speedway	613,362	0.67%	4,110	3,949
Total Other Cities and Towns	<u>2,551,918</u>		<u>17,099</u>	<u>8,858</u>
<b>Townships</b>				
Center	6,246,544	0.67%	41,852	-
Decatur	1,592,266	0.67%	10,668	-
Franklin	2,440,979	0.67%	16,355	-
Lawrence	5,394,086	0.67%	36,140	1,280
Perry	3,818,962	0.67%	25,587	-
Pike	4,565,838	0.67%	30,591	-
Warren	3,511,009	0.67%	23,524	-
Washington	8,675,956	0.67%	58,129	-
Wayne	4,256,801	0.67%	28,521	1,596
Total Townships	<u>40,502,441</u>		<u>271,367</u>	<u>2,876</u>
<b>Excluded Library Districts</b>				
Speedway	613,362	0.67%	4,110	135
Total Excluded Library Districts	<u>613,362</u>		<u>4,110</u>	<u>135</u>
Ben Davis Conservancy District	<u>354,164</u>	(c)	-	-
Total overlapping debt				<u>533,396</u>
Total direct and overlapping debt				<u>\$ 568,408</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Table 12**  
**Schedule of Direct and Overlapping Debt and Bonded Debt Limit (a) (Continued)**  
**December 31, 2018**

- (a) Excludes revenue bonds not payable from ad valorem taxes.
- (b) There is no debt limit for the Indianapolis-Marion County Building Authority. Its debt service requirements are funded by rentals paid by the City of Indianapolis and Marion County from ad valorem taxes mandated by the Building Authority's enabling legislation.
- (c) Ben Davis Conservancy District has no bonding limit. Bonds are payable from either collection of special benefit taxes or revenues produced from the project per Indiana Code 14-33-11-4.
- (d) Represents the January 1, 2017 (Marion County Auditor's "certified abstract") assessment for taxes due and payable in 2018.
- (e) There is no statutory constitutional debt limitation to the Redevelopment Districts.
- (f) A statutory .67% limit on school district debt does not apply to any debt that is incurred by a school district building corporation for the purpose of constructing facilities to be leased to the school district at rentals sufficient to fund the corporation's annual debt service requirements. The bonding limit shown is the sum of the statutory limit plus the outstanding building corporation debt.
- (g) Governmental activities debt of the overlapping governments is not readily available; only general obligation debt is reported in this column.

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

**Table 13**  
**Demographic and Economic Statistics**  
**December 31, 2018**

<b>Year</b>	<b>Population (a)</b>	<b>Personal Income (b) (In Thousands)</b>	<b>Per Capita Personal Income (b)</b>	<b>Median Age (c)</b>	<b>Education Level in Years of Schooling (a)</b>	<b>Student Enrollment (d)</b>	<b>Unemployment Rate (e)</b>
2009	898,394	\$ 35,218,272	\$ 39,201	36	12	159,089	10.00 %
2010	904,504	37,657,620	41,633	34	12	159,865	9.70
2011	911,195	40,583,131	44,538	33	12	143,053	9.50
2012	919,453	42,200,406	45,897	34	12	146,175	9.40
2013	929,722	41,906,380	45,074	34	12	149,697	7.00
2014	935,745	43,178,384	46,143	34	12	130,007	5.80
2015	940,235	45,110,150	47,978	34	12	130,371	4.60
2016	944,034	46,671,667	49,439	34	12	131,754	3.90
2017	950,082	48,413,129	50,957	34	12	132,596	3.10
2018	954,670	48,413,129 (f)	50,957 (f)	34 (g)	12	132,838	3.40

- (a) U.S. Census Bureau
- (b) Bureau of Economic Analysis
- (c) Stats Indiana for 2017
- (d) Indiana Department of Education
- (e) Bureau of Labor Statistics, Dec 2018 rate
- (f) This information will be released by the Bureau of Economics Analysis in August 2019; therefore, prior year numbers were utilized.
- (g) This information will be released by the U.S. Census Bureau at a future date; therefore, prior year numbers were utilized.

