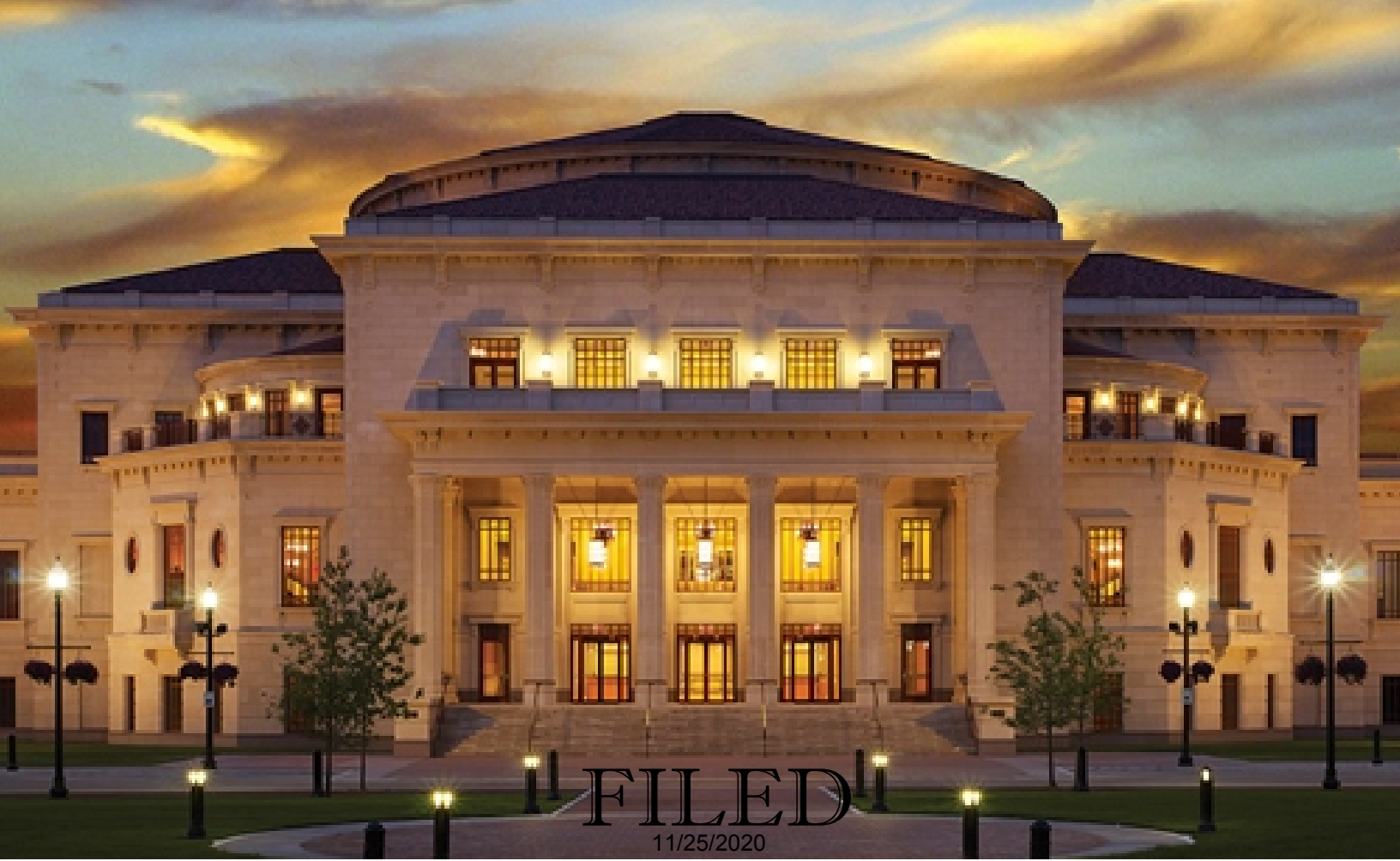


# CITY OF CARMEL INDIANA

## Comprehensive Annual Financial Report



For the Fiscal Year Ended December 31, 2019



FILED

11/25/2020

**CITY OF CARMEL, INDIANA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended December 31, 2019



Prepared by:

Board of Public Works and Safety



*This page has been intentionally left blank.*

CITY OF CARMEL, INDIANA  
**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended December 31, 2019

TABLE OF CONTENTS

INTRODUCTORY SECTION	Pages
Letter of Transmittal	8–17
GFOA Certificate of Achievement	18
Organizational Chart	19
List of Elected and Appointed Officials	20–21
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	23–24
Management Discussion and Analysis	26–35
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	36
Statement of Activities	37
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet - Governmental Funds	38
Reconciliation of the Balance Sheet - Governmental Funds to the Government-wide Statement of Net Position	39
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	40–41
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Government-wide Statement of Activities	42
Proprietary Funds:	
Statement of Net Position - Proprietary Funds	43–44
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	45
Statement of Cash Flows - Proprietary Funds	46–47
Fiduciary Funds:	
Statement of Fiduciary Net Position - Fiduciary Funds	48
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	49
Notes to the Basic Financial Statements	50–91
Required Supplementary Information:	
Schedule of Changes in Net OPEB Liability and Related Ratios	92
Schedule of Changes in Fiduciary Net Position	93
1925 Police Officers' And 1937 Firefighters' Pension Plans:	
Schedule of Employer Contributions	94
Schedule of Net Pension Liability and Related Ratios	95
Schedule of Changes in Net Pension Liability	96
Notes to Schedules	97
Defined Benefit Pension Plans - Multiple Employer Plans:	
Schedule of the City's Proportionate Share of the Net Pension Liability	98–99
Schedule of City Contributions	100
Notes to Schedules	101

**CITY OF CARMEL, INDIANA**  
**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended December 31, 2019

**TABLE OF CONTENTS (CONTINUED)**

	Pages
Budgetary Comparison Schedules - General Fund	102–105
Notes to the Required Supplementary Information - Budgetary Comparison Schedules	106
<b>Supplementary Information:</b>	
Nonmajor Governmental Funds - Information	107–110
Combining Balance Sheet - Nonmajor Governmental Funds:	
Special Revenue Funds	111–114
Capital Projects Funds	114–116
Debt Service Funds	116
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds:	
Special Revenue Funds	117–120
Capital Projects Funds	120–122
Debt Service Funds	122
Budgetary Comparison Schedules - Nonmajor Funds	123–132
Combining Statement of Fiduciary Net Position - Pension Funds	134
Combining Statement of Fiduciary Net Position - Custodial Funds	135
Combining Statement of Changes in Fiduciary Net Position - Pension Funds	136
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	137
<b>STATISTICAL SECTION</b>	
<hr/>	
<b>Financial Trends:</b>	
Net Position by Component	139
Changes in Net Position	140–141
Fund Balances - Governmental Funds	142
Changes in Fund Balances - Governmental Funds	143–144
<b>Revenue Capacity:</b>	
Assessed Value and Estimated Actual Value of Taxable Property	145
Property Tax Rates - Direct and Overlapping Governments	146
Principal Property Taxpayers	147
Property Tax Levies and Collections	148
<b>Debt Capacity:</b>	
Legal Debt Margin Information	149
Ratios of Outstanding Debt by Type	150
Ratios of General Bonded Debt Outstanding	151
Direct and Overlapping Governmental Activities Debt	152
Pledged-Revenue Coverage	153
<b>Demographic and Economic Information:</b>	
Demographic and Economic Statistics	154
Principal Employers	155
<b>Operating Information:</b>	
City Government Employees by Function/ Program	156
Operating Indicators and Capital Asset Statistics by Function/ Program	157

# INTRODUCTORY SECTION



## ***Introductory Section:***

*Letter of Transmittal*

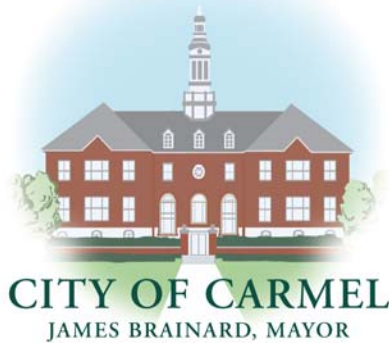
*Certificate of Achievement – Government Finance  
Officers Association*

*City of Carmel Organization Chart*

*List of Principal Officials*



*This page has been intentionally left blank.*



September 22, 2020

To the Honorable Members of the Carmel City Council, and  
Citizens of the City of Carmel, Indiana:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Carmel (the City) year ended December 31, 2019. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with City management. To the best of our knowledge, the enclosed data is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and the results of operations of the various funds of the City of Carmel. All disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

This report presents management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework designed to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the costs of internal controls should not outweigh the benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Indiana law requires an annual audit of the financial records and transactions of all City functions. The Indiana State Board of Accounts performed the City's audit for 2019. Their audit was conducted in accordance with generally accepted governmental auditing standards. The State Board of Accounts concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Carmel's financial statements for the year ended December 31, 2019, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section, on pages 23-25 of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of management's discussion and analysis (MD&A). The MD&A complements this letter of transmittal and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report in the financial section of the CAFR.

## **CITY PROFILE**

The City of Carmel was incorporated in 1874, and it is located in Hamilton County, directly north of Indianapolis. The City occupies nearly 49 square miles, with more than 515 miles of public roadways. The City has experienced tremendous growth within the past few decades and serves mainly as a residential and commercial area for both Carmel and Indianapolis professionals.

Carmel has an estimated population of 101,068 (according to recent census estimates and local housing starts as tracked by the City Department of Community Services). Personal income statistics are above national and State of Indiana averages. The median household income level is \$116,867, and the median value of a home is \$330,600. Hamilton County ranks first in the State of Indiana for median household income and second in the State for per capita personal income. The unemployment rate in Hamilton County has been substantially lower than that of the State of Indiana during the past 10 years.

The City is recognized for its sound corporate environment, high-quality residential neighborhoods, outstanding schools, cultural amenities, well-developed infrastructure, and strong economy. The City was ranked as the No. 1 place to live in America by Money Magazine for cities with a population of 50,000 to 300,000 in 2012, and is consistently ranked among the best places to raise a family and among the safest cities by a variety of rating websites and agencies. The proximity of Carmel to Indianapolis provides increased employment and higher education opportunities for local residents.

### **City Structure**

In 2019, the City operated under a Mayor, Clerk-Treasurer, Judge of the City Court, and a seven-member Common Council pursuant to Indiana law. The Mayor serves as the chief executive of the City and serves a four-year term. The Clerk-Treasurer, also elected to a four-year term, served as the fiscal officer in 2019 and was responsible for the financial and other records of the City. The legislative and fiscal body for the City is the Common Council. In 2019, the seven-member Council was comprised of two at-large and five district representatives who are elected to serve four-year terms. The Council meets formally twice a month to conduct City business. Its duties include the enactment of all ordinances and resolutions and approval of the annual budget.

Beginning in 2020, Carmel is designated as a second-class city in Indiana and therefore has an elected Clerk of the City, who serves a four-year term, along with a mayor-appointed Controller to serve as fiscal officer. A nine-member Common Council serves as the City's legislative and fiscal body.

The administrative body for the City is the Board of Public Works and Safety. This three-member board consists of the Mayor, who serves as the presiding officer, and two mayoral appointees. This Board is responsible for bidding infrastructure projects as well as other duties prescribed by Indiana state law.

The City provides services in the following areas: public safety (police, fire, EMS, and emergency communications), community services (planning, code enforcement, and economic development), parks and recreation, transportation (streets and sidewalks), engineering, storm water drainage, court, and general administrative services. In addition, the City provides wastewater utility services and drinking water.

The City of Carmel includes several departments and services, including the Community Services, Community Relations and Economic Development, Redevelopment, Engineering, Human Resources, Street Department, Law, Administration, Information Systems, Police, Fire, Carmel Clay Communications Center, and the Carmel Water and Sewer Utilities.

The City employs a total of 652 employees, with union representation as follows:

Carmel Professional Firefighters / IAFF #4444  
Firefighters 154

Fraternal Order of Police Lodge #185  
Police 118

### **Planning and Zoning**

The Carmel Plan Commission promotes orderly growth throughout the City and other areas of Clay Township. The nine-member Plan Commission is appointed by the Mayor (5), City Council (1), Park Board (1), City Engineer (1), and Board of Public Works (1). The Board of Zoning Appeals has five members appointed by the Mayor, City Council, and Plan Commission.

### **Component Units**

Certain financing and economic development functions are provided by a legally separate redevelopment authority, three 501(c)(4) corporations, and a statutory public improvement bond bank for which the City is financially accountable. These components, although legally separate, function for fiscal purposes as departments of the City, and therefore have been included as integral parts of the City's financial statements.

Additional information on these entities can be found in Note I.B. of the notes to the financial statements.

## **CITY ECONOMIC CONDITION**

The City of Carmel has experienced extensive residential and commercial development in recent years and has been one of the fastest-growing areas in the Indianapolis Metropolitan Area. Approximately 125 companies have international, national, or regional headquarters located in the City. Hamilton County has the second-highest per capita income and highest median household income in the State of Indiana.

The newest or expanded businesses in the City include Allied Solutions, Delta Faucet expansion, Demand Jump, enVista, Flix Brewhouse, Kroger, GyanSys, HDR Advisory, Market District, Next Gear, Orchard Software, Policy Stat, Stratice Healthcare, and Theta

Chi relocation. Several companies have expanded their offices and added jobs including Mitsch Design, an interior architectural design firm inside the Indiana Design Center, adding 43 jobs; GadellNet, a provider of information technology services, adding 30 jobs; Allegion Americas expanding its regional headquarters and adding 125 jobs; and GEICO investing in a \$16 million expansion with plans to add 1,500 jobs by the end of 2022. BCforward, an IT consulting firm, is planning to establish a Digital Innovation Academy and create up to 300 jobs by 2021. Liberty Mutual Insurance invested in a \$14 million expansion and plans to add 400 jobs by 2021. BraunAbility, a manufacturer of wheelchair lifts and vehicles, opened a new corporate headquarters and is planning a new Research & Development Center that will add 68 new jobs. Midcontinent Independent Transmission System Operator, Inc. (MISO), a provider of open-access transmission services, recently invested \$30 million in its facility and is adding 84 new high-wage jobs in 2020.

Several established major employers in the City include GEICO with 1,500 employees, Liberty Mutual Insurance with 1,450 employees, RCI (formerly Resort Condominium International) with 1,125 employees, The Capital Group with approximately 975 employees, Next Gear Capital with 694 employees, Delta Faucet with 400 employees, and Duke Realty with 252 employees.

Along US 31, known as the Meridian Corporate Corridor, numerous modern multi-story office complexes have been built in recent years. The corporate headquarters and offices of major corporations such as Delta Faucet, American Specialty Health, Blue Horseshoe Solutions, CNO Financial Group, Inc., Monster.com, Encore Sotheby's, and Liberty Mutual Insurance are among the many office complexes which line the Meridian Corridor for five miles from 96th Street to 146th Street. In September 2019, KAR Global, formerly KAR Auction Services, opened an \$80 million state-of-the-art campus along the Meridian Corridor. The company currently employs 892 employees in the City.

In addition to these corporate headquarters, the Corridor's strength as a provider of medical services is attested to by numerous health care facilities, including St. Vincent Carmel Hospital and its newly built Women's Center, St. Vincent Heart Center, I.U. Health North Hospital and Franciscan Health Carmel, which is in the process of building a new campus with a full-service hospital. IU Health opened a \$55 million new cancer center at its North hospital campus in January 2020. Goodman Campbell Brain and Spine moved into a new \$17.6 million facility in May 2019 along the Meridian Corridor. In May 2019, Medistar Corporation and Post-Acute Medical LLC announced the development of a 60,000-square-foot rehabilitation hospital along the Meridian Corridor. A \$47 million national headquarters for Zotec Medical Billing company is currently under construction and is expected to create 300 additional jobs by 2022. Franciscan Health Carmel is expanding with a new \$120 million development, Franciscan Health Orthopedic Center of Excellence. The 235,000-square-foot facility is expected to be completed in 2022 and is being developed by Meridian Ortho Development.

The Bridges is a 65-acre mixed-use, master-planned development located on the west side of US 31 in the Meridian Corridor. Over 250,000 square feet of restaurant and retail space, including a Market District store, serves 59,000 nearby workers and attracts customers from inside and outside Carmel.

To the east of Meridian Corridor, two major mixed-use developments have been constructed and opened within the past couple years: “The Olivia on Main”, a \$30 million development that includes 200 luxury apartments above ground-floor retail developed by Keystone Corporation; and “Grand and Main” an \$80 million development that includes townhomes, apartments, a retirement community, retail space, and a hotel.

Old Town Companies is developing a project along Smokey Row in the City. The project, expected to be completed by 2024, is a \$135 million mixed-use development which will consist of retail space, office space, single-family homes, apartments, townhomes, and condominiums.

## **IMPACT OF COVID-19 PANDEMIC**

The City has been tracking COVID-19 related expenses, currently approximately \$1.2 million, and plans to submit these expenses for reimbursement from the State of Indiana Coronavirus Relief Fund (the “Fund”). The City currently anticipates that it will be eligible to receive \$3,330,818 from the Fund; however, the City cannot predict whether all submitted expenses will be deemed eligible by the State and reimbursed. The City continues to track expenses that are related to COVID-19 and will actively monitor opportunities for additional funding from the Fund to offset these expenses.

The unemployment rate in Carmel has also been impacted, but not to the extent seen in other communities. Hamilton County has been substantially lower than that of the State of Indiana during the past 10 years. Although the local economy has been affected by COVID-19, many residents employed in professional services industries have continued to work from home. In April 2020, Hamilton County’s unemployment rate increased to 10.2%; however, by May 2020, the unemployment rate began to decrease to 7.5%, well below Indiana’s unemployment rate which was 17% in April 2020 and 11.9% in May 2020.

The City’s normally vibrant arts and culture district and activities have been impacted by COVID-19, much like the rest of the country, but appears to be recovering as the local economy reopens as outlined by Governor Holcomb’s plan. The Center for Performing Arts (PAC), which includes the Tarkington and Studio Theater and a world-class concert hall known as the Palladium, is currently experiencing significant revenue decreases due to COVID-19. The PAC has applied for and received \$757,000 in Paycheck Protection Program (PPP) funding through the CARES Act, and the PPP funding was used to maintain employment status for staff members through June 30, 2020. For the PAC’s current fiscal year, July 1, 2020, through June 30, 2021, the PAC has greatly adjusted its budget and plans to utilize reserves and its PPP funding to offset revenue reductions resulting from a reduced number of performances and social distancing restrictions on seating capacity, which are expected to cause shows to lose money.

Construction was recently completed on the Hotel Carmichael (“Hotel”), a 122-room boutique hotel, via a partnership between the City and developer Pedcor utilizing the Downtown City Center Development Corporation and the CCC Boutique Hotel, LLC. The opening of the Hotel was delayed due to COVID-19; however, operating expenses of the Hotel were also delayed. The construction loan is structured to be interest-only for the first year, and the Hotel owner may request that interest be deferred on the loan stemming from the postponement of the opening.

## QUALITY OF LIFE

During the past 10 years, parkland in Carmel has increased from 20 to more than 1,000 acres through purchases and gifts. Central Park, which opened in 2007, provides many recreational opportunities for residents of the City. The park includes a 146,000-square-foot community recreation center, which houses a three-court gymnasium, an indoor walking/jogging track, a workout center, meeting rooms, a banquet facility, park offices, and an outdoor and indoor aquatic center.

Another unique Carmel recreational feature is the Monon Greenway, a five-mile paved trail built on a former rail corridor, which extends through the center of Carmel and connects to the 10.5-mile Monon Trail system in Marion County to the south, extending all the way to downtown Indianapolis, and to Westfield to the north, connecting to the Grand Park sports complex. The trail system is very popular with joggers, walkers, bicyclists, and rollerbladers. Trail expansions have brought our total miles of paths and trails to more than 195.

Cultural activities are provided by the \$175-million Center for the Performing Arts in City Center, which includes the Palladium – a state-of-the-art, 1,600-seat concert hall; the Tarkington, a 500-seat proscenium arch theater, and the 200-seat Studio Theater. The Center is home to many local arts organizations including The Booth Tarkington Civic Theatre and the Carmel Symphony Orchestra.

Carter Green is a public place providing an area for the community and visitors to gather for events and festivals between the Palladium and Tarkington theater building. The Carmel Farmers Market attracts tens of thousands to its Saturday morning markets. The Carmel Christkindlmarkt and the Ice at Center Green is a winter wonderland with shops, dining options, skating and entertainment in the fresh crisp air, attracting more than 320,000 people during its second holiday season. For the 2019 holiday season, Christkindlmarkt was open from mid-November until Christmas Eve each week from Wednesdays through Sundays. The Ice at Carter Green remained open until March 1<sup>st</sup>.

The Carmel Arts and Design District, located in the heart of Old Town Carmel, is comprised of galleries, eateries, boutiques, gift and interior design shops, antique stores, and other retail establishments geared toward the arts. It is also home to the Indiana Design Center, a premier destination for design in the Midwest.

Newly opened in 2019 was Midtown Plaza, an urban pocket park that is located along the Monon Greenway. This small park features unique outdoor, all-weather games that allow visitors to play ping pong and pool, an outdoor stage for live music, outdoor seating, green space, an outdoor fireplace, and a 16-foot-wide digital video screen on which the City shows family-friendly movies and live sporting events.

The Carmel Clay Public Library serves residents of the City. The library provides students, teachers, and residents of the City access to books, other resource materials, and programs located in the library as well as a new mobile library service. The library is consistently ranked in the top ten libraries in the country by Hennen's American Public Library Ratings. The present 116,000-square-foot facility provides state-of-the-art technology, group study rooms, and two technology centers. A new Community Tech Center on Main Street provides

another location for computer use and training, software, a recording room, and 3-D printing services for library patrons. The library is currently in the process of completing a \$40 million expansion that is anticipated to include additional teen space, additional programming space, functional outdoor space, and a parking garage.

## **EDUCATION**

Carmel Clay Schools serves the residents of the City and surrounding Clay Township. Currently, the school system has one high school, three middle schools, and eleven elementary schools. The Indiana Department of Education reports 2019 enrollment for the School Corporation at 16,352 students, and the superintendent's office reports 1,061 certified and 1,084 non-certified employees.

Special studies in the areas of Gifted & Talented, English as a New Language, Special Education, and Title I services are provided by the School Corporation. In addition, the J. Everett Light Career Center provides vocational programs in auto mechanics, computers, construction trades, dental occupations, electronics, machine trades, and radio/television production, among others.

## **REDEVELOPMENT**

In 1998, the City of Carmel and its Redevelopment Commission began an aggressive effort to redevelop and revitalize the center of the City, including the historic downtown, into a cultural and civic center, undergoing a tremendous amount of new construction, including offices, restaurants, retail, upscale apartments, condominiums, townhomes, and public spaces and monuments designed to create a vibrant urban atmosphere.

The oldest part of this area is known today as the Carmel Arts & Design District, home to more than 100 arts- and design-related businesses, including art galleries, design studios, and the Indiana Design Center, where professional designers maintain offices and showrooms. Located at the intersection of the Monon Greenway and Main Street is a mixed-use development called Monon & Main. The recently completed \$20 million structure features Anthony's Chophouse, a three-story, 12,000-square-foot restaurant, 3-UP, a rooftop bar, a four-story office building, retail space along Main Street, a parking garage, and seven townhomes.

The City Center redevelopment project is home to the Center for the Performing Arts and several mixed-use buildings, including the Carmel City Center, the James, the Nash, the Mezz on the Monon, and nearly a dozen more buildings scheduled to be constructed in the next few years. In 2019, construction began on a new Hotel Carmichael, a public-private partnership project that will result in the opening of a Marriott Autograph Collection boutique hotel.

The City also continued major redevelopment in an area located along the Monon Greenway between City Center and the Arts District – an area known as Midtown. The first several phases of the Midtown redevelopment project, which includes mixed-use buildings, has attracted several corporate headquarters. This area is poised for rapid growth in 2020 for both residential and business sectors. Additional public spaces are planned as well.

Another major mixed-use development, known as the Proscenium, is currently under construction in a redevelopment area south of the City government center. The \$60 million project includes apartments, a 100,000 square foot office building, retail space, and a one-level underground parking garage.

The City's \$30 million plan to expand the Monon Greenway from a 12-foot path to a 140-foot greenway with expanded paths for pedestrians and bicyclists, along with new one-way streets on either side, includes the popular Midtown Plaza, a public park-like setting with green space, community games (such as outdoor ping pong and pool), a 16-foot video screen where movies and sporting events are broadcast and a stage for live music. In addition, the Monon Greenway expansion includes additional artwork, community benches, a spray plaza, and other features to enhance the landscape for residents and visitors.

The City has invested millions of dollars in infrastructure improvements in the past decade from major thoroughfares and road widening to replacing 130 intersections with roundabouts. The City also took ownership of Ind. 431 from the State of Indiana and transformed it into a nationally recognized and award-winning, free-flowing Keystone Parkway. With \$90 million from the State for reconstruction, Keystone Parkway was transformed from a congested, dangerous five-mile stretch of roadway into a free-flowing parkway with no traffic signals and intersections that are controlled by grade-separation and roundabouts. Upon seeing that project work well, the State of Indiana followed a similar model to upgrade U.S. 31 through Carmel and Westfield, removing traffic signals and using roundabouts to control grade-separated interchanges along 13 miles between I-465 in Indianapolis to Ind. 38 north of the City. Additionally, the creation of new interchanges has helped spur additional economic development on Main Street.

The City also transformed a key north-south corridor known as Range Line Road, which cuts through the middle of Carmel's central corridor, placing the former 4-lane road with traffic signals on a "Road Diet." This process eliminated two lanes of traffic, added a bike lane and a landscaped median, replaced traffic signals with roundabouts, and added pedestrian and bike-friendly raised crosswalks to promote walkability and safety in an area that has been transformed by the City's redevelopment efforts.

## **PENSION PLANS**

The City of Carmel has four pension plans for its employees. All full-time employees, with the exception of public safety officers, are members of the Public Employees' Retirement Fund of Indiana (PERF). PERF is classified as a cost-sharing, multiple-employer defined benefit plan and acts as a common investment and administrative agent for governmental units in Indiana.

Police and fire department officers hired subsequent to April 30, 1977, are members of the 1977 Police Officers and Firefighters' Pension Fund administered by PERF. Both plans are fully funded on an actuarially determined accrual basis. Police officers hired prior to May 1, 1977, are members of the Police Pension Fund established in 1925 by the State of Indiana. Firefighters hired prior to May 1, 1977, are members of the Fire Pension Fund established in 1937 by the State of Indiana. Additional information on funding policies and pension costs is in Note II.F. of the notes to the financial statements.

## **OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

The City currently provides other post-employment benefits (OPEB) in the form of healthcare benefits for retirees hired prior to October 3, 2016. Such benefits are self-funded by the City and administered by a third party. The retiree healthcare plan is not a contractual obligation that extends beyond the current budget year. The City is under no obligation to continue to offer similar benefits for future new hires.

Additional information regarding anticipated future payments can be found in Note II.G. of the notes to the financial statements.

## **FINANCIAL INFORMATION**

### **City Budget & Budgetary Controls**

The City Council is required to adopt a final budget through the passage of an ordinance no later than November 1, following a public hearing process conducted to obtain taxpayer comments.

This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, department (e.g., police), and major category (e.g., personal services). City administrators are generally authorized to transfer limited budgeted amounts within departments between line items within any major category; however, any revisions that alter the total expenditures of any major category must be approved by the City Council. Transfers between funds must also be approved by the City Council. At the end of the fiscal year, encumbered appropriations are carried forward and become part of the following year's budget while appropriations that have not been encumbered lapse.

### **Accounting System**

The City's accounting records for general government operations are maintained by the Fiscal Office under a cash basis, with the revenues being recorded when received. Expenditures are recorded when claims are approved and paid. Accounting records for the City's proprietary activities are maintained on the full accrual basis, with revenues recorded when earned and expenses when incurred.

In maintaining the City's accounting system, consideration is given to the adequacy of internal controls. Internal controls are designed to provide reasonable assurance regarding the safeguarding of assets and to ensure the reliability of financial records and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires continuing estimates and judgments by City management. We believe that under the Fiscal Office direction, the City's system of internal accounting controls continues to adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded.

### **Risk Management**

The City carries traditional insurance for automobile liability and physical damage, general liability, public officials' liability, property and casualty, inland marine/boiler coverage, and crime insurance coverage. The City insures Worker Compensation using a large Per Claim Deductible Program with Stop Loss and Excess Insurance in place. The Water Treatment Facility is insured under "Special Form" property coverage.

### **CERTIFICATE OF ACHIEVEMENT**

The Government Finance Officers Association of the United States (GFOA) awarded the City a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended December 31, 2018. This Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

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 program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **ACKNOWLEDGEMENTS**

The preparation of this report involved many dedicated people across the organization. In particular, we would like to express appreciation to the staff of the Fiscal Office, whose support and dedication made the report possible. We would like to express our appreciation to the State Board of Accounts for their professionalism and support. Furthermore, we would like to thank C.L. Coonrod and Company, CPAs, for consulting on the application of GAAP and other technical requirements of the CAFR. Finally, we would like to thank the City Council, without whose leadership and support the preparation and results of this report would not have been possible.

Respectfully submitted,



James Brainard  
Mayor



Ann Bingman, CPA  
Controller



Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Carmel  
Indiana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morrill*

Executive Director/CEO



*Certificate  
of Achievement*  
**FOR EXCELLENCE IN**  
*Financial Reporting*

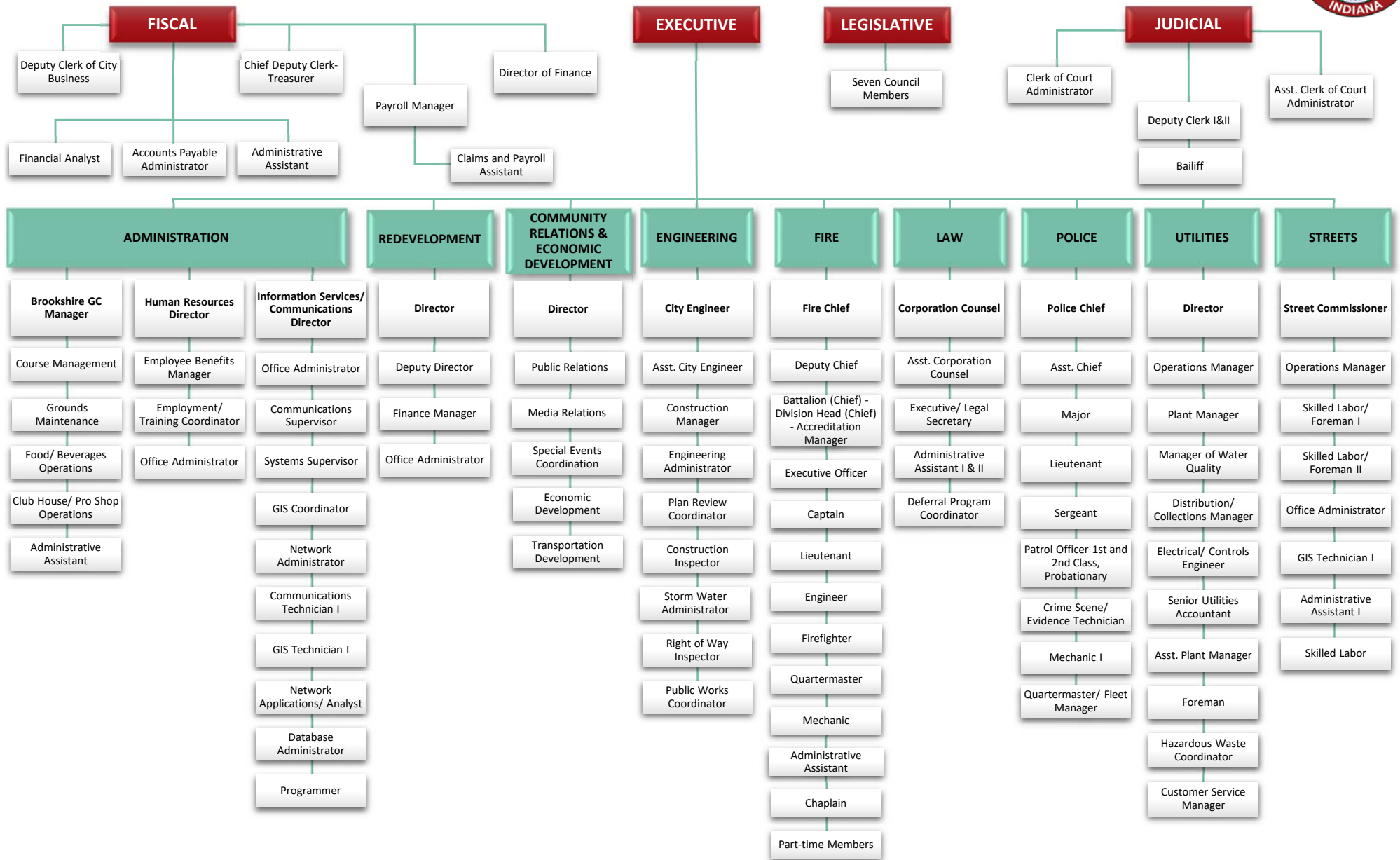
The Government Finance Officers Association of the United States (GFOA) awarded the City a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended December 31, 2018. This Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

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 program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.



# CITY OF CARMEL, INDIANA

## 2019 ORGANIZATIONAL CHART



City of Carmel , Indiana  
**List of Elected and Appointed Officials**  
For the Fiscal Reporting Year Ended December 31, 2019

Elected Officials



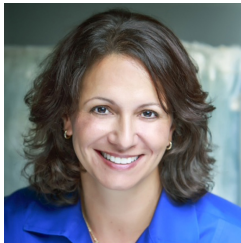
**Mayor**  
James Brainard  
jbrainard@carmel.in.gov



**City Clerk**  
Sue Wolfgang  
swolfgang@carmel.in.gov



**City Court Judge**  
Brian Poindexter  
bpoindexter@carmel.in.gov



**President**  
Laura Campbell  
*North District*  
lcampbell@carmel.in.gov



**Chaplain**  
Kevin "Woody" Rider  
*At-Large*  
krider@carmel.in.gov



**Vice President & Parliamentarian**  
Sue Finkam  
*Northeast District*  
sfinkam@carmel.in.gov



Jeff Worrell  
*At-Large*  
jworrell@carmel.in.gov



Bruce Kimball  
*Central District*  
bkimball@carmel.in.gov



Tim Hannon  
*At-Large*  
thannon@carmel.in.gov



Tony Green  
*Southwest District*  
agree@carmel.in.gov



Miles Nelson  
*West District*  
mnelson@carmel.in.gov



Adam Aasen  
*Southeast District*  
aaasen@carmel.in.gov

CITY OF CARMEL, INDIANA  
**LIST OF ELECTED AND APPOINTED OFFICIALS**  
For the Fiscal Reporting Year Ended December 31, 2019  
(Continued)

Appointed Officials

**Board of Public Works**  
(Appointed by the Mayor)

Mayor James Brainard  
Lori Watson  
Mary Ann Burke

**Carmel Audit Committee**  
(Appointed Officials)

Arnold Hanish, Chairman  
Josephine Biggers  
Kevin “Woody” Rider  
Michael N. Ruggiero  
Ted A. Spearman

**Carmel Redevelopment Authority**  
(Appointed Officials)

Robert Bush, President  
Jay Brill, Secretary/Treasurer  
Lea Lockhart Sasena

**Carmel Redevelopment Commission**  
(Appointed Officials)

William Hammer, President  
David C. Bowers, Vice President  
William L. Brooks, Secretary  
Adam Campagna  
Jeff Worrell  
Katie Browning

# FINANCIAL SECTION



Since opening in 2011, the Center for the Performing Arts has welcomed more than 700,000 audience members to more than 1,700 performances. Tickets have been purchased by households in all 92 counties within Indiana, all 50 states and 23 countries. More than 60 percent of ticket-buying households are located outside of Hamilton County.

## ***Financial Section:***

*Independent Auditor's Report*

*Management Discussion and Analysis*

*Basic Financial Statements*

*Required Supplementary Information*

*Combining and Individual Fund Financial  
Statements and Schedules*



## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carmel (City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Other Matters**

*Required Supplementary Information*


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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Introductory Section, combining nonmajor governmental fund statements, other budgetary schedules, and Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor governmental fund statements and other budgetary 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 nonmajor governmental fund statements and other budgetary 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.

  
Paul D. Joyce, CPA  
State Examiner

September 22, 2020



*This page has been intentionally left blank.*

CITY OF CARMEL, INDIANA  
MANAGEMENT DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended December 31, 2019

As management of the City of Carmel, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page 8 of this report, and the transactions, events, and conditions reflected in the City's financial statements, beginning on page 36 of this report.

**Financial Highlights**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at the close of the fiscal year by \$441,733,015 (net position).
- The City's overall net position decreased \$3,938,700 from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$158,751,315, a decrease of \$52,576,691 in comparison with the prior year. Approximately \$22,006,859 of this amount (13.9%) is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the General Fund was \$25,021,195, or approximately 30.1% of total General Fund expenditures.
- The City's total outstanding long-term debt increased by \$17,626,043 during the current year.

**Overview of the Financial Statements**

The discussion and analysis provided here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused personal leave).

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

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate redevelopment authority, three 501(c)(4) corporations, and a statutory public improvement bond bank for which the City is financially accountable. These components, although legally separate, function for fiscal purposes as departments of the City, and therefore have been included as integral parts of the primary government.

The government-wide financial statements begin on page 36 of this report.