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

**Table 14**  
**Principal Employers**  
**December 31, 2018**

Employer	2018 (b)			Employer	2009 (c)		
	Employees	Rank	Percentage of Total City Employment (a)		Employees	Rank	Percentage of Total City Employment (a)
Indiana University Health	23,187	1	4.90 %	Clarian Health Partners, Inc.	12,763	1	3.08 %
Ascension St. Vincent	17,398	2	3.67	Eli Lilly and Company	11,550	2	2.79
Community Health Network	11,328	3	2.39	St. Vincent Hospitals & Health Services	10,640	3	2.57
Eli Lilly and Company	10,511	4	2.22	IUPUI	7,066	4	1.71
Walmart	8,926	5	1.88	FedEx	6,311	5	1.52
Kroger Co	7,675	6	1.62	Community Health Network	5,341	6	1.29
Federal Express	5,000	7	1.06	Rolls-Royce	4,600	7	1.11
Anthem	4,866	8	1.03	St. Francis Hospital & Health Centers	4,152	8	1.00
Eskenazi Health	4,620	9	0.98	WellPoint Inc.	3,950	9	0.95
Meijer	4,594	10	0.97	Allison Transmission/Div of GMC	3,800	10	0.92

- (a) Percentage of total City employment is calculated by using total Employed Labor Force, which can be found at [www.stats.indiana.edu](http://www.stats.indiana.edu).
- (b) Largest employers can be found at [www.indypartnership.com](http://www.indypartnership.com) (Indy Partnership).
- (c) Data presented as originally published in the 2009 City of Indianapolis Comprehensive Annual Financial Report.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Table 15**  
**Full-Time Equivalent County Government Employees by Function/Program**  
**December 31, 2018**

	December 31		
	2018	0	0
Administration and finance	138	117	120
Protection of people and property	63	60	60
Corrections	959	996	1,010
Judicial	1,322	1,351	1,337
Culture and recreation	3	3	4
Real estate and assessments	110	110	114
Total Full-Time County Employees	<u>2,595</u>	<u>2,637</u>	<u>2,645</u>

**Notes to Schedule:**

Source: City of Indianapolis Controller's Office

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

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

**Table 16**  
**Operating Indicators by Function/Program**  
**December 31, 2018**

Function/Program	2018	2017	2016
<b>Elections</b>			
Registered Voters	647,977	(a)	715,154
Total Voters (General Election)	309,686	(a)	370,498
Total Voters (Primary)	98,718	(a)	220,903
<b>Prosecutor</b>			
Misdemeanor cases disposed	15,613	12,472	13,141
Misdemeanor cases filed	16,286	18,279	18,555
Misdemeanor cases reviewed	19,158	22,049	21,711
Felony cases disposed	13,717	12,452	9,886
Felony cases filed	12,944	13,771	13,761
Felony cases reviewed	15,685	16,617	16,519
<b>Forensics</b>			
Forensic test labs submissions	14,184	13,697	12,989
Forensic test labs completed	13,596	13,606	12,951
Evidence Items Analyzed	64,535	66,464	66,400
<b>Community Corrections</b>			
Program graduates (b)	772	548	310
Duwall Residential Facility clients	1,014	1,081	(c)
Electronic monitoring clients	10,349	14,989	(c)
<b>Sheriff</b>			
E-911 Calls Answered	1,033,924	1,029,064	1,134,450
Arrestees Processed	41,936	38,184	38,424
Average Daily Jail Population	2,411	2,540	2,498
<b>Superior Court</b>			
Civil cases disposed	29,272	29,362	27,498
Criminal cases disposed	114,880	113,847	115,903
Juvenile cases disposed	9,762	10,420	10,143
Probate cases disposed	2,671	1,830	1,929
<b>Circuit Court</b>			
Civil cases disposed	2,857	2,138	2,616
Paternity court cases	2,049	1,653	2,076

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

**Table 16**  
**Operating Indicators by Function/Program (Continued)**  
**December 31, 2018**

Function/Program	2018	2017	2016
<b>Auditor</b>			
Property tax refunds issued - quantity	4,320	5,809	10,321
Properties sold by county for delinquent taxes	771	1,100	1,108
Property tax abatements granted - quantity	155	161	156
<b>Clerk</b>			
Marriage licenses issued	7,918	7,920	8,015
Divorces processed	3,970	3,778	3,865
<b>Assessor</b>			
Assessed parcels of property	80,371	88,815	84,493
Appeals filed (d)	7,887	8,585	9,800
Appeals worked	11,134	12,521	15,492
<b>Public Defender</b>			
Cases appointed to divisions (e)	22,018	21,784	24,404
<b>Coroner</b>			
External Exams	510	430	474
Full Autopsies	737	651	499
Homicides investigated	197	193	180
Drug related deaths investigated	389	385	331

**Notes to Schedule:**

- (a) Not applicable. No general election or primary in 2017.
- (b) Community Corrections provides various programs for clients and the graduates of four key programs are listed above. These programs are Thinking for Change, Conflict Resolution, Partners in Parenting and Theft/Larceny.
- (c) Not available.
- (d) Appeals filed are tracked for the year of assessed value. They are shown in the year following, which is when the taxes on the assessed property is payable.
- (e) The Public Defender Office consists of various divisions which are appointed cases. The cases appointed to the Juvenile, Misdemeanor, Domestic Violence, L6 Felony, Major Felony, Conflict, Problem Solving and Appellate Divisions are listed above.

Source: Various City departments

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

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

**Table 17**  
**Capital Asset Statistics by Function/Program**  
**December 31, 2018**

Function/Program	2018	2017	2016
<b>Administration and finance</b>			
Voting Machines	2,640	919	919
Buildings	2	2	2
Vehicles and other rolling stock	15	15	15
<b>Protection of people and property</b>			
Vehicles and other rolling stock	370	389	382
<b>Corrections</b>			
Vehicles and other rolling stock	12	12	16
Jails and other buildings	5	5	5
<b>Judicial</b>			
Courts	55	55	55
Buildings	7	7	7
Vehicles and other rolling stock	45	33	33
<b>Real estate and assessments</b>			
Vehicles and other rolling stock	5	5	5

**Notes to Schedule:**

Source: Various City departments

*Statistical information is not available for the preceding seven years as 2016 was the first year the County reported under GAAP basis versus a special purpose framework.*

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

Single Audit Report  
For the Year Ended December 31, 2018

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of**  
**Indianapolis - Marion County)**  
**December 31, 2018**

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

**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2018**

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. Department of Justice</b>				
Indiana Criminal Justice Institute Crime Victim Assistance	16.575	5668, 7204, 5667	\$ -	\$ 481,493
Indiana Criminal Justice Institute Violence Against Women Formula Grants	16.588	6294, 6337	-	114,201
State Criminal Alien Assistance Program	16.606	Direct	-	3,178
Indiana Criminal Justice Institute Project Safe Neighborhoods PSN	16.609	6489	-	61,216
Edward Byrne Memorial Justice Assistance Grant Program	16.738	Direct	-	517,426
Indiana Criminal Justice Institute Edward Byrne Memorial Justice Assistance Grant Program	16.738	6024, 6033, 6048, 6049	-	76,924
City of Indianapolis, Indiana Edward Byrne Memorial Justice Assistance Grant Program	16.738	NA	-	268,650
			Total 16.738	<u>863,000</u>
Forensic DNA Backlog Reduction Program	16.741	Direct	-	354,323
Criminal and Juvenile Justice and Mental Health Collaboration	16.745	Direct	-	29,478
Smart Prosecution Initiative	16.825	Direct	-	9,034
Federal Equitable Share Law Enforcement - Forfeitures	16.922	Direct	-	565,963
<b>Total U.S. Department of Justice</b>			<u>-</u>	<u>2,481,886</u>
<b>U.S. Department of Treasury</b>				
Federal Equitable Share Law Enforcement - Forfeitures	21.016	Direct	-	1,603
<b>Total U.S. Department of Treasury</b>			<u>-</u>	<u>1,603</u>
<b>U.S. Department of Health and Human Services</b>				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Direct	-	459,547
Indiana Department of Corrections Temporary Assistance for Needy Families (TANF Cluster)	93.558	16906, 228998	-	73,293
Indiana Department of Child Services Child Support Enforcement	93.563	NA	-	4,965,741
Community-Based Child Abuse Prevention Grants	93.590	Direct	-	397,756
Indiana Family Social Services High Intensity Drug Trafficking Areas Program	95.001	NA	-	406,713
<b>Total U.S. Department of Health and Human Services</b>			<u>-</u>	<u>6,303,050</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ -</u>	<u>\$ 8,786,539</u>

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

**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2018**

***Notes to Schedule***

1. The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of Marion County, Indiana (County) under programs of the federal government for the year ended December 31, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.
2. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.
3. Negative amounts shown on the Schedule, if any, represent adjustments or credits in the normal course of business amounts reported as expenditures in prior year. The County has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

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

**Independent Auditor's Report**

The Honorable Mayor and Members  
of the City-County Council  
Marion County, Indiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the government activities, each major fund and the aggregate remaining fund information of Marion County, Indiana (County), a component unit of the Consolidated City of Indianapolis - Marion County, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 27, 2019, which contained an emphasis of a matter paragraph regarding a change in accounting principle.

***Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001, 2018-002 and 2018-003 that we consider to be significant deficiencies.

### ***Compliance and Other Matters***

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

### ***County's Responses to Findings***

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on them.

### ***Purpose of this Report***

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

**BKD, LLP**

Indianapolis, Indiana  
June 27, 2019

**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

**Independent Auditor's Report**

The Honorable Mayor and Members  
of the City-County Council  
Marion County, Indiana

**Report on Compliance for the Major Federal Program**

We have audited Marion County, Indiana's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended December 31, 2018. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the County's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the County's compliance.

### ***Opinion on the Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2018.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 27, 2019, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*BKD, LLP*

Indianapolis, Indiana  
June 27, 2019

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Findings and Questioned Costs**  
**Year Ended December 31, 2018**

**Summary of Auditor's Results**

*Financial Statements*

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:  
 Unmodified       Qualified       Adverse       Disclaimer
  
2. The independent auditor's report on internal control over financial reporting disclosed:  
Significant deficiency(ies) identified?       Yes       None reported  
Material weakness(es) identified?       Yes       None
  
3. Noncompliance material to the financial statements was disclosed by the audit?       Yes       No

*Federal Awards*

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:  
Significant deficiency(ies) identified?       Yes       None reported  
Material weakness(es) identified?       Yes       None
  
5. The opinion expressed in the independent auditor's report on compliance for each major federal award program was:  
 Unmodified       Qualified       Adverse       Disclaimer
  
6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)?       Yes       No

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2018**

7. The County's major programs were:

<b>CFDA Number</b>	<b>Name of Federal Program or Cluster</b>
93.563	Child Support Enforcement

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

9. The County qualified as a low-risk auditee?  Yes  No

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2018**

***Findings Required to be Reported by Government Auditing Standards***

<b>Reference Number</b>	<b>Finding</b>
2018-001	<p><b>Criteria or Specific Requirement:</b> Management is responsible for establishing and maintaining effective internal controls over financial reporting.</p> <p><b>Condition:</b> Certain County funds and County agency funds are not regularly maintained within the County’s general ledger system. This includes the Sheriff Commissary special revenue fund, the Clerk of Circuit Court, Sheriff agency funds, and a remaining portion of the Treasurer’s Tax Collection agency fund (license excise collections) whose daily activity is not maintained within the County’s general ledger. (Significant Deficiency)</p> <p><b>Context:</b> Portions of the Treasurer’s Tax Collection and Sheriff Commissary funds must be manually inserted into the year-end financial statements, and a journal entry is posted annually to record all activity for the Clerk and Sheriff agency funds. Although bank accounts are reconciled on a monthly basis, daily activities of these funds are not subject to the County’s overall internal control structure.</p> <p><b>Effect:</b> Potential misstatements in the financial statements, and potential improprieties may also occur within these funds and not be identified timely or ever be caught.</p> <p><b>Cause:</b> The statutory basis upon which these funds were established has resulted in a decentralized approach to managing, monitoring and reporting the activities within these funds.</p> <p><b>Recommendation:</b> To assist in financial statement preparation and strengthen internal controls, management should require all financial activity be recorded within the PeopleSoft general ledger system on a regular basis. For the remaining portions of the Treasurer’s Tax Collection agency fund, this means direct entry of daily activity into PeopleSoft, with appropriate internal controls established to ensure data integrity. For the Sheriff Commissary special revenue fund, Sheriff agency fund and Clerk of Circuit Court agency fund, we recommend that financial activity be recorded at least quarterly into PeopleSoft if a usable interface with PeopleSoft is not possible. However, appropriate internal controls should be established to allow the Office of Finance and Management sufficient visibility into the financial transactions occurring within these funds.</p>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2018**