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

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

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

The City maintains seventy-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Redevelopment Commission Fund, 2016 Project Fund, 2017 Project Fund, and Redevelopment Authority Debt Service Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic governmental fund financial statements begin on page 38 of this report.

**Proprietary Funds.** The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The enterprise fund financial statements provide separate information for the water and sewer utilities, which are considered to be major funds of the City.

The basic proprietary fund financial statements begin on page 43 of this report.

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

The City maintains two different types of fiduciary funds. *Pension trust funds* are used to report resources held in trust for retirees and beneficiaries covered by the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan. *Custodial funds* report resources held by the City in a custodial capacity for individuals, private organizations, and other governments.

The fiduciary fund financial statements begin on page 48 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 50 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information*. This information includes budgetary comparison schedules as well as more detailed information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits (OPEB) to its employees. Required supplementary information can be found beginning on page 92 of this report.

The City adopts an annual appropriated budget for its General Fund, as well as several nonmajor funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budget.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on budgetary comparison statements. Combining and individual fund statements and schedules can be found starting on page 111 of this report.

## Government-wide Overall Financial Analysis

As noted earlier, net position, over time, may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$441,733,015 at the close of the fiscal year.

### City of Carmel's Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018 Adjusted*	2019	2018 Adjusted*	2019	2018 Adjusted*
Current and other assets	\$ 179,944,333	\$ 234,186,451	\$ 25,067,510	\$ 8,260,653	\$ 205,011,843	\$ 242,447,104
Capital assets	954,883,563	903,288,959	251,436,899	251,386,551	1,206,320,462	1,154,675,510
Total assets	1,134,827,896	1,137,475,410	276,504,409	259,647,204	1,411,332,305	1,397,122,614
Total deferred outflows of resources	31,534,823	32,770,170	1,019,502	1,065,856	32,554,325	33,836,026
Other liabilities	20,132,289	17,981,547	2,838,709	2,716,177	22,970,998	20,697,724
Long-term liabilities outstanding	803,672,537	805,485,533	160,254,582	144,119,488	963,927,119	949,605,021
Total liabilities	823,804,826	823,467,080	163,093,291	146,835,665	986,898,117	970,302,745
Total deferred inflows of resources	10,996,300	10,575,441	4,259,198	4,919,338	15,255,498	15,494,779
Net position:						
Net investment in capital assets	378,022,382	395,840,418	101,192,811	114,861,067	479,215,193	510,701,485
Restricted	23,734,389	35,065,020	-	-	23,734,389	35,065,020
Unrestricted	(70,195,178)	(94,191,780)	8,978,611	(5,903,010)	(61,216,567)	(100,094,790)
Total net position	\$ 331,561,593	\$ 336,713,658	\$ 110,171,422	\$ 108,958,057	\$ 441,733,015	\$ 445,671,715

\*The effect of 2019 prior period adjustments is included above in 2018. See Note II.K. beginning on page 91 for more information.

By far, the largest portion of the City's net position reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

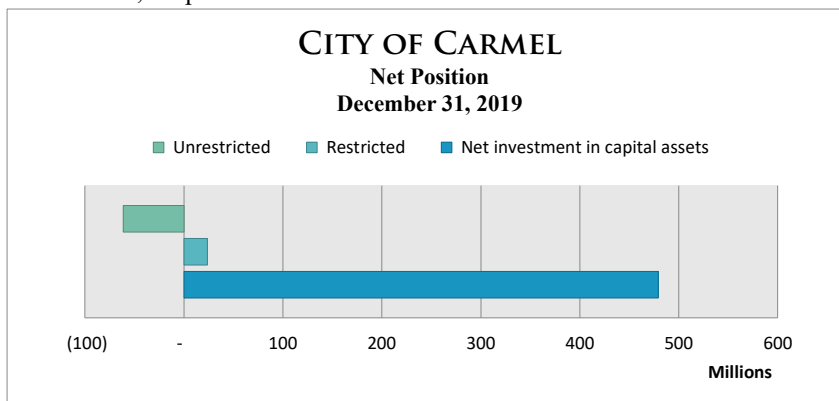
An additional portion of the City's net position represents resources that are subject to external restriction on how they may be used. The remaining balance of spendable net position is a deficit of \$61,216,567.

The City reported significant negative unrestricted net position of \$70,195,178 in governmental activities. This deficit is due in part to unfunded pension and retiree healthcare liabilities of \$56.1 million, as follows:

Other post-employment benefits – retiree healthcare obligation	\$ 24,736,720
Non-uniform public employee retirement plan obligation	11,359,259
'37 firefighters pension plan obligation	10,330,409
'25 police pension plan obligation	9,505,178
	<u>\$ 56,143,940</u>

Notwithstanding the City's ultimate liability for the '25 and '37 plans, the State of Indiana has established a practice of appropriating funds to cover these benefits. The State of Indiana is not obligated to continue making these payments, but it has done so every year since 2009. Consequently, the City has incurred no cost from its own resources to service these plans. Also, the retiree healthcare plan is not a contractual obligation that extends beyond the current budget year. The liability is shown in the statements because it has been the City's consistent practice to provide this benefit. However, the City believes it is not legally obligated to do so.

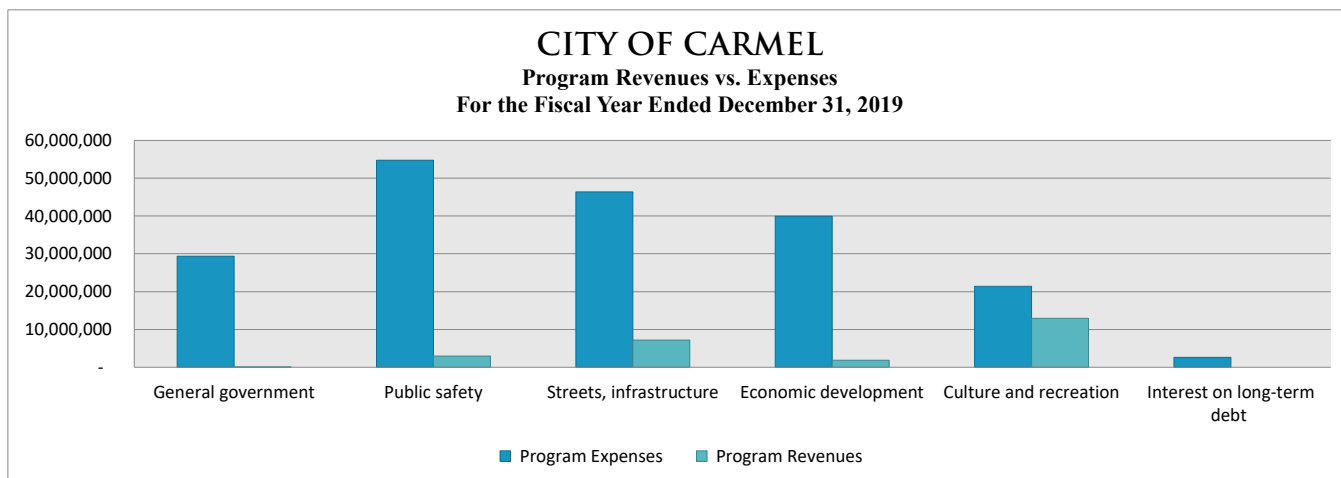
Another contributing factor to the deficit is the City's growth and aggressive acquisition of capital assets for infrastructure and other amenities. This growth and improvement have been financed with debt, resulting in significant transaction costs and amortization of deferred outflows. The City views these acquisitions as positive indicators. They reflect the City's effort to attract and retain as residents the most productive people in Central Indiana, and also to attract corporate headquarters and regional offices from all over the world. The success of this effort has resulted in a rich commercial tax base, yielding one of the lowest local tax rates in Indiana, despite the cost of debt.



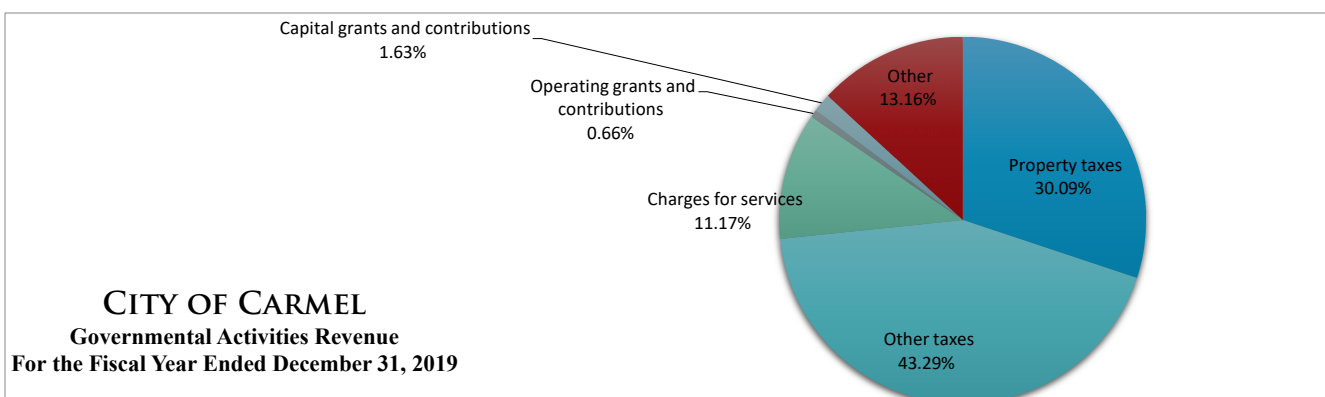
The City's overall net position decreased \$3,938,700 from the prior fiscal year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

**Governmental Activities.** During the current fiscal year, net position for governmental activities decreased \$5,152,065 from the prior fiscal year for an ending balance of \$331,561,593. The decrease was three percent, indicating a relatively stable and healthy net position.

The following chart displays Program Revenues and Expenses by function for the City's Governmental Activities.



The following chart displays the revenue composition for the City's Governmental Activities funds.



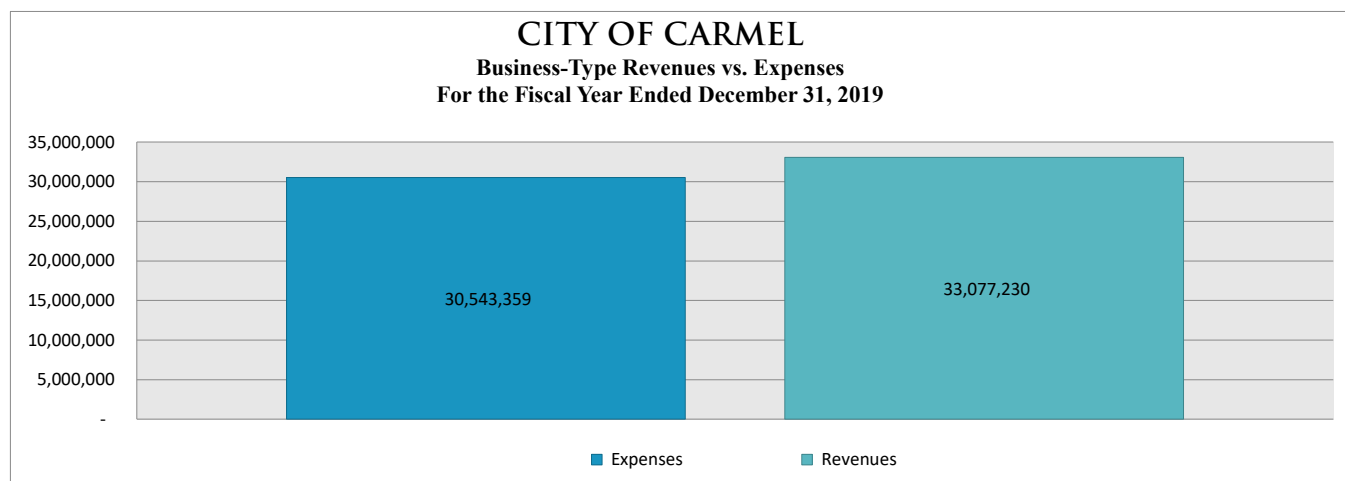
## City of Carmel's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2019	2018 Adjusted*	2019	2018 Adjusted*	2019	2018 Adjusted*
<b>REVENUES:</b>						
Program revenues:						
Charges for services	\$ 20,998,709	\$ 18,690,350	\$ 28,565,172	\$ 27,730,221	\$ 49,563,881	\$ 46,420,571
Operating grants and contributions	1,245,695	1,322,719	-	-	1,245,695	1,322,719
Capital grants and contributions	3,070,276	386,624	3,845,529	3,909,456	6,915,805	4,296,080
General revenues:						
Property taxes	56,571,934	54,455,110	-	-	56,571,934	54,455,110
Other taxes	81,402,886	77,655,049	-	-	81,402,886	77,655,049
Other	24,737,968	34,256,685	666,529	130,737	25,404,497	34,387,422
<b>Total revenues</b>	<b>188,027,468</b>	<b>186,766,537</b>	<b>33,077,230</b>	<b>31,770,414</b>	<b>221,104,698</b>	<b>218,536,951</b>
<b>EXPENSES:</b>						
General government	29,340,736	24,996,549	-	-	29,340,736	24,996,549
Public safety	54,710,167	53,919,299	-	-	54,710,167	53,919,299
Streets, infrastructure	46,372,722	48,637,707	-	-	46,372,722	48,637,707
Water distribution	-	-	20,063,976	19,277,075	20,063,976	19,277,075
Sewer collection	-	-	10,479,383	10,163,336	10,479,383	10,163,336
Economic development	39,956,058	15,817,738	-	-	39,956,058	15,817,738
Culture and recreation	21,497,105	21,621,998	-	-	21,497,105	21,621,998
Interest on long-term debt	2,623,251	2,267,516	-	-	2,623,251	2,267,516
Other	-	-	-	-	-	-
<b>Total expenses</b>	<b>194,500,039</b>	<b>167,260,807</b>	<b>30,543,359</b>	<b>29,440,411</b>	<b>225,043,398</b>	<b>196,701,218</b>
Change in net position before transfers	(6,472,571)	19,505,730	2,533,871	2,330,003	(3,938,700)	21,835,733
Transfers	1,320,506	1,320,506	(1,320,506)	(1,320,506)	-	-
Increase (decrease) in net position	(5,152,065)	20,826,236	1,213,365	1,009,497	(3,938,700)	21,835,733
NET POSITION - beginning	353,783,464	292,375,831	108,958,057	107,680,372	462,741,521	400,056,203
Restatement*	(17,069,806)	40,581,397	-	268,188	(17,069,806)	40,849,585
NET POSITION - beginning, adjusted	336,713,658	332,957,228	108,958,057	107,948,560	445,671,715	440,905,788
NET POSITION - ending	<b>\$ 331,561,593</b>	<b>\$ 353,783,464</b>	<b>\$ 110,171,422</b>	<b>\$ 108,958,057</b>	<b>\$ 441,733,015</b>	<b>\$ 462,741,521</b>

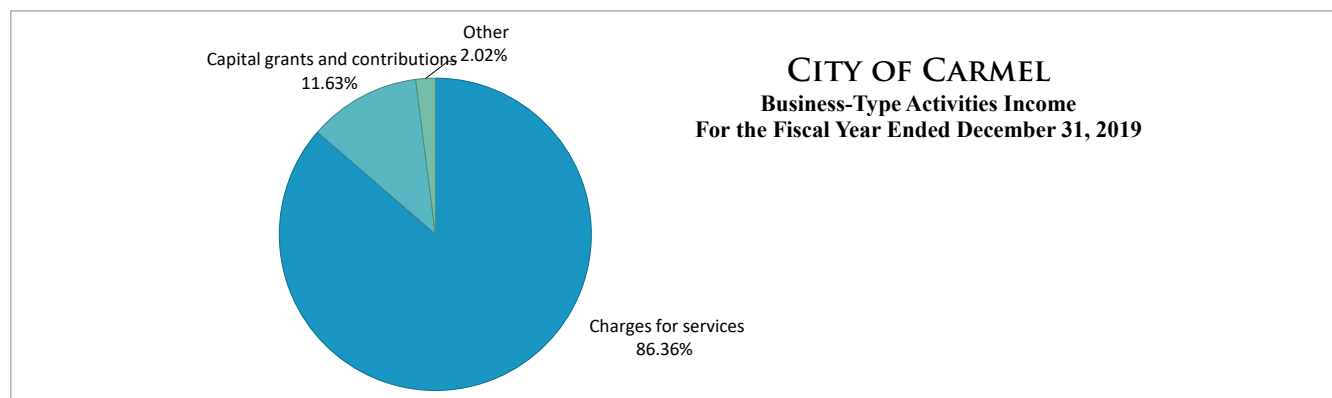
\*The effect of 2019 prior period adjustments is included above in 2018. See Note II.K. beginning on page 91 for more information.

**Business-type Activities.** For the City's business-type activities, overall net position increased to an ending balance of \$110,171,422. The total increase in net position for business-type activities (water and sewer) was \$1,213,365 or 1.1% from the prior fiscal year, indicating a relatively stable and healthy net position.

The following chart displays program revenues and expenses by function for the City's Business-Type Activities.



The following chart displays the revenue composition for the City's Business-type Activities funds.



**Financial Analysis of Governmental Funds**

**Governmental Funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use, as they represent the portion of fund balance that has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group of individuals that has been delegated authority to assign resources for use for particular purposes by the City's Council.

At December 31, 2019, the City's governmental funds reported combined fund balances of \$158,751,315, a decrease of \$52,576,691 in comparison with the prior year. Approximately 13.9% of this amount, \$22,006,859, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either restricted, committed, or assigned, indicating that, legally, it is required to be maintained intact or used for particular purposes (\$128,443,455), it is committed for particular purposes (\$5,286,665), or it is assigned for particular purposes (\$3,014,336).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$22,006,859 while the total fund balance was \$25,021,195. 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 General Fund expenditures. Unassigned fund balance represents 26.5% of total general fund expenditures while total fund balance represents 30.1% of that amount.

The fund balance of the City's General Fund decreased by \$1,321,396 during the year, indicating a budget variance within approximately 3% of revenues and expenditures, which is considered reasonable

The Redevelopment Commission Fund, a major fund, accounts for tax increment revenue, which is restricted for certain economic development projects. The fund had a \$2,922,333 increase in fund balance during the year, due primarily to an increase in tax increment revenue received, which put the overall fund balance at \$11,372,304.

The 2016 Project Fund, a major fund, accounts for \$160 million of bond proceeds, which are restricted for certain road projects.

The 2017 Project Fund, a major fund, accounts for \$70.9 million of bond proceeds, which are restricted for certain redevelopment projects and road projects.

The Redevelopment Authority Debt Service Fund, a major fund, had a \$3,847,648 increase in fund balance during the current fiscal year, representing normal variations in the amount of debt service due each year. The ending balance was \$26,448,660, all of which was restricted for debt service.

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

Unrestricted net position of the Water Utility at the end of the year was an excess of \$9,539,181; for the Sewer Utility, it was a deficit of \$560,570. Water Utility net position, before capital contributions and transfers, decreased \$1,129,515. The Water Utility decrease was an improvement on the performance of recent years. Continued improvement is expected as the Water Utility continues to expand and achieve both economies of scale and greater utilization of recently installed mains. Sewer Utility net position, before capital contributions and transfers, decreased \$182,143, which is manageable.

### General Fund Budgetary Highlights

**Original budget compared to final budget.** During the year, there was no need for any significant amendments to increase the original estimated revenues.

### Final General Fund Budget Compared to Actual Results

The most significant differences between estimated revenues and actual revenues were as follows:

Revenue source	Final Estimated Revenues	Final Actual Revenues	Difference
Property tax	\$ 43,038,805	\$ 39,858,703	\$ (3,180,102)
Income tax	45,101,901	44,531,670	(570,231)
Licenses and permits	2,142,786	1,789,364	(353,422)
Intergovernmental	621,245	526,226	(95,019)
Charges for services	3,140,849	1,002,681	(2,138,168)
Fines and forfeits	495,298	439,110	(56,188)
Miscellaneous	1,722,186	501,742	(1,220,444)
Township joinder agreements	-	932,744	932,744
Investment earnings, subfund transactions, and other	6,380,118	9,799,406	3,419,288
Total	<u>\$ 102,643,188</u>	<u>\$ 99,381,646</u>	<u>\$ (3,261,542)</u>

The revenue excesses and shortfalls in the above revenue sources net to less than 5% and were not considered significant.

The differences by department between estimated expenditures and actual expenditures were as follows:

Department	Final Estimated Expenditures	Final Actual Expenditures	Difference
Clerk-Treasurer	\$ 1,332,668	\$ 1,133,041	\$ (199,627)
Mayor's Office	4,727,202	4,522,364	(204,838)
City Council	645,176	398,872	(246,304)
Board of Public Works	17,861,627	17,852,230	(9,397)
Administration	3,213,511	2,920,873	(292,638)
Brookshire Golf Course	1,529,611	1,305,594	(224,017)
Building Operations	3,404,865	3,152,959	(251,906)
City Court	837,185	686,000	(151,185)
Law Department	1,517,054	1,502,561	(14,493)
Community Services	4,567,183	3,816,024	(751,159)
Personnel/ Human Resources	651,756	568,864	(82,892)
Information Systems	296,011	8,544	(287,467)
City Property Maintenance	1,014,969	1,041,408	26,439
Public Affairs/ Community Relations	3,709,645	3,403,669	(305,976)
Fire Department	26,523,646	26,122,077	(401,569)
Police Department	23,480,335	21,384,198	(2,096,137)
Communication Center	5,158,278	5,045,236	(113,042)
Parks Department	3,563,825	3,459,417	(104,408)
Redevelopment Department	647,073	604,997	(42,076)
Street Department Special Project	340,363	-	(340,363)
Other	-	4,108,031	4,108,031
<b>Total</b>	<b>\$ 105,021,983</b>	<b>\$ 103,036,959</b>	<b>\$ (1,985,024)</b>

### Capital Assets and Debt Administration

**Capital assets.** The City's investment in capital assets for its governmental and business-type activities as of December 31, 2019, amounts to \$1,206,320,462 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, bridges, and the water treatment plant. The total increase in capital assets for the current fiscal year was 4.47%.

### Capital Assets

	Governmental Activities		Business-type Activities		Total	
	<u>2019</u>	2018 <u>Adjusted*</u>	<u>2019</u>	2018 <u>Adjusted*</u>	<u>2019</u>	2018 <u>Adjusted*</u>
Land	\$ 193,197,534	\$ 191,986,081	\$ 4,130,981	\$ 4,130,981	\$ 197,328,515	\$ 196,117,062
Construction in progress	222,646,403	188,493,512	15,165,802	12,445,455	237,812,205	200,938,967
Buildings	203,988,935	206,237,119	-	-	203,988,935	206,237,119
Machinery, equipment, and vehicles	21,002,637	22,943,026	-	-	21,002,637	22,943,026
Infrastructure	314,048,054	293,629,221	-	-	314,048,054	293,629,221
Water distribution system	-	-	165,983,056	167,307,122	165,983,056	167,307,122
Sewer system	-	-	66,157,060	67,502,993	66,157,060	67,502,993
<b>Total</b>	<b>\$ 954,883,563</b>	<b>\$ 903,288,959</b>	<b>\$ 251,436,899</b>	<b>\$ 251,386,551</b>	<b>\$ 1,206,320,462</b>	<b>\$ 1,154,675,510</b>

\*The effect of 2019 prior period adjustments is included above in 2018. See Note II.K. beginning on page 91 for more information.

Additional information on the City's capital assets can be found in Note II.C. on pages 58–59 of this report.

**Long-term Debt.** On April 9, 2019, the City issued \$10,525,000 of its Taxable Lease Rental Bonds, Series 2019A-1 (LIT/ SBT) (the “2019A-1 Bonds”), payable from the City's future distributions of local income tax and backed by an ad valorem property tax.

On April 9, 2019, the City also issued \$8,170,000 of its Taxable Lease Rental Bonds, Series 2019A-2 (TIF/SBT) (the “2019A-2 Bonds”), payable from an ad valorem property tax.

The 2019A-1 and 2019A-2 bonds are being issued to finance a portion of the design and construction of The Carmichael, a 122-room boutique hotel located in the Carmel City Center.

On September 9, 2019, the City secured an interest-only loan in the amount of \$6,000,000 for public improvements. The principal on the loan is payable in full on May 30, 2021.

On December 19, 2019, the Water Utility issued \$17,745,000 of its Waterworks Revenue Bond Anticipation Notes, Series 2019. The bonds were issued to finance improvements and extensions to the City's waterworks program. The debt is backed by water user fee revenues.

At the end of the current fiscal year, the City had total bonded debt outstanding of \$826,393,472. Of this amount, \$569,556,201 is debt backed by an unlimited ad valorem property tax levy, \$60,520,000 is debt backed by income tax, \$45,600,000 is debt backed by tax increment, and \$150,717,271 is debt backed by utility revenues. The remainder of the City's long-term obligations comprises post-employment benefit debt, compensated absences, contract purchases, and capital leases.

**Outstanding Debt**

	Governmental Activities		Business-type Activities		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Bonds and contract purchases	\$ 685,060,434	\$ 685,015,985	\$ 150,717,271	\$ 135,349,944	\$ 835,777,705	\$ 820,365,929
Unamortized bond premium	54,034,964	58,670,929	448,607	481,943	54,483,571	59,152,872
Compensated absences	1,387,219	1,318,395	488,548	469,456	1,875,767	1,787,851
OPEB	24,736,720	22,425,915	3,978,360	3,651,763	28,715,080	26,077,678
Pension-related debt	31,407,220	28,519,294	4,018,210	4,116,016	35,425,430	32,635,310
Capital leases	8,433,199	7,637,383	1,092,136	519,822	9,525,335	8,157,205
Total	<u>\$ 805,059,756</u>	<u>\$ 803,587,901</u>	<u>\$ 160,743,132</u>	<u>\$ 144,588,944</u>	<u>\$ 965,802,888</u>	<u>\$ 948,176,845</u>

The City's total debt outstanding increased by \$17,626,043 (1.86%) during the current fiscal year.

The City maintains a "AA" rating from Standard & Poor's on all bonds secured with an ad valorem property tax pledge. The City has one outstanding 2005 lease bond issue with a property tax pledge that has a split rating: S&P “AA+”/Moody’s “Aa3”.

The City's outstanding debt is payable primarily from pledges of property tax levies. Several of the City's outstanding obligations are payable from non-property tax resources, even though they are subject ultimately to a property tax levy pledge. The latter of these obligations are not subject to the 2% statutory debt limit, nor are obligations associated with lease-back arrangements.

Additional information on the City's long-term debt can be found in Note II.D. on pages 59–66 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

The following economic factors currently affect the City and were considered in developing the 2020 fiscal year budget.

- The unemployment rate for the City was 2.6% at the close of the fiscal year, which is significantly below the national rate and also below the rate of other communities nearby.
- Recent trends have been favorable with regard to increases in taxable assessed value and increases in taxable income.
- The City enjoys favorable relationships with employee unions and no history of significant contract disputes.
- As explained more fully in Note II.L, in April of 2020, the City's Sewer Utility issued \$15,954,000 of debt to finance infrastructure, to be paid from wastewater revenues, and in August of 2020, the City issued \$6,700,000 of debt to finance infrastructure, to be paid from storm water revenues.
- The emergence of novel coronavirus ("COVID-19") has been declared a global pandemic in 2020. However, the financial effect on the City of Carmel is expected to be relatively minor. The City's main governmental revenue sources, property tax and income tax, are not expected to be affected in 2020. That is on account of state-mandated assessment, collection, and distribution procedures that provide reserves and buffers which tend to protect local government against sudden changes in economic conditions. Any effects on these revenues will be deferred at least a year and are expected to be manageable. Some relatively minor revenue sources, such as food and beverage tax and gasoline tax, are expected to be affected immediately in 2020, but these small revenue shortfalls are not expected to disrupt the City's budgets and operational plans significantly. Some expenditure categories are expected to increase, but others decrease, as various City services are either intensified or curtailed. The net effect of all of these impacts, after the collection of Federal emergency assistance, is expected to be negligible.

## **Request for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Controller, One Civic Square, Carmel, Indiana 46032.

CITY OF CARMEL, INDIANA  
STATEMENT OF NET POSITION  
December 31, 2019

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 158,865,737	\$ 1,962,779	\$ 160,828,516
Receivables (net of allowances for uncollectibles):			
Intergovernmental	351,999	-	351,999
Accounts	582,839	442,050	1,024,889
Taxes	17,129,496	-	17,129,496
Other	-	1,356,856	1,356,856
Internal balances	340,642	(340,642)	-
Inventories	-	794,716	794,716
Prepaid expenditures	2,673,620	25,000	2,698,620
Cash, restricted for debt service	-	20,826,751	20,826,751
Capital assets:			
Not being depreciated: land, improvements, and construction in progress	415,843,937	19,296,783	435,140,720
Other capital assets, net of depreciation	539,039,626	232,140,116	771,179,742
<b>Total assets</b>	<u>1,134,827,896</u>	<u>276,504,409</u>	<u>1,411,332,305</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Bond refunding	22,275,566	-	22,275,566
Pensions	8,151,947	1,019,502	9,171,449
Other post-employment benefits	1,107,310	-	1,107,310
<b>Total deferred outflows of resources</b>	<u>31,534,823</u>	<u>1,019,502</u>	<u>32,554,325</u>
<b>LIABILITIES:</b>			
Accounts payable	3,821,114	1,161,189	4,982,303
Accrued interest payable	10,617,650	660,513	11,278,163
Claims payable	646,713	-	646,713
Other current payables	-	175,670	175,670
Accrued payroll and withholdings payable	3,659,593	307,634	3,967,227
Compensated absences	1,387,219	488,548	1,875,767
Customer deposits	-	45,155	45,155
Noncurrent liabilities:			
Due within one year:			
Bonds payable	28,403,897	4,984,058	33,387,955
Capital leases payable	2,569,887	284,466	2,854,353
Due in more than one year:			
Bonds payable	710,691,501	146,181,820	856,873,321
Capital leases payable	5,863,312	807,668	6,670,980
Net pension liability	31,407,220	4,018,210	35,425,430
Total OPEB liability	24,736,720	3,978,360	28,715,080
<b>Total liabilities</b>	<u>823,804,826</u>	<u>163,093,291</u>	<u>986,898,117</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Bond refunding	258,248	3,626,491	3,884,739
Pensions	8,330,083	632,707	8,962,790
Other post-employment benefits	2,407,969	-	2,407,969
<b>Total deferred inflows of resources</b>	<u>10,996,300</u>	<u>4,259,198</u>	<u>15,255,498</u>
<b>NET POSITION:</b>			
Net investment in capital assets	378,022,382	101,192,811	479,215,193
Restricted:			
General government	411,799	-	411,799
Public safety	1,868,130	-	1,868,130
Streets and other infrastructure	7,811,944	-	7,811,944
Economic development	4,413,354	-	4,413,354
Culture and recreation	9,229,162	-	9,229,162
Debt service	-	-	-
Unrestricted	(70,195,178)	8,978,611	(61,216,567)
<b>Total net position</b>	<u>\$ 331,561,593</u>	<u>\$ 110,171,422</u>	<u>\$ 441,733,015</u>

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

CITY OF CARMEL, INDIANA  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended December 31, 2019

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>FUNCTIONS/PROGRAMS:</b>							
Governmental activities:							
General government	\$ 29,340,736	\$ 146,498	\$ -	\$ -	\$ (29,194,238)	\$ -	\$ (29,194,238)
Public safety	54,710,167	1,774,066	1,245,695	-	(51,690,406)	-	(51,690,406)
Streets and other infrastructure	46,372,722	4,181,410	-	3,070,276	(39,121,036)	-	(39,121,036)
Economic development	39,956,058	1,913,324	-	-	(38,042,734)	-	(38,042,734)
Culture and recreation	21,497,105	12,983,411	-	-	(8,513,694)	-	(8,513,694)
Unallocated interest expense	2,623,251	-	-	-	(2,623,251)	-	(2,623,251)
<b>Total governmental activities</b>	<u>194,500,039</u>	<u>20,998,709</u>	<u>1,245,695</u>	<u>3,070,276</u>	<u>(169,185,359)</u>	<u>-</u>	<u>(169,185,359)</u>
Business-type activities:							
Water	20,063,976	18,407,840	-	3,458,396	-	1,802,260	1,802,260
Sewer	10,479,383	10,157,332	-	387,133	-	65,082	65,082
<b>Total business-type activities</b>	<u>30,543,359</u>	<u>28,565,172</u>	<u>-</u>	<u>3,845,529</u>	<u>-</u>	<u>1,867,342</u>	<u>1,867,342</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 225,043,398</u>	<u>\$ 49,563,881</u>	<u>\$ 1,245,695</u>	<u>\$ 6,915,805</u>	<u>(169,185,359)</u>	<u>1,867,342</u>	<u>(167,318,017)</u>
<b>GENERAL REVENUES AND TRANSFERS:</b>							
Property tax					56,571,934	-	56,571,934
Income tax					44,847,572	-	44,847,572
Other taxes					36,555,314	-	36,555,314
Unrestricted investment earnings					3,958,675	249,344	4,208,019
Other					20,779,293	417,185	21,196,478
Transfers					1,320,506	(1,320,506)	-
<b>Total general revenues and transfers</b>					<u>164,033,294</u>	<u>(653,977)</u>	<u>163,379,317</u>
<b>CHANGE IN NET POSITION</b>					(5,152,065)	1,213,365	(3,938,700)
<b>NET POSITION: beginning</b>					353,783,464	108,958,057	462,741,521
<b>Restatement</b>					(17,069,806)	-	(17,069,806)
<b>NET POSITION: beginning, adjusted</b>					<u>336,713,658</u>	<u>108,958,057</u>	<u>445,671,715</u>
<b>NET POSITION: ending</b>					<u>\$ 331,561,593</u>	<u>\$ 110,171,422</u>	<u>\$ 441,733,015</u>

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

**CITY OF CARMEL, INDIANA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2019

	General Fund	Redevelopment Commission Fund	2016 Project Fund	2017 Project Fund	Redevelopment Authority Debt Service Fund	Total Nonmajor Funds	Total
<b>ASSETS:</b>							
Cash and cash equivalents	\$ 22,183,732	\$ 11,484,902	\$ 12,565,690	\$ 24,973,510	\$ 26,448,660	\$ 61,209,243	\$ 158,865,737
Receivables:							
Intergovernmental	-	-	-	-	-	351,999	351,999
Accounts	507,590	-	-	-	-	75,249	582,839
Taxes:							
Property	1,247,558	-	-	-	-	518,100	1,765,658
Income	15,363,838	-	-	-	-	-	15,363,838
Due from other governmental funds	-	-	-	-	-	54,169	54,169
Due from related utility	-	-	-	-	-	340,642	340,642
<b>TOTAL ASSETS</b>	<u>39,302,718</u>	<u>11,484,902</u>	<u>12,565,690</u>	<u>24,973,510</u>	<u>26,448,660</u>	<u>62,549,402</u>	<u>177,324,882</u>
<b>LIABILITIES:</b>							
Accounts payable	1,477,626	112,598	-	-	-	2,230,890	3,821,114
Claims payable	-	-	-	-	-	646,713	646,713
Due to other funds	-	-	-	-	-	54,169	54,169
Accrued payroll withholdings payable	2,989,330	-	-	-	-	670,263	3,659,593
<b>Total liabilities</b>	<u>4,466,956</u>	<u>112,598</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,602,035</u>	<u>8,181,589</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Unavailable revenue	<u>9,814,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>577,411</u>	<u>10,391,978</u>
<b>FUND BALANCES:</b>							
Restricted:							
General government	-	-	-	-	-	411,799	411,799
Public safety	-	-	-	-	-	2,680,186	2,680,186
Highways and streets	-	-	12,565,690	23,659,916	15,219,878	36,182,415	87,627,899
Drainage and other capital assets	-	-	-	-	-	166,375	166,375
Economic development	-	11,372,304	-	1,313,594	6,381,663	4,413,354	23,480,915
Culture and recreation	-	-	-	-	4,847,119	9,229,162	14,076,281
Committed:							
General government	-	-	-	-	-	2,861,013	2,861,013
Public safety	-	-	-	-	-	1,457,041	1,457,041
Highways and streets	-	-	-	-	-	805,074	805,074
Economic development	-	-	-	-	-	163,537	163,537
Assigned:							
General government	1,876,866	-	-	-	-	-	1,876,866
Public safety	1,025,639	-	-	-	-	-	1,025,639
Economic development	962	-	-	-	-	-	962
Culture and recreation	110,869	-	-	-	-	-	110,869
Unassigned	<u>22,006,859</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,006,859</u>
<b>Total fund balances</b>	<u>25,021,195</u>	<u>11,372,304</u>	<u>12,565,690</u>	<u>24,973,510</u>	<u>26,448,660</u>	<u>58,369,956</u>	<u>158,751,315</u>
<b>TOTAL LIABILITIES, DEFERRED</b>							
<b>INFLOWS OF RESOURCES</b>							
<b>AND FUND BALANCES</b>	<u>\$ 39,302,718</u>	<u>\$ 11,484,902</u>	<u>\$ 12,565,690</u>	<u>\$ 24,973,510</u>	<u>\$ 26,448,660</u>	<u>\$ 62,549,402</u>	<u>\$ 177,324,882</u>

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

**CITY OF CARMEL, INDIANA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
December 31, 2019

**Fund Balance - governmental funds** **\$ 158,751,315**

**Amounts reported for governmental activities in the Statement of Net Position are different because:**

Prepaid expenditures represent the unamortized cost of bond insurance and similar credit enhancements and are not financial resources and, therefore, are not reported in the funds. 2,673,620