Reference Number	Finding
	<p><b>Views of Responsible Officials and Planned Corrective Action:</b> During 2018, management established processes to record daily, the largest portion of the treasurer’s tax collection activity, within the PeopleSoft general ledger. As it relates to license excise taxes, management was still in the process of establishing an interface for these receipts to be recorded daily. While these receipts were not being recorded into the general ledger daily, they were being recorded semi-annually. It is anticipated that beginning in July 2019, the license excise receipts be recorded daily.</p> <p>In regards to the Sheriff commissary, Sheriff agency fund and Clerk agency fund, Marion County has several external bank accounts that are maintained in separate banks by different agencies, which are allowed under the Indiana Code, and are outside of the general ledger of the County’s financial system. These accounts, however, are under the jurisdiction of the County, whether it is in a fiduciary capacity, or actual County funds and as such are incorporated into the County’s financial statements. In order to maintain better financial and reporting controls, the financial information for these accounts shall be provided to the Office of Finance and Management, Reporting Division, on a quarterly basis for recording to the general ledger of the PeopleSoft system. These entries shall be subject to review by management and all documentation supporting the entries shall be maintained for audit purposes</p> <p><i>Persons responsible for implementing:</i> Rodney Shine, Deputy Treasurer and Janae Rhoton, Deputy Contoller</p> <p><i>Anticipated completion date:</i> December 31, 2019</p>
2018-002	<p><b>Criteria or Specific Requirement:</b> Management is responsible for establishing and maintaining effective internal controls over information technology used in recording/processing transactions and preparing financial reports.</p> <p><b>Condition:</b> The County’s internal control environment over logical access does not formally prescribe the process by which department/agency CFOs must monitor user access or communicate changes in access privileges to ensure inappropriate access is not provided to individuals. (Significant Deficiency)</p> <p><b>Context:</b> While the County does provide user listings to each department/agency CFO on a monthly basis and such reviews do occur, there is no prescribed frequency for monitoring user access or formally documenting such review and there is no documented formal process in place surrounding the removal of access for personnel terminations. The County’s information technology general controls do provide department/agency CFOs the opportunity to communicate necessary changes in user access, but does not necessarily mandate those individuals acknowledge the accuracy of their respective user lists. Additionally, a terminated Treasury Department Manager who retired during 2018 retained access to certain systems several months after retirement and other Treasury Department managers have administrative capabilities as well as end-user capabilities. Finally, within the County’s PVDNet system, there are a much greater than normal number of users with the ability to create a new user account, reset a password or unlock an account within the PVDNet system.</p>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2018**

<b>Reference Number</b>	<b>Finding</b>
	<p><b>Effect:</b> Unauthorized access to the County system network and applications could occur.</p> <p><b>Cause:</b> ISA began distributing the listings of users to each department/agency CFO in 2016, but has not required those individuals to regularly affirm the accuracy of those lists.</p> <p><b>Recommendation:</b> The CFOs of the departments/agencies should be held accountable to review the employee listings at least annually. A process should be implemented to ensure sign off of this review is documented and to verify any changes requested have been appropriately made to the network and in-scope applications. For personnel terminations, a clarification of policy should be provided to all departments/agencies as to what is considered a timely communication and the departments/agencies, as well as the Human Resources department, should be held accountable to the prescribed process for submitting an access termination request to ISA and all application owners. Additionally, administrative capabilities should be segregated from users that utilize the system for end-user access.</p> <p><b>Views of Responsible Officials and Planned Corrective Action:</b> The County's Information Services Agency (ISA), Office of Finance and Management, Human Resources and the Office of Audit and Performance will convene to outline the annual review of access process. The departments/agencies will agree and document the process and conduct the first audit of access by the end of 2019. During this process, ownership of the audit process will be confirmed and documented for each system. By the end of 2019, ISA will also begin generating a report to be sent to all CFOs, which includes active network accounts of employees showing as terminated. Additionally, ISA will be implementing an IT Service Management tool (ServiceNow), which will assist in automating the offboarding process.</p> <p><i>Persons responsible for implementing:</i> Ken Clark, Chief Information Officer</p> <p><i>Anticipated completion date:</i> December 31, 2019</p>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2018**