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Land and construction in progress	\$ 415,843,937	
Machinery, equipment, and vehicles	734,360,665	
Accumulated depreciation	<u>(195,321,039)</u>	
		954,883,563

Certain receivables are not expected to be collected within the time needed to liquidate expenditures of the current year and therefore are not considered available in the funds:

Property tax	\$ 1,765,658	
Income tax	8,108,598	
Ambulance fees	59,311	
Supplemental ambulance fees	458,411	10,391,978

Certain pension and other post-employment benefits that are not due and payable in the current period are not recognized in the funds:

Pension liability	\$ (31,407,220)	
Other post-employment benefit liability	<u>(24,736,720)</u>	
		(56,143,940)

Deferred inflows and outflows of resources are not financial resources and, therefore, are not reported in the funds:

Unamortized cost of bond refunding and defeasement	\$ 22,275,566	
Unamortized inflows on bond refunding and defeasement	(258,248)	
Pension-related inflows	(8,330,083)	
OPEB-related inflows	(2,407,969)	
Pension-related outflows	8,151,947	
OPEB-related outflows	<u>1,107,310</u>	
		20,538,523

Other noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Compensated absences	\$ 1,387,219	
Accrued interest payable	10,617,650	
Unamortized value of capital leases	8,433,199	
Unamortized premiums on bonds outstanding	54,034,964	
Unamortized principal on bonds outstanding	<u>685,060,434</u>	
		<u>(759,533,466)</u>

**Net position of governmental activities** **\$ 331,561,593**

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

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019

	General Fund	Redevelopment Commission Fund	2016 Project Fund	2017 Project Fund	Redevelopment Authority Debt Service Fund	Total Nonmajor Funds	Total
<b>REVENUES:</b>							
Property tax	\$ 39,858,703	\$ -	\$ -	\$ -	\$ -	\$ 16,774,735	\$ 56,633,438
Income tax	45,139,812	-	-	-	-	-	45,139,812
Other local tax	4,241,300	30,335,478	-	-	-	1,978,536	36,555,314
Charges for services	1,002,681	886,696	-	-	-	19,109,332	20,998,709
Investment income	367,689	14,641	930,115	1,250,122	98,351	1,297,757	3,958,675
Licenses and permits	2,505,906	-	-	-	-	66,395	2,572,301
Fines and forfeits	439,110	-	-	-	-	-	439,110
Intergovernmental:							
Grants	-	-	-	-	-	3,166,761	3,166,761
State shared revenue	797,026	-	-	-	-	6,189,882	6,986,908
Other	3,289,848	-	-	-	-	-	3,289,848
Contributions	-	-	-	-	-	240,302	240,302
Other	892,207	2,652,276	1,434,777	-	-	2,112,582	7,091,842
<b>Total revenues</b>	<u>98,534,282</u>	<u>33,889,091</u>	<u>2,364,892</u>	<u>1,250,122</u>	<u>98,351</u>	<u>50,936,282</u>	<u>187,073,020</u>
<b>EXPENDITURES:</b>							
Current:							
General government	26,774,617	-	-	-	-	1,945,656	28,720,273
Public safety	47,010,311	-	-	-	-	2,424,795	49,435,106
Streets and other infrastructure	1,132,558	-	-	17,307,999	-	12,993,022	31,433,579
Economic development	598,240	5,020,509	-	889	-	221,319	5,840,957
Culture and recreation	5,620,508	-	-	-	-	12,481,855	18,102,363
Debt service:							
Principal	695,000	1,564,060	-	-	16,314,491	6,077,000	24,650,551
Interest	63,858	1,084,076	-	-	13,655,248	14,195,337	28,998,519
Lease rentals and issuance costs	-	-	-	-	-	328,421	328,421
Capital outlay:							
General government	30,295	-	-	-	528,075	743,156	1,301,526
Public safety	1,016,079	-	-	-	-	-	1,016,079
Streets and other infrastructure	-	-	34,995,170	-	-	17,785,546	52,780,716
Economic development	5,181	119,071	-	-	-	24,201,340	24,325,592
Culture and recreation	205,795	-	-	-	-	2,056,109	2,261,904
<b>Total expenditures</b>	<u>83,152,442</u>	<u>7,787,716</u>	<u>34,995,170</u>	<u>17,308,888</u>	<u>30,497,814</u>	<u>95,453,556</u>	<u>269,195,586</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>15,381,840</u>	<u>26,101,375</u>	<u>(32,630,278)</u>	<u>(16,058,766)</u>	<u>(30,399,463)</u>	<u>(44,517,274)</u>	<u>(82,122,566)</u>

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

	General Fund	Redevelopment Commission Fund	2016 Project Fund	2017 Project Fund	Redevelopment Authority Debt Service Fund	Total Nonmajor Funds	Total
<b>OTHER FINANCING SOURCES AND (USES):</b>							
Bond issuance - principal	-	-	-	-	-	24,695,000	24,695,000
Debt issuance - capital leases	-	-	-	-	-	3,530,369	3,530,369
Transfers in, governmental funds	135,000	1,209,158	3,453,939	-	49,016,696	25,763,483	79,578,276
Transfer in (out) from (to) enterprise funds	1,320,506	-	-	-	-	-	1,320,506
Transfers (out), governmental funds	(18,158,742)	(24,388,200)	-	-	(14,769,585)	(22,261,749)	(79,578,276)
<b>Total other financing sources and uses</b>	<u>(16,703,236)</u>	<u>(23,179,042)</u>	<u>3,453,939</u>	<u>-</u>	<u>34,247,111</u>	<u>31,727,103</u>	<u>29,545,875</u>
<b>NET CHANGES IN FUND BALANCES</b>	(1,321,396)	2,922,333	(29,176,339)	(16,058,766)	3,847,648	(12,790,171)	(52,576,691)
<b>FUND BALANCES: beginning</b>	26,342,591	8,449,971	41,742,029	41,032,276	22,554,517	71,045,968	211,167,352
<b>Restatement</b>	-	-	-	-	46,495	114,159	160,654
<b>FUND BALANCES: beginning, restated</b>	<u>26,342,591</u>	<u>8,449,971</u>	<u>41,742,029</u>	<u>41,032,276</u>	<u>22,601,012</u>	<u>71,160,127</u>	<u>211,328,006</u>
<b>FUND BALANCES: ending</b>	<u>\$ 25,021,195</u>	<u>\$ 11,372,304</u>	<u>\$ 12,565,690</u>	<u>\$ 24,973,510</u>	<u>\$ 26,448,660</u>	<u>\$ 58,369,956</u>	<u>\$ 158,751,315</u>

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

CITY OF CARMEL, INDIANA  
**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

For the Fiscal Year Ended December 31, 2019

Net change in fund balances - total governmental funds, Statement of Revenues, Expenditures, and Changes in Fund Balances \$ (52,576,691)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and recorded as depreciation. Following is the amount by which capital outlay expenditures exceeded (were less than) depreciation:

Capital outlays	\$ 73,876,672	
Depreciation expense	<u>(22,282,068)</u>	51,594,604

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued; whereas these amounts are deferred and amortized in the Statement of Activities. The following items reflect these differences in the treatment of long-term debt and related items:

Decrease (increase) in bonds payable for private placement bonds	\$ (21,095,000)	
Decrease (increase) in bonds payable for other bonds secured by revenues	20,431,491	
Decrease (increase) in bonds payable for contract purchase obligations	619,060	
Amortization of certain bond-related prepaid expense and deferred inflows and outflows	(2,106,207)	
Amortization of premium on bonds outstanding	4,635,966	
Bond issuance premium	-	
Principal payments on capital leases	2,734,553	
Capital lease proceeds	(3,530,369)	
Compensated absences	<u>(68,824)</u>	1,620,670

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Property tax	\$ (61,504)	
Income tax	(292,240)	
Cable fees	-	
Ambulance fees	(33,415)	
Ambulance fee supplemental	192,397	
Grants	<u>-</u>	(194,762)

Expenses in the Statement of Activities for pension and other post-employment benefits are not recognized as expenditures in the funds:

1925 Police Officers' plan	\$ 253,566	
1937 Firefighters' plan	264,002	
1977 Police Officers' plan	(1,521,331)	
1977 Firefighters' plan	(1,999,786)	
Civilian public employee retirement plan	(64,316)	
Other post-employment benefits - retiree health insurance	<u>(1,052,097)</u>	(4,119,962)

Accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds. (1,475,924)

**Change in net assets of governmental activities (Statement of Activities) \$ (5,152,065)**

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

CITY OF CARMEL, INDIANA  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
December 31, 2019

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total Enterprise</b>
<b>ASSETS:</b>			
Current assets:			
Cash and cash equivalents	\$ 1,434,575	\$ 528,204	\$ 1,962,779
Accounts receivable (net of allowance)	187,694	254,356	442,050
Other receivables	572,456	784,400	1,356,856
Due from associated utility	753,570	756,532	1,510,102
Inventories	432,741	361,975	794,716
Prepaid items	15,625	9,375	25,000
<b>Total current assets</b>	<b>3,396,661</b>	<b>2,694,842</b>	<b>6,091,503</b>
Noncurrent assets:			
Restricted cash, debt service	17,950,110	2,876,641	20,826,751
Capital assets:			
Land, improvements to land and construction in progress	12,854,501	6,442,282	19,296,783
Utility plant in service, net of depreciation	165,983,056	66,157,060	232,140,116
<b>Total noncurrent assets</b>	<b>196,787,667</b>	<b>75,475,983</b>	<b>272,263,650</b>
<b>Total assets</b>	<b>200,184,328</b>	<b>78,170,825</b>	<b>278,355,153</b>
<b>DEFERRED OUTFLOW OF RESOURCES: pension</b>	<b>549,608</b>	<b>469,894</b>	<b>1,019,502</b>

Continued on next page

CITY OF CARMEL, INDIANA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS

December 31, 2019  
(Continued)

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total Enterprise</b>
<b>LIABILITIES:</b>			
Current liabilities:			
Accounts payable	\$ 491,386	\$ 669,803	\$ 1,161,189
Accrued wages payable	168,440	139,194	307,634
Compensated absences	274,685	213,863	488,548
Due to associated governmental funds	340,642	-	340,642
Due to associated utility	756,532	753,570	1,510,102
Hydrant deposits	45,155	-	45,155
Revenue bonds payable, current portion	3,625,000	1,359,058	4,984,058
Capital leases payable, current portion	212,507	71,959	284,466
Accrued interest payable	583,839	76,674	660,513
Other	175,670	-	175,670
<b>Total current liabilities</b>	<b>6,673,856</b>	<b>3,284,121</b>	<b>9,957,977</b>
Noncurrent liabilities:			
Bonds payable	131,592,632	14,589,188	146,181,820
Capital leases payable	711,894	95,774	807,668
Retiree health care	2,133,678	1,844,682	3,978,360
Pension liability	2,166,196	1,852,014	4,018,210
<b>Total noncurrent liabilities</b>	<b>136,604,400</b>	<b>18,381,658</b>	<b>154,986,058</b>
<b>Total liabilities</b>	<b>143,278,256</b>	<b>21,665,779</b>	<b>164,944,035</b>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Pension	341,089	291,618	632,707
2008 bond call rights waiver	3,626,491	-	3,626,491
<b>Total deferred inflow of resources</b>	<b>3,967,580</b>	<b>291,618</b>	<b>4,259,198</b>
<b>NET POSITION:</b>			
Net investment in capital assets	43,948,919	57,243,892	101,192,811
Restricted	-	-	-
Unrestricted	9,539,181	(560,570)	8,978,611
<b>Total net position</b>	<b>\$ 53,488,100</b>	<b>56,683,322</b>	<b>\$ 110,171,422</b>

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

**CITY OF CARMEL, INDIANA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**

For the Fiscal Year Ended December 31, 2019

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total Enterprise</b>
<b>OPERATING REVENUES:</b>			
Residential sales	\$ 13,167,457	\$ 5,393,909	\$ 18,561,366
Commercial and industrial sales	4,667,063	4,752,527	9,419,590
Other operating revenue	573,320	10,896	584,216
<b>Total operating revenues</b>	<b>18,407,840</b>	<b>10,157,332</b>	<b>28,565,172</b>
<b>OPERATING EXPENSES:</b>			
Source of supply and expense - operation and maintenance	912,290	-	912,290
Water treatment expense - operation and maintenance	3,964,116	-	3,964,116
Transmission and distribution	3,634,731	-	3,634,731
Collection system - operation and maintenance	-	1,075,109	1,075,109
Pumping - operation and maintenance	-	360,200	360,200
Treatment and disposal expense - operation and maintenance	-	3,882,923	3,882,923
Customer accounts	763,826	642,280	1,406,106
Administration and general	832,931	1,063,874	1,896,805
Payroll tax expense	282,857	238,538	521,395
Utility receipts tax expense	259,470	-	259,470
Depreciation expense	4,226,035	2,630,025	6,856,060
Retiree health and pension	168,155	114,278	282,433
<b>Total operating expenses</b>	<b>15,044,411</b>	<b>10,007,227</b>	<b>25,051,638</b>
<b>OPERATING INCOME (LOSS)</b>	<b>3,363,429</b>	<b>150,105</b>	<b>3,513,534</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Interest and investment revenue	145,679	103,665	249,344
Miscellaneous revenue	311,222	21,189	332,411
Interest expense	(5,019,477)	(472,156)	(5,491,633)
Gain (loss) from disposition of property	69,720	15,054	84,774
Other	(88)	-	(88)
<b>Total nonoperating revenue (expenses)</b>	<b>(4,492,944)</b>	<b>(332,248)</b>	<b>(4,825,192)</b>
<b>CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(1,129,515)</b>	<b>(182,143)</b>	<b>(1,311,658)</b>
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>			
Capital contributions	3,458,396	387,133	3,845,529
Transfers to associated city	(839,763)	(480,743)	(1,320,506)
<b>Total capital contributions and transfers</b>	<b>2,618,633</b>	<b>(93,610)</b>	<b>2,525,023</b>
<b>CHANGE IN NET POSITION</b>	<b>1,489,118</b>	<b>(275,753)</b>	<b>1,213,365</b>
<b>NET POSITION: beginning</b>	<b>51,998,982</b>	<b>56,959,075</b>	<b>108,958,057</b>
<b>TOTAL NET POSITION: ending</b>	<b>\$ 53,488,100</b>	<b>\$ 56,683,322</b>	<b>\$ 110,171,422</b>

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

CITY OF CARMEL, INDIANA  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Fiscal Year Ended December 31, 2019

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total Enterprise</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers and users	\$ 17,778,960	\$ 10,340,329	\$ 28,119,289
Payments for goods and services	(5,191,954)	(1,992,560)	(7,184,514)
Payments to employees	(5,654,307)	(4,882,480)	(10,536,787)
Other receipts	648,494	32,084	680,578
<b>Net cash provided (used) by operating activities</b>	<b>7,581,193</b>	<b>3,497,373</b>	<b>11,078,566</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Capital contributions	2,318,667	32,863	2,351,530
Acquisition and construction of capital assets	(3,451,253)	(2,554,889)	(6,006,142)
Payment of capital debt, including refunded debt	(2,631,326)	(1,323,861)	(3,955,187)
Interest paid on debt	(3,497,268)	(484,361)	(3,981,629)
Proceeds from sale of equipment	69,720	15,093	84,813
Proceeds from sale of bonds	16,162,857	-	16,162,857
Other	1,891,000	1,025,938	2,916,938
<b>Net cash provided by capital and related financing activities</b>	<b>10,862,397</b>	<b>(3,289,217)</b>	<b>7,573,180</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	145,680	103,665	249,345
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers to governmental funds	(839,763)	(480,743)	(1,320,506)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>17,749,507</b>	<b>(168,922)</b>	<b>17,580,585</b>
<b>CASH AND CASH EQUIVALENTS: beginning</b>	<b>1,635,178</b>	<b>3,573,767</b>	<b>5,208,945</b>
<b>CASH AND CASH EQUIVALENTS: ending</b>	<b>\$ 19,384,685</b>	<b>\$ 3,404,845</b>	<b>\$ 22,789,530</b>

Continued on next page

**CITY OF CARMEL, INDIANA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

For the Fiscal Year Ended December 31, 2019  
(Continued)

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Total Enterprise</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
<b>Operating income (loss)</b>	3,363,429	150,105	3,513,534
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>			
Depreciation expense	4,226,035	2,630,025	6,856,060
Nonoperating income (expense)	311,133	21,189	332,322
(Increase) decrease in assets:			
Accounts receivable	(9,610)	(36,373)	(45,983)
Other	(281,997)	317,523	35,526
Interfund receivables	-	(77,164)	(77,164)
Inventories	(82,434)	(17,623)	(100,057)
Prepaid items	-	20,000	20,000
Increase (decrease) in liabilities:			
Accounts payable	(115,149)	448,485	333,336
Wages payable	19,430	7,418	26,848
Compensated absence payable	10,013	9,079	19,092
Retiree health care	183,197	143,400	326,597
Pension	(15,042)	(29,122)	(44,164)
Other current liabilities	(27,812)	(89,569)	(117,381)
<b>Total adjustments</b>	<b>4,217,764</b>	<b>3,347,268</b>	<b>7,565,032</b>
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ 7,581,193</b>	<b>\$ 3,497,373</b>	<b>\$ 11,078,566</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</b>			
<b>Contributions of capital assets and aid in construction</b>	<b>\$ 736,042</b>	<b>\$ 79,450</b>	<b>\$ 815,492</b>

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

CITY OF CARMEL, INDIANA  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
December 31, 2019

	Pension Trust Funds	Custodial Funds
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 181,536	\$ 121,446
Receivable from State of Indiana	97,557	-
<b>Total assets</b>	279,093	121,446
<b>LIABILITIES:</b>		
Payroll withholdings	97,557	-
<b>Total liabilities</b>	97,557	-
<b>NET POSITION: restricted</b>	\$ 181,536	\$ 121,446

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

**CITY OF CARMEL, INDIANA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
For the Fiscal Year Ended December 31, 2019

	Pension Trust Funds	Custodial Funds
<b>ADDITIONS:</b>		
State of Indiana contributions	\$ 1,149,210	\$ -
Investment income	4,968	-
Court costs and fees	-	1,547,185
Miscellaneous revenue	88,442	-
<b>Total additions</b>	1,242,620	1,547,185
<b>DEDUCTIONS:</b>		
Benefits to plan members and beneficiaries	599,414	-
Administrative expenses	598,436	-
Distributions	-	1,580,717
<b>Total deductions</b>	1,197,850	-
<b>NET INCREASE (DECREASE) IN NET POSITION</b>	44,770	1,547,185
<b>NET POSITION: beginning</b>	136,766	154,978
<b>NET POSITION: ending</b>	\$ 181,536	\$ 1,702,163

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

CITY OF CARMEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
For the Fiscal Year Ended December 31, 2019

**I. Summary of Significant Accounting Policies**

**A. Accounting Principles**

The accounting policies of the City of Carmel, Indiana (City) applied to the accompanying financial statements for the year ended December 31, 2019, conform to the accounting principles generally accepted in the United States of America (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the City's significant accounting policies employed in the preparation of the accompanying financial statements follows.

**B. Reporting Entity**

The City of Carmel (City) is a municipal corporation governed by an elected mayor as executive, an appointed controller as fiscal officer, and a nine-member council as legislative and fiscal body. It is the primary general government reporting entity. The accompanying financial statements present the government and its blended component units, entities for which the government is considered to be financially accountable. *Blended component units* are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented within the funds of the primary government.

There are five blended component units.

The Carmel Redevelopment Authority is organized under Indiana Code Chapter 36-7-14.5 as a body corporate and politic, separate from the City, to facilitate long-term financing of certain City capital projects. City officials appoint its board, and the City is ultimately liable for all its debt.

Carmel Midtown Building Corporation (CMBC) and Downtown City Center Development Corporation (DCCDC) are legally separate not-for-profit corporations that facilitate certain City capital projects. Accordingly, they impose certain financial burdens and provide certain benefits to the City. City officials appoint their boards. They exist exclusively for the benefit of the City.

The Carmel City Center Community Development Corporation (4CDC) is a legally separate not-for-profit corporation that supports the economic development efforts of City government. Accordingly, it provides financial and other benefits to the City. Its board is appointed by City officials, and the City is ultimately liable for practically all of its debt.

The Carmel Redevelopment Authority, CMBC, DCCDC, and 4CDC do not issue separate financial statements.

The City of Carmel Local Public Improvement Bond Bank (The Carmel Bond Bank) is an instrumentality of the City, organized under Indiana Code Chapter 5-1.4-2 as a body corporate and politic, separate from the City. It serves as a facility by which certain local governmental agencies may issue debt. Its board is appointed by City officials, it serves the City exclusively, and the City is liable for all of its debt. The Carmel Bond Bank issues separate financial statements, which may be obtained at Carmel City Hall, Third Floor, One Civic Square, Carmel, Indiana 46032.

**C. Basis of Presentation – Government-Wide Statements**

The two government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information on all of the non-fiduciary activities of the City. Governmental activities, which include those activities primarily supported by taxes or intergovernmental revenue, are reported separately from business-type activities, which generally rely on fees and charges for support. While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The Statement of Activities demonstrates the extent to which the direct expenses of a functional category are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. They also include operating and capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items properly excluded from program revenues are reported as general revenue.

#### **D. Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The government reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in the funds described below.

The *Redevelopment Commission Fund* is used to account for the collection and expenditure of tax increment financing revenue and certain other economic development activities.

The *2016 Project Fund* is used to account for the expenditure of proceeds of a certain 2016 bond issuance, the purpose of which was to finance street improvement and construction.

The *2017 Project Fund* is used to account for the expenditure of proceeds of certain 2017 bond issuances, the purposes of which were to finance street improvement and construction and economic development.

The *Redevelopment Authority Debt Service Fund* is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on certain long-term obligations of governmental funds.

The government reports the following major proprietary funds:

The *Water Utility and Sewer Utility Funds* are enterprise funds and account for the activities of the City utilities, integral parts of the government. The City operates the water distribution and sanitary sewer systems for residents and certain non-residents.

The government also reports *nonmajor funds*, which are of three types: *special revenue funds* account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects; *capital projects funds* account for revenues normally restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets; and *debt service funds* account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The government also reports certain other funds:

*Trust funds* account for the activities of certain pension plans administered by the City.

*Custodial funds* account for municipal court escrows.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated, so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated, so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in the governmental activities column are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

## **E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues from non-exchange transactions subject to eligibility requirements are considered available when the time and other eligibility requirements are met. Accordingly, revenues shared by the State of Indiana are considered available in the year in which the State allows the revenues to be appropriated, encumbered, and expended. All revenues are considered to be available only if they are collectible within the current period, or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes and income taxes are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Certain service charges are recognized when the service is performed. Entitlements are recognized as revenues when all eligibility requirements are met, including any time requirements. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other eligibility requirements have been met. In all instances, revenues are recognized in governmental funds only when the amount is received during the period or within the availability period (within 60 days of year-end). All other revenue is recognized only when cash is received.

The proprietary, pension, and custodial funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

## **F. Reconciliation of Government-Wide and Fund Financial Statements**

A reconciliation of the difference between changes in fund balances, as reflected on the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances, and change in net position for governmental activities, as shown on the government-wide Statement of Activities, is presented in an accompanying schedule to the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances. The revenue and expense elements that comprise the reconciliation differences stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurements focus and the accrual basis of accounting.

## **G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

### ***1. Cash and Cash Equivalents***

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, and securities backed by the full faith and credit of the United States Government.

Investments are reported at fair value.

### ***2. Inventories and Prepaid Items***

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

### 3. Capital Assets

All capital assets, whether owned by governmental activities or business-type activities, are recorded and depreciated in the government-wide financial statements. No long-term capital assets or depreciation are shown in the governmental funds financial statements.

Capital assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the capital assets or materially extend capital assets' lives are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

The capitalization threshold below is determined by the asset class.

- a) Land is capitalized regardless of the value or cost;
- b) Buildings, infrastructure, vehicles, machinery, and equipment must be capitalized when the useful life is at least 1 year and the cost is \$5,000 or more for assets employed in governmental activities and \$750 in business-type activities.

A full year of depreciation is taken in the year of acquisition for capital assets employed in governmental activities, and depreciation is deferred to the year after acquisition for those employed in business-type activities.

Depreciation is recorded on each class of depreciable property using the straight-line method over the estimated useful lives of the assets. Estimated useful lives are as follows:

Buildings	20–100 years
Improvements Other than	10–20 years
Buildings Machinery, Equipment,	5–20 years
and Vehicles Infrastructure	20–50 years

### 4. Compensated Absences

The government's policy permits employees to accumulate earned but unused personal time, which is eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

### 5. Bond Premiums and Discounts

Bond premiums and discounts are amortized in the government-wide and proprietary statements on a straight-line basis over the life of the issues.

### 6. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has three items reported on the government-wide statement of net position that qualify for reporting in this category. One is the deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The others are certain debits arising from changes in actuarial assumptions and timing differences for pensions and other post-employment benefits.

Debt issuance costs, except for any portion related to insurance costs or other credit enhancements that tend similarly to affect interest rates in future periods, are recognized as expenses of the current period. These credit enhancement costs are amortized on a straight-line basis over the term of the related debt.

In addition to liabilities, the Statement of Net Position reports a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The items that qualify for reporting in this category are credits resulting from bond refunding and pension-related credits arising from changes in actuarial assumptions and timing differences. The former category includes the current value of renegotiated terms of certain bonds, particularly the waiving of call rights on certain bonds. Such renegotiation does not constitute refunding per se but has a similar economic and accounting effect.

## **7. Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted—net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

## **8. Fund Balance Flow Assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

## **9. Fund Balance/Net Position**

Net position is presented on the Statement of Net Position. Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt related to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of these assets or related debt are also included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use, either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Fund balance is presented on the Balance Sheet for governmental funds. The components of fund balance include the following line items: a) non-spendable fund balance, b) restricted fund balance, c) committed fund balance, d) assigned fund balance, and e) unassigned fund balance. For further explanation of each fund balance component, please see the following:

- a) Non-spendable fund balance** (inherently non-spendable) include the:
  - Portion of net resources that cannot be spent because of their form.
  - Portion of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance** (externally enforceable limitations on use) include amounts subject to:
  - Limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments.
  - Limitations imposed by law through constitutional provision or enabling legislation.
- c) Committed fund balance** (self-imposed limitations set in place prior to the end of the period):
  - Limitation imposed at the highest level of decision-making that requires formal action (passage of an ordinance) at the same level to remove. For the City, the City Council is the highest level of decision-making authority.
- d) Assigned fund balance** (limitation resulting from intended use) consists of amounts where the:
  - Intended use is established by the body designated for that purpose (City Council).
  - Intended use is established by an official authorized by the Council to make purchases, which includes the heads of most departments.
- e) Unassigned fund balance** (residual net resources) is the:
  - Total fund balance in the General Fund is the excess over non-spendable, restricted, committed, and assigned fund balance.
  - Negative unassigned fund balance is the excess over non-spendable, restricted, and committed fund balance over total fund balance.

## ***10. Use of Estimates***

The preparation of the basic financial statements in conformity with GAAP requires the City's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the basic financial statements and/or the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates, but the City believes that the differences will be insignificant. Among the items subject to estimates are pension liabilities and certain receivables.

## ***11. Restricted Net Position***

All net position reported as restricted in the accompanying Statement of Net Position is restricted due to legally enforceable contractual obligations or Indiana law.

## **H. Revenues and Expenditures/Expenses**

### ***1. Program Revenues***

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

### ***2. Property Taxes***

The Council is empowered to adopt property tax levies and rates, subject to certain statutory limitations. Taxable property becomes subject to lien on January 1 of the year prior to the budget/levy year. Levy ordinances must be adopted before the following

November 1. Property taxes are due in two installments the following May 10 and November 10. The county government collects the taxes and distributes them, generally, in two installments, June 30 and December 31 of the budget/levy year. The county may make advances as taxes are collected.

Taxable property is assessed at estimated market value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Some taxpayers are eligible for certain deductions and credits. All property taxes outstanding at year end are recorded as receivable with an offset to deferred inflows of resources—unavailable revenue for amounts that are not available in the current period.

### ***3. Income Taxes***

The City benefits from an income tax that was imposed by joint vote of several Hamilton County units of general government and collected by the State of Indiana. Each July 1, the Indiana Department of Revenue determines the amount of tax processed on returns filed for the previous year. That amount is certified to the County Auditor. It is distributed to the County Auditor on a pro-rata basis, monthly, during the ensuing calendar year. The distributions are paid from accumulated collections from withholdings and direct taxpayer payments held in trust by the Indiana Department of Revenue, which may result in a balance remaining in the trust account. The County Auditor allocates the distributions to the City and other units of general government in accordance with a statutory formula based on the size of each unit's non-debt property tax levy. Before May 2 of each year, the Indiana Department of Revenue determines if the accumulated balance that was held in trust on December 31 two years preceding the determination exceeds fifteen percent (15%) of the certified distribution to be made to the county in the determination year. If so, the excess is distributed to the County Auditor in May of the determination year. These supplemental distributions are allocated immediately to the City and other units of general government in accordance with the same statutory formula as for regular distributions. The City accounts for income tax revenue as a derived tax revenue. Accordingly, revenue is recognized in the Statement of Activities when a taxpayer earns income. In the governmental funds, amounts certified for and distributed in the current year are recognized as revenue, along with any additional amount in the trust fund that is expected to be distributed within 60 days.

### ***4. Proprietary Funds Operating and Nonoperation Revenues and Expenses***

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer utility funds are charges to customers for sales, services, premiums, and rents. The Water Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## II. Detailed Notes on Certain Activities and Funds

### A. Cash and Cash Equivalents

#### Deposits

Deposits of Indiana local government units are regulated by Indiana law. Deposits may be made only in financial institutions determined eligible by a State agency.

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

The City's total cash deposits at December 31, 2019, were \$181,655,267, of which \$20,826,751 is restricted and \$160,828,516 is unrestricted. The City's cash deposits are insured up to \$250,000 at financial institutions insured by the Federal Deposit Insurance Corporation. Any cash deposits in excess of \$250,000 are 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 administered by the State of Indiana.

#### Investments

Investments by Indiana local government units are regulated by Indiana law. The City may invest in United States obligations and issues of federal agencies, certain Indiana municipal securities, secured repurchase agreements fully collateralized by U.S. Treasury or U.S. agency obligations, certificates of deposit, and certain money market mutual funds invested in U.S. Treasury or U.S. agency obligations.

These investments are required by statute to have a stated final maturity of not more than five years.

Investments are valued at fair value. Fair value of substantially all investments is determined according to published, quoted prices for similar assets in active markets, observable for the entire term of the asset. Accordingly, investments are classified in level two of the hierarchy of fair value.

Custodial credit risk for investments is the risk that, in the event of failure of the counterparty to the transaction, the City will not be able to recover the value of investment or collateral securities that are in possession of an outside party. The City does not have a formal investment policy for custodial credit risk for investments. The City believes it is not exposed to investment custodial credit risk because its securities are held in trust in the City's name.

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates. The City has no formal policy regarding interest rate risk. The City may invest in securities for more than two years and not more than five years in accordance with Indiana law. Under this policy, investments having maturities of more than two years are limited to 25% of the total investments and other cash and cash equivalents held by the City.

Below is a segmented time distribution for the City's debt investments at December 31, 2019:

Investment Type	Fair Value	Investment Maturities (in Years)		
		Less than 1	1 to 5	More than 5
United States Treasury notes	\$ 19,030,520	\$ 16,512,545	\$ 2,517,975	\$ -
U.S. Gov't Money Market Funds	11,727,730	11,727,730	-	-
Total	<u>\$ 30,758,250</u>	<u>\$ 28,240,275</u>	<u>\$ 2,517,975</u>	<u>\$ -</u>

Concentration risk is the risk that too many resources have been invested in a single issuer, and that issuer may fail. The City believes it is not exposed to concentration risk because fewer than 5% of its investments are in a single issuer, other than the United States Government and its agencies.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy regarding credit risk is to comply with Indiana law, which limits the City to very low-risk investments.

The City has no deposits or investments denominated in foreign currencies and does not foresee having any foreign currency risk in the future.

## B. Receivables and Transfers

### 1. Receivables

Receivables at December 31, 2019, for governmental activities of the City's individual major governmental funds and nonmajor governmental funds, in the aggregate, consisted of the following:

<u>Revenue Source</u>	<u>General</u>	<u>Nonmajor</u>	<u>Total</u>
Property taxes	\$ 1,247,558	\$ 518,100	\$ 1,765,658
Income taxes	15,363,838	-	15,363,838
Other	507,590	75,249	582,839
Intergovernmental	-	351,999	351,999
Due from other funds	-	54,169	54,169
Due from utility	-	340,642	340,642
<b>Total</b>	<b>\$ 17,118,986</b>	<b>\$ 1,340,159</b>	<b>\$ 18,459,145</b>

Receivables at December 31, 2019, for business-type activities of the City's individual major enterprise funds consisted of the following:

<u>Revenue Source</u>	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
Accounts and other	\$ 760,150	\$ 1,038,756	\$ 1,798,906
Due from utility	753,570	756,532	1,510,102
<b>Total</b>	<b>\$ 1,513,720</b>	<b>\$ 1,795,288</b>	<b>\$ 3,309,008</b>

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the fiscal year, the various components of unavailable revenue reported in governmental funds were as follows:

#### Governmental Funds:

<u>Description</u>	<u>Unavailable Revenue</u>
Property taxes	\$ 1,765,658
Income taxes	8,108,598
Ambulance fees	59,311
Supplemental Medicaid	458,411
Other unavailable	-
<b>Total unavailable revenue</b>	<b>\$ 10,391,978</b>

### 2. Transfers

#### a) Transfers among Governmental Funds

<u>Transfers out</u>	<u>Transfers In</u>					<u>Total</u>
	<u>General</u>	<u>Redevelopment Commission</u>	<u>2016 Project Fund</u>	<u>RDA Debt Service</u>	<u>Nonmajor</u>	
General	\$ -	\$ -	\$ -	\$ 17,079,339	\$ 1,079,403	\$ 18,158,742
RDC	-	-	-	24,382,500	5,700	24,388,200
2016 Project Fund	-	-	-	-	-	-
2017 Project Fund	-	-	-	-	-	-
RDA Debt	-	-	-	-	14,769,585	14,769,585
Nonmajor	135,000	1,209,158	3,453,939	7,554,857	9,908,795	22,261,749
<b>Total</b>	<b>\$ 135,000</b>	<b>\$ 1,209,158</b>	<b>\$ 3,453,939</b>	<b>\$ 49,016,696</b>	<b>\$ 25,763,483</b>	<b>\$ 79,578,276</b>

A nonmajor fund transferred \$135,000 to the General Fund to cover street-related contracted services.

A nonmajor fund transferred \$150,000 to the Redevelopment Commission as a grant.

A nonmajor fund transferred \$1,059,158 to the Redevelopment Commission Fund for public improvement reimbursement.

A nonmajor fund transferred \$2,927,939 from an Indiana Department of Transportation grant to the 2016 Projects Fund for street projects.

Other nonmajor funds transferred \$526,000 to the 2016 Projects Fund for public improvement reimbursement.

The Bond Bank Fund issued debt and transferred proceeds to the 2017 Projects Fund in the amount of \$598,196.

The General Fund, Redevelopment Commission, and nonmajor funds made lease payments to the Redevelopment Authority in the amounts of \$17,079,339, \$24,382,500, and \$6,956,661, respectively, in order to satisfy debt service payments.

The General Fund transferred \$79,403 to a nonmajor fund to cover the cost of preservation of historic buildings.

The General Fund transferred \$1,000,000 to pay for additional street repaving.

The Redevelopment Commission transferred \$5,700 of excess tax incremental revenue to another nonmajor fund in accordance with a trust indenture.

The RDA Debt Service Fund and nonmajor funds transferred \$14,769,585 and \$3,853,865, respectively, to a nonmajor fund to satisfy debt service payments.

A nonmajor fund transferred \$734,051 to another nonmajor fund in compliance with a City ordinance.

A nonmajor fund transferred \$5,320,879 of grant monies to another nonmajor fund for public improvements.

**b) Transfers between Governmental and Enterprise Funds**

<u>From (to):</u>	<u>Transfers In (Out)</u>	
	<u>General</u>	<u>Total</u>
Water Fund	\$ 480,743	\$ 480,743
Sewer Fund	839,763	839,763
Total	<u>\$ 1,320,506</u>	<u>\$ 1,320,506</u>

The Water Fund transferred \$480,743 of available excess cash to the General Fund.

The Sewer Fund transferred \$839,763 of available excess cash to the General Fund.

**C. Capital Assets**

Capital asset activity for Governmental Activities for the year ended December 31, 2019, was as follows:

	<u>Balance Dec 31, 2018</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Balance Dec 31, 2019</u>
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 191,986,081	\$ 1,282,666	\$ (71,213)	\$ 193,197,534
Construction in progress	188,493,512	68,150,279	(33,997,388)	222,646,403
Total capital assets, not being depreciated	<u>380,479,593</u>	<u>69,432,945</u>	<u>(34,068,601)</u>	<u>415,843,937</u>
Capital assets, being depreciated				
Buildings and improvements	241,109,856	3,159,366	-	244,269,222
Machinery, equipment, and vehicles	48,075,915	2,331,706	(5,337,272)	45,070,349
Infrastructure	415,245,357	33,021,257	(3,245,520)	445,021,094
Total capital assets, being depreciated	<u>704,431,128</u>	<u>38,512,329</u>	<u>(8,582,792)</u>	<u>734,360,665</u>
Less accumulated depreciation, for				
Buildings and improvements	34,872,737	5,407,550	-	40,280,287
Machinery, equipment, and vehicles	25,132,889	4,272,095	(5,337,272)	24,067,712
Infrastructure	121,616,136	12,602,424	(3,245,520)	130,973,040
Total accumulated depreciation	<u>181,621,762</u>	<u>22,282,069</u>	<u>(8,582,792)</u>	<u>195,321,039</u>
Total capital assets, being depreciated, net	<u>522,809,366</u>	<u>16,230,260</u>	<u>-</u>	<u>539,039,626</u>
Governmental activities capital assets, net	<u>\$ 903,288,959</u>	<u>\$ 85,663,205</u>	<u>\$ (34,068,601)</u>	<u>\$ 954,883,563</u>

Capital asset activity for Business-Type Activities for the year ended December 31, 2019, was as follows:

	Balance <u>Dec 31, 2018</u>	Additions/ <u>Transfers In</u>	Deletions/ <u>Transfers Out</u>	Balance <u>Dec 31, 2019</u>
<b>Business-Type Activities:</b>				
Capital assets, not being depreciated				
Land & land rights	\$ 4,130,981	\$ -	\$ -	\$ 4,130,981
Construction in progress	<u>12,445,455</u>	<u>4,183,688</u>	<u>(1,463,341)</u>	<u>15,165,802</u>
Total capital assets, not being depreciated	<u>16,576,436</u>	<u>4,183,688</u>	<u>(1,463,341)</u>	<u>19,296,783</u>
Capital assets, being depreciated				
Utility plant & equipment in service	<u>278,795,178</u>	<u>4,222,565</u>	<u>(231,433)</u>	<u>282,786,310</u>
Total capital assets, being depreciated	<u>278,795,178</u>	<u>4,222,565</u>	<u>(231,433)</u>	<u>282,786,310</u>
Less accumulated depreciation for				
Utility plant & equipment in service	<u>43,985,063</u>	<u>6,856,060</u>	<u>(194,930)</u>	<u>50,646,193</u>
Total capital assets, being depreciated, net	<u>234,810,115</u>	<u>(2,633,495)</u>	<u>(36,503)</u>	<u>232,140,117</u>
Business-type activities capital assets, net	<u>\$ 251,386,551</u>	<u>\$ 1,550,193</u>	<u>\$ (1,499,844)</u>	<u>\$ 251,436,900</u>

Depreciation expense was charged as follows for the year ended December 31, 2019:

<b>Governmental Activities:</b>	
General Government	\$ 477,228
Economic Development	6,120,989
Culture & Recreation	242,101
Public Safety	1,459,936
Streets and other infrastructure	<u>13,981,814</u>
Total governmental depreciation	<u>22,282,068</u>
<b>Business-Type Activities:</b>	
Utility plant & equipment in service	<u>6,856,060</u>
Total business-type depreciation	<u>6,856,060</u>
Total depreciation	<u>\$ 29,138,128</u>

## D. Noncurrent Liabilities

### 1. Changes in Long-Term Debt Obligations and Other Liabilities

The following is a summary of changes in long-term obligations for the year ended December 31, 2019:

	Balance <u>Dec 31, 2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>Dec 31, 2019</u>	Due Within <u>One Year</u>
<b>Governmental Activities:</b>					
Private placement bonds	\$ 53,660,000	\$ 24,695,000	\$ (3,600,000)	\$ 74,755,000	\$ 4,390,000
Other bonds secured by revenues	621,352,692	-	(20,431,491)	600,921,201	23,367,279
Contract purchase obligations	10,003,293		(619,060)	9,384,233	646,618
Unamortized bond premium	58,670,929	-	(4,635,965)	54,034,964	
Capital leases	7,637,383	3,530,369	(2,734,553)	8,433,199	2,569,887
Subtotal	<u>751,324,297</u>	<u>28,225,369</u>	<u>(32,021,069)</u>	<u>747,528,597</u>	<u>30,973,784</u>
Compensated absences	<u>1,318,395</u>	<u>251,770</u>	<u>(182,946)</u>	<u>1,387,219</u>	<u>1,387,219</u>
Total bonds, contract purchases, capital leases, and compensated absences	<u>\$ 752,642,692</u>	<u>\$ 28,477,139</u>	<u>\$ (32,204,015)</u>	<u>748,915,816</u>	<u>\$ 32,361,003</u>
Less,					
Portion of above due within one year				32,361,003	
Portion of capital leases payable due in more than one year				<u>5,863,312</u>	
Bonds payable due in more than one year				<u>\$ 710,691,501</u>	

Liabilities other than debt, which are ordinarily employment related, such as compensated absences, pensions, and other post-employment benefits, have been liquidated in prior years by the same governmental funds that expended the regular compensation to the affected employees. When liabilities have arisen, other than debt, which were not related to compensation, the liabilities have ordinarily been liquidated by the governmental funds that financed the activities that gave rise to the liabilities.

	Balance <u>Dec 31, 2018</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>Dec 31, 2019</u>	Due Within <u>One Year</u>
Business-Type Activities:					
Sewer utility revenue bonds	\$ 17,263,420	\$ -	\$ (1,323,861)	\$ 15,939,559	\$ 1,359,058
Water utility revenue bonds	105,598,524	17,745,000	(532,812)	122,810,712	3,095,000
Water utility other long-term debt	12,488,000	-	(521,000)	11,967,000	530,000
Total business-type bonds	135,349,944	17,745,000	(2,377,673)	150,717,271	4,984,058
Sewer utility bond premium	30,156	-	(7,794)	22,362	
Sewer utility bond discount	(15,067)	1,392	-	(13,675)	
Water utility bond premium	466,854	-	(26,934)	439,920	
Subtotal, bonds, premiums, and discounts	135,831,887	17,746,392	(2,412,401)	151,165,878	4,984,058
Utility capital leases	519,822	836,959	(264,645)	1,092,136	284,466
Compensated absences	469,456	26,190	(7,098)	488,548	488,548
Total business-type activities long-term liabilities	<u>\$ 136,821,165</u>	<u>\$ 18,609,541</u>	<u>\$ (2,684,144)</u>	152,746,562	<u>\$ 5,757,072</u>

Less,

Portion of above due within one year	5,757,072
Portion of capital leases payable due in more than one year	807,670
Bonds payable due in more than one year	<u>\$ 146,181,820</u>

The City administration believes it is in compliance with Federal arbitrage regulations, which apply to bonded debt, and that the City's liability, if any, under these regulations, is not material.

#### Governmental Activities Long-Term Debt:

Bonds issued in order to acquire capital assets, for which the City has pledged an unlimited ad valorem property tax levy to satisfy the principal and interest on the bonds as they become due:

	<u>Interest Rate</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
Lease Rental Revenue Refunding Bonds of 2011 (West Clay road)	5.000%	2011	2024	\$ 25,190,000	\$ 11,195,000
Lease Rental Revenue Multipurpose Bonds, Series 2012A	2.625%- 4.000%	2012	2038	115,900,000	115,900,000
Lease Rental Revenue Multipurpose Bonds, Series 2012B	1.190%- 3.000%	2012	2025	69,245,000	40,055,000
Lease Rental Revenue Bonds of 2005 (unrefunded portion)	5.800%- 8.450%	2005	2026	19,649,150*	34,064,201
Redevelopment District Bonds of 2013	2.000%- 4.000%	2013	2035	6,535,000	5,850,000
Lease Rental Revenue Refunding Bonds, Series 2014	2.250%- 5.000%	2014	2027	55,685,000	55,065,000
General Obligation Bonds, Series 2016A	2.000%- 5.000%	2016	2036	1,214,000	1,084,000
General Obligation Bonds, Series 2016B	2.000%- 5.000%	2016	2036	1,089,000	971,000
General Obligation Bonds, Series 2016C	2.000%- 5.000%	2016	2036	1,633,000	1,458,000
General Obligation Bonds, Series 2016D	2.000%- 5.000%	2016	2036	1,373,000	1,225,000
General Obligation Bonds, Series 2016E	2.000%- 5.000%	2016	2036	1,599,000	1,427,000
General Obligation Bonds, Series 2016F	2.000%- 5.000%	2016	2036	1,577,000	1,408,000

General Obligation Bonds, Series 2016G	2.000%- 5.000%	2016	2036	1,373,000	1,225,000
General Obligation Bonds, Series 2016H	2.000%- 5.000%	2016	2036	1,577,000	1,408,000
General Obligation Bonds, Series 2016I	2.000%- 5.000%	2016	2036	1,426,000	1,273,000
General Obligation Bonds, Series 2016J	2.000%- 5.000%	2016	2036	1,513,000	1,350,000
General Obligation Bonds, Series 2016K	2.000%- 5.000%	2016	2036	1,394,000	1,244,000
General Obligation Bonds, Series 2016L	2.000%- 5.000%	2016	2036	1,383,000	1,235,000
General Obligation Bonds, Series 2016M	2.000%- 5.000%	2016	2036	1,211,000	1,081,000
2016 Storm Water Bond (Authorized: \$44,500,000)	2.000%- 5.000%	2016	2036	30,720,000	26,734,000
Lease Rental Bonds, Series 2016A (Public Infrastructure Projects)	2.000%- 5.000%	2016	2036	139,872,000**	136,547,000
Redevelopment Authority Lease Rental Bonds, Series 2016B (Economic Development Projects)	2.000%- 5.000%	2016	2029	10,337,000	9,677,000
Redevelopment Authority Lease Rental Bonds, Series 2016C (Energy Center Project)	2.000%- 5.000%	2016	2035	15,164,000	13,650,000
Taxable Special Program Bonds, Series 2016	1.576%- 3.762%	2016	2041	18,830,000	18,830,000
Redevelopment Authority Taxable Lease Rental Bonds, Series 2016D (Midtown Phase 1A)	1.576%- 3.762%	2016	2041	10,890,000	10,890,000
Redevelopment Authority Tax-Exempt Lease Rental Bonds, Series 2017B-1	3.000% - 5.000%	2017	2037	32,495,000	32,335,000
Redevelopment Authority Tax-Exempt Lease Rental Bonds, Series 2017B-2	3.200% - 3.200%	2017	2037	24,000,000	23,850,000
Redevelopment Authority Taxable Lease Rental Bonds, Series 2017C-1	2.006% - 3.200%	2017	2027	815,000	700,000
Taxable Lease Rental Bonds, Series 2019A-1	3.940%	2019	2027	10,525,000	9,915,000
Taxable Lease Rental Bonds, Series 2019A-2	3.990% - 4.850%	2019	2035	8,170,000	7,910,000

\* Original amount refers to the original amount of the *non-refunded portion only* of any partially refunded bonds.

\*\* City has additionally pledged county option income tax (COIT).

In the year ended December 31, 2019, the total of payments on the bonds listed above was 0.581% of taxable assessed value.

Bonds issued in order to acquire capital assets, for which the City has pledged its county option income tax (COIT) revenue up to the amount needed to satisfy the principal and interest on the bonds as they become due:

	<u>Interest Rate</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
COIT Refunding Bonds of 2011	2.320%	2011	2022	7,180,000	2,230,000
COIT Lease Rental Revenue Refunding Bond, Series 2014B (Northwest Clay Road)	3.000% - 5.000%	2014	2027	46,795,000	36,940,000
LIT Lease Rental Revenue Refunding Bonds, Series 2017	2.360% - 2.360%	2017	2030	23,180,000	21,350,000

In the year ended December 31, 2019, the total of payments on the bonds listed immediately above was 18.1% of annual county option income tax revenue.

Bonds issued in order to acquire capital assets, for which the City has pledged its incremental tax revenue from certain allocation areas up to the amount needed to satisfy the principal and interest on the bonds as they become due:

	<u>Interest Rate</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
Taxable Tax Increment Revenue Bonds, Series 2004A	6.650%	2004	2024	9,500,000	3,500,000
Redevelopment Authority Taxable Lease Rental Bonds, Series 2017A (Midtown South)	1.973% - 3.864%	2017	2042	7,405,000	7,405,000
Taxable Lease Rental Bonds, Series 2017C-2	2.100% - 3.750%	2017	2025	16,600,000	16,050,000
Taxable Economic Development Lease Rental Revenue Bonds, Series 2018A (Midtown West Project)	2.500% - 5.000%	2018	2043	12,645,000	12,645,000
2019 City Center Community Development Loan	5.150%	2019	2021	6,000,000	6,000,000

In the year ended December 31, 2019, the total of payments on the bonds listed immediately above was 11.1% of annual incremental tax revenue.

	<u>Interest Rate</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
Contract purchases of capital assets:					
Loft A Private Placement 2011	LIBOR	2011	2033	9,630,000	7,265,000
Restated Secondary Village #1	LIBOR	2013	2034	4,500,000	2,119,233
Total bond principal and contract purchases					685,060,434
Capital Leases	3.400% - 7.650%	2010-2019	2028	N/A	8,433,199
Compensated Absences	N/A	N/A	N/A	N/A	1,387,219
Total bond principal, contract purchases, capital leases, and compensated absences.					694,880,852
Bond premium					54,034,964
Total governmental activities bonds, contract purchases, capital leases, and compensated absences.					<u>\$ 748,915,816</u>

Business-type activities long-term debt:

Bonds issued in order to acquire capital assets, for which the City has pledged its sewer or water user fee revenue, net of reasonable expenses of operation, repair, and maintenance, up to the amount needed to satisfy the principal and interest on the bonds for the term of the bonds:

	<u>Interest Rate</u>	<u>Year of Issue</u>	<u>Year of Maturity</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>
Sewer Utility 2005 Revenue Bonds Refinance	4.320%- 4.610%	2005	2026	\$ 11,000,000	\$ 4,521,000
Sewer Utility 2009 SRF	0.420%	2009	2030	5,894,000	3,213,559
Sewer Utility 2012 Revenue Bonds	2.000%- 3.250%	2012	2032	11,040,000	8,205,000
Waterworks Special Program Bonds, Series 2016	3.000%- 5.000%	2016	2028	53,735,000	49,700,000
Water Utility 2008 Capital Appreciation Bonds	4.130%- 5.790%	2008	2025	20,547,740	38,985,711
Water Utility Junior Waterwork Revenue Bond of 2012	2.000%- 4.000%	2012	2036	21,625,000	16,380,000
Junior Waterworks Revenue Refunding Bonds of 2017	1.800%- 3.700%	2017	2037	13,000,000	11,967,000
Waterworks Revenue Bond Anticipation Notes of 2019	2.320%	2019	2023	17,745,000	17,745,000
Bond Premium/ Discount					<u>448,607</u>
Total bonded debt, including amount due in one year					151,165,877
Capital Leases		2013	2029	1,198,932	1,092,136
Compensated Absences	N/A	N/A	N/A	N/A	<u>488,548</u>
Total business-type activities bonds, capital leases, and compensated absences.					<u>152,746,561</u>
Total City bonds, capital leases, and compensated absences.					<u>\$ 901,662,377</u>

In the year ended December 31, 2019, revenue, net of reasonable expenses for operation, repair, and maintenance, 182.2% of debt service requirement for the Water utility and 1204.6% of debt service requirement for the Sewer utility.

The City has pledged up to \$1,115,000 of county option income tax revenue, payable in the event an overlapping unit of government is unable to service certain debt. The City does not expect to be called upon to make these payments.

The City expects the pledged revenue will be more than sufficient to satisfy the principal and interest on the obligations listed above. This revenue is not pledged to satisfy any other obligations, nor is it committed for operating or other necessary expenditures.

Interest on long term debt has been charged as a direct expense in certain instances in which borrowing has been essential to the creation or continued existence of projects, as follows:

Streets and infrastructure	\$ 12,108,326
Economic development	<u>12,065,604</u>
Total	<u>\$ 24,173,930</u>

## 2. Debt Service Requirements to Maturity

### Governmental Activities:

Year Ended December 31	Notes and Loan Payable - Direct Placement			Contract Purchase Obligations Payable		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 4,390,000	\$ 2,658,121	\$ 7,048,121	\$ 646,618	\$ 576,240	\$ 1,222,858
2021	10,520,000	2,291,296	12,811,296	684,442	540,323	1,224,765
2022	4,630,000	1,918,286	6,548,286	717,543	523,731	1,241,274
2023	4,320,000	1,750,716	6,070,716	755,929	465,083	1,221,012
2024	4,335,000	1,578,173	5,913,173	794,612	425,167	1,219,779
2025 - 2029	20,410,000	5,946,191	26,356,191	4,190,089	1,356,357	5,546,446
2030 - 2034	16,260,000	3,029,239	19,289,239	1,595,000	90,652	1,685,652
2035 - 2039	9,890,000	602,408	10,492,408	-	-	-
2040 - 2044	-	-	-	-	-	-
<b>Total Requirements</b>	<b>\$ 74,755,000</b>	<b>\$ 19,774,430</b>	<b>\$ 94,529,430</b>	<b>\$ 9,384,233</b>	<b>\$ 3,977,553</b>	<b>\$ 13,361,786</b>

Year Ended December 31	Notes and Loan Payable - Direct Borrowings			Notes and Loan Payable - Total		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 23,367,279	\$ 26,955,721	\$ 50,323,000	\$ 28,403,897	\$ 30,190,082	\$ 58,593,979
2021	25,039,439	26,434,592	51,474,031	36,243,881	29,266,211	65,510,092
2022	26,537,702	25,912,126	52,449,828	31,885,245	28,354,143	60,239,388
2023	27,423,488	25,292,106	52,715,594	32,499,417	27,507,905	60,007,322
2024	27,193,494	25,502,300	52,695,794	32,323,106	27,505,640	59,828,746
2025 - 2029	175,289,702	82,579,788	257,869,490	199,889,791	89,882,336	289,772,127
2030 - 2034	171,919,000	43,191,244	215,110,244	189,774,000	46,311,135	236,085,135
2035 - 2039	94,473,000	8,334,958	102,807,958	104,363,000	8,937,366	113,300,366
2040 - 2044	6,900,000	415,963	7,315,963	6,900,000	415,963	7,315,963
	578,143,104	\$ 264,618,798	\$ 842,761,902	662,282,337	\$ 288,370,781	\$ 950,653,118
Unamortized Accretion on CABs	22,778,097			22,778,097		
<b>Total Requirements</b>	<b>\$ 600,921,201</b>			<b>\$ 685,060,434</b>		

### Business-Type Activities:

Year Ended December 31	Principal	Interest	Total
2020	\$ 4,984,058	\$ 6,407,937	\$ 11,391,995
2021	5,470,260	6,409,581	11,879,841
2022	6,010,466	6,341,733	12,352,199
2023	24,341,678	6,042,104	30,383,782
2024	8,139,894	5,688,838	13,828,732
2025 - 2029	57,638,901	24,117,112	81,756,013
2030 - 2034	39,164,013	4,493,644	43,657,657
2035 - 2039	4,968,000	255,875	5,223,875
<b>Total</b>	<b>150,717,270</b>	<b>\$ 59,756,825</b>	<b>\$ 210,474,095</b>
2008 bond call rights waiver Premium/Discount	448,607		
<b>Bonded debt</b>	<b>\$ 151,165,877</b>		

### 3. Capital Leases

#### Governmental Activities:

The City has entered into various capital leases for equipment for various departments, including Police, Fire, Streets, and for a golf course. As of December 31, 2019, the City had assets with an original cost of \$13,963,613 and accumulated depreciation of \$4,620,682 financed through capital leases.

Year Ended December	Equipment Capital Leases		
	Principal	Interest	Total
2020	\$ 2,569,887	\$ 194,397	\$ 2,764,284
2021	2,101,509	151,778	2,253,287
2022	1,526,260	98,351	1,624,611
2023	873,790	62,607	936,397
2024	535,042	38,823	573,865
2025 - 2029	826,711	59,469	886,180
Total	<u>\$ 8,433,199</u>	<u>\$ 605,425</u>	<u>\$ 9,038,624</u>

#### Business-type Activities:

The Water and Sewer Utilities entered into various capital leases for certain equipment. As of December 31, 2019, the Utilities had assets with an original cost of \$1,198,932 and accumulated depreciation of \$405,338 financed through capital leases.

#### Capital Leases:

Year Ended December 31	Principal	Interest	Total
2020	\$ 284,466	\$ 21,675	\$ 306,141
2021	225,170	16,919	242,089
2022	157,171	13,252	170,423
2023	58,049	10,372	68,421
2024	60,211	38,823	99,034
2025 - 2029	307,069	19,727	326,796
Total	<u>\$ 1,092,136</u>	<u>\$ 120,768</u>	<u>\$ 1,212,904</u>

### 4. Operating Leases

The City owns a certain office and theater building and is lessor to certain private tenants. The cost of the office and theater building is \$20,500,000. Depreciation expense for the year ended 2019 was \$410,000 and book value for the year ended 2019 was \$17,630,000.

### 5. Other Commitments

Various claims and lawsuits are pending against the City. At December 31, 2019, the administration believes the amount payable for claims and judgments, if any, is not material in relation to the basic financial statements taken as a whole.

Certain City officials are empowered to issue purchase orders and enter into contracts that constitute contractual obligations of the City. These encumbrances, treated as assigned fund balance as of December 31, 2019, are as follows.

Total assigned from governmental fund balances: \$ 3,014,336

These commitments, if any, are included in, and do not exceed, the committed or restricted fund balances of the respective funds. Construction commitments for the Water and Sewer Enterprise Funds were less than \$100,000.

**6. Nominal Debt Used as Tax Incentives**

The City has entered into certain transactions for the purpose of providing tax incentives to private firms to redevelop designated property meeting certain criteria. Although the incentives take the legal form of debt, neither the City nor any other entity is ultimately liable. For the designated property, the private firm is the property owner, the buyer of the bonds, and the sole taxpayer. There is no recourse to the City. If the private firm makes improvements on the property, incremental property tax revenue is generated, and some portion of that revenue is pledged to the payment of the bonds. In effect, the private firm is reimbursed for a portion of the incremental property tax it paid. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

- 2018 Tax-Exempt Economic Development Revenue Bonds (KAR Auction Services, Inc.)
- 2018 Taxable Economic Development Revenue Bonds (Meridian and Main - Indiana Spine Group II Project)
- 2018 Taxable Economic Development Revenue Bonds (Sunrise on the Monon)
- 2017 Installment Purchase Contract (Monon & Main)
- 2017 Economic Development Revenue Bonds (Edward Rose Development Carmel, LLC, Project)
- 2015 Economic Development Revenue Bonds (KG Main, LLC, Project)
- 2011A Senior Economic Development Revenue Bonds (Arts District Lofts & Shoppes)
- 2011 Taxable Economic Development Revenue Bonds (Meridian and Main)
- 2011 Taxable Economic Development Revenue Bonds (116th Street Centre Project)
- 2011 B Subordinate Economic Development Revenue Bonds (Arts District Shops and Lofts)
- 2006 B Taxable Economic Development Revenue Bonds (Buckingham-Gramercy Project)

**7. Schedule of Outstanding Principal on Advance Refunded Debt**

<u>Outstanding Bonds</u>	<u>Outstanding Amount</u> <u>Refunded Bonds</u>	<u>Bonds Refunded</u>	<u>Outstanding</u> <u>Through</u>
Local Income Tax Lease Rental Revenue Refunding Bonds, Series 2017	\$ 22,325,000	2010 COIT LR Bonds	1/1/2031
Lease Rental Revenue Multipurpose Bonds, Series 2012A	33,265,000	2010A COPS 2010B	1/15/2035
Taxable Lease Rental Revenue Multipurpose Bonds, Series 2012B	2,245,000	COPS 2010C COPS	1/15/2035
Carmel Bond Bank Lease Rental Refunding Bonds, Series 2016C	13,440,000	2008B Jr. Water	7/15/2035
Carmel Bond Bank Special Program Bonds, Series 2016	54,095,000		6/1/2026
	<u>\$ 125,370,000</u>		

**E. Risk Management; Claims**

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters. The City administration believes these risks are adequately covered by the purchase of insurance. Settlements in excess of insurance, if any, have not been material in the past three years.

The City has chosen to establish a Self Insurance Fund to mitigate the risk of loss related to employee health claims. An excess liability policy through commercial insurance covers individual claims in excess of \$175,000 per year and provides an aggregate commercial insurance coverage of amounts over \$14,062,000. There were no significant reductions in insurance coverages from prior years. Settled claims resulting from this risk did not exceed aggregate commercial insurance coverage in the three years ended December 31, 2019.

Amounts are paid into the Fund by user departments. Funds are available for claims, claim reserves, and administrative costs of the program. Interfund transfers into the Fund are based upon the actual claims incurred of each department's current year eligible employees. The basis for estimating unpaid claims, including specific incremental claim adjustment expenditures, if any, is a study of actual claims experience in recent past periods.

Changes in the balance of claim liabilities are as follows:

	<u>2019</u>	<u>2018</u>
Unpaid claims, beginning of fiscal year	\$ 510,271	\$ 479,159
Incurred claims and changes in estimates	11,805,111	9,927,270
Claim payments	<u>11,668,670</u>	<u>9,896,158</u>
Unpaid claims, end of fiscal year	<u>\$ 646,713</u>	<u>\$ 510,271</u>

## F. Pension Plans

### 1. Single Employer Defined Pension Plan

#### Plan Description

The Municipal Police Officers' 1925 and Firefighters' 1937 Plans are distinct single-employer defined benefit pension plans. The plans are administered by local pension boards. The plans provide retirement, disability, and death benefits to plan members and beneficiaries. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

As established by Indiana law, the boards for the police officers' and firefighters' plans consist of eight and five members, respectively. On each board, the mayor of the City and the chief of each department serve ex officio. On the police board, the fiscal officer of the City also serves ex officio. The remaining members are elected by the active members, police and firefighters, respectively. At least one member of each board must be a retired beneficiary of the respective plan.

#### Benefits provided:

Members of the police and fire departments hired prior to May 1, 1977, who retire with 20 or more years of active duty receive fifty percent of the salary of a first-class patrol officer or firefighter plus:

1. If retired prior to January 1, 1986, receives 2% of the first-class salary for each year of service in excess of 20, or;
2. If retired after December 31, 1985, receives 1% of first-class patrolman salary for each 6 months of service in excess of 20 years. The total benefit may not exceed 74% of first-class salary.

Effectively, benefits are subject to a cost-of-living adjustment because they are tied to current members' salaries, which tend to be adjusted each year, as opposed to the historical salaries of the retirees.

The plans also offer a disability benefit whereby members of the police and fire departments who have suffered or contracted a mental or physical disease or disability that renders the member unable to perform the essential function of the department will receive the greater of 55% of first-class salary or the pension benefit the member would have received if the member had retired on the disability date.

The plans also provide a death benefit for a surviving spouse to receive the greater of

1. 30% of the monthly pay of a first-class patrol officer, or
2. 55% of the benefit the retiree was receiving.

In addition, each child of the deceased member will receive 20% of the monthly pay of a first-class officer or firefighter. Total benefit for all such beneficiaries may not exceed the pension benefit the deceased member was receiving. In addition to the above benefit, a funeral benefit of \$12,000 will be paid to heirs of the deceased member.

Membership in the Plans as of the most recent actuarial valuation was comprised of the following:

	<u>Police</u>	<u>Fire</u>
Retirees and beneficiaries currently receiving benefits	14	15
Terminated employees entitled to but not yet receiving benefits	-	-
Current active employees	-	-
Total Plan Members	<u>14</u>	<u>15</u>

The plans are closed to new entrants.

Active members of the 1925 Police Officers' and 1937 Firefighters' plans had the option of converting to the 1977 Police Officers' and Firefighters' Fund, which is described more fully below. Converttees were given a \$10,000 bonus by the State of Indiana for exercising the option to convert. After such a conversion, the member is covered by the benefit structure of the new plan, but the benefits are still financed by the local unit. Of the Carmel members, four retired police officers and three retired firefighters converted.

Active members of the 1925 Police Officers' and 1937 Firefighters' plans had the option of participating in the deferred retirement option plan (DROP). Under that plan, an active member could declare in advance a future retirement date. From the time of that declaration, contributions on behalf of that member would have been segregated into a separate fund for his benefit. Upon retirement, the member would have several options with regard to taking the balance in this fund in the form of a lump sum or future payments. The member's regular retirement benefits would be paid as if he had retired on his declaration date. The City has no participants in DROP.

Contributions:

The plans are administered on a pay-as-you-go basis. Plan members are required by Indiana law to contribute an amount equal to 6 percent of the salary of a first-class patrolman. For the year ended December 31, 2019, the State of Indiana contributed \$564,928 to the '25 Police Officers' Plan and \$584,282 to the '37 Firefighters' Plan on behalf of the City during the fiscal year.

Net Pension Liability and Pension Expense:

The City's net pension liability of \$9,505,178 for the '25 Police Officers' Plan and \$10,330,409 for the '37 Firefighters' Plan was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. For the year ended December 31, 2019, the City recognized pension expense of \$338,784 for the '25 Police Plan and \$369,099 for the '37 Firefighters Plan.

Assumptions and Other Inputs

Measurement Date	December 31, 2019
Valuation Date	December 31, 2018—Police Officers' member census data as of January 1, 2019, and Firefighters' member census data as of January 1, 2019, was used in the valuation.
Mortality and Mortality Improvement	<u>SOA published mortality table:</u> RP-2014 blue collar mortality table adjusted to 2006 base year. Separate tables for males and female participants. Separate tables for active employees, healthy annuitants, and disabled participants.  <u>SOA published mortality improvement scale:</u> MP-2018 generational, which projects mortality improvement indefinitely after the 2006 base mortality year beginning with high initial improvement (based on recent experience) and tapering to a lower level of improvement for long-term mortality projections.
Discount Rate	3.54% Police Officers; 3.58% Firefighters for 2019 3.54% Police Officers; 3.58% Firefighters for 2018
Investment Earnings Rate	The plans maintain no investments and have no expectation of future earnings from investments. The plans' assets are cash balances available for incidental expenses. These are managed in the same way as other City deposits and may earn negligible returns from interest-bearing accounts.
Cost of Living Increase:	
1925 or 1937 Plan	2.50%
1977 Plan Converted	2.50%

Changes in the Net Pension Liability:

	<u>'25 Police Officers' Plan</u>		
	<u>Total Pension</u>	<u>Increase (Decrease)</u>	
	<u>Liability</u>	<u>Plan Fiduciary</u>	<u>Net Pension</u>
		<u>Net Position</u>	<u>Liability</u>
Balances as of December 31, 2018	\$ 9,893,565	\$ 131,361	\$ 9,762,204
Changes for the year:			
Service Cost	-	-	-
Interest	339,070	-	339,070
Changes in Plan Provisions	-	-	-
Difference between Expected and Actual Experience	-	-	-
Changes in Assumptions	-	-	-
Benefit Payments	(582,141)	-	(582,141)
Employer contributions	-	564,928	(564,928)
Employee contributions	-	-	-
Net transfers into (out of) trust	-	-	-
Net investment income	-	4,121	(4,121)
Benefit payments	-	(582,141)	582,141
Administrative expenses	-	-	-
Other	-	27,047	(27,047)
Balances as of December 31, 2019	<u>\$ 9,650,494</u>	<u>\$ 145,316</u>	<u>\$ 9,505,178</u>
Fiduciary net position as a percentage of total pension liability			<u>1.51%</u>

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

At December 31, 2019, the City reported a net pension liability of \$9,505,178 for the '25 Police Officers' Plan.

For the year ended December 31, 2019, the City recognized pension expense of \$338,784, which included net amortization of deferred amounts from investment gains and/or losses. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the '25 Police Officers' Plan from the following sources:

'25 Police Officers' Plan

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances as of December 31, 2018	\$ 9,252	\$ -
Differences between expected and actual experience	-	-
Current amortization (deduct)	(3,989)	-
Changes in assumptions	-	-
Investments	<u>529</u>	<u>-</u>
Balances as of December 31, 2019	<u>\$ 5,792</u>	<u>\$ -</u>

Deferred inflows of resources resulting from the differences between projected and actual investment earnings on Plan investments are amortized over a 5-year period. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Fiscal Year End</u>	
2020	\$ 2,922
2021	1,832
2022	932
2023	106
2024	-
Thereafter	-
	<u>\$ 5,792</u>

Changes in the Net Pension Liability:

	<u>'37 Firefighters' Plan</u>		
	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
Balances as of December 31, 2018	\$ 10,601,151	\$ 5,405	\$ 10,595,746
Changes for the year:			
Service Cost	-	-	-
Interest	367,840	-	367,840
Changes in Plan Provisions	-	-	-
Difference between Expected and Actual Experience	-	-	-
Changes in Assumptions	-	-	-
Benefit Payments	(602,362)	-	(602,362)
Employer contributions	-	584,282	(584,282)
Employee contributions	-	-	-
Net transfers into (out of) trust	-	-	-
Net investment income	-	847	(847)
Benefit payments	-	(602,362)	602,362
Administrative expenses	-	-	-
Other	-	48,048	(48,048)
Balances as of December 31, 2019	<u>\$ 10,366,629</u>	<u>\$ 36,220</u>	<u>\$ 10,330,409</u>
Fiduciary net position as a percentage of total pension liability			<u>0.35%</u>

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

At December 31, 2019, the City reported a net pension liability of \$10,330,409 for the '37 Firefighters' Plan.

For the year ended December 31, 2019, the City recognized pension expense of \$369,099, which included net amortization of deferred amounts from investment gains and/or losses. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the '37 Firefighters' Plan from the following sources:

'37 Firefighters' Plan

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balances as of December 31, 2018	\$ 1,803	\$ -
Differences between expected and actual experience	-	-
Current amortization (deduct)	(812)	(131)
Changes in assumptions	-	-
Investments	-	654
Balances as of December 31, 2019	<u>\$ 991</u>	<u>\$ 523</u>

Deferred inflows of resources resulting from the differences between projected and actual investment earnings on Plan investments are amortized over a 5-year period. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Fiscal Year End</u>	
2020	\$ 428
2021	174
2022	(3)
2023	(131)
2024	-
Thereafter	-
	<u>\$ 468</u>

Sensitivity of Net Pension Liability to Changes in the Discount Rate:

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the City's net pension liability, calculated using the single discount rate, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
'25 Police Officers' Plan	\$ 10,555,654	\$ 9,505,178	\$ 8,614,221
'37 Firefighters' Plan	\$ 11,508,206	\$ 10,330,409	\$ 9,337,045

Participation by State of Indiana

The State of Indiana granted substantially all of the funds needed to cover the benefit payments of the 1925 Police Pension Plan and the 1937 Firefighters Pension Plan for the year ended December 31, 2019. The amounts were \$564,928 and \$584,282, respectively. The State of Indiana is not obligated to make such payments in the future, and the City remains liable for future pension expenditures.

STATEMENT OF FIDUCIARY NET POSITION - PENSION FUNDS

December 31, 2019

	'25 Police Pension Trust	'37 Fire Pension Trust Fund
ASSETS:		
Cash and cash equivalents	\$ 145,316	\$ 36,220
Receivable from State of Indiana	49,843	47,714
Total assets	195,159	83,934
LIABILITIES: payroll withholdings		
	49,843	47,714
NET POSITION: restricted for pensions	\$ 145,316	\$ 36,220

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION FUNDS

For the Fiscal Year Ended December 31, 2019

	'25 Police Pension Trust	'37 Fire Pension Trust Fund
ADDITIONS:		
State of Indiana contributions	\$ 564,928	\$ 584,282
Investment income	4,121	847
Miscellaneous revenue	43,342	45,100
Total additions	612,391	630,229
DEDUCTIONS:		
Benefits	-	599,414
Other services and charges	598,436	-
Total deductions	598,436	599,414
NET INCREASE (DECREASE) IN NET POSITION	13,955	30,815
NET POSITION: beginning	131,361	5,405
NET POSITION: ending - restricted for pensions	\$ 145,316	\$ 36,220

***2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan Public Employees' Retirement Fund***

Plan Description:

The City contributes to the Public Employees' Retirement Fund (PERF), which is administered by the Indiana Public Retirement System (INPRS). It is a cost-sharing, multiple-employer defined benefit plan. PERF provides retirement, disability, and survivor benefits to full-time employees of the State not covered by another plan, those political subdivisions that elect to participate in the retirement plan, including the City of Carmel, and certain INPRS employees. There are two tiers to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan), and the second is the Public Employees' Defined Contribution Plan (PERF My Choice Retirement Savings Plan).

City of Carmel participants are viewed by INPRS to be classified into two groups, solely for purposes of actuarial evaluation:

1. Employees who are compensated through the Parks Department of the General Fund and through certain other funds committed or restricted for parks (Parks).
2. All other civilian employees of the City (City).

There are two components to the PERF Hybrid Plan defined benefit structure: PERF DB, the monthly employer-funded defined benefit component, along with the Public Employees' Hybrid Members Defined Contribution Account (PERF DC), a member-funded account.

First time new employees hired by the State or a participating political subdivision who offers a choice have a one-time election to join either the PERF Hybrid plan or PERF My Choice: Retirement Savings Plan for Public Employees (PERF MC DC). Refer to the Description of Defined Contribution Funds for discussion of both the PERF DC and PERF MC DC accounts. A new hire that is an existing member of PERF Hybrid and was not given the option for the PERF MC DC plan is given the option to elect PERF MC DC or remain in PERF Hybrid.

### Eligibility for Pension Benefit Payment:

#### Full Retirement Benefit

- At age 65 with at least 10 years of creditable service (eight years for certain elected officials).
- At age 60 with at least 15 years of creditable service.
- At age 55 if age and creditable service total at least 85 ("Rule of 85").
- At age 55 with 20 years of creditable service and active as an elected official in the PERF-covered position. At age 70 with 20 years of creditable service and still active in the PERF-covered position.