Reference Number	Finding
2018-003	<p><b>Criteria or Specific Requirement:</b> Management is responsible for establishing and maintaining effective internal controls over financial reporting.</p> <p><b>Conditions:</b> The County’s internal control environment over financial reporting did not timely detect an adjustment to 2017 financial statements. (Significant Deficiency)</p> <p><b>Context:</b> The Office of Finance and Management (OFM) is primarily responsible for the financial reporting of the County, but the Marion County Auditor’s Office is responsible for the maintenance of the general ledger throughout the year and financial records and reconciliations are maintained by multiple departments throughout the year. During 2018, an adjustment to the 2018 financial statements was necessary to increase capital assets to correctly report capital asset balances of the County in the amount of approximately \$1.3 million.</p> <p><b>Effect:</b> Misstatements in the financial statements - capital assets.</p> <p><b>Cause:</b> The year-end close process requires financial information to be captured that is not being reported on an interim basis. The error identified resulted from the County expensing costs during 2017 that should have been capitalized in accordance with the County’s capital asset policy during 2017. This error was the result of incomplete and/or inaccurate reconciliations of certain financial statement line items required by GAAP reporting.</p> <p><b>Recommendation:</b> OFM should establish and maintain an effective secondary review process over financial reporting and continue to improve the processes in place for capturing financial information from County departments and agencies in a timely manner.</p> <p><b>Views of Responsible Officials and Planned Corrective Action:</b> The County returned to issuing a full Comprehensive Annual Financial Report in conformity with the guidelines issued by the Government Finance Officers Association (GFOA) for the year 2017. This marked the first year that the County had issued a full CAFR since 2005. There was a significant effort associated with this conversion process, and because it had been over ten years since the County last issued a full CAFR, there were challenges that had a direct impact on the number of adjustments for 2017 (all material items were recorded in 2017). It is very important to point out that the number and dollar amount of audit adjustments decreased substantially compared to 2017. However, it was discovered for the 2018 CAFR that there were amounts that needed to be brought on relating to 2017 intangible assets. We are working to improve the controls and oversight around capital asset management relating to financial reporting as well as increased inter-departmental communication such that internally developed projects are capitalized appropriately.</p> <p><i>Persons responsible for implementing:</i> Janae Rhoton, Deputy Controller and Adam Brill, Senior Financial Reporting Manager</p> <p><i>Anticipated completion date:</i> December 31, 2019</p>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of**  
**Indianapolis - Marion County)**  
**Schedule of Findings and Questioned Costs (Continued)**  
**Year Ended December 31, 2018**

*Findings Required to be Reported by the Uniform Guidance*

<b>Reference Number</b>	<b>Finding</b>
	No matters are reportable.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended December 31, 2018**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
2017-001	<p><b>Financial Reporting</b></p> <p>The Treasurer’s Tax Collection agency fund and the Sheriff Commissary special revenue fund are not maintained on the County’s general ledger. In addition, the Clerk of Circuit Court and the Sheriff agency funds daily activity is not maintained within the County’s general ledger. Although bank accounts are reconciled on a monthly basis, daily activities of these funds are not subject to the County’s overall internal control structure.</p>	<p>Partially Resolved - now deemed a significant deficiency</p> <p>See finding 2018-001</p>
2017-002	<p><b>Financial Reporting</b></p> <p>The County’s internal control environment did not require timely and complete reconciliations of all cash balances with County’s PeopleSoft accounting system.</p>	Resolved
2017-003	<p><b>Financial Reporting</b></p> <p>The County’s internal control environment over financial reporting did not detect adjustments that were needed to prevent the financial statements from being materially misstated.</p>	Resolved

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Summary Schedule of Prior Audit Findings (Continued)**  
**Year Ended December 31, 2018**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
2017-004	<p><b>Financial Reporting - Information Technology</b></p> <p>The County's internal control environment over logical access does not formally prescribe the process by which department/agency CFOs must monitor user access or communicate changes in access privileges. While the County does provide user listings to each department/agency CFO on a monthly basis and such reviews do occur, there is no prescribed frequency for monitoring user access or formally documenting such review. The County's information technology general controls do provide department/agency CFOs the opportunity to communicate necessary changes in user access, but does not necessarily mandate those individuals acknowledge the accuracy of their respective user lists.</p>	<p>Partially Resolved</p> <p>See Finding 2018-002</p>
2017-005	<p><b>Financial Reporting</b></p> <p>There is no formal change management policy that requires segregation of duties within the database, code and production environment of the County's financial reporting system or testing of proposed changes before being placed into production. General controls over information technology should include segregation of duties to ensure individuals (whether in-house or contracted vendors) do not have access to the database, code and production environments, as well as policies for testing all system changes before being put into production.</p>	<p>Resolved</p>