#### Early Retirement Benefit

Age 50 and minimum of 15 years of creditable service (44 percent of full benefit at age 50, increasing five percent per year up to 89 percent at age 59).

#### Disability Benefit

An active member qualifying for Social Security disability with five years of creditable service may receive an unreduced retirement benefit for the duration of their disability (minimum of \$180 per month).

#### Survivor Benefit

While in active service, a spouse or dependent beneficiary of a member with a minimum of 15 years of creditable service receives a benefit as if the member retired the later of age 50 or the age the day before the member's death. While receiving a benefit, a spouse or dependent receives the benefit associated with the member's selected form of payment: Five Year Certain & Life, Joint with 100 percent Survivor Benefits, Joint with Two-Thirds Survivor Benefits, or Joint with One-Half Survivor Benefits.

### Contribution Rates

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 11.2 percent of covered payroll, with 0.43 percent funding a supplemental reserve account for postretirement benefits. Contributions from employers with PERF MC DC plan members, who either currently offer or have offered PERF Hybrid, fund PERF DB's unfunded liability at 8.2 percent of covered payroll for the State and 7.4 percent for political subdivisions. No member contributions are required.

### Benefit Formula & Postretirement Benefit Adjustment

Lifetime Annual Benefit = Years of Creditable Service x Average Highest Five-Year Annual Salary x 1.1 percent (minimum of \$180 per month). Average annual compensation is outlined in IC 5-10.2-4-3 and includes compensation of not more than \$2,000 received from the employer in severance.

Postretirement benefit increases are granted on an ad hoc basis pursuant to IC 5-10.2-12.4 and administered by the Board. For the year ended June 30, 2019, postretirement benefits of \$29.6 million were issued to members as a 13th check.

### Description of Defined Contribution Funds: Public Employees' Defined Contribution Account (PERF DC)

PERF DC is a multiple-employer defined contribution fund providing retirement benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships and other governmental units) that elected to participate in the retirement fund. Administration of the account is generally in accordance with IC 5-10.2, IC 5-10.3, 35 IAC 1.2, and other Indiana pension law.

PERF DC fund provides supplemental defined contribution benefits under the PERF Hybrid plan. Refer to the Description of Defined Benefit Funds for discussion of the PERF Hybrid plan.

First time new employees hired by the State of Indiana or a political subdivision that offers a choice have a one-time election to join either PERF Hybrid or PERF My Choice. A state rehire that is an existing member of PERF Hybrid plan and was not given the option for PERF My Choice is given the option to elect PERF My Choice or remain in PERF Hybrid.

### Contribution Rates

Member contributions under PERF DC are set by statute and the Board at three percent of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary post-tax member contributions up to 10 percent of their compensation can be made solely by the member.

### Retirement & Termination Benefit

Members are entitled to the sum total of vested contributions plus earnings 30 days after separation from employment (retirement, termination, disability, or death). The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements). PERF DC members are 100 percent vested in their account balance.

### Disability Benefit

Upon providing proof of the member's qualification for social security disability benefits, the member is entitled to the sum total of contributions plus earnings. The amount can be paid in a full or partial withdrawal as a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

### Survivor Benefit

Beneficiary is entitled to the sum total of contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

### Description of Defined Contribution Funds: My Choice: Retirement Savings Plan for Public Employees (PERF MC DC)

PERF MC DC is a multiple-employer defined contribution fund providing retirement benefits to full-time employees of the State of Indiana not covered by another plan and those political subdivisions (counties, cities, townships, and other governmental units) that elected to participate in the retirement fund. PERF MC DC is a primary defined contribution benefit plan for members making this election. Administration of the account is generally in accordance with other Indiana pension law.

First time new employees hired by the State of Indiana or a political subdivision who offer a choice have a one-time election to join either PERF Hybrid or PERF My Choice. A state hire that is an existing member of PERF Hybrid plan and was not given the option for PERF My Choice is given the option to elect PERF My Choice or remain in PERF Hybrid.

### Contribution Rates

The PERF MC DC plan may be funded with an employer variable rate contribution. The variable rate contribution is three percent for state employees and up to 3.8 percent for political subdivision members. Political subdivisions may match 50 percent of a member's voluntary contributions.

Member contributions under the PERF MC DC are set by statute and the Board at three percent of covered payroll. The employer may choose to make these contributions on behalf of the member. Under certain limitations, voluntary member contributions up to 10 percent can be made solely by the member.

### Retirement & Termination Benefit

Members are entitled to the sum total of vested contributions plus earnings 30 days after separation from employment (retirement, termination, disability, or death). The amount may be paid in a lump sum, partial lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements). PERF MC DC members are 100 percent vested in member and voluntary contributions, and vested in employer variable rate contributions at 20 percent after one year of service and increases in 20 percent increments for each year of service thereafter until 100 percent vested after five years of service.

### Disability Benefit

Upon providing proof of the member's qualification for social security disability benefits, the member is entitled to the sum total of vested contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

### Survivor Benefit

Beneficiary is entitled to the sum total of vested contributions plus earnings. The amount can be paid in a lump sum, direct rollover to another eligible retirement plan, or a monthly annuity (in accordance with INPRS requirements).

## **Summary of Significant Accounting Policies:**

### **Basis of Presentation**

The accompanying financial statements for the eight defined benefit funds (DB Funds), four defined contribution funds (DC Funds), one other postemployment fund, and one custodial fund are prepared using the economic resources measurement focus. In the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position, PERF DC and PERF My Choice are combined into PERF DC for the purposes of presentation. INPRS's financial statements are not intended to present the financial position or results of operations for the state of Indiana or any other retirement and benefit plans administered by the state.

### **Basis of Accounting**

#### Accrual Basis

INPRS maintains records and prepares financial statements using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to governmental units.

#### Provision for Taxes

All defined benefit funds administered by INPRS are qualified under section 401(a) of the internal revenue code and are exempt from federal income taxes. Therefore, no provision for income taxes has been included in the financial statements.

## Use of Estimates

In preparing the financial statements in conformity with GAAP, INPRS management makes estimates and assumptions that affect the reported amount of assets and liabilities, disclosures of contingent assets and liabilities, as well as the reported amounts of revenue and expenses at the date of the financial statements. Actual results could differ from those estimates and assumptions.

## Contributions

Employer and member contributions are recognized when due, according to statutory requirements, in accordance with the terms of each plan. Nonemployer contributions are recognized when funds are received from the State of Indiana.

## Net Investment Income

Net appreciation (depreciation) is determined by calculating the change in the fair value of investments between the beginning of the year and the end of the year, less purchases of investments at cost, plus sales of investments at fair value. Other investment income is recognized when earned. Dividend income is recognized on the ex-dividend date. Investment expenses consist of external expenses directly related to INPRS's investment operations, as well as the internal administrative expenses associated with INPRS's investment program.

## Other Additions

Member reassignments are recorded when a member is retiring with service credit in multiple funds. Applicable member and employer balances are transferred between funds as allowed by the statute. The transfer allows all benefits to be paid from the fund designated by the member.

## Deductions & Expenses

Benefit payments, including refunds and distributions of employee contributions, are recognized when due and payable in accordance with the benefit terms. Internal administrative expenses are recognized when due and payable. INPRS also acts as a custodian to receive and distribute funds on a biannual basis to specific pension plans of local government entities.

Year-end expense accruals include compensated absences which are calculated for earned but unused vacation, compensatory, and personal time of full-time INPRS employees.

## Net Investment Assets

Investments are recorded on a trade-date basis and reported at fair value. Fair value is defined as the amount that can reasonably be expected to be received for an investment in a current sale between a willing buyer and a willing seller. Certain INPRS investment assets, in particular, Global Real Assets, Global Private Equity, and Opportunistic Investments, use estimates in reporting fair value in the financial statements. These estimates are subject to uncertainty in the near term, which could result in changes in the values reported for those assets in the Statement of Fiduciary Net Position.

The total pension liability is determined by INPRS actuaries in accordance with GASB No. 67 and No. 68, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations, and new estimates are made about the future. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

### Actuarial Assumptions and Inputs:

Significant actuarial assumptions and other inputs used to measure the total pension liability:

Type of Plan	The Public Employees' Retirement Fund is a cost-sharing multiple-employer plan for GASB accounting purposes.
Measurement Date	June 30, 2019
Valuation Date	June 30, 2019
Assets:	June 30, 2019
Liabilities:	June 30, 2018 – The TPL as of June 30, 2019 was determined based on an actuarial valuation prepared as of June 30, 2018 rolled forward one year to June 30, 2019, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.
Actuarial Cost	Entry Age Normal (Level Percent of Payroll)
Method Inflation	2.25% per year

Future Salary Increases	2.50% - 4.25% based on age	Productivity, Merit, and Promotion	Total Individual Salary Growth																								
	<table border="0"> <thead> <tr> <th style="text-align: center;"><u>Age</u></th> <th style="text-align: center;"><u>Inflation</u></th> <th style="text-align: center;"><u>Promotion</u></th> <th style="text-align: center;"><u>Salary Growth</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">&lt;31</td> <td style="text-align: center;">2.25%</td> <td style="text-align: center;">2.00%</td> <td style="text-align: center;">4.25%</td> </tr> <tr> <td style="text-align: center;">31-45</td> <td style="text-align: center;">2.25%</td> <td style="text-align: center;">1.50%</td> <td style="text-align: center;">3.75%</td> </tr> <tr> <td style="text-align: center;">46-55</td> <td style="text-align: center;">2.25%</td> <td style="text-align: center;">1.00%</td> <td style="text-align: center;">3.25%</td> </tr> <tr> <td style="text-align: center;">56-60</td> <td style="text-align: center;">2.25%</td> <td style="text-align: center;">0.50%</td> <td style="text-align: center;">2.75%</td> </tr> <tr> <td style="text-align: center;">&gt;=61</td> <td style="text-align: center;">2.25%</td> <td style="text-align: center;">0.25%</td> <td style="text-align: center;">2.50%</td> </tr> </tbody> </table>	<u>Age</u>	<u>Inflation</u>	<u>Promotion</u>	<u>Salary Growth</u>	<31	2.25%	2.00%	4.25%	31-45	2.25%	1.50%	3.75%	46-55	2.25%	1.00%	3.25%	56-60	2.25%	0.50%	2.75%	>=61	2.25%	0.25%	2.50%		
<u>Age</u>	<u>Inflation</u>	<u>Promotion</u>	<u>Salary Growth</u>																								
<31	2.25%	2.00%	4.25%																								
31-45	2.25%	1.50%	3.75%																								
46-55	2.25%	1.00%	3.25%																								
56-60	2.25%	0.50%	2.75%																								
>=61	2.25%	0.25%	2.50%																								
Cost-of-Living Increases	<p>As of June 30, 2019:</p> <p>In lieu of a COLA on January 1, 2020, and January 1, 2021, members in pay status were provided a 13th check on October 1, 2019 and October 1, 2020. Thereafter, the following COLAs, compounded annually, were assumed:</p> <p style="padding-left: 40px;">0.4% beginning on January 1, 2022 0.5% beginning on January 1, 2034 0.6% beginning on January 1, 2039</p> <p>As of June 30, 2018:</p> <p>In lieu of a COLA on January 1, 2019, members in pay status 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:</p> <p style="padding-left: 40px;">0.4% beginning on January 1, 2022 0.5% beginning on January 1, 2034 0.6% beginning on January 1, 2039</p>																										
Mortality Assumption (Healthy)	RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.																										
Mortality Assumption (Disabled)	RP-2014 (with MP-2014 improvement removed) Disability Mortality Table, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.																										
Experience Study	The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation based on the results of the study.																										
Discount Rate	<p>6.75%, net of investment expenses</p> <p>The discount rate is equal to the expected long-term rate of return on plan investments, net of investment expense and including price inflation. There was no change in the discount rate from the prior measurement date.</p> <p>The INPRS Board of Trustees has established a funding policy of setting the employer contribution rate equal to the greater of 11.2% (the current contribution rate) or a rate equal to the actuarially determined contribution rate, which is based on the assumptions and methods selected by the Board for the annual actuarial valuations and projected covered member payroll. The June 30, 2019 actuarial valuation assumes a long-term rate of return on assets of 6.75%, a 20-year level dollar closed method for amortizing the future layers of unfunded actuarial accrued liability (30 years for amortization layers established prior to June 30, 2016), and a 5-year smoothing method for recognizing investment gains and losses in the actuarial value of assets.</p> <p>In the past several years, the Board has followed its current funding policy and the State has complied in its contributions to the plan. Therefore, if past practice is continued, the appropriations will be sufficient to fully fund the plan within 20 to 30 years. In the past, deterministic projections have shown the actuarially determined contribution rate to reach a peak of 10.9% which is slightly below the current rate. As a result, it is presumed that the projected plan assets will be sufficient to cover the future benefit payments for current members and a detailed projection of plan assets and cash flows has not been prepared.</p>																										

Total pension liability for each defined benefit pension plan was calculated using the discount rate of 6.75 percent. The projections of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State (the non-employer contributing entity) would be made as stipulated by state statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on those assumptions, each defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

The net pension liability (asset) is sensitive to changes in the discount rate. To illustrate the potential impact, the following table presents the net pension liability of each defined benefit pension plan calculated using the discount rate of 6.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	5.75%	6.75%	7.75%
2019 City	\$ 21,341,248	\$ 13,288,339	\$ 6,571,597
2019 Park	\$ 3,355,172	\$ 2,089,131	\$ 1,033,156

Other Assumptions:

Form of payment	100% of members are assumed to elect a single life annuity with a five-year certain period (Option 10).
Spouse/Beneficiary:	75 percent of male members and 60 percent of female members are assumed to be married and or to have a dependent beneficiary. Male members are assumed to be three years older than their spouses and female members are assumed to be two years younger than their spouses.
Pay increase timing	Beginning of (fiscal) year. Payroll amounts stated in the valuation data are amounts projected to be paid during the current year.
Decrement timing	Decrements are assumed to occur at the beginning of the year.
Benefit commencement timing:	
Active members	If eligible for a reduced early retirement benefit upon termination from employment, 33 percent commence immediately and 67 percent defer to earliest unreduced retirement age.
Terminated vested members	If eligible for an unreduced retirement benefit upon termination from employment, 100 percent commence immediately.
	100 percent defer to earliest unreduced retirement age. If currently eligible for an unreduced retirement benefit, 100 percent commence immediately.

Data Assumptions:

Changes in actuarial assumptions:

- There were no changes in actuarial assumptions during the fiscal year.

Changes in actuarial methods:

- There were no changes to the actuarial methods during the fiscal year.

Changes in plan provisions:

In 2019, PERF DB was modified pursuant to HEA 1059. Previously, statute generally required PERF members to have 15 years of service to qualify for a survivor benefit prior to retirement. Statute now allows a qualifying spouse/dependent to receive a benefit if the deceased member had a minimum of 10 years of creditable service.

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

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Geometric Basis Long-Term Expected Rate of Return</u>
Public equity	22.0%	4.9%
Private equity	14.0%	7.0%
Fixed-income – ex inflation-linked	20.0%	2.5%
Fixed-income – inflation-linked	7.0%	1.3%
Commodities	8.0%	2.0%
Real estate	7.0%	6.7%
Absolute return	10.0%	2.9%
Risk parity	12.0%	5.3%

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position is available in a stand-alone financial report of INPRS that includes financial statements and required supplementary information for the plan as a whole. This report may be obtained by writing the Indiana Public Retirement System, One North Capitol, Suite 001, Indianapolis, Indiana 46204, by calling (844) GO-INPRS, by emailing questions@inprs.in.gov, or by visiting www.in.gov/inprs.

The following represents the City's annual required contributions:

	<u>Year Ended December 31</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
City	2019	\$ 2,329,389	100%
Parks	2019	\$ 365,132	100%

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

At December 31, 2019, the City reported a liability of \$13,288,339 for its proportionate share of the City net pension liability and \$2,089,131 for its proportionate share of the Park net pension liability. The City's proportionate share of the net pension liability was based on the City's wages as a proportion of total wages for the PERF Hybrid Plan. The proportionate share used at the June 30, 2019 measurement date was 0.0040206 for the City plan and 0.0006321 for the Park plan.

For the year ended December 31, 2019, the City recognized pension expense of \$2,575,331 for the City plan and \$320,648 for the Park plan. Pension expense included net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the PERF Hybrid Plan from the following sources:

<b>City</b>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 351,871	\$ -
Net difference between projected and actual earnings on pension plan investments	-	628,106
Changes in assumptions	2,958	1,444,541
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>1,077,329</u>	<u>19,732</u>
Subtotal	1,432,158	2,092,379
Pension contributions subsequent to measurement date	<u>1,939,365</u>	-
Total that will be recognized in pension expense (income) based on the table below	<u>\$ 3,371,523</u>	<u>\$ 2,092,379</u>

<b>Parks</b>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 55,319	\$ -
Net difference between projected and actual earnings on pension plan investments	-	98,748
Changes in assumptions	465	227,104
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>63,904</u>	<u>5,104</u>
Subtotal	<u>119,688</u>	<u>330,956</u>
Pension contributions subsequent to measurement date	<u>178,204</u>	<u>-</u>
Total that will be recognized in pension expense (income) based on the table below	<u>\$ 297,892</u>	<u>\$ 330,956</u>

Contributions subsequent to the June 30, 2019, measurement date of the net pension liability, but before the end of the employer's reporting period, are recognized as a reduction of the net pension in the subsequent fiscal period rather than in the current fiscal period.

Deferred inflows of resources resulting from the differences between projected and actual investment earnings on Plan investments are amortized over a 5-year period. A change in an employer's proportionate share represents the change as of the current year measurement date versus the prior year measurement date, and is amortized over the average expected remaining service lives of the plan. The difference between an employer's contributions and the employer's proportionate share of the collective contributions is amortized over the average expected remaining service lives of the plan. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>City Amount</u>	<u>Parks Amount</u>
2020	\$ 1,932,719	\$ 119,241
2021	(480,297)	(126,315)
2022	(124,509)	(18,322)
2023	(48,769)	(7,668)
2024	-	-
Thereafter	<u>-</u>	<u>-</u>
	<u>\$ 1,279,144</u>	<u>\$ (33,064)</u>

***1977 Police Officers' and Firefighters' Pension and Disability Fund***

Plan Description:

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing, multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired (or rehired) after April 30, 1977.

The fund provides retirement, disability, and survivor benefits to full-time sworn officers of a police force of an Indiana city or eligible town, along with full-time firefighters employed by an Indiana city, town, township, or county. Administration of the fund is generally in accordance with Indiana Code Article 36-8 and other Indiana pension law.

The funding policy for the 1977 Fund requires remittances of member and employer contributions based on percentages of the salary of a first-class officer or firefighter and not on actual payroll. The employer contribution rate is actuarially determined. The required contributions are determined and may be amended by the INPRS Board of Trustees. Since the 1977 Fund is a cost-sharing pension plan, all risks and costs, including benefit costs, are shared proportionately by the participating employers. For the fiscal year 2019, plan members were required to contribute 6 percent and participating employers were required to contribute 17.5 percent of the first-class officers' and firefighters' salary. Employers may elect to pay all or part of the contribution for the member.

The total pension liability is determined by INPRS actuaries in accordance with GASB No. 67 and No. 68, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations, and new estimates are made about the future. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Actuarial Assumptions and Inputs:

Significant actuarial assumptions and other inputs used to measure the total pension liability:

Type of Plan	The 1977 Police Officers' and Firefighters' Retirement Fund is a cost-sharing multiple-employer plan for GASB accounting purposes.
Measurement Date	June 30, 2019
Valuation Date	June 30, 2019
Assets:	June 30, 2019
Liabilities:	June 30, 2018 – The TPL as of June 30, 2019 was determined based on an actuarial valuation prepared as of June 30, 2018 rolled forward one year to June 30, 2019, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.
Inflation	2.25%
Future Salary Increases	2.50%
Cost-of-Living Increases	As of June 30, 2019: 2.0% compounded annually, beginning July 1, 2020. Actual COLA increases at July 1, 2018 (2.2%) and July 1, 2019 (1.6%) are reflected in the valuation.  As of June 30, 2018: 2.0% compounded annually, beginning July 1, 2019. Actual COLA increases at July 1, 2017 (2.5%) and July 1, 2018 (2.2%) are reflected in the valuation.
Mortality Assumption (Healthy)	RP-2014 (with MP-2014 improvement removed) Blue Collar mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.
Mortality Assumption (Disabled)	RP-2014 (with MP-2014 improvement removed) Disability mortality tables, with future mortality improvement projected generationally using future mortality improvement inherent in the Social Security Administration's 2014 Trustee report.
Experience Study	The most recent comprehensive experience study was completed in April 2015 and was based on member experience between June 30, 2010 and June 30, 2014. The demographic assumptions were updated as needed for the June 30, 2015 actuarial valuation based on the results of the study.
Discount Rate	6.75%, net of investment expenses  The discount rate is equal to the expected long-term rate of return on plan investments, net of investment expense and including price inflation. There was no change in the discount rate from the prior measurement date.  The INPRS Board of Trustees has established a funding policy of setting the employer contribution rate equal to the greater of 17.5% (the current contribution rate) or a rate equal to the actuarially determined contribution rate, which is based on the assumptions and methods selected by the Board for the annual actuarial valuations and projected covered member payroll. The June 30, 2019 actuarial valuation assumes a long-term rate of return on assets of 6.75%, a 20-year level dollar closed method for amortizing the future layers of unfunded actuarial accrued liability (dropped below 100% funded as of June 30, 2019), and a 5-year smoothing method for recognizing investment gains and losses in the actuarial value of assets.

Total pension liability for each defined benefit pension plan was calculated using the discount rate of 6.75 percent. The projections of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board, and contributions required by the State (the non-employer contributing entity) would be made as stipulated by state statute.

Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75 percent). Based on those assumptions, each defined benefit pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for each plan.

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

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Geometric Basis Long-Term Expected Rate of Return</u>
Public equity	22.0%	4.9%
Private equity	14.0%	7.0%
Fixed-income – ex inflation-linked Fixed-income –	20.0%	2.5%
inflation-linked Commodities	7.0%	1.3%
Real estate	8.0%	2.0%
Absolute return	7.0%	6.7%
Risk parity	10.0%	2.9%
	12.0%	5.3%

The net pension liability (asset) is sensitive to changes in the discount rate. To illustrate the potential impact, the following table presents the net pension liability of each defined benefit pension plan calculated using the discount rate of 6.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

Discount Rate Sensitivity

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	5.75%	6.75%	7.75%
2019 Police	\$ 10,331,600	\$ 93,369	\$ (8,175,354)
2019 Fire	\$ 13,168,323	\$ 119,005	\$ (10,420,041)

Annual Pension Cost:

The City's contribution to the plan for the year ending December 31, 2019, was \$1,567,179 for police participants and \$1,997,479 for fire participants, which was equal to the required contributions for each year.

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

At December 31, 2019, the City reported a liability of \$93,369 for police and a liability of \$119,005 for fire for its proportionate share of the net pension liability. The City's proportionate share of the net pension liability was based on the City's wages as a proportion of total wages for the plan. The proportionate share used at the June 30, 2019, measurement date was 0.0101312 for police and 0.0129129 for fire.

For the year ended December 31, 2019, the City recognized pension expense of \$3,205,771 for police and \$4,076,506 for fire, which included net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to the 1977 Plan from the following resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>Police</u>		
Differences between expected and actual experience	\$ 1,696,827	\$ 331,277
Net difference between projected and actual earnings on pension plan investments	-	847,631
Changes in assumptions	-	1,609,541
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>71,515</u>	<u>77,347</u>
Subtotal	1,768,342	2,865,796
Pension contributions subsequent to measurement date	<u>658,407</u>	<u>-</u>
Total that will be recognized in pension expense (income) based on the table below	<u>\$ 2,426,749</u>	<u>\$ 2,865,796</u>
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>Firefighters</u>		
Differences between expected and actual experience	\$ 2,162,721	\$ 422,235
Net difference between projected and actual earnings on pension plan investments	-	1,080,363
Changes in assumptions	-	2,051,469
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>89,434</u>	<u>119,069</u>
Subtotal	2,252,155	3,673,136
Pension contributions subsequent to measurement date	<u>816,350</u>	<u>-</u>
Total that will be recognized in pension expense (income) based on the table below	<u>\$ 3,068,505</u>	<u>\$ 3,673,136</u>

Contributions subsequent to the June 30, 2019, measurement date of the net pension liability, but before the end of the employer's reporting period, are recognized as a reduction of the net pension in the subsequent fiscal period rather than in the current fiscal period.

Deferred inflows of resources resulting from the differences between projected and actual investment earnings on Plan investments are amortized over a 5-year period. A change in an employer's proportionate share represents the change as of the current year measurement date versus the prior year measurement date and is amortized over the average expected remaining service lives of the plan. The difference between an employer's contributions and the employer's proportionate share of the collective contributions is amortized over the average expected remaining service lives of the plan. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Police Amount</u>	<u>Fire Amount</u>
2020	\$ 541,213	\$ 657,513
2021	(659,427)	(849,950)
2022	(533,243)	(689,120)
2023	(244,911)	(313,977)
2024	111,903	143,991
Thereafter	<u>345,418</u>	<u>446,912</u>
	<u>\$ (439,047)</u>	<u>\$ (604,631)</u>

### Other Assumptions:

Form of payment	Members are assumed to elect either a single life annuity or a 70% joint survivor benefit based in the marriage assumptions below.
Spouse/beneficiary	80 percent of male members and 50 percent of female members are assumed to be married or to have a dependent beneficiary. Male members are assumed to be three years older than females and female members are assumed to be the same age as males.
Pay increase timing	Beginning of (fiscal) year. Payroll amounts stated in the valuation data are amounts projected to be paid during the current year.
Decrement timing	Decrements are assumed to occur at the beginning of the year.
Active DROP members	Members who are participating in the DROP are assumed to receive an annuity benefit commencing at the end of their DROP period as well as a lump sum payment equal to the number of years they were in the DROP times their annual annuity benefit. The annuity benefit is estimated based on salary and service at the time the member entered the DROP.
Pre-retirement death	Of active member deaths, 10% are assumed to be in the line of duty and 90% are other than in the line of duty.
Disability retirement	For members hired after 1989 that become disabled, 1% are assumed to sustain a catastrophic disability and receive the enhanced disability benefit (100% of salary) added by 2017 House Enrolled Act No. 1617, 44% are assumed to sustain a Class 1 disability (at 65% of salary), 10% are assumed to sustain a Class 2 disability (at 50% of salary), and 45% are assumed to sustain a Class 3 disability (at 36% of salary). For members hired before 1989 that become disabled, 1% are assumed to sustain a catastrophic disability and receive the enhanced disability benefit (100% of salary) added by 2017 House Enrolled Act No. 1617 and 99% are assumed to sustain a non-catastrophic disability and receive their accrued retirement benefit.

### Data Assumptions:

#### Changes in actuarial assumptions:

- The form of payment has been updated from a single life annuity or a 60% joint and survivor annuity to a single life annuity or a 70% joint and survivor annuity to align with the updated plan provisions passed in Senate Enrolled Act No. 85

#### Changes in actuarial methods:

- There were no changes to the actuarial methods during the fiscal year.

#### Changes in plan provisions:

- The valuation has been updated to reflect the passage of the new plan provisions outlined in Senate Enrolled Act No. 85. The provisions affect new retirements after June 30, 2019, increasing the member benefit by 2% of applicable pay over the prior plan provisions. Additionally, surviving spouses of active or retired members who die after June 30, 2019 while not in the line of duty now receive 70% of the member's benefit, compared to the 60% of the member's benefit provided upon members' deaths before then.

### Eligibility for Pension Benefit Payment:

#### Full Retirement Benefit

At age 52 with 20 years of creditable service.

#### Early Retirement Benefit

At age 50 and 20 years of creditable service (reduce full benefit by 7 percent for each year less than age 52).

#### Deferred Retirement Option Plan (DROP)

In accordance with IC 36-8-8.5, members eligible to retire with an unreduced benefit may elect to earn a DROP benefit while continuing to work. Members execute an irrevocable election to retire on a DROP retirement date and remain in active service while contributing to the fund until that date. The DROP retirement date must be not less than 12 months and not more than 36 months after their DROP entry date, and cannot be after the date the member reaches mandatory retirement age. The DROP and future retirement monthly benefit are calculated as of the member's DROP entry date. At retirement, members must choose among the available options for distribution of the accumulated benefit under the DROP.

### Nonvested Termination

The sum total of the member's contributions plus interest at a rate set by the Board.

### Disability Benefit

An active member may qualify for a benefit with the amount based on the class of impairment and other factors, as recommended by the local pension board with final determination by the Board.

### Survivor Benefit

The eligible survivor of a member who dies in the line of duty receives 100 percent of member's benefit (the minimum benefit is calculated as if the member had at least 20 years of service and age 52). Otherwise, eligible survivors of members who die other than in the line of duty receive 60 percent of the member's benefit.

While receiving a benefit, a spouse or a wholly dependent parent (for their lifetimes) or dependent (until at least age 18) receives up to 60 percent of the member's benefit. Heirs or estate may be entitled to receive \$12,000.

### Contribution Rates

Contributions are determined by the Board based on an actuarial valuation. Employers contribute 17.5 percent of the salary of a first-class officer or firefighter. Members are required to contribute six percent of the salary of a first-class officer or firefighter for the term of the member's employment up to 32 years. Employers may pay all or part of the member contribution for the member.

### Benefit Formula & Postretirement Benefit Adjustment

Annual Benefit = 50 percent of first-class officer salary for 20 years of service. The percentage is increased by one percent for each six months of active service accumulated after 20 years of service to a maximum of 32 years, or 74 percent.

Postretirement benefit increases is a percentage determined by statute equal to the change in the Consumer Price Index but not in excess of a three percent increase. For the year ended June 30, 2019, an adjustment of 2.2 percent occurred and was administered by the Board.

### Retirement Benefits:

A member vests after 20 years of service. If the member retires at or after the age of 52 with 20 years of service, the benefit is equal to 50 percent of the salary of a first-class officer, as reported by the employer in the year the 1977 Fund member ended service plus one percent of that salary for each six months of active service over 20 years to a maximum of 12 years. At age 50 and with 20 years of service, a member may elect to receive a reduced benefit by a factor established by the fund's actuary.

The monthly pension benefits for members in pay status may be increased annually in accordance with the cost-of-living adjustment (COLA) statute. A member is entitled to an annual increase in the member's benefit based on the percentage increase in the Consumer Price Index (January-March); however, the maximum increase is 3.0 percent.

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

If a member dies while receiving retirement or disability benefits, there are provisions for the surviving spouse and child(ren) to receive a portion of the benefits. The member's surviving spouse is entitled to a monthly benefit equal to 60 percent of the member's monthly benefit during the spouse's lifetime. Each of the member's surviving child(ren) is entitled to a monthly benefit equal to 20 percent of the member's monthly benefit until the age of 18, or age 23, if a full-time student. If there is no eligible surviving spouse or child(ren), a dependent parent(s) may receive 50 percent of the member's monthly benefit during their lifetime.

### Investment Valuation and Benefit Payment Policies:

The pooled and non-pooled investments are generally reported at fair value by INPRS. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Short-term investments consist primarily of cash, money market funds, certificates of deposits, and fixed-income instruments with maturities of less than one year. Short-term investments are reported at cost, which approximates fair value or, for fixed-income instruments, valued using similar methodologies as other fixed-income securities described below.

Fixed-income securities consist primarily of the U.S. government, U.S. government-sponsored agencies, publicly traded debt and commingled investment debt instruments. Equity securities consist primarily of domestic and international stocks in addition to commingled equity instruments. Fixed-income and equity securities are generally valued based on published market prices and quotations from national security exchanges and securities pricing services. Securities that are not traded on a national security exchange are valued using modeling techniques that include market observable inputs required to develop a fair value. Commingled funds are valued using the net asset value (NAV) of the entity.

Alternative investments include limited partnership interests in private equity, absolute return, private real estate and risk parity investment strategies. Publicly traded alternative investments are valued based on quoted market prices. In the absence of readily determinable public market values, alternative investments are valued using current estimates of fair value obtained from the general partner or investment manager. Moreover, holdings are generally valued by a general partner or investment manager on a quarterly or semi-annual basis. Valuation assumptions are based upon the nature of the investment and the underlying business. Additionally, valuation techniques will vary by investment type and involve a certain degree of expert judgment. Alternative investments, such as investments in private equity or real estate, are generally considered to be illiquid long-term investments. Due to the inherent uncertainty that exists in the valuation of alternative investments, the realized value upon the sale of an asset may differ from the fair value.

Derivative instruments are marked to market daily with changes in fair value recognized as part of investments and investment income.

#### Pension Plan Report and Fiduciary Net Position:

The pension plan's fiduciary net position has been determined on the same basis of accounting used by the pension plan. Detailed information about the pension plan's fiduciary net position is available in the separately-issued INPRS financial report, which is available online at <http://www.inprs.in.gov> or may be obtained by contacting:

Indiana Public Retirement System  
One North Capitol Avenue, Suite 001  
Indianapolis, Indiana 46204  
Ph. (844) GO-INPRS

#### Accrual Basis

INPRS maintains records and prepares financial statements using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to governmental units.

#### Provision for Taxes

All defined benefit funds administered by INPRS are qualified under section 401(a) of the internal revenue code and are exempt from federal income taxes. Therefore, no provision for income taxes has been included in the financial statements.

#### Use of Estimates

In preparing the financial statements in conformity with GAAP, INPRS management makes estimates and assumptions that affect the reported amount of assets and liabilities, disclosures of contingent assets and liabilities, as well as the reported amounts of revenue and expenses at the date of the financial statements. Actual results could differ from those estimates and assumptions.

#### Contributions

Employer and member contributions are recognized when due, according to statutory requirements, in accordance with the terms of each plan. Nonemployer contributions are recognized when funds are received from the State of Indiana. Service purchase revenues are recognized in full when employers elect to participate in a fund or enlarge participation. As of June 30, 2019, \$1.2 million is outstanding for employer service purchase contracts. The payment terms of the contracts vary between five and 40 years.

#### Net Investment Income

Net appreciation (depreciation) is determined by calculating the change in the fair value of investments between the beginning of the year and the end of the year, less purchases of investments at cost, plus sales of investments at fair value. Other investment income is recognized when earned. Dividend income is recognized on the ex-dividend date. Investment expenses consist of external expenses directly related to INPRS's investment operations, as well as the internal administrative expenses associated with INPRS's investment program.

## Other Additions

Member reassignments are recorded when a member is retiring with service credit in multiple funds. Applicable member and employer balances are transferred between funds as allowed by the statute. The transfer allows all benefits to be paid from the fund designated by the member.

## Deductions & Expenses

Benefit payments, including refunds and distributions of employee contributions, are recognized when due and payable in accordance with the benefit terms. Internal administrative expenses are recognized when due and payable. INPRS also acts as a custodian to receive and distribute funds on a biannual basis to specific pension plans of local government entities.

Year-end expense accruals include compensated absences which are calculated for earned but unused vacation, compensatory, and personal time of full-time INPRS employees.

## Net Investment Assets

Investments are recorded on a trade-date basis and reported at fair value. Fair value is defined as the amount that can reasonably be expected to be received for an investment in a current sale between a willing buyer and a willing seller. Certain INPRS investment assets, in particular, Global Real Assets, Global Private Equity, and Opportunistic Investments, use estimates in reporting fair value in the financial statements. These estimates are subject to uncertainty in the near term, which could result in changes in the values reported for those assets in the Statement of Fiduciary Net Position.

## G. Other Post-Employment Benefits

### 1. Single-Employer Defined Benefit Healthcare Plan

#### Plan Description

The City offers other post-employment benefits (OPEB) in the form of health insurance, in addition to pensions described elsewhere herein. OPEB is authorized by the Common Council of the City, subject to annual appropriation.

The Carmel Postretirement Benefit Plan (Plan) is a single-employer defined benefit healthcare insurance program. It is a preferred provider organization plan that provides comprehensive major medical benefits to eligible retirees, their spouses, and dependents. The Plan also provides dental and vision components.

Eligible retirees are those who retire from the City of Carmel with at least 20 years of creditable employment with a public employer. If any of the years of creditable employment includes employment with other public employers besides the City of Carmel, then the retiree must also be at least age 55 in order to be eligible.

The Plan is closed to new entrants. Employees hired or disabled on or after October 3, 2016, are not eligible (except for those killed or disabled in the line of duty).

Cost sharing features are as follows:

<u>Non-prescription Coverage</u>	<u>Plan A</u>		<u>Plan B</u>	
	<u>Network</u>	<u>Non-Network</u>	<u>Network</u>	<u>Non-Network</u>
Deductible (2x Family)	\$ 2,000	\$ 4,000	\$ 750	\$ 1,500
Physician Office Copay	N/A	N/A	\$ 50	N/A
Coinsurance Percentage Out-of-Pocket	0%	0%	20%	40%
Maximum (excluding Deductible)	\$ 2,000	\$ 4,000	\$ 1,500	\$ 3,000
Lifetime Maximum	365 days/visits inpatient/outpatient hospice combined		365 days/visits inpatient/outpatient hospice combined	

Plan A participants receive \$600 for single coverage and \$800 for retiree-spouse coverage in lieu of HSA contribution.

<u>Prescription Coverage</u>	<u>Plan A</u>	<u>Plan B</u>
Copayment		
Retail Generic	Subject to medical deductible	\$10
Formulary Brand	and coinsurance	\$60
Non-Formulary		\$100
Brand Mail Order		2x Above

<u>Dental Coverage</u>		
Deductible (2x Family)	\$50	Waived for preventative and orthodontia
Copayment Percentage	100%	
Preventative Basic	80%	
Major/Orthodontia	50%	
Annual Maximum	\$2,500	\$2,500 lifetime max for orthodontia

Monthly Premiums:

	2017		2019	
	Plan A	Plan B	Plan A	Plan B
<u>Medical and Vision</u>				
Retiree	\$668.00	\$786.00	\$724.00	\$852.00
Spouse	\$876.00	\$1,030.00	\$949.00	\$1,115.00
<u>Dental</u>		Dental Plan		Plan B
Retiree		\$56.00		\$61.00
Spouse		\$48.00		\$52.00

The City contributes 50% of the employee-spouse premium for a retiree who has 20 years of service with the City, plus 1% for each additional six months of service, to a maximum of 75% of the cost of medical and dental coverage. A retiree with employee-only (or spouse-only, if the retiree is over 65) is eligible to receive 50% to 75% of the employee-only (or spouse-only) premium using the same formula. The City's contribution will not exceed \$900 per month (up to \$10,800 per year). Retiree contributions for a married couple that works for the City are based on service of the individual employed for the longer period of time (not to exceed 75% of the total premium). The City contributes 100% of the premium for medical and dental coverage for those who are killed in the line of duty with no maximum contribution. The City pays 50% for work-related disabilities. All other retirees pay 100% of the premium.

Coverage ends for the retiree at the retiree's Medicare eligibility date.

Spousal coverage continues after the death of the retiree or after the retiree becomes eligible for Medicare, and ends at the spouse's Medicare eligibility date.

Deductibles, out-of-pocket limits, and employee contributions are assumed to increase annually at the medical care cost trend rate. The Lifetime Maximum was not increased.

The Plan is funded on a pay-as-you-go basis. No irrevocable trust has been established to fund the Plan. Accordingly, no trust fund financial statements are published. The Plan issues no separate reports.

The committed fund balance of the Health Self Insurance Fund includes \$873,336 to cover future claims of the OPEB plan. The commitment is not irrevocable, and the underlying assets are not legally protected from the creditors of the City.

For the year ended December 31, 2019, the City contributed \$884,567 to the Plan for current premiums.

Employees Covered by Benefit Terms

At December 31, 2019, the following members were projected to be covered by the terms of the plan:

Inactive plan members currently receiving benefit payments	38
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members: fully eligible	146
Active plan members: not fully eligible	503
Total	<u>687</u>

### Net OPEB Liability

The Entry Age Normal Actuarial Cost Method used in the current OPEB actuarial valuation is unchanged from the prior OPEB actuarial valuation.

Under this method, as used in the December 31, 2019, OPEB valuation, the Actuarial Present Value (APV) of Benefits (APVB) of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The employer portion of this APVB allocated to a valuation year is the Employer Normal Cost. The portion of this APVB not provided for at a valuation date by the APV of Future Employer Normal Costs is the Total OPEB Liability.

The excess, if any, of the Total OPEB Liability over the Plan Fiduciary Net Position is the Net OPEB Liability. Under this method, actuarial gains (losses), as they occur, reduce (increase) the Net OPEB Liability and are explicitly identified and amortized in the annual expense.

Increases (decreases) in liabilities due to benefit changes, actuarial assumption changes and/or actuarial method changes are also explicitly identified and amortized in the annual expense.

### Changes in the Net OPEB Liability:

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balances at December 31, 2018	\$ 26,077,678	\$ -	\$ 26,077,678
Changes for the Year			
Service Cost	1,420,618	-	1,420,618
Interest	1,002,886	-	1,002,886
Changes in Plan Provisions	-	-	-
Difference between Expected and Actual Experience	(107,011)	-	(107,011)
Changes in Assumptions	1,205,476	-	1,205,476
Benefit Payments	(884,567)	-	(884,567)
Total OPEB Expense/ Net Changes	<u>2,637,402</u>	<u>-</u>	<u>2,637,402</u>
Balances at December 31, 2019	<u>\$ 28,715,080</u>	<u>\$ -</u>	<u>\$ 28,715,080</u>

### Sensitivity of the Net OPEB Obligation to Changes in the Discount Rate

The following presents the net OPEB liability of the Employer, as well as what the Employer's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 31,029,522	\$ 28,715,080	\$ 26,532,768
Plan Fiduciary Net Position	-	-	-
Net OPEB Liability	<u>\$ 31,029,522</u>	<u>\$ 28,715,080</u>	<u>\$ 26,532,768</u>

### Sensitivity of the Net OPEB Obligation to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB liability of the Employer, as well as what the Employer's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 26,346,299	\$ 28,715,080	\$ 31,493,123
Plan Fiduciary Net Position	-	-	-
Net OPEB Liability	<u>\$ 26,346,299</u>	<u>\$ 28,715,080</u>	<u>\$ 31,493,123</u>

The Required Supplementary Information immediately following the Notes to the Financial Statements presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Benefit-related costs are based on an established pattern of practice. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

For the year ended December 31, 2019, the City recognized OPEB expense of \$2,263,261. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or method. At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balance, December 31, 2018	\$ -	\$ 2,559,367
Differences between expected and actual experience,	-	107,011
favorable Current amortization (deduct)	(98,166)	(258,409)
	<u>1,205,476</u>	<u>-</u>
Changes in assumptions, favorable	<u>1,107,310</u>	<u>2,407,969</u>
Total	<u>\$ 1,107,310</u>	<u>\$ 2,407,969</u>

At December 31, the deferred outflows / (inflows) of resources based on obligations for the Plan are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2020	\$ (160,243)
2021	(160,243)
2022	(160,243)
2023	(160,243)
2024	(160,243)
Thereafter	<u>(499,444)</u>
	<u>\$ (1,300,659)</u>

Actuarial Methods and Assumptions

Measurement Date December 31, 2019

Valuation Date December 31, 2019

COST METHOD Entry Age Normal (Level % of Pay)

ECONOMIC ASSUMPTIONS:

Discount rate	3.30% per annum as of December 31, 2019 3.69% per annum as of December 31, 2018 3.20% per annum as of December 31, 2017
Discount rate basis	S&P Municipal Bond 20-Year High Grade Rate Index*

*\*The S&P Municipal Bond 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.*

Coverage rate	90% of eligible employees are assumed to be covered in the plan at retirement.
Spouses	Retired participants: Age and marital status based on actual census data. Active participants: 35% are assumed to cover a spouse, with male spouses two years older than female spouses.
Disability	None assumed.

Mortality:

Civilian employees

SOA published mortality table: Pub-2010 General Employees amount weighted mortality table. Separate tables for males and female participants. Separate tables for active employees, healthy annuitants, contingent survivors, and disabled participants.

Police and fire employees

SOA published mortality table: Pub-2010 Safety Employees amount weighted mortality table. Separate tables for males and female participants. Separate tables for active employees, healthy annuitants, contingent survivors, and disabled participants.

Mortality improvement

SOA published mortality improvement scale: MP-2019 (MP-2017 and MP-2018 at December 31, 2017 and December 31, 2018) generational, which projects mortality improvement indefinitely beyond the base mortality year beginning with high initial improvement based on recent experience and tapering to a lower level of improvement for long-term mortality projections.

Turnover

Retirement Rates:

According to Sarason Table T-1.

Civilian employees:

<u>Age</u>	<u>Male</u>	<u>Female</u>	<u>Age</u>	<u>Male</u>	<u>Female</u>
50-53	2%	2%	63	17%	19%
54	2%	3%	64	20%	20%
55	4%	5%	65	40%	35%
56	3%	4%	66	25%	24%
57	4%	4%	67	22%	21%
58	5%	5%	68	19%	17%
59	5%	7%	69	16%	19%
60	8%	12%	70-74	30%	30%
61	14%	14%	75+	100%	100%
62	32%	26%			

Police and fire employees:

<u>Age</u>	<u>Rate</u>
45-51	2.5%
52-54	7.5%
55-60	22.5%
61-64	30.0%
65+	100.0%

Plan mix:

	<u>2019</u>
Plan A	75%
Plan B	25%

Per capita claims cost:

Varies by age and status; representative rates follow:

<u>Age</u>	<u>2017 Medical &amp; Vision</u>		<u>Age</u>	<u>2017 Dental</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>
55-59	\$ 12,261	\$ 12,129	All Ages	\$ 647	\$ 647
60-64	\$ 15,726	\$ 14,210			
<u>Age</u>	<u>2019 Medical &amp; Vision</u>		<u>Age</u>	<u>2019 Dental</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>
55-59	\$ 13,247	\$ 13,104	All Ages	\$ 704	\$ 704
60-64	\$ 16,991	\$ 15,353			

Inflation; health care cost trend rate:

<u>Year</u>	<u>Medical</u>	<u>Dental</u>
0	9.0%	5.0%
1 to 2	9.0%	5.0%
3 to 5	8.0%	5.0%
6 to 8	7.0%	5.0%
9 to 10	6.0%	5.0%
11+	6.0%	5.0%

**H. Schedule of Aggregate Amounts – Single-employer and Cost Sharing Multiple-employer Defined Benefit Pension Plans**

	1925 Police Officer's Pension	1937 Firefighters' Pension	Public Employees' Retirement	1977 Police Officers' and Firefighters' Pension and Disability	Total
Pension liability	\$ 9,650,494	\$ 10,366,629	\$ 77,123,434	\$ 147,228,792	\$ 444,369,349
Pension assets	145,316	36,220	61,745,964	147,016,418	208,943,918
Net pension liability (asset)	<u>\$ 9,505,178</u>	<u>\$ 10,330,409</u>	<u>\$ 15,377,470</u>	<u>\$ 212,374</u>	<u>\$ 35,425,431</u>
Deferred outflows of resources	<u>\$ 5,792</u>	<u>\$ 991</u>	<u>\$ 3,669,415</u>	<u>\$ 5,495,254</u>	<u>\$ 9,171,452</u>
Deferred inflows of resources	<u>\$ -</u>	<u>\$ 523</u>	<u>\$ 2,423,335</u>	<u>\$ 6,538,932</u>	<u>\$ 8,962,790</u>
Pension expense (income)	<u>\$ 338,784</u>	<u>\$ 369,099</u>	<u>\$ 2,895,979</u>	<u>\$ 7,282,277</u>	<u>\$ 10,886,139</u>

**I. Deferred Compensation Plan**

The City offers its employees a deferred compensation plan established in accordance with Internal Revenue Code Section 457. The plan is available to all City employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All assets of the plan are, until paid or made available to the employee or other beneficiary, held in trust and are not subject to claims of the City's general creditors. Therefore, the assets of the plan are not reported.

The City's liability to each participant is equal to the participant's deferred compensation, adjusted by an amount equal to the investment performance in the related asset account. The City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. Investments are managed by a trustee and investment decisions are made by individual employees.

**J. Interfund Receivables and Payables**

The composition of the interfund balances as of December 31, 2019 is as follows:

<i>Due to/from other funds</i>	<u>Payable Fund</u>	<u>Amount</u>
<u>Receivable Fund</u>		
Motor Vehicle Highway Fund	Storm Water Fund	\$ 54,169
Total among governmental funds		<u>\$ 54,169</u>
Water Enterprise Fund	Sewer Enterprise Fund	\$ 753,570
Sewer Enterprise Fund	Water Enterprise Fund	756,532
Total among proprietary funds		<u>\$ 1,510,102</u>
Storm Water Fund	Water Enterprise Fund	\$ 340,642
Total among governmental and proprietary funds		<u>\$ 340,642</u>

The Motor Vehicle Highway Fund is due \$54,169 from the Storm Water Fund to comply with an ordinance requiring certain transfers. Water Utility invoices include charges for Sewer and Storm Water, and these charges are remitted as collected, one month in arrears.

## K. Government-wide Prior Period Adjustments

Governmental activities beginning net position was adjusted downward \$17,069,806 to account for the following:

Beginning Net	\$ 353,783,464
Position Restatement:	
Change in OPEB liability due to implementation of GASB No. 75	349,945
Restatement of the carrying value of capital assets	(17,580,405)
Restatement of beginning cash, Redevelopment Authority Debt Service	46,495
Restatement of beginning cash, Bond Bank Fund	<u>114,159</u>
Total restatement	<u>(17,069,806)</u>
Beginning Net Position, Adjusted	<u>\$ 336,713,658</u>

## L. Subsequent Events

On April 9, 2020, the City's Sewer Utility issued \$15,954,000 of its Sewage Revenue Bonds, Series 2020. The bonds were issued in order to finance infrastructure improvements. To satisfy the principal and interest on the bonds, for the terms of the bonds, the City has pledged its wastewater revenues. The City expects the pledged revenue will be more than sufficient to satisfy the obligations described above, as well as the obligations described elsewhere herein for which similar pledges have been made. This revenue is not pledged to satisfy any other obligations, nor is it committed for operating or other necessary expenditures.

On August 3, 2020, the City issued \$6,700,000 of its Storm Water District Revenue Bonds, Series 2020. The bonds were issued in order to finance infrastructure improvements. To satisfy the principal and interest on the bonds, for the terms of the bonds, the City has pledged its storm water revenues. The City expects the pledged revenue will be more than sufficient to satisfy the obligations described above, as well as the obligations described elsewhere herein for which similar pledges have been made. This revenue is not pledged to satisfy any other obligations, nor is it committed for operating or other necessary expenditures.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
For the Fiscal Year Ended December 31, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability			
Service Cost	\$ 1,420,618	\$ 1,519,286	\$ 1,330,012
Interest Cost	1,002,886	861,028	1,029,979
Differences between Expected and Actual Experience	(107,011)	(787,315)	(418,473)
Changes in Assumptions	1,205,476	(676,338)	(1,046,528)
Benefit Payments	(884,567)	(539,334)	(413,786)
Net Changes in Total OPEB Liability	<u>2,637,402</u>	<u>377,327</u>	<u>481,204</u>
Total OPEB Liability - Beginning	<u>26,077,678</u>	<u>25,700,351</u>	<u>25,219,147</u>
Total OPEB Liability - Ending	<u>28,715,080</u>	<u>26,077,678</u>	<u>25,700,351</u>
Plan Fiduciary Net Position - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position - Ending	<u>-</u>	<u>-</u>	<u>-</u>
Net OPEB Liability	<u>\$ 28,715,080</u>	<u>\$ 26,077,678</u>	<u>\$ 25,700,351</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%	0.00%	0.00%
Covered Payroll	\$ 44,359,976	\$ 38,986,588	\$ 38,047,090
Net OPEB Liability as a Percentage of Covered Payroll	64.73%	66.89%	67.55%

The most recent actuarial valuation date is December 31, 2019.

Note: The City implemented GASB 75 in 2017. The information above is presented for as many years as available. The schedules are intended to show information for 10 years. Years not shown are not available.

Additional information on the City's OPEB can be found in Note II.G. on pages 85–89 of this report.

CITY OF CARMEL, INDIANA  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION**  
For the Fiscal Year Ended December 31, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>ADDITIONS</b>			
1. Employer Contributions	\$ 884,567	\$ 539,334	\$ 413,786
2. Investment Income	-	-	-
a. Net Increase in Fair Value of Investments	-	-	-
b. Interest and Dividends	-	-	-
c. Investment Expense	-	-	-
d. Total Investment Income = 2a + 2b - 2c	-	-	-
3. Transfers Into the Trust	-	-	-
4. Other Additions	-	-	-
5. Total Additions = (1) + (2d) + (3) + (4)	\$ 884,567	\$ 539,334	\$ 413,786
<b>DEDUCTIONS</b>			
6. Benefit Payments	\$ 884,567	\$ 539,334	\$ 413,786
7. Administrative Expense	-	-	-
8. Transfers Out of the Trust	-	-	-
9. Other Deductions	-	-	-
10. Total Deductions = (6) + (7) + (8) + (9)	\$ 884,567	\$ 539,334	\$ 413,786
<b>NET POSITION RESTRICTED FOR POSTEMPLOYMENT BENEFITS</b>			
<b>OTHER THAN PENSIONS</b>			
11. Beginning of Year	\$ -	\$ -	\$ -
12. End of Year = (5) - (10) + (11)	\$ -	\$ -	\$ -

Note: The City implemented GASB 75 in 2017. The information above is presented for as many years as available. The schedules are intended to show information for 10 years. Years not shown are not available.

Additional information on the City's OPEB can be found in Note II.G. on pages 85–89 of this report.

CITY OF CARMEL, INDIANA  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
December 31, 2019

<b>1925 Police Officers' Pension Plan:</b>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Actuarially determined contribution	\$ 564,928	\$ 564,928	\$ 557,208	\$ 546,748	\$ 534,143
Contributions in relation to the actuarially determined contribution	<u>564,928</u>	<u>564,928</u>	<u>557,208</u>	<u>546,748</u>	<u>534,143</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
<b>1937 Firefighters' Pension Plan:</b>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Actuarially determined contribution	\$ 584,282	\$ 584,282	\$ 577,369	\$ 553,519	\$ 562,264
Contributions in relation to the actuarially determined contribution	<u>584,282</u>	<u>584,282</u>	<u>577,369</u>	<u>553,519</u>	<u>562,264</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

See notes to schedules, 1925 Police Officers' and 1937 Firefighters' Pension Plans.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF NET PENSION LIABILITY AND RELATED RATIOS**

December 31, 2019

<b>1925 Police Officers' Pension Plan:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Total pension liability	\$ 9,650,494	\$ 9,893,565	\$10,119,548	\$10,119,548	\$10,179,012
Fiduciary net position	<u>145,316</u>	<u>131,361</u>	<u>147,471</u>	<u>148,470</u>	<u>147,785</u>
Net pension liability	<u>\$ 9,505,178</u>	<u>\$ 9,762,204</u>	<u>\$ 9,972,077</u>	<u>\$ 9,971,078</u>	<u>\$10,031,227</u>
Fiduciary net position as a percentage of the total pension liability	<u>1.51%</u>	<u>1.33%</u>	<u>1.46%</u>	<u>1.47%</u>	<u>1.45%</u>
Covered payroll	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
 <b>1937 Firefighters' Pension Plan:</b>	 <b><u>2019</u></b>	 <b><u>2018</u></b>	 <b><u>2017</u></b>	 <b><u>2016</u></b>	 <b><u>2015</u></b>
Total pension liability	\$10,366,629	\$10,601,151	\$10,883,369	\$10,883,369	\$10,997,707
Fiduciary net position	<u>36,220</u>	<u>5,405</u>	<u>26,027</u>	<u>30,375</u>	<u>39,365</u>
Net pension liability	<u>\$10,330,409</u>	<u>\$10,595,746</u>	<u>\$10,857,342</u>	<u>\$10,852,994</u>	<u>\$10,958,342</u>
Fiduciary net position as a percentage of the total pension liability	<u>0.35%</u>	<u>0.05%</u>	<u>0.24%</u>	<u>0.28%</u>	<u>0.36%</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net position as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

See notes to schedules, 1925 Police Officers' and 1937 Firefighters' Pension Plans.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
December 31, 2019

<b>1925 Police Officers' Pension Plan:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Total pension liability - beginning	\$ 9,893,565	\$ 10,119,548	\$ 10,119,548	\$ 10,179,012	\$ 10,220,740
Interest on total pension liability	339,070	354,913	355,402	363,703	367,444
Effect of economic/demographic gains and losses	-	338,525	201,812	122,896	125,844
Effect of assumptions changes or inputs	-	(337,280)	-	-	-
Benefit payments	<u>(582,141)</u>	<u>(582,141)</u>	<u>(557,214)</u>	<u>(546,063)</u>	<u>(535,016)</u>
Total pension liability - ending	<u>9,650,494</u>	<u>9,893,565</u>	<u>10,119,548</u>	<u>10,119,548</u>	<u>10,179,012</u>
Fiduciary net position - beginning	131,361	147,471	148,470	147,785	148,615
Employer contributions	564,928	564,928	557,208	546,748	534,143
Net investment income	4,121	1,203	882	-	143
Benefit payments	(582,141)	(582,141)	(557,214)	(546,063)	(535,016)
Administrative expenses	-	(100)	(1,875)	-	(100)
Other	27,047	-	-	-	-
Fiduciary net position - ending	<u>145,316</u>	<u>131,361</u>	<u>147,471</u>	<u>148,470</u>	<u>147,785</u>
Net pension liability - ending	<u>\$ 9,505,178</u>	<u>\$ 9,762,204</u>	<u>\$ 9,972,077</u>	<u>\$ 9,971,078</u>	<u>\$ 10,031,227</u>
<b>1937 Firefighters' Pension Plan:</b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
Total pension liability - beginning	\$ 10,601,151	\$ 10,883,369	\$ 10,883,369	\$ 10,997,707	\$ 11,028,789
Interest on total pension liability	367,840	385,277	385,817	393,503	396,965
Effect of economic/demographic gains and losses	-	289,272	192,103	54,668	125,812
Effect of assumptions changes or inputs	-	(351,553)	-	-	-
Benefit payments	<u>(602,362)</u>	<u>(605,214)</u>	<u>(577,920)</u>	<u>(562,509)</u>	<u>(553,859)</u>
Total pension liability - ending	<u>10,366,629</u>	<u>10,601,151</u>	<u>10,883,369</u>	<u>10,883,369</u>	<u>10,997,707</u>
Fiduciary net position - beginning	5,405	26,027	30,375	39,365	30,909
Employer contributions	584,282	584,282	577,369	553,519	562,264
Net investment income	847	310	224	-	51
Benefit payments	(602,362)	(605,214)	(577,920)	(562,509)	(553,859)
Administrative expenses	-	-	(4,021)	-	-
Other	48,048	-	-	-	-
Fiduciary net position - ending	<u>36,220</u>	<u>5,405</u>	<u>26,027</u>	<u>30,375</u>	<u>39,365</u>
Net pension liability - ending	<u>\$ 10,330,409</u>	<u>\$ 10,595,746</u>	<u>\$ 10,857,342</u>	<u>\$ 10,852,994</u>	<u>\$ 10,958,342</u>

See notes to schedules, 1925 Police and 1937 Firefighters' Pension Plans

CITY OF CARMEL, INDIANA  
REQUIRED SUPPLEMENTARY INFORMATION  
NOTES TO SCHEDULES  
1925 POLICE OFFICERS' AND 1937 FIREFIGHTERS' PENSION PLANS  
December 31, 2019

Valuation date: Actuarially determined contribution rates are calculated as of January 1, of the fiscal year in which contributions are reported.

Methods and assumptions used to determine most current contribution rate above:

Actuarial cost method	N/A
Amortization method	N/A
Remaining amortization period	N/A
Retirement age	N/A
Mortality	N/A

**Note:** The City is presenting its fifth CAFR since 2007. The information above is presented for as many years as available. The schedules are intended to show information for 10 years. Years not shown are not available.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**DEFINED BENEFIT PENSION PLANS - MULTIPLE EMPLOYER PLANS**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY**

December 31, 2019

**Public Employees' Retirement Fund:**

Year Ended	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	City's Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
<b><u>City:</u></b>					
June 30, 2019	0.0040206	\$ 13,288,339	\$ 20,947,877	63.4%	80.1%
June 30, 2018	0.0039301	\$ 13,350,728	\$ 20,053,519	66.6%	78.9%
June 30, 2017	0.0034924	\$ 15,581,494	\$ 17,326,450	89.9%	76.6%
June 30, 2016	0.0035353	\$ 16,044,763	\$ 16,943,306	94.7%	75.3%
June 30, 2015	0.0034106	\$ 13,891,040	\$ 16,335,991	85.0%	77.3%
<b><u>Parks:</u></b>					
June 30, 2019	0.0006321	\$ 2,089,131	\$ 3,293,425	63.4%	80.1%
June 30, 2018	0.0006161	\$ 2,092,920	\$ 3,143,577	66.6%	78.9%
June 30, 2017	0.0006062	\$ 2,704,588	\$ 3,007,362	89.9%	76.6%
June 30, 2016	0.0006398	\$ 2,903,697	\$ 3,066,437	94.7%	75.3%
June 30, 2015	0.0006001	\$ 2,444,149	\$ 2,874,230	85.0%	77.3%

Continued on next page.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**DEFINED BENEFIT PENSION PLANS - MULTIPLE EMPLOYER PLANS**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE**  
**OF THE NET PENSION LIABILITY**

December 31, 2019

(Continued)

**1977 Police Officers' and Firefighters' Pension and Disability Fund:**

Year Ended	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	City's Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
<b><u>Police:</u></b>					
June 30, 2019	0.0101312	\$ 93,369	\$ 8,955,356	1.0%	99.9%
June 30, 2018	0.0102071	\$ (897,318)	\$ 8,596,291	-10.4%	101.5%
June 30, 2017	0.0094176	\$ (145,270)	\$ 7,634,954	-1.9%	100.3%
June 30, 2016	0.0101528	\$ 901,944	\$ 7,847,007	11.5%	98.2%
June 30, 2015	0.0101282	\$ (1,496,139)	\$ 7,552,611	-19.8%	103.2%
<b><u>Fire:</u></b>					
June 30, 2019	0.0129129	\$ 119,005	\$ 11,414,229	1.0%	99.9%
June 30, 2018	0.0135067	\$ (1,187,390)	\$ 11,375,165	-10.4%	101.5%
June 30, 2017	0.0126561	\$ (195,225)	\$ 10,260,440	-1.9%	100.3%
June 30, 2016	0.0135237	\$ 1,201,404	\$ 10,452,317	11.5%	98.2%
June 30, 2015	0.0137130	\$ (2,025,686)	\$ 10,225,780	-19.8%	103.2%

**Note:** The City is presenting its fifth CAFR since 2007. The information above is presented for as many years as available. The schedules are intended to show information for 10 years. Years not shown are not available.

The amounts presented for each year were determined as of the Plan's June 30 year-end that occurred within the City's fiscal year.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**DEFINED BENEFIT PENSION PLANS - MULTIPLE EMPLOYER PLANS**  
**SCHEDULE OF CITY CONTRIBUTIONS**  
December 31, 2019

**Public Employees' Retirement Fund:**

Year Ended	Contractually Required Contributions	City Contributions related to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b><u>City:</u></b>					
June 30, 2019	\$ 3,523,477	\$ 3,523,477	\$ -	\$ 20,500,698	17.2%
June 30, 2018	\$ 3,308,652	\$ 3,308,652	\$ -	\$ 18,689,985	17.7%
June 30, 2017	\$ 3,045,739	\$ 3,045,739	\$ -	\$ 17,134,878	17.8%
June 30, 2016	\$ 2,916,463	\$ 2,916,463	\$ -	\$ 16,639,649	17.5%
June 30, 2015	\$ 2,755,295	\$ 2,755,295	\$ -	\$ 15,699,687	17.6%

**Parks:**

June 30, 2019	\$ 339,303	\$ 339,303	\$ -	\$ 3,218,501	10.5%
June 30, 2018	\$ 307,209	\$ 307,209	\$ -	\$ 3,075,470	10.0%
June 30, 2017	\$ 304,629	\$ 304,629	\$ -	\$ 3,036,900	10.0%
June 30, 2016	\$ 291,429	\$ 291,429	\$ -	\$ 2,970,334	9.8%
June 30, 2015	\$ 297,154	\$ 297,154	\$ -	\$ 2,949,419	10.1%

**1977 Police Officers' and Firefighters' Pension and Disability Fund:**

Year Ended	Contractually Required Contributions	City Contributions related to the Contractually Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
<b><u>Police:</u></b>					
June 30, 2019	\$ 1,920,734	\$ 1,920,734	\$ -	\$ 8,775,824	21.9%
June 30, 2018	\$ 1,809,416	\$ 1,809,416	\$ -	\$ 8,115,623	22.3%
June 30, 2017	\$ 1,713,532	\$ 1,713,532	\$ -	\$ 7,740,981	22.1%
June 30, 2016	\$ 1,657,359	\$ 1,657,359	\$ -	\$ 7,699,809	21.5%
June 30, 2015	\$ 1,607,669	\$ 1,607,669	\$ -	\$ 7,324,232	22.0%

**Fire:**

June 30, 2019	\$ 2,424,965	\$ 2,424,965	\$ -	\$ 11,394,697	21.3%
June 30, 2018	\$ 2,351,694	\$ 2,351,694	\$ -	\$ 10,817,803	21.7%
June 30, 2017	\$ 2,350,371	\$ 2,350,371	\$ -	\$ 10,356,379	22.7%
June 30, 2016	\$ 2,186,794	\$ 2,186,794	\$ -	\$ 10,339,049	21.2%
June 30, 2015	\$ 2,185,238	\$ 2,185,238	\$ -	\$ 10,058,633	21.7%

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTES TO SCHEDULES**  
**PUBLIC EMPLOYEES' RETIREMENT AND 1977 POLICE OFFICERS' AND**  
**FIREFIGHTERS' PENSION AND DISABILITY FUNDS**  
December 31, 2019

Note: The City is presenting its fifth CAFR since 2007. The information above is presented for as many years as available. The schedules are intended to show information for 10 years. Years not shown are not

Note: Covered payroll for the purposes of this schedule was determined as of the City's fiscal year ended

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL FUND**

For the Fiscal Year Ended December 31, 2019

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Budgetary Basis Amounts	
	Original	Final		
<b>REVENUES:</b>				
Property tax	\$ 41,640,722	\$ 43,038,805	<b>\$ 39,858,703</b>	\$(3,180,102)
Income tax	43,718,160	45,101,901	<b>44,531,670</b>	(570,231)
Licenses and permits	2,080,375	2,142,786	<b>1,789,364</b>	(353,422)
Intergovernmental	605,273	621,245	<b>526,226</b>	(95,019)
Charges for services	3,269,428	3,140,849	<b>1,002,681</b>	(2,138,168)
Fines and forfeits	485,587	495,298	<b>439,110</b>	(56,188)
Miscellaneous	1,616,104	1,722,186	<b>501,742</b>	(1,220,444)
Township and joinder agreements	-	-	<b>932,744</b>	932,744
Other	7,098,505	6,380,118	<b>9,799,406</b>	3,419,288
<b>Total revenues: budgetary basis</b>	<u>100,514,153</u>	<u>102,643,188</u>	<u><b>99,381,646</b></u>	<u><b>\$(3,261,542)</b></u>
Increase in available income tax receivable			<b>608,142</b>	
Transfer in from enterprise funds treated as revenue on a budgetary basis			<b>(1,320,506)</b>	
Transfer from a nonmajor fund treated as revenue on a budgetary basis			<u><b>(135,000)</b></u>	
<b>Total revenues reported on the Statement of Revenues and Expenditures</b>			<u><b>\$ 98,534,282</b></u>	
<b>EXPENDITURES:</b>				
Current:				
General government:				
Clerk-Treasurer:				
Personal services	\$ 1,065,197	\$ 1,065,197	<b>\$ 991,887</b>	\$ (73,310)
Supplies	10,382	10,382	<b>8,932</b>	(1,450)
Other services and charges	240,699	240,699	<b>130,339</b>	(110,360)
Capital outlay	16,390	16,390	<b>1,883</b>	(14,507)
Mayor's Office:		-		
Personal services	467,926	467,926	<b>436,777</b>	(31,149)
Supplies	6,245	6,245	<b>4,046</b>	(2,199)
Other services and charges	4,233,031	4,233,031	<b>4,072,765</b>	(160,266)
Capital outlay	20,000	20,000	<b>8,776</b>	(11,224)
City Council:				
Personal services	319,677	319,677	<b>267,889</b>	(51,788)
Supplies	3,500	3,500	<b>963</b>	(2,537)
Other services and charges	313,099	313,099	<b>127,656</b>	(185,443)
Capital outlay	8,900	8,900	<b>2,364</b>	(6,536)

Continued on next page.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL FUND**

For the Fiscal Year Ended December 31, 2019  
(Continued)

	Budgeted Amounts		<b>Actual Budgetary Basis Amounts</b>	Variance
	Original	Final		With Final Budget Positive
				(Negative)
Expenditures (continued):				
Current (continued):				
General government (continued):				
Board of Public Works:				
Personal services	21,430	21,430	<b>14,210</b>	(7,220)
Debt service	17,755,197	17,840,197	<b>17,838,020</b>	(2,177)
Administration:				
Personal services	413,560	413,560	<b>389,828</b>	(23,732)
Supplies	74,852	74,852	<b>30,865</b>	(43,987)
Other services and charges	2,653,552	2,453,134	<b>2,281,751</b>	(171,383)
Capital outlay	271,964	271,964	<b>218,429</b>	(53,535)
Brookshire Golf Course:				
Personal services	820,922	820,922	<b>661,785</b>	(159,137)
Supplies	115,300	115,300	<b>82,279</b>	(33,021)
Other services and charges	396,098	428,889	<b>410,511</b>	(18,378)
Capital outlay	164,500	164,500	<b>151,019</b>	(13,481)
Building Operations:				
Supplies	8,000	8,000	<b>1,883</b>	(6,117)
Other services and charges	3,121,865	3,396,865	<b>3,151,076</b>	(245,789)
Capital outlay	-	-	-	-
City Court:				
Personal services	837,185	837,185	<b>686,000</b>	(151,185)
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	-	-	-	-
Law Department:				
Personal services	1,070,666	1,070,666	<b>884,710</b>	(185,956)
Supplies	3,992	3,992	<b>3,117</b>	(875)
Other services and charges	380,565	420,565	<b>600,977</b>	180,412
Capital outlay	21,831	21,831	<b>13,757</b>	(8,074)
Community Services:				
Personal services	2,707,050	2,707,050	<b>2,516,869</b>	(190,181)
Supplies	51,769	51,769	<b>32,320</b>	(19,449)
Other services and charges	1,306,847	1,306,847	<b>865,425</b>	(441,422)
Capital outlay	501,517	501,517	<b>401,410</b>	(100,107)
Personnel/ Human Resources:		-		
Personal services	541,280	541,280	<b>497,065</b>	(44,215)
Supplies	1,000	1,000	<b>707</b>	(293)
Other services and charges	105,876	105,876	<b>68,594</b>	(37,282)
Capital outlay	3,600	3,600	<b>2,498</b>	(1,102)

Continued on next page.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL FUND**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<u>Budgeted Amounts</u>		<b>Actual Budgetary Basis Amounts</b>	Variance
	Original	Final		With Final Budget Positive (Negative)
Expenditures (continued):				
Current (continued):				
Information Systems:				
Personal services	-	-	-	-
Supplies	659	659	-	(659)
Other services and charges	74,107	236,551	<b>8,478</b>	(228,073)
Capital outlay	58,801	58,801	<b>66</b>	(58,735)
City Property Maintenance:				
Supplies	109,023	109,023	<b>82,082</b>	(26,941)
Other services and charges	905,946	905,946	<b>959,326</b>	53,380
Public Affairs/ Community Relations:				
Personal services	1,018,178	1,018,178	<b>862,945</b>	(155,233)
Supplies	4,408	4,408	<b>4,677</b>	269
Other services and charges	2,660,740	2,660,740	<b>2,511,383</b>	(149,357)
Capital outlay	<u>26,319</u>	<u>26,319</u>	<b><u>24,664</u></b>	<u>(1,655)</u>
Street Department - Special Projects				
Other services and charges	<u>205,363</u>	<u>340,363</u>	<u>-</u>	<u>(340,363)</u>
Total general government	<u>44,913,646</u>	<u>45,648,825</u>	<b><u>42,313,003</u></b>	<u>(3,335,822)</u>
Public Safety:				
Fire Department:				
Personal services	23,890,005	23,890,005	<b>24,109,268</b>	219,263
Supplies	300,201	300,201	<b>289,863</b>	(10,338)
Other services and charges	2,258,752	2,333,440	<b>1,722,946</b>	(610,494)
Police Department:				
Personal services	20,185,900	20,185,900	<b>18,591,391</b>	(1,594,509)
Supplies	716,860	803,372	<b>556,839</b>	(246,533)
Other services and charges	1,382,005	1,382,005	<b>1,247,564</b>	(134,441)
Capital outlay	1,109,058	1,109,058	<b>988,404</b>	(120,654)
Communication Center:				
Personal services	2,068,710	2,068,710	<b>1,913,685</b>	(155,025)
Supplies	35,911	35,911	<b>42,776</b>	6,865
Other services and charges	2,638,218	2,638,218	<b>2,595,453</b>	(42,765)
Capital outlay	<u>415,439</u>	<u>415,439</u>	<b><u>493,322</u></b>	<u>77,883</u>
Total public safety	<u>55,001,059</u>	<u>55,162,259</u>	<b><u>52,551,511</u></b>	<u>(2,610,748)</u>

Continued on next page.

**CITY OF CARMEL, INDIANA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**GENERAL FUND**

For the Fiscal Year Ended December 31, 2019

(Continued)

	Budgeted Amounts		<b>Actual Budgetary Basis Amounts</b>	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
Culture and recreation:				
Parks Department:				
Personal services	2,364,730	2,364,730	<b>2,253,859</b>	(110,871)
Supplies	132,213	132,213	<b>119,234</b>	(12,979)
Other services and charges	1,004,696	1,004,696	<b>1,031,548</b>	26,852
Capital outlay	<u>62,187</u>	<u>62,187</u>	<b><u>54,776</u></b>	<u>(7,411)</u>
Total culture and recreation	<u>3,563,825</u>	<u>3,563,825</u>	<b><u>3,459,417</u></b>	<u>(104,408)</u>
Economic Development:				
Redevelopment Department:				
Personal services	539,907	539,907	<b>526,386</b>	(13,521)
Supplies	1,600	1,600	<b>5,986</b>	4,386
Other services and charges	93,550	93,550	<b>68,989</b>	(24,561)
Capital outlay	<u>12,016</u>	<u>12,016</u>	<b><u>3,636</u></b>	<u>(8,380)</u>
Total economic development	<u>647,073</u>	<u>647,073</u>	<b><u>604,997</u></b>	<u>(42,076)</u>
Transfers to nonmajor funds treated as expenditures on a budgetary basis	<u>-</u>	<u>-</u>	<b><u>3,943,635</u></b>	<u>3,943,635</u>
Other Expenditure	<u>-</u>	<u>-</u>	<b><u>164,396</u></b>	<u>164,396</u>
<b>Total expenditures, budgetary basis</b>	<b><u>\$ 104,330,966</u></b>	<b><u>\$ 105,021,983</u></b>	<b><u>103,036,959</u></b>	<b><u>\$(1,985,024)</u></b>
Increase in accrued liabilities:				
Accounts payable			<b>757,190</b>	
Accrued payroll and withholdings payable			<b>381,267</b>	
Transfers to other funds			<b>(18,158,742)</b>	
Less, accrual due to Rainy Day Fund			<b><u>(2,864,232)</u></b>	
Total expenditures reported on the Statement of Revenues and Expenditures			<b><u>\$ 83,152,442</u></b>	

CITY OF CARMEL, INDIANA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULES

December 31, 2019

**Budgetary Basis of Accounting**

Annual budgets are required for the General Fund, Motor Vehicle Highway Fund, Fire Pension Fund, Police Pension Fund, Local Road & Street Fund, Cumulative Capital Improvement Fund, Cumulative Capital Development Fund, 2004 Road Bond Fund, Deferral Fund, 2016 Property Tax Bond Fund, Storm Water Fund, User Fee Fund, Court Records Perpetuation Fund, Parks Program Fund, Drug Task Force Fund, Ambulance Capital Fund, Judicial Salary Fund, Parks Monon Fund, Parks Facilities Fund, and Public Defender Fund. The original budget is the first complete appropriated budget for the year.

The deadline for the adoption of annual budgets by the Common Council is November 1 of the previous year. It is subject to adjustment by the Common Council and, in certain circumstances, by an Indiana State agency.

The property tax levy is authorized at the time annual appropriations are adopted. Revenue budgets represent the most recent estimates available to the Mayor and Council at that time. Final revenue budgets represent the estimates available one year later, when the subsequent budget is adopted.

The appropriated budget is prepared by fund, department, character, and/or object. Transfers of appropriations require the approval of the Common Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the character and/or object.

Appropriations in all budgeted funds lapse at the end of the fiscal year unless they are encumbered. Encumbrances are contractual obligations related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

The basis of accounting for the budget, and the actual revenues and expenditures provided for comparison, is the cash basis, modified only by the addition of encumbrances to appropriations to arrive at the total budget. Encumbrances are not added to actual expenditures because utilization of encumbrances is optional at the managerial level.

CITY OF CARMEL, INDIANA  
NONMAJOR GOVERNMENTAL FUNDS - INFORMATION

**Special revenue funds** - used to account for revenues derived for a specific purpose. The title of the funds is descriptive of the activities involved. The City maintains the following nonmajor special revenue funds:

The Park Impact Fee Fund accounts for fees charged to developers solely for the purpose of maintaining parks.

The Hazardous Materials Fund accounts for fees charged on the handling of certain hazardous waste and required by law to be used to enhance the City's ability to respond to hazardous waste emergencies.

The Parks Program Fund accounts for certain fees collected in accordance with inter-local governmental agreements and required to be used for parks and recreation programs.

The Parks Monon Fund accounts for certain collected in accordance with inter-local governmental agreements and required to be used to support the redevelopment of the former Monon Railroad track line as a recreational trail.

The Parks Facility Fund accounts for fees collected from program participants and shall be used for the purchase, development, and/or rehabilitation of park facilities.

The Local Road and Street Fund accounts for gasoline taxes and other revenues collected by the State of Indiana and distributed to the City in accordance with a statutory formula, required to be used for certain road and street contracts.

The Deferral Fund accounts for certain fees paid by offenders to defer their cases to a non-criminal process, required by law to be used for certain public safety purposes.

The User Fee Fund accounts for the City's share of certain fee revenue collected from participants in certain public safety and criminal justice programs, and other court-related programs, required by law to be used for certain public safety and court-related purposes.

The Barrett Law and Barrett Law Surplus Funds account for certain payments collected from property owners who benefit from specific projects that affect their property, required to be used to cover debt service on those projects.

The Storm Water Fund accounts for monies received for user charges restricted for drainage projects.

The 4CDC Operating Fund accounts for the rental and maintenance operations of the 4CDC office building.

The Motor Vehicle Highway Fund is used to account for gasoline tax and other revenue collected by the State of Indiana and shared with the City for the purpose of maintaining streets and other infrastructure.

The Maternal Infant Health Program (MIHP) Fund accounts for funds used to support Medicaid beneficiaries in order to promote healthy pregnancies, positive birth outcomes, and infant health and development.

The Health Self Insurance Fund accounts for the City's employee healthcare self-insurance program.

Continued on next page.

CITY OF CARMEL, INDIANA  
NONMAJOR GOVERNMENTAL FUNDS - INFORMATION  
(Continued)

The Workers Compensation Fund accounts for the City's workers' compensation programs.

The Support for the Arts Fund accounts for donations and grants received to be spent on arts programs and engagement.

The Keystone Non-Reverting Fund accounts for amounts accumulated for certain infrastructure projects.

The Bicycle Facilities Non-Reverting Fund accounts for amounts accumulated for the operation and maintenance of City bicycle facilities and amenities.

The Center Green Ice Non-Reverting Fund accounts for monies received and expended for the operation and maintenance of the ice rink located at the Palladium Center Green.

Events & Festival Non-Reverting Funds accounts for amounts accumulated for certain recreation projects relating to City festivals and other community events.

The Code Enforcement Non-Reverting Fund accounts for monies received and expended for City code enforcement activities.

The Urban Forestry Fund accounts for amounts accumulated for street tree maintenance, storm event or natural disaster cleanup, the replacement of street trees, and special training.

The Clerk's Record Perpetuation Fund accounts for document storage fees and facsimile transmission fees collected by the Carmel City Court. Disbursements are for the purpose of developing a record retention program.

The Court Interpreter Fund accounts for monies received from the Indiana Supreme Court to be spent on foreign language interpreters for court cases.

The Public Defender Fund accounts for the costs of public defender representation ordered by the court. Financing is provided by charges assessed to individuals represented by public defenders.

The Judicial Salary Fees Fund accounts for certain court fees restricted by law to the payment of certain court administration expenditures.

The Historic Preservation Fund accounts for amounts accumulated to protect and to promote the educational, cultural and general welfare of the citizens of the City and to ensure the harmonious and orderly growth and development of the City.

The Fire Gift Fund accounts for donations received for fire department expenditures.

The Police Gift Fund accounts for donations received for police department expenditures.

The Parks Gift Fund accounts for donations received for park expenditures.

Continued on next page.

CITY OF CARMEL, INDIANA  
NONMAJOR GOVERNMENTAL FUNDS - INFORMATION  
(Continued)

The Community Relations Gift Fund accounts for donations received for the community relations department.

The Redevelopment Commission Gift Fund accounts for donations received for the redevelopment commission.

The Economic Development Fund accounts for expenditures related to projects promoting economic development. Financing is provided by state grants and loan payments. Expenditures include grants and related expenses.

The Housing Authority Fund accounts for expenditures related to the provision of affordable housing programs to eligible renters within the City.

The Drug Task Force Fund accounts for donations to the City for various expenditures relating to this educational program.

The Thoroughfare Fund accounts for amounts accumulated for certain infrastructure projects.

The Grant Fund is used to account for grant resources received from various local, state, and federal agencies and organizations. The use of these resources is restricted to a particular function of the City by each grantor.

**Capital Projects Funds - used to account for revenues and other financing sources restricted or committed to the acquisition of capital assets:**

The Bond Bank Project Fund is used to account for the proceeds of bond issuances that have been aggregated through the City's local public improvement bond bank, established in accordance with Indiana law. Generally, proceeds not needed for issuance costs and required reserves are transferred to other funds to be used to acquire capital assets.

The Redevelopment Authority Capital Projects Fund is used to account for capital projects undertaken by the City with financing provided by the Authority.

The Ambulance Fund accounts for EMS service fees, committed for the acquisition of EMS and fire protection equipment.

The Park Capital Fund accounts for certain fees collected in accordance with inter-local governmental agreements and required to be used for capital projects for parks and recreation.

The Cumulative Capital Improvement Fund accounts for cigarette taxes and other revenues collected by the State of Indiana and distributed to the City in accordance with a statutory formula, required primarily to be used for certain road and street contracts.

The Cumulative Capital Sewer Fund accounts for financial resources for the construction or repairing of storm sewers. Financing is provided by a dedicated property tax levy.

Continued on next page.

CITY OF CARMEL, INDIANA  
NONMAJOR GOVERNMENTAL FUNDS - INFORMATION  
(Continued)

The Cumulative Capital Development Fund accounts for a property tax levy established and imposed for the sole purpose of funding certain types of capital acquisitions and the payment of debt service for such acquisitions.

The Illinois Street Construction Fund accounts for certain payments in lieu of taxes required by contract with the payor to be used for certain capital projects.

The Old Town/126th Street Construction Fund accounts for the accumulation of resources for certain community improvement projects.

The Capital Lease Fund accounts for the accumulation of resources for certain capital leases.

The 2016 Property Tax Bond Construction Funds 1 - 13 account for the proceeds of thirteen separate street projects financed by property tax, issued for the purpose of street improvement and construction.

The 2017 A Bond Construction Fund is a capital projects fund that accounts for the proceeds of a bond expected to be paid from tax increment revenue.

The 2018 CMBC Bond Construction Fund is a capital projects fund that accounts for the proceeds of a bond expected to be paid from tax increment revenue.

The 2019 Project Fund is a capital projects fund that accounts for the proceeds of a bond expected to be paid from tax increment revenue.

**Debt Service Funds- used to account for revenues and other financing sources restricted or committed to the payment of principal and interest on noncurrent debt:**

The Lease Rental Fund accounts for the accumulation of resources for certain leases.

The 2004 Road Bond Fund accounts for financial resources that are restricted to expenditure for payment of principal and interest on certain bonds.

The 2016 Property Tax Bond Fund is a debt service fund that accounts for a tax levy to fund debt service for property tax-supported debt that finances 13 separate capital projects.

CITY OF CARMEL, INDIANA  
BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
For the Fiscal Year Ended December 31, 2019

	Special Revenue Funds											
	Park Impact Fee	Hazardous Material	Parks Program	Parks Monon	Parks Facility	Local Road & Street	Deferral	User Fee	Barrett Law	Barrett Law Surplus	Storm Water	4CDC Operating Fund
<b>ASSETS:</b>												
Cash and cash equivalents	\$ 2,663,185	\$ 26,324	\$ 2,836,070	\$ 4,180,048	\$ 137,349	\$ 5,287,835	\$ 298,196	\$ 84,552	\$ 6	\$ 166,369	\$ 17,620,937	\$ 959,473
Property tax receivable	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-	-	-	-	-	340,642	-
Intergovernmental receivables	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	4,076
<b>Total assets</b>	<u>2,663,185</u>	<u>26,324</u>	<u>2,836,070</u>	<u>4,180,048</u>	<u>137,349</u>	<u>5,287,835</u>	<u>298,196</u>	<u>84,552</u>	<u>6</u>	<u>166,369</u>	<u>17,961,579</u>	<u>963,549</u>
<b>LIABILITIES:</b>												
Accounts payable	6,336	-	247,299	279,096	5,702	22,989	906	702	-	-	285,449	25,014
Claims payable	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	54,169	-
Accrued payroll	-	-	123,729	129,689	-	-	2,195	-	-	-	-	-
<b>Total liabilities</b>	<u>6,336</u>	<u>-</u>	<u>371,028</u>	<u>408,785</u>	<u>5,702</u>	<u>22,989</u>	<u>3,101</u>	<u>702</u>	<u>-</u>	<u>-</u>	<u>339,618</u>	<u>25,014</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>												
Unavailable revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE:</b>												
Restricted:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	26,324	-	-	-	-	295,095	83,850	-	-	-	-
Highways and streets	-	-	-	-	-	5,264,846	-	-	-	-	17,621,961	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	6	166,369	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	938,535
Culture and recreation	2,656,849	-	2,465,042	3,771,263	131,647	-	-	-	-	-	-	-
Committed:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>2,656,849</u>	<u>26,324</u>	<u>2,465,042</u>	<u>3,771,263</u>	<u>131,647</u>	<u>5,264,846</u>	<u>295,095</u>	<u>83,850</u>	<u>6</u>	<u>166,369</u>	<u>17,621,961</u>	<u>938,535</u>
<b>TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>												
	<u>\$ 2,663,185</u>	<u>\$ 26,324</u>	<u>\$ 2,836,070</u>	<u>\$ 4,180,048</u>	<u>\$ 137,349</u>	<u>\$ 5,287,835</u>	<u>\$ 298,196</u>	<u>\$ 84,552</u>	<u>\$ 6</u>	<u>\$ 166,369</u>	<u>\$ 17,961,579</u>	<u>\$ 963,549</u>

CITY OF CARMEL, INDIANA  
**BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

Special Revenue Funds

	Motor Vehicle Highway Fund	MIHP	Health Self Insurance	Workers Comp	Support for the Arts	Keystone Non-Reverting	Bicycle Facilities Non-Reverting	Center Green Ice Non-Reverting	Events & Festival Non-Reverting	Code Enforcement Non-Reverting	Urban Forestry	Clerk's Record Perpetuation
<b>ASSETS:</b>												
Cash and cash equivalents	\$ 3,280,139	\$ 11,059	\$ 2,848,151	\$ 750,939	\$ 19,134	\$ 136,970	\$ 22,114	\$ 334,776	\$ 32,146	\$ 20,702	\$ 71,191	\$ 274,191
Property tax receivable	265,991	-	-	-	-	-	-	-	-	-	-	-
Due from other governmental funds	54,169	-	-	-	-	-	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receivables	351,999	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>3,952,298</u>	<u>11,059</u>	<u>2,848,151</u>	<u>750,939</u>	<u>19,134</u>	<u>136,970</u>	<u>22,114</u>	<u>334,776</u>	<u>32,146</u>	<u>20,702</u>	<u>71,191</u>	<u>274,191</u>
<b>LIABILITIES:</b>												
Accounts payable	890,934	-	91,364	-	-	-	-	46,112	-	-	-	-
Claims payable	-	-	646,713	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll	414,650	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>1,305,584</u>	<u>-</u>	<u>738,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>												
Unavailable revenue	265,991	-	-	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE:</b>												
Restricted:												
General government	-	-	-	-	-	-	-	-	-	-	-	274,191
Public safety	-	11,059	-	-	-	-	-	-	-	-	-	-
Highways and streets	2,380,723	-	-	-	-	-	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	71,191	-
Committed:												
General government	-	-	2,110,074	750,939	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	136,970	22,114	288,664	32,146	20,702	-	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	19,134	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>2,380,723</u>	<u>11,059</u>	<u>2,110,074</u>	<u>750,939</u>	<u>19,134</u>	<u>136,970</u>	<u>22,114</u>	<u>288,664</u>	<u>32,146</u>	<u>20,702</u>	<u>71,191</u>	<u>274,191</u>
<b>TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 3,952,298</u>	<u>\$ 11,059</u>	<u>\$ 2,848,151</u>	<u>\$ 750,939</u>	<u>\$ 19,134</u>	<u>\$ 136,970</u>	<u>\$ 22,114</u>	<u>\$ 334,776</u>	<u>\$ 32,146</u>	<u>\$ 20,702</u>	<u>\$ 71,191</u>	<u>\$ 274,191</u>

CITY OF CARMEL, INDIANA  
**BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

Special Revenue Funds

	Court Interpreter	Public Defender	Judicial Salary Fees	Historic Preservation Fund	Fire Gift	Police Gift	Parks Gift	Community Relations Gift	Redevelopment Commission Gift	Economic Development	Housing Authority	Drug Task Force
<b>ASSETS:</b>												
Cash and cash equivalents	\$ 64	\$ 10,992	\$ 142,720	\$ 144,403	\$ 15,879	\$ 64,670	\$ 30,413	\$ 98,516	\$ 58,969	\$ 78,565	\$ 58,865	\$ 643,985
Property tax receivable	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>64</u>	<u>10,992</u>	<u>142,720</u>	<u>144,403</u>	<u>15,879</u>	<u>64,670</u>	<u>30,413</u>	<u>98,516</u>	<u>58,969</u>	<u>78,565</u>	<u>58,865</u>	<u>643,985</u>
<b>LIABILITIES:</b>												
Accounts payable	-	-	2,183	-	1,849	1,571	-	19,877	-	-	-	11,176
Claims payable	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>2,183</u>	<u>-</u>	<u>1,849</u>	<u>1,571</u>	<u>-</u>	<u>19,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,176</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>												
Unavailable revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE:</b>												
Restricted:												
General government	-	-	-	-	-	-	-	78,639	58,969	-	-	-
Public safety	64	10,992	140,537	-	14,030	63,099	-	-	-	-	-	632,809
Highways and streets	-	-	-	-	-	-	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	78,565	58,865	-
Culture and recreation	-	-	-	-	-	-	30,413	-	-	-	-	-
Committed:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	144,403	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>64</u>	<u>10,992</u>	<u>140,537</u>	<u>144,403</u>	<u>14,030</u>	<u>63,099</u>	<u>30,413</u>	<u>78,639</u>	<u>58,969</u>	<u>78,565</u>	<u>58,865</u>	<u>632,809</u>
<b>TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>												
	<u>\$ 64</u>	<u>\$ 10,992</u>	<u>\$ 142,720</u>	<u>\$ 144,403</u>	<u>\$ 15,879</u>	<u>\$ 64,670</u>	<u>\$ 30,413</u>	<u>\$ 98,516</u>	<u>\$ 58,969</u>	<u>\$ 78,565</u>	<u>\$ 58,865</u>	<u>\$ 643,985</u>

CITY OF CARMEL, INDIANA

BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

For the Fiscal Year Ended December 31, 2019

(Continued)

	Special Revenue Funds			Capital Projects Funds							
	Thoroughfare	Grant	Total Special Revenue Funds	Bond Bank Project Fund	Redevelopment Authority Capital Projects Fund	Ambulance	Park Capital	Cumulative Capital Improvement	Cumulative Capital Sewer	Cumulative Capital Development	Illinois Street Construction
<b>ASSETS:</b>											
Cash and cash equivalents	\$ 1,200,681	\$ 616,803	\$ 45,227,381	\$ 2,418,050	\$ 1,876,633	\$ 1,694,238	\$ 102,757	\$ 321,218	\$ 286,197	\$ 326,653	\$ 80,603
Property tax receivable	-	-	265,991	-	-	-	-	-	-	111,277	-
Due from other governmental funds	-	-	54,169	-	-	-	-	-	-	-	-
Due from related utility	-	-	340,642	-	-	-	-	-	-	-	-
Intergovernmental receivables	-	-	351,999	-	-	-	-	-	-	-	-
Accounts receivable	-	-	4,076	-	-	71,173	-	-	-	-	-
<b>Total assets</b>	<u>1,200,681</u>	<u>616,803</u>	<u>46,244,258</u>	<u>2,418,050</u>	<u>1,876,633</u>	<u>1,765,411</u>	<u>102,757</u>	<u>321,218</u>	<u>286,197</u>	<u>437,930</u>	<u>80,603</u>
<b>LIABILITIES:</b>											
Accounts payable	-	26,532	1,965,091	-	-	249,059	-	16,740	-	-	-
Claims payable	-	-	646,713	-	-	-	-	-	-	-	-
Due to other funds	-	-	54,169	-	-	-	-	-	-	-	-
Accrued payroll	-	-	670,263	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>26,532</u>	<u>3,336,236</u>	<u>-</u>	<u>-</u>	<u>249,059</u>	<u>-</u>	<u>16,740</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>											
Unavailable revenue	-	-	265,991	-	-	59,311	-	-	-	111,277	-
<b>FUND BALANCE:</b>											
Restricted:											
General government	-	-	411,799	-	-	-	-	-	-	-	-
Public safety	-	590,271	1,868,130	-	-	-	-	-	-	-	-
Highways and streets	1,200,681	-	26,468,211	2,418,050	1,876,633	-	-	-	286,197	326,653	80,603
Drainage and other capital assets	-	-	166,375	-	-	-	-	-	-	-	-
Economic development	-	-	1,075,965	-	-	-	-	-	-	-	-
Culture and recreation	-	-	9,126,405	-	-	-	102,757	-	-	-	-
Committed:											
General government	-	-	2,861,013	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	1,457,041	-	-	-	-	-
Highways and streets	-	-	500,596	-	-	-	-	304,478	-	-	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	163,537	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>1,200,681</u>	<u>590,271</u>	<u>42,642,031</u>	<u>2,418,050</u>	<u>1,876,633</u>	<u>1,457,041</u>	<u>102,757</u>	<u>304,478</u>	<u>286,197</u>	<u>326,653</u>	<u>80,603</u>
<b>TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>											
	<u>\$ 1,200,681</u>	<u>\$ 616,803</u>	<u>\$ 46,244,258</u>	<u>\$ 2,418,050</u>	<u>\$ 1,876,633</u>	<u>\$ 1,765,411</u>	<u>\$ 102,757</u>	<u>\$ 321,218</u>	<u>\$ 286,197</u>	<u>\$ 437,930</u>	<u>\$ 80,603</u>

CITY OF CARMEL, INDIANA  
**BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

	Capital Projects Funds											
	Old		2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	
	Town/126th	Capital Lease	Tax Bond	Tax Bond	Tax Bond	Tax Bond	Tax Bond	Tax Bond	Tax Bond	Tax Bond	Tax Bond	
Construction		Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	Construction	
		1	2	3	4	5	6	7	8	9	10	
<b>ASSETS:</b>												
Cash and cash equivalents	\$ 459	\$ 812,056	\$ 5,485	\$ 112,626	\$ 1,741,506	\$ 62,609	\$ 44,375	\$ 59,948	\$ 297	\$ 121,098	\$ 32,672	\$ 454,671
Property tax receivable	-	-	-	-	-	-	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<u>459</u>	<u>812,056</u>	<u>5,485</u>	<u>112,626</u>	<u>1,741,506</u>	<u>62,609</u>	<u>44,375</u>	<u>59,948</u>	<u>297</u>	<u>121,098</u>	<u>32,672</u>	<u>454,671</u>
<b>LIABILITIES:</b>												
Accounts payable	-	-	-	-	-	-	-	-	-	-	-	-
Claims payable	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>												
Unavailable revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE:</b>												
Restricted:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	812,056	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	5,485	112,626	1,741,506	62,609	44,375	59,948	297	121,098	32,672	454,671
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	459	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Committed:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>459</u>	<u>812,056</u>	<u>5,485</u>	<u>112,626</u>	<u>1,741,506</u>	<u>62,609</u>	<u>44,375</u>	<u>59,948</u>	<u>297</u>	<u>121,098</u>	<u>32,672</u>	<u>454,671</u>
<b>TOTAL LIABILITIES, DEFERRED</b>												
<b>OUTFLOWS OF RESOURCES, AND</b>												
<b>FUND BALANCES</b>	<u>\$ 459</u>	<u>\$ 812,056</u>	<u>\$ 5,485</u>	<u>\$ 112,626</u>	<u>\$ 1,741,506</u>	<u>\$ 62,609</u>	<u>\$ 44,375</u>	<u>\$ 59,948</u>	<u>\$ 297</u>	<u>\$ 121,098</u>	<u>\$ 32,672</u>	<u>\$ 454,671</u>

CITY OF CARMEL, INDIANA  
**BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

	Capital Projects Funds						Debt Service Funds				Total Nonmajor Governmental Funds	
	2016 Property Tax Bond Construction 11	2016 Property Tax Bond Construction 12	2016 Property Tax Bond Construction 13	2017 A Bond Construction Fund	2018 CMBC Bond Construction Fund	2019 Project Fund	Total Capital Projects Funds	Lease Rental	2004 Road Bond	2016 Property Tax Bond Fund		Total Debt Service Funds
<b>ASSETS:</b>												
Cash and cash equivalents	\$ 347,691	\$ 127,371	\$ 20,780	\$ 1,483	\$ 1,293,369	\$ 2,043,561	\$ 14,388,406	\$ 3,853	\$ 1,529,153	\$ 60,450	\$ 1,593,456	\$ 61,209,243
Property tax receivable	-	-	-	-	-	-	111,277	-	99,635	41,197	140,832	518,100
Due from other governmental funds	-	-	-	-	-	-	-	-	-	-	-	54,169
Due from related utility	-	-	-	-	-	-	-	-	-	-	-	340,642
Intergovernmental receivables	-	-	-	-	-	-	-	-	-	-	-	351,999
Accounts receivable	-	-	-	-	-	-	71,173	-	-	-	-	75,249
<b>Total assets</b>	<u>347,691</u>	<u>127,371</u>	<u>20,780</u>	<u>1,483</u>	<u>1,293,369</u>	<u>2,043,561</u>	<u>14,570,856</u>	<u>3,853</u>	<u>1,628,788</u>	<u>101,647</u>	<u>1,734,288</u>	<u>62,549,402</u>
<b>LIABILITIES:</b>												
Accounts payable	-	-	-	-	-	-	265,799	-	-	-	-	2,230,890
Claims payable	-	-	-	-	-	-	-	-	-	-	-	646,713
Due to other funds	-	-	-	-	-	-	-	-	-	-	-	54,169
Accrued payroll	-	-	-	-	-	-	-	-	-	-	-	670,263
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,799</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,602,035</u>
<b>DEFERRED INFLOW OF RESOURCES:</b>												
Unavailable revenue	-	-	-	-	-	-	170,588	-	99,635	41,197	140,832	577,411
<b>FUND BALANCE:</b>												
Restricted:												
General government	-	-	-	-	-	-	-	-	-	-	-	411,799
Public safety	-	-	-	-	-	-	812,056	-	-	-	-	2,680,186
Highways and streets	347,691	127,371	20,780	1,483	-	-	8,120,748	3,853	1,529,153	60,450	1,593,456	36,182,415
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	166,375
Economic development	-	-	-	-	1,293,369	2,043,561	3,337,389	-	-	-	-	4,413,354
Culture and recreation	-	-	-	-	-	-	102,757	-	-	-	-	9,229,162
Committed:												
General government	-	-	-	-	-	-	-	-	-	-	-	2,861,013
Public safety	-	-	-	-	-	-	1,457,041	-	-	-	-	1,457,041
Highways and streets	-	-	-	-	-	-	304,478	-	-	-	-	805,074
Drainage and other capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	163,537
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>347,691</u>	<u>127,371</u>	<u>20,780</u>	<u>1,483</u>	<u>1,293,369</u>	<u>2,043,561</u>	<u>14,134,469</u>	<u>3,853</u>	<u>1,529,153</u>	<u>60,450</u>	<u>1,593,456</u>	<u>58,369,956</u>
<b>TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 347,691</u>	<u>\$ 127,371</u>	<u>\$ 20,780</u>	<u>\$ 1,483</u>	<u>\$ 1,293,369</u>	<u>\$ 2,043,561</u>	<u>\$ 14,570,856</u>	<u>\$ 3,853</u>	<u>\$ 1,628,788</u>	<u>\$ 101,647</u>	<u>\$ 1,734,288</u>	<u>\$ 62,549,402</u>

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019

Special Revenue

	Park Impact Fee	Hazardous Material	Parks Program	Parks Monon	Parks Facility	Local Road & Street	Deferral	User Fee	Barrett Law	Barrett Law Surplus	Storm Water	4CDC Operating Fund
<b>REVENUES:</b>												
Charges for services	\$ 1,078,878	\$ 3,931	\$ 4,395,640	\$ 6,493,384	\$ 154,576	\$ -	\$ 23,238	\$ 30,273	\$ -	\$ -	\$ 4,010,897	\$ 1,026,628
Investment income	96,508	1,284	158,402	156,157	5,452	-	13,080	-	-	-	404,281	-
Licenses and permits	-	-	-	-	-	-	-	66,395	-	-	-	-
Other	-	-	445	-	1,363	247,674	-	499	-	-	90,749	73,155
Other taxes	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	259	26,563	-	-	-	-	-	-	-	-
General property taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental:												
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Shared revenue	-	-	-	-	-	2,307,787	-	-	-	-	-	-
<b>Total revenues</b>	<u>1,175,386</u>	<u>5,215</u>	<u>4,554,746</u>	<u>6,676,104</u>	<u>161,391</u>	<u>2,555,461</u>	<u>36,318</u>	<u>97,167</u>	<u>-</u>	<u>-</u>	<u>4,505,927</u>	<u>1,099,783</u>
<b>EXPENDITURES:</b>												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	536,794
Public safety	-	9,196	-	-	-	-	61,857	173,856	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	221,319
Culture and recreation	-	-	5,767,030	6,271,713	-	-	-	-	-	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-	-	-	-	-	-	59,121
Capital outlay:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	7,469,060	-	-	-	-	4,634,695	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	951,854	-	-	-	161,140	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>951,854</u>	<u>9,196</u>	<u>5,767,030</u>	<u>6,271,713</u>	<u>161,140</u>	<u>7,469,060</u>	<u>61,857</u>	<u>173,856</u>	<u>-</u>	<u>-</u>	<u>4,634,695</u>	<u>817,234</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	223,532	(3,981)	(1,212,284)	404,391	251	(4,913,599)	(25,539)	(76,689)	-	-	(128,768)	282,549
Other financing sources (uses):												
Transfers in, governmental funds	-	-	-	-	-	-	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	-	(492,264)	-	-	-	-	(3,104,821)	(5,470,879)
Bond issuance - principal	-	-	-	-	-	-	-	-	-	-	-	6,000,000
Capital lease proceeds	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(492,264)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,104,821)</u>	<u>529,121</u>
<b>NET CHANGE IN FUND BALANCES</b>	223,532	(3,981)	(1,212,284)	404,391	251	(5,405,863)	(25,539)	(76,689)	-	-	(3,233,589)	811,670
<b>FUND BALANCES: beginning</b>	2,433,317	30,305	3,677,326	3,366,872	131,396	10,670,709	320,634	160,539	6	166,369	20,855,550	126,865
<b>Restatement</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>FUND BALANCES: beginning, restated</b>	<u>2,433,317</u>	<u>30,305</u>	<u>3,677,326</u>	<u>3,366,872</u>	<u>131,396</u>	<u>10,670,709</u>	<u>320,634</u>	<u>160,539</u>	<u>6</u>	<u>166,369</u>	<u>20,855,550</u>	<u>126,865</u>
<b>FUND BALANCES: ending</b>	<u>\$ 2,656,849</u>	<u>\$ 26,324</u>	<u>\$ 2,465,042</u>	<u>\$ 3,771,263</u>	<u>\$ 131,647</u>	<u>\$ 5,264,846</u>	<u>\$ 295,095</u>	<u>\$ 83,850</u>	<u>\$ 6</u>	<u>\$ 166,369</u>	<u>\$ 17,621,961</u>	<u>\$ 938,535</u>

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

Special Revenue

	Motor Vehicle Highway Fund	MIHP	Health Self Insurance	Workers Comp	Support of the Arts	Keystone Non- Reverting	Bicycle Facilities Non- Reverting	Center Green Ice Non- Reverting	Events & Festival Non- Reverting	Code Enforcement Non-Reverting	Urban Forestry	Clerk's Record Perpetuation
<b>REVENUES:</b>												
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,750	\$ -	\$ -	\$ -
Investment income	-	412	-	-	-	5,532	675	14,596	1,587	614	-	-
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Other	333,330	-	-	468,783	-	-	9,000	231,330	2,596	10,000	-	37,626
Other taxes	908,276	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	4,872	-	-	-	-	-	-	3,519	-	-	-
General property taxes	8,507,353	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental:												
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Shared revenue	3,878,347	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>13,627,306</u>	<u>5,284</u>	<u>-</u>	<u>468,783</u>	<u>-</u>	<u>5,532</u>	<u>9,675</u>	<u>245,926</u>	<u>12,452</u>	<u>10,614</u>	<u>-</u>	<u>37,626</u>
<b>EXPENDITURES:</b>												
Current:												
General government	-	-	1,023,945	378,070	-	-	-	-	-	-	-	6,847
Public safety	-	4,836	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	12,586,488	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	316,238	20,732	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	1,281,023	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>13,867,511</u>	<u>4,836</u>	<u>1,023,945</u>	<u>378,070</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>316,238</u>	<u>20,732</u>	<u>-</u>	<u>-</u>	<u>6,847</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	(240,205)	448	(1,023,945)	90,713	-	5,532	9,675	(70,312)	(8,280)	10,614	-	30,779
Other financing sources (uses):												
Transfers in, governmental funds	1,734,051	-	-	-	-	-	-	-	-	-	-	-
Transfers (out), governmental funds	(135,000)	-	-	-	-	-	-	-	-	-	-	-
Bond issuance - principal	-	-	-	-	-	-	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>1,599,051</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>1,358,846</u>	<u>448</u>	<u>(1,023,945)</u>	<u>90,713</u>	<u>-</u>	<u>5,532</u>	<u>9,675</u>	<u>(70,312)</u>	<u>(8,280)</u>	<u>10,614</u>	<u>-</u>	<u>30,779</u>
<b>FUND BALANCES: beginning</b>	1,021,877	10,611	3,134,019	660,226	19,134	131,438	12,439	358,976	40,426	10,088	71,191	243,412
<b>Restatement</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>FUND BALANCES: beginning, restated</b>	<u>1,021,877</u>	<u>10,611</u>	<u>3,134,019</u>	<u>660,226</u>	<u>19,134</u>	<u>131,438</u>	<u>12,439</u>	<u>358,976</u>	<u>40,426</u>	<u>10,088</u>	<u>71,191</u>	<u>243,412</u>
<b>FUND BALANCES: ending</b>	<u>\$ 2,380,723</u>	<u>\$ 11,059</u>	<u>\$ 2,110,074</u>	<u>\$ 750,939</u>	<u>\$ 19,134</u>	<u>\$ 136,970</u>	<u>\$ 22,114</u>	<u>\$ 288,664</u>	<u>\$ 32,146</u>	<u>\$ 20,702</u>	<u>\$ 71,191</u>	<u>\$ 274,191</u>

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

Special Revenue

	Court Interpreter	Public Defender	Judicial Salary Fees	Historic Preservation Fund	Fire Gift	Police Gift	Parks Gift	Community Relations Gift	Redevelopment Commission Gift	Economic Development	Housing Authority	Drug Task Force
<b>REVENUES:</b>												
Charges for services	\$ -	\$ 3,271	\$ 34,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	3	-	-	-	1,044	610	1,373	3,470	861	-	-	28,473
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	7,500	-	-	-	29,363
Other taxes	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	32,060	65,325	4,292	48,412	55,000	-	-	-
General property taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental:												
Grants	-	-	-	-	-	-	-	-	-	-	-	96,485
Shared revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<u>3</u>	<u>3,271</u>	<u>34,659</u>	<u>-</u>	<u>33,104</u>	<u>65,935</u>	<u>5,665</u>	<u>59,382</u>	<u>55,861</u>	<u>-</u>	<u>-</u>	<u>154,321</u>
<b>EXPENDITURES:</b>												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	51,752	-	29,265	33,326	-	-	-	-	-	262,404
Streets and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	13,302	61,516	31,324	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>51,752</u>	<u>-</u>	<u>29,265</u>	<u>33,326</u>	<u>13,302</u>	<u>61,516</u>	<u>31,324</u>	<u>-</u>	<u>-</u>	<u>262,404</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>3</u>	<u>3,271</u>	<u>(17,093)</u>	<u>-</u>	<u>3,839</u>	<u>32,609</u>	<u>(7,637)</u>	<u>(2,134)</u>	<u>24,537</u>	<u>-</u>	<u>-</u>	<u>(108,083)</u>
Other financing sources (uses):												
Transfers in, governmental funds	-	-	-	79,403	-	-	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	-	-	-	-	-	-	-	-
Bond issuance - principal	-	-	-	-	-	-	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,403</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>3</u>	<u>3,271</u>	<u>(17,093)</u>	<u>79,403</u>	<u>3,839</u>	<u>32,609</u>	<u>(7,637)</u>	<u>(2,134)</u>	<u>24,537</u>	<u>-</u>	<u>-</u>	<u>(108,083)</u>
<b>FUND BALANCES: beginning</b>	<u>61</u>	<u>7,721</u>	<u>157,630</u>	<u>65,000</u>	<u>10,191</u>	<u>30,490</u>	<u>38,050</u>	<u>80,773</u>	<u>34,432</u>	<u>78,565</u>	<u>58,865</u>	<u>740,892</u>
<b>Restatement</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES: beginning, restated</b>	<u>61</u>	<u>7,721</u>	<u>157,630</u>	<u>65,000</u>	<u>10,191</u>	<u>30,490</u>	<u>38,050</u>	<u>80,773</u>	<u>34,432</u>	<u>78,565</u>	<u>58,865</u>	<u>740,892</u>
<b>FUND BALANCES: ending</b>	<u>\$ 64</u>	<u>\$ 10,992</u>	<u>\$ 140,537</u>	<u>\$ 144,403</u>	<u>\$ 14,030</u>	<u>\$ 63,099</u>	<u>\$ 30,413</u>	<u>\$ 78,639</u>	<u>\$ 58,969</u>	<u>\$ 78,565</u>	<u>\$ 58,865</u>	<u>\$ 632,809</u>

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

	Special Revenue			Capital Projects Funds							
	Thoroughfare	Grant	Total Special Revenue Funds	Bond Bank Project Fund	Redevelopment Authority Capital Projects Fund	Ambulance	Parks Capital	Cumulative Capital Improvement	Cumulative Capital Sewer	Cumulative Capital Development	Illinois Street Construction
<b>REVENUES:</b>											
Charges for services	\$ 170,513	\$ -	\$ 17,430,638	\$ -	\$ -	\$ 1,678,694	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	44,016	-	938,430	49,503	57,076	76,813	5,383	-	-	-	-
Licenses and permits	-	-	66,395	-	-	-	-	-	-	-	-
Other	-	-	1,543,413	512,513	-	580	-	-	-	-	-
Other taxes	-	-	908,276	-	-	-	-	209,386	-	379,977	-
Contributions	-	-	240,302	-	-	-	-	-	-	-	-
General property taxes	-	-	8,507,353	-	-	-	-	-	-	3,556,710	-
Intergovernmental:											
Grants	-	3,070,276	3,166,761	-	-	-	-	-	-	-	-
Shared revenue	-	-	6,186,134	-	-	-	-	-	-	1,654	-
<b>Total revenues</b>	<u>214,529</u>	<u>3,070,276</u>	<u>38,987,702</u>	<u>562,016</u>	<u>57,076</u>	<u>1,756,087</u>	<u>5,383</u>	<u>209,386</u>	<u>-</u>	<u>3,938,341</u>	<u>-</u>
<b>EXPENDITURES:</b>											
Current:											
General government	-	-	1,945,656	-	-	-	-	-	-	-	-
Public safety	-	263,759	890,251	-	-	1,534,544	-	-	-	-	-
Streets and other infrastructure	-	-	12,586,488	35,710	-	-	-	-	-	370,824	-
Economic development	-	-	221,319	-	-	-	-	-	-	-	-
Culture and recreation	-	-	12,481,855	-	-	-	-	-	-	-	-
Debt service:											
Principal	-	-	-	6,077,000	-	-	-	-	-	-	-
Interest	-	-	-	13,682,177	-	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	59,121	-	-	-	-	-	-	-	-
Capital outlay:											
General government	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	-	-	13,384,778	-	1,740,410	-	-	245,230	-	4,500	6,417
Economic development	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	1,112,994	-	-	-	45,972	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>263,759</u>	<u>42,682,462</u>	<u>19,794,887</u>	<u>1,740,410</u>	<u>1,534,544</u>	<u>45,972</u>	<u>245,230</u>	<u>-</u>	<u>375,324</u>	<u>6,417</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>214,529</u>	<u>2,806,517</u>	<u>(3,694,760)</u>	<u>(19,232,871)</u>	<u>(1,683,334)</u>	<u>221,543</u>	<u>(40,589)</u>	<u>(35,844)</u>	<u>-</u>	<u>3,563,017</u>	<u>(6,417)</u>
Other financing sources (uses):											
Transfers in, governmental funds	-	-	1,813,454	18,623,450	5,700	-	-	-	-	-	-
Transfers (out), governmental funds	-	(2,927,939)	(12,130,903)	(598,196)	(100,000)	-	-	-	-	(3,601,397)	-
Bond issuance - principal	-	-	6,000,000	-	-	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>(2,927,939)</u>	<u>(4,317,449)</u>	<u>18,025,254</u>	<u>(94,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,601,397)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>214,529</u>	<u>(121,422)</u>	<u>(8,012,209)</u>	<u>(1,207,617)</u>	<u>(1,777,634)</u>	<u>221,543</u>	<u>(40,589)</u>	<u>(35,844)</u>	<u>-</u>	<u>(38,380)</u>	<u>(6,417)</u>
<b>FUND BALANCES: beginning</b>	<u>986,152</u>	<u>711,693</u>	<u>50,654,240</u>	<u>3,511,508</u>	<u>3,654,267</u>	<u>1,235,498</u>	<u>143,346</u>	<u>340,322</u>	<u>286,197</u>	<u>365,033</u>	<u>87,020</u>
<b>Restatement</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES: beginning, restated</b>	<u>986,152</u>	<u>711,693</u>	<u>50,654,240</u>	<u>3,625,667</u>	<u>3,654,267</u>	<u>1,235,498</u>	<u>143,346</u>	<u>340,322</u>	<u>286,197</u>	<u>365,033</u>	<u>87,020</u>
<b>FUND BALANCES: ending</b>	<u>\$ 1,200,681</u>	<u>\$ 590,271</u>	<u>\$ 42,642,031</u>	<u>\$ 2,418,050</u>	<u>\$ 1,876,633</u>	<u>\$ 1,457,041</u>	<u>\$ 102,757</u>	<u>\$ 304,478</u>	<u>\$ 286,197</u>	<u>\$ 326,653</u>	<u>\$ 80,603</u>

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

Capital Projects Funds												
Old Town/126th Construction	Capital Lease	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	2016 Property	
		Tax Bond Construction 1	Tax Bond Construction 2	Tax Bond Construction 3	Tax Bond Construction 4	Tax Bond Construction 5	Tax Bond Construction 6	Tax Bond Construction 7	Tax Bond Construction 8	Tax Bond Construction 9	Tax Bond Construction 10	
<b>REVENUES:</b>												
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Investment income	-	1	99	3,216	34,438	1,072	734	1,466	-	2,011	649	28,719
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	37	297	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
General property taxes	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental:												
Grants	-	-	-	-	-	-	-	-	-	-	-	-
Shared revenue	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>1</b>	<b>99</b>	<b>3,216</b>	<b>34,438</b>	<b>1,072</b>	<b>734</b>	<b>1,503</b>	<b>297</b>	<b>2,011</b>	<b>649</b>	<b>28,719</b>
<b>EXPENDITURES:</b>												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:												
General government	-	743,156	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	-	62,789	700	20,596	23,467	7,450	808	46,256	-	3,350	16,995	1,104,187
Economic development	-	1,031,465	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	897,143	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>2,734,553</b>	<b>700</b>	<b>20,596</b>	<b>23,467</b>	<b>7,450</b>	<b>808</b>	<b>46,256</b>	<b>-</b>	<b>3,350</b>	<b>16,995</b>	<b>1,104,187</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>-</b>	<b>(2,734,552)</b>	<b>(601)</b>	<b>(17,380)</b>	<b>10,971</b>	<b>(6,378)</b>	<b>(74)</b>	<b>(44,753)</b>	<b>297</b>	<b>(1,339)</b>	<b>(16,346)</b>	<b>(1,075,468)</b>
Other financing sources (uses):												
Transfers in, governmental funds	-	-	-	-	-	-	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	(26,000)	-	-	-	-	-	-	-	-
Bond issuance - principal	-	-	-	-	-	-	-	-	-	-	-	-
Capital lease proceeds	-	3,530,369	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>3,530,369</b>	<b>-</b>	<b>(26,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>795,817</b>	<b>(601)</b>	<b>(43,380)</b>	<b>10,971</b>	<b>(6,378)</b>	<b>(74)</b>	<b>(44,753)</b>	<b>297</b>	<b>(1,339)</b>	<b>(16,346)</b>	<b>(1,075,468)</b>
<b>FUND BALANCES: beginning</b>	<b>459</b>	<b>16,239</b>	<b>6,086</b>	<b>156,006</b>	<b>1,730,535</b>	<b>68,987</b>	<b>44,449</b>	<b>104,701</b>	<b>-</b>	<b>122,437</b>	<b>49,018</b>	<b>1,530,139</b>
<b>Restatement</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES: beginning, restated</b>	<b>459</b>	<b>16,239</b>	<b>6,086</b>	<b>156,006</b>	<b>1,730,535</b>	<b>68,987</b>	<b>44,449</b>	<b>104,701</b>	<b>-</b>	<b>122,437</b>	<b>49,018</b>	<b>1,530,139</b>
<b>FUND BALANCES: ending</b>	<b>\$ 459</b>	<b>\$ 812,056</b>	<b>\$ 5,485</b>	<b>\$ 112,626</b>	<b>\$ 1,741,506</b>	<b>\$ 62,609</b>	<b>\$ 44,375</b>	<b>\$ 59,948</b>	<b>\$ 297</b>	<b>\$ 121,098</b>	<b>\$ 32,672</b>	<b>\$ 454,671</b>

CITY OF CARMEL, INDIANA  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended December 31, 2019  
(Continued)

	Capital Projects Funds						Total Capital Projects Funds	Debt Service Funds			Total Debt Service Funds	Total Nonmajor Governmental Funds
	2016 Property Tax Bond Construction 11	2016 Property Tax Bond Construction 12	2016 Property Tax Bond Construction 13	2017 A Bond Construction Fund	2018 CMBC Bond Construction Fund	2019 Project Fund		Lease Rental	2004 Road Bond	2016 Property Tax Bond Fund		
		\$	\$	\$	\$	\$		\$	\$	\$		
<b>REVENUES:</b>												
Charges for services	-	-	-	-	-	-	1,678,694	-	-	-	-	19,109,332
Investment income	26,442	2,328	390	8,747	29,947	30,293	359,327	-	-	-	-	1,297,757
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	66,395
Other	-	-	-	21,998	33,744	-	569,169	-	-	-	-	2,112,582
Other taxes	-	-	-	-	-	-	589,363	-	340,221	140,676	480,897	1,978,536
Contributions	-	-	-	-	-	-	-	-	-	-	-	240,302
General property taxes	-	-	-	-	-	-	3,556,710	-	3,329,850	1,380,822	4,710,672	16,774,735
Intergovernmental:												
Grants	-	-	-	-	-	-	-	-	-	-	-	3,166,761
Shared revenue	-	-	-	-	-	-	1,654	-	1,481	613	2,094	6,189,882
<b>Total revenues</b>	<u>26,442</u>	<u>2,328</u>	<u>390</u>	<u>30,745</u>	<u>63,691</u>	<u>30,293</u>	<u>6,754,917</u>	<u>-</u>	<u>3,671,552</u>	<u>1,522,111</u>	<u>5,193,663</u>	<u>50,936,282</u>
<b>EXPENDITURES:</b>												
Current:												
General government	-	-	-	-	-	-	-	-	-	-	-	1,945,656
Public safety	-	-	-	-	-	-	1,534,544	-	-	-	-	2,424,795
Streets and other infrastructure	-	-	-	-	-	-	406,534	-	-	-	-	12,993,022
Economic development	-	-	-	-	-	-	-	-	-	-	-	221,319
Culture and recreation	-	-	-	-	-	-	-	-	-	-	-	12,481,855
Debt service:												
Principal	-	-	-	-	-	-	6,077,000	-	-	-	-	6,077,000
Interest	-	-	-	-	513,160	-	14,195,337	-	-	-	-	14,195,337
Lease rentals and issuance costs	-	-	-	-	-	269,300	269,300	-	-	-	-	328,421
Capital outlay:												
General government	-	-	-	-	-	-	743,156	-	-	-	-	743,156
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Streets and other infrastructure	1,038,219	71,944	7,450	-	-	-	4,400,768	-	-	-	-	17,785,546
Economic development	-	-	-	493,266	2,002,456	20,674,153	24,201,340	-	-	-	-	24,201,340
Culture and recreation	-	-	-	-	-	-	943,115	-	-	-	-	2,056,109
<b>Total expenditures</b>	<u>1,038,219</u>	<u>71,944</u>	<u>7,450</u>	<u>493,266</u>	<u>2,515,616</u>	<u>20,943,453</u>	<u>52,771,094</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,453,556</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(1,011,777)</u>	<u>(69,616)</u>	<u>(7,060)</u>	<u>(462,521)</u>	<u>(2,451,925)</u>	<u>(20,913,160)</u>	<u>(46,016,177)</u>	<u>-</u>	<u>3,671,552</u>	<u>1,522,111</u>	<u>5,193,663</u>	<u>(44,517,274)</u>
Other financing sources (uses):												
Transfers in, governmental funds	-	-	-	-	-	5,320,879	23,950,029	-	-	-	-	25,763,483
Transfers (out), governmental funds	-	-	-	(400,000)	-	(1,059,158)	(5,784,751)	-	(2,863,000)	(1,483,095)	(4,346,095)	(22,261,749)
Bond issuance - principal	-	-	-	-	-	18,695,000	18,695,000	-	-	-	-	24,695,000
Capital lease proceeds	-	-	-	-	-	-	3,530,369	-	-	-	-	3,530,369
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>	<u>-</u>	<u>22,956,721</u>	<u>40,390,647</u>	<u>-</u>	<u>(2,863,000)</u>	<u>(1,483,095)</u>	<u>(4,346,095)</u>	<u>31,727,103</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(1,011,777)</u>	<u>(69,616)</u>	<u>(7,060)</u>	<u>(862,521)</u>	<u>(2,451,925)</u>	<u>2,043,561</u>	<u>(5,625,530)</u>	<u>-</u>	<u>808,552</u>	<u>39,016</u>	<u>847,568</u>	<u>(12,790,171)</u>
<b>FUND BALANCES: beginning</b>	<u>1,359,468</u>	<u>196,987</u>	<u>27,840</u>	<u>864,004</u>	<u>3,745,294</u>	<u>-</u>	<u>19,645,840</u>	<u>3,853</u>	<u>720,601</u>	<u>21,434</u>	<u>745,888</u>	<u>71,045,968</u>
<b>Restatement</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,159</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,159</u>
<b>FUND BALANCES: beginning, restated</b>	<u>1,359,468</u>	<u>196,987</u>	<u>27,840</u>	<u>864,004</u>	<u>3,745,294</u>	<u>-</u>	<u>19,759,999</u>	<u>3,853</u>	<u>720,601</u>	<u>21,434</u>	<u>745,888</u>	<u>71,160,127</u>
<b>FUND BALANCES: ending</b>	<u>\$ 347,691</u>	<u>\$ 127,371</u>	<u>\$ 20,780</u>	<u>\$ 1,483</u>	<u>\$ 1,293,369</u>	<u>\$ 2,043,561</u>	<u>\$ 14,134,469</u>	<u>\$ 3,853</u>	<u>\$ 1,529,153</u>	<u>\$ 60,450</u>	<u>\$ 1,593,456</u>	<u>\$ 58,369,956</u>

CITY OF CARMEL, INDIANA  
**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

	<b>Motor Vehicle Highway Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary Basis Amounts	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Property taxes	\$ 8,560,163	\$ 8,498,601	\$ 8,507,353	\$ 8,752
MVHF distribution	3,583,914	3,583,914	3,874,393	290,479
Miscellaneous	1,490,247	1,352,521	2,983,820	1,631,299
<b>Total Revenues</b>	<u>13,634,324</u>	<u>13,435,036</u>	<u>15,365,566</u>	<u>1,930,530</u>
<b>EXPENDITURES:</b>				
Engineering:				
Personal services	1,822,350	1,822,350	1,753,579	(68,771)
Supplies	12,400	12,400	10,754	(1,646)
Other services and charges	526,203	526,203	355,111	(171,092)
Capital outlay	103,444	103,444	86,082	(17,362)
Street Department:				
Personal services	5,988,099	5,988,099	5,950,421	(37,678)
Supplies	2,696,793	2,696,793	1,877,797	(818,996)
Other services and charges	4,151,337	2,852,125	3,936,240	1,084,115
Capital outlay	1,343,571	1,343,571	1,106,515	(237,056)
Other expenditures	-	-	136,233	136,233
Construction, reconstruction, and preservation	-	-	92,987	92,987
<b>Total Motor Vehicle Highway Fund</b>	<u>\$ 16,644,197</u>	<u>\$ 15,344,985</u>	<u>\$ 15,305,719</u>	<u>\$ (39,266)</u>
	<b>Fire Pension Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary Basis Amounts	Final Budget Positive (Negative)
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Interest	\$ 90	\$ 90	\$ 847	\$ 757
State assumption of pension payments	659,735	659,735	632,330	(27,405)
<b>Total Revenues</b>	<u>659,825</u>	<u>659,825</u>	<u>633,177</u>	<u>(26,648)</u>
<b>EXPENDITURES:</b>				
Personal services	659,735	659,735	602,362	(57,373)
Supplies	150	150	-	(150)
Other services and charges	8,000	8,000	-	(8,000)
<b>Total Fire Pension Fund</b>	<u>\$ 667,885</u>	<u>\$ 667,885</u>	<u>\$ 602,362</u>	<u>\$ (65,523)</u>

Continued on next page.

**CITY OF CARMEL, INDIANA  
SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULES  
NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>Police Pension Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Interest	\$ 45	\$ 45	\$ 4,121	\$ 4,076
State assumption of pension payments	<u>602,370</u>	<u>602,370</u>	<u>607,204</u>	<u>4,834</u>
<b>Total Revenues</b>	<u><u>602,415</u></u>	<u><u>602,415</u></u>	<u><u>611,325</u></u>	<u><u>8,910</u></u>
 <b>EXPENDITURES:</b>				
Personal services	602,370	602,370	596,509	(5,861)
Supplies	300	300	-	(300)
Other services and charges	<u>5,200</u>	<u>5,200</u>	<u>861</u>	<u>(4,339)</u>
<b>Total Police Pension Fund</b>	<u><u>\$ 607,870</u></u>	<u><u>\$ 607,870</u></u>	<u><u>\$ 597,370</u></u>	<u><u>\$ (10,500)</u></u>
 <b>Local Road &amp; Street Fund</b>				
	<b>Local Road &amp; Street Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Local road & street distribution	\$ 2,016,967	\$ 2,016,967	\$ 2,307,787	\$ 290,820
Miscellaneous	<u>-</u>	<u>-</u>	<u>247,674</u>	<u>247,674</u>
<b>Total Revenues</b>	<u><u>2,016,967</u></u>	<u><u>2,016,967</u></u>	<u><u>2,555,461</u></u>	<u><u>538,494</u></u>
 <b>EXPENDITURES:</b>				
Other services and charges	6,104,104	6,104,104	7,936,999	1,832,895
Capital outlay	<u>-</u>	<u>-</u>	<u>1,336</u>	<u>1,336</u>
<b>Total Local Road &amp; Street Fund</b>	<u><u>\$ 6,104,104</u></u>	<u><u>\$ 6,104,104</u></u>	<u><u>\$ 7,938,335</u></u>	<u><u>\$ 1,834,231</u></u>

Continued on next page.

**CITY OF CARMEL, INDIANA  
SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULES  
NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>Cumulative Capital Improvement Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
	Original	Final	Basis	Positive
		Amounts	(Negative)	
<b>REVENUES:</b>				
Cigarette tax distribution	\$ 318,851	\$ 178,239	\$ 209,386	\$ 31,147
<b>Total Revenues</b>	<b>318,851</b>	<b>178,239</b>	<b>209,386</b>	<b>31,147</b>
<b>EXPENDITURES:</b>				
Other services and charges	171,156	171,156	228,490	57,334
Capital outlay	50,000	50,000	-	(50,000)
<b>Total Cumulative Capital Improvement Fund</b>	<b>\$ 221,156</b>	<b>\$ 221,156</b>	<b>\$ 228,490</b>	<b>\$ 7,334</b>

	<b>Cumulative Capital Development Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
	Original	Final	Basis	Positive
		Amounts	(Negative)	
<b>REVENUES:</b>				
Property tax		\$ 3,555,391	\$ 3,556,710	\$ 1,319
Commercial vehicle excise tax	1,496	1,359	1,654	295
Other	317,355	261,963	378,307	116,344
<b>Total Revenues</b>	<b>318,851</b>	<b>3,818,713</b>	<b>3,936,671</b>	<b>117,958</b>
<b>EXPENDITURES:</b>				
Other services and charges	340,560	340,560	370,824	30,264
Capital outlay	-	-	4,500	4,500
Debt service	3,601,397	3,601,397	3,601,397	-
<b>Total Cumulative Capital Development Fund</b>	<b>\$ 3,941,957</b>	<b>\$ 3,941,957</b>	<b>\$ 3,976,721</b>	<b>\$ 34,764</b>

Continued on next page.

**CITY OF CARMEL, INDIANA  
SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULES  
NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>2004 Road Bond</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Property tax	\$ 3,350,234	\$ 3,329,919	\$ 3,329,850	\$ (69)
Commercial vehicle excise tax	997	1,217	1,481	264
Other	212,959	234,554	340,221	105,667
<b>Total Revenues</b>	3,564,190	3,565,690	3,671,552	105,862
<b>EXPENDITURES:</b>				
Debt service	2,863,000	2,863,000	2,863,000	-
<b>Total 2004 Road Bond</b>	\$ 2,863,000	\$ 2,863,000	\$ 2,863,000	\$ -

	<b>Deferral Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Deferral program fees	\$ -	\$ -	\$ 23,238	\$ 23,238
Interest	-	-	13,080	13,080
<b>Total Revenues</b>	-	-	36,318	36,318
<b>EXPENDITURES:</b>				
Personal services	66,636	66,636	45,150	(21,486)
Supplies	21,025	21,025	1,415	(19,610)
Other services and charges	80,525	80,525	8,330	(72,195)
Capital outlay	19,500	19,500	6,038	(13,462)
<b>Total Deferral Fund</b>	\$ 187,686	\$ 187,686	\$ 60,933	\$ (126,753)

Continued on next page.

**CITY OF CARMEL, INDIANA  
SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULES  
NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>2016 Property Tax Bond Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Property tax	\$ 1,373,521	\$ 1,384,363	\$ 1,380,822	\$ (3,541)
Commercial vehicle excise tax	261	541	613	72
Other	120,368	114,663	140,676	26,013
<b>Total Revenues</b>	<u>1,494,150</u>	<u>1,499,567</u>	<u>1,522,111</u>	<u>22,544</u>
<b>EXPENDITURES:</b>				
Debt service	1,483,530	1,483,530	1,483,095	(435)
<b>Total 2016 Property Tax Bond Fund</b>	<u>\$ 1,483,530</u>	<u>\$ 1,483,530</u>	<u>\$ 1,483,095</u>	<u>\$ (435)</u>

	<b>Storm Water Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Service charges and fees	\$ 3,135,141	\$ 3,135,141	\$ 3,670,255	\$ 535,114
Interest	-	-	404,281	404,281
Other	-	-	90,749	90,749
<b>Total Revenues</b>	<u>3,135,141</u>	<u>3,135,141</u>	<u>4,165,285</u>	<u>1,030,144</u>
<b>EXPENDITURES:</b>				
Other services and charges	3,241,813	3,241,813	3,269,968	28,155
Transfers	-	-	4,187,954	4,187,954
<b>Total Storm Water Fund</b>	<u>\$ 3,241,813</u>	<u>\$ 3,241,813</u>	<u>\$ 7,457,922</u>	<u>\$ 4,216,109</u>

Continued on next page.

CITY OF CARMEL, INDIANA  
**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>User Fee Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
			Basis	Positive
		Amounts	(Negative)	
<b>REVENUES:</b>				
Permits	\$ 63,220	\$ 63,220	\$ 66,395	\$ 3,175
Charges for services	27,555	27,555	30,273	2,718
Other	-	-	499	499
<b>Total Revenues</b>	<u>90,775</u>	<u>90,775</u>	<u>97,167</u>	<u>6,392</u>
<b>EXPENDITURES:</b>				
Other services and charges	125,000	125,000	102,037	(22,963)
Other	-	-	71,117	71,117
<b>Total User Fee Fund</b>	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 173,154</u>	<u>\$ 48,154</u>

	<b>Clerk's Records Perpetuation Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
			Basis	Positive
		Amounts	(Negative)	
<b>REVENUES:</b>				
Charges for services	\$ 43,657	\$ 39,963	\$ 37,626	\$ (2,337)
Interest	87	-	-	-
<b>Total Revenues</b>	<u>43,744</u>	<u>39,963</u>	<u>37,626</u>	<u>(2,337)</u>
<b>EXPENDITURES:</b>				
Other services and charges	10,000	10,000	2,214	(7,786)
Capital outlay	45,000	45,000	4,633	(40,367)
<b>Total Clerk's Records Perpetuation Fund</b>	<u>\$ 55,000</u>	<u>\$ 55,000</u>	<u>\$ 6,847</u>	<u>\$ (48,153)</u>

Continued on next page.

CITY OF CARMEL, INDIANA  
**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>Parks Program Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 2,935,271	\$ 2,910,945	\$ 4,395,640	\$ 1,484,695
Interest	-	-	158,402	158,402
Other	1,800	2,107	704	(1,403)
<b>Total Revenues</b>	<u>2,937,071</u>	<u>2,913,052</u>	<u>4,554,746</u>	<u>1,641,694</u>
<b>EXPENDITURES:</b>				
Personal services	2,850,203	2,850,203	2,850,203	-
Supplies	304,135	304,135	304,135	-
Other services and charges	861,877	861,877	861,877	-
Capital outlay	1,544,008	1,544,008	1,544,008	-
<b>Total Parks Program Fund</b>	<u>\$ 5,560,223</u>	<u>\$ 5,560,223</u>	<u>\$ 5,560,223</u>	<u>\$ -</u>

	<b>Drug Task Force Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 328,453	\$ 99,557	\$ 96,485	\$ (3,072)
Interest	2,647	4,824	28,473	23,649
Other	49,308	97,928	29,363	(68,565)
<b>Total Revenues</b>	<u>380,408</u>	<u>202,309</u>	<u>154,321</u>	<u>(47,988)</u>
<b>EXPENDITURES:</b>				
Supplies	7,600	7,600	2,145	(5,455)
Other services and charges	262,250	262,250	237,202	(25,048)
Capital outlay	58,500	58,500	12,450	(46,050)
<b>Total Drug Task Force Fund</b>	<u>\$ 328,350</u>	<u>\$ 328,350</u>	<u>\$ 251,797</u>	<u>\$ (76,553)</u>

Continued on next page.

CITY OF CARMEL, INDIANA  
**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>Ambulance Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Ambulance fees	\$ 1,330,017	\$ 1,595,454	\$ 1,678,694	\$ 83,240
Interest	1,517	3,288	76,813	73,525
Other	<u>-</u>	<u>382</u>	<u>580</u>	<u>198</u>
<b>Total Revenues</b>	<u>1,331,534</u>	<u>1,599,124</u>	<u>1,756,087</u>	<u>156,963</u>
<b>EXPENDITURES:</b>				
Supplies	110,000	110,000	94,584	(15,416)
Capital outlay	1,230,978	1,230,978	1,176,988	(53,990)
Other	<u>-</u>	<u>-</u>	<u>13,913</u>	<u>13,913</u>
<b>Total Ambulance Fund</b>	<u>\$ 1,340,978</u>	<u>\$ 1,340,978</u>	<u>\$ 1,285,485</u>	<u>\$ (55,493)</u>

	<b>Judicial Salary Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Fines and forfeitures - judicial salaries fees	\$ 40,723	\$ 37,413	\$ 34,659	\$ (2,754)
Interest	<u>311</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<u>41,034</u>	<u>37,413</u>	<u>34,659</u>	<u>(2,754)</u>
<b>EXPENDITURES:</b>				
Supplies	24,000	24,000	4,588	(19,412)
Other services and charges	82,500	82,500	43,381	(39,119)
Capital outlay	<u>18,000</u>	<u>18,000</u>	<u>1,600</u>	<u>(16,400)</u>
<b>Total Judicial Salary Fund</b>	<u>\$ 124,500</u>	<u>\$ 124,500</u>	<u>\$ 49,569</u>	<u>\$ (74,931)</u>

Continued on next page.

CITY OF CARMEL, INDIANA  
**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>Parks Monon Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
			Basis	Positive
		Amounts	(Negative)	
<b>REVENUES:</b>				
Charges for services	\$ 5,400,125	\$ 5,400,125	\$ 6,493,384	\$ 1,093,259
Department fees	288,299	288,299	-	(288,299)
Interest	-	-	156,157	156,157
Other	-	-	26,563	26,563
<b>Total Revenues</b>	<u>5,688,424</u>	<u>5,688,424</u>	<u>6,676,104</u>	<u>987,680</u>

<b>EXPENDITURES:</b>				
Personal services	2,904,116	2,904,116	2,995,249	91,133
Supplies	450,900	450,900	481,739	30,839
Other services and charges	2,322,903	2,341,533	2,427,737	86,204
Capital outlay	75,000	75,000	54,410	(20,590)
Other	-	-	22,645	22,645
<b>Total Parks Monon Fund</b>	<u>\$ 5,752,919</u>	<u>\$ 5,771,549</u>	<u>\$ 5,981,780</u>	<u>\$ 210,231</u>

	<b>Parks Facilities Fund</b>			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
			Basis	Positive
		Amounts	(Negative)	
<b>REVENUES:</b>				
Charges for services	\$ 42,259	\$ 38,859	\$ 154,576	\$ 115,717
Department fees	36,670	49,660	-	(49,660)
Interest	147	545	5,452	4,907
Other	360	950	1,363	413
<b>Total Revenues</b>	<u>79,436</u>	<u>90,014</u>	<u>161,391</u>	<u>71,377</u>

<b>EXPENDITURES:</b>				
Supplies	10,850	10,850	22,754	11,904
Other services and charges	39,335	39,335	94,985	55,650
Capital outlay	-	-	37,749	37,749
<b>Total Parks Facilities Fund</b>	<u>\$ 50,185</u>	<u>\$ 50,185</u>	<u>\$ 155,488</u>	<u>\$ 105,303</u>

CITY OF CARMEL, INDIANA  
**SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULES**  
**NONMAJOR FUNDS**

For the Fiscal Year Ended December 31, 2019

(Continued)

	<b>Public Defender Fund</b>			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
	Original	Final	Amounts	(Negative)
<b>REVENUES:</b>				
Fines and forfeitures - public defender fees	\$ 2,410	\$ 3,295	\$ 3,271	\$ (24)
Interest	<u>8</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<u>2,418</u>	<u>3,295</u>	<u>3,271</u>	<u>(24)</u>
<b>EXPENDITURES:</b>				
Other services and charges	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>(6,000)</u>
<b>Total Public Defender Fund</b>	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ -</u>	<u>\$ (6,000)</u>

## CITY OF CARMEL, INDIANA FIDUCIARY FUNDS

**Pension trust funds** - used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans. The City maintains the following pension trust funds:

The 1925 Police Pension Trust Fund accounts for the retirement and disability payments to police officers hired prior to May 1, 1977.

The 1937 Fire Pension Trust Fund accounts for the retirement and disability benefits to firefighters hired prior to May 1, 1977.

**Custodial funds** - used to account for resources that are custodial in nature. They are amounts held by the City on behalf of third parties. The City maintains the following custodial funds:

The City Court Custodial Fund accounts for certain collections made by municipal court for redistribution to third parties.

CITY OF CARMEL, INDIANA  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION - PENSION FUNDS**  
 December 31, 2019

	1925 Police Pension Trust Fund	1937 Fire Pension Trust Fund	Total Trust Funds
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 145,316	\$ 36,220	\$ 181,536
Receivable from State of Indiana	49,843	47,714	97,557
<b>Total assets</b>	195,159	83,934	279,093
<b>LIABILITIES:</b>			
Payroll withholdings	49,843	47,714	97,557
<b>Total liabilities</b>	49,843	47,714	97,557
<b>NET POSITION: restricted for pensions</b>	\$ 145,316	\$ 36,220	\$ 181,536

CITY OF CARMEL, INDIANA  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND**  
 December 31, 2019

	City Court Custodial Fund
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 121,446
<b>Total assets</b>	121,446
 <b>LIABILITIES:</b>	
Court escrow	-
<b>Total liabilities</b>	-
<b>NET POSITION</b>	\$ 121,446

**CITY OF CARMEL, INDIANA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION FUNDS**

For the Fiscal Year Ended December 31, 2019

	1925 Police Pension Trust	1937 Fire Pension Trust Fund	Total Trust Funds
<b>ADDITIONS:</b>			
State of Indiana contributions	\$ 564,928	\$ 584,282	\$ 1,149,210
Investment income	4,121	847	4,968
Miscellaneous revenue	43,342	45,100	88,442
<b>Total additions</b>	<u>612,391</u>	<u>630,229</u>	<u>1,242,620</u>
<b>DEDUCTIONS:</b>			
Benefits	-	599,414	599,414
Other services and charges	598,436	-	598,436
<b>Total deductions</b>	<u>598,436</u>	<u>599,414</u>	<u>1,197,850</u>
<b>NET INCREASE (DECREASE) IN NET POSITION</b>	13,955	30,815	44,770
<b>NET POSITION: beginning</b>	<u>131,361</u>	<u>5,405</u>	<u>136,766</u>
<b>NET POSITION: ending</b>	<u><u>\$ 145,316</u></u>	<u><u>\$ 36,220</u></u>	<u><u>\$ 181,536</u></u>

CITY OF CARMEL, INDIANA  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUND**

For the Fiscal Year Ended December 31, 2019

	City Court Custodial Fund
<b>ADDITIONS:</b>	
Court costs and fees	\$ 1,547,185
Miscellaneous revenue	-
<b>Total additions</b>	1,547,185
<b>DEDUCTIONS:</b>	
Distributions	1,580,717
<b>Total deductions</b>	1,580,717
<b>NET INCREASE (DECREASE) IN NET POSITION</b>	(33,532)
<b>NET POSITION: beginning</b>	154,978
<b>NET POSITION: ending</b>	\$ 121,446

**CITY OF CARMEL, INDIANA  
STATISTICAL SECTION**

This part of the City's comprehensive annual financial report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b>CONTENTS</b>	<b>PAGES</b>
<b>Financial Trends</b>	<b>139 - 144</b>
<i>Financial trends information is intended to assist users in understanding and assessing how the City's financial position has changed over time.</i>	
<b>Revenue Capacity</b>	<b>145 - 148</b>
<i>Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the City's ability to generate its own-source revenues.</i>	
<b>Debt Capacity</b>	<b>149 - 153</b>
<i>Debt capacity information is intended to assist users in understanding and assessing the City's debt burden and its ability to issue additional debt.</i>	
<b>Demographic and Economic Information</b>	<b>154 - 155</b>
<i>Demographic and economic information is intended to (1) assist users in understanding the socioeconomic environment within which the City operates and (2) provide information that facilitates comparisons of financial statement information over time and among governments.</i>	
<b>Operating Information</b>	<b>156 - 157</b>
<i>Operating information is intended to provide contextual information about the City's operations and resources to assist readers in using financial statement information to understand and assess the City's economic condition.</i>	

**Source:** Unless otherwise noted, the information in these schedules is derived from the CAFR for the relevant year.

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**NET POSITION BY COMPONENT**  
 Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Governmental activities:</b>					
Net investment					
in capital assets	\$378,022,382	\$412,830,075	\$344,721,169	\$299,216,267	\$314,601,738
Not spendable	-	-	-	-	-
Restricted	23,734,389	35,065,020	30,924,357	25,355,156	25,629,325
Unrestricted	(70,195,178)	(94,111,631)	(83,269,698)	(35,777,877)	(42,319,616)
Total governmental activities net position	<u>\$331,561,593</u>	<u>\$353,783,464</u>	<u>\$292,375,828</u>	<u>\$288,793,546</u>	<u>\$297,911,447</u>
<b>Business-type activities:</b>					
Net investment					
in capital assets	\$101,192,811	\$114,861,067	\$118,497,972	\$116,495,474	\$113,210,726
Not spendable	-	-	-	-	-
Restricted	-	-	-	-	-
Unrestricted	8,978,611	(5,903,010)	(9,695,164)	(4,011,279)	(1,147,670)
Total business-type activities net position	<u>\$110,171,422</u>	<u>\$108,958,057</u>	<u>\$108,802,808</u>	<u>\$112,484,195</u>	<u>\$112,063,056</u>
<b>Primary government:</b>					
Net investment					
in capital assets	\$479,215,193	\$527,691,142	\$463,219,141	\$415,711,741	\$427,812,464
Not spendable	-	-	-	-	-
Restricted	23,734,389	35,065,020	30,924,357	25,355,156	25,629,325
Unrestricted	(61,216,567)	(100,014,641)	(92,964,862)	(39,789,157)	(43,467,286)
Total primary government net position	<u>\$441,733,015</u>	<u>\$462,741,521</u>	<u>\$401,178,636</u>	<u>\$401,277,741</u>	<u>\$40 974,503</u>

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**CHANGES IN NET POSITION**  
 Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><u>Expenses:</u></b>					
<b>Governmental activities:</b>					
General government	\$ 29,340,736	\$ 24,996,549	\$ 30,372,875	\$ 30,984,884	\$ 20,841,943
Public safety	54,710,167	53,919,299	41,085,416	40,267,560	42,151,467
Streets and other infrastructure	46,372,722	48,637,707	25,476,391	12,340,719	29,584,125
Economic development	39,956,058	15,817,738	16,711,747	54,995,901	10,771,611
Culture and recreation	21,497,105	21,621,998	17,932,242	10,122,290	18,549,674
Unallocated interest expense	2,623,251	2,267,516	18,217,810	5,545,855	4,542,707
Total governmental activities expenses	<u>194,500,039</u>	<u>167,260,807</u>	<u>149,796,481</u>	<u>154,257,210</u>	<u>126,441,527</u>
<b>Business-type activities:</b>					
Water	20,063,976	19,277,075	20,824,320	19,439,437	13,542,037
Sewer	10,479,383	10,163,336	10,451,835	10,016,870	7,305,928
Storm Water	-	-	5,367,154	1,651,075	-
Other	-	-	769,837	706,935	895,780
Total business-type activities expenses	<u>30,543,359</u>	<u>29,440,411</u>	<u>37,413,146</u>	<u>31,814,317</u>	<u>21,743,745</u>
Total primary government expenses	<u>\$ 225,043,398</u>	<u>\$ 196,701,218</u>	<u>\$ 187,209,627</u>	<u>\$ 186,071,527</u>	<u>\$ 148,185,272</u>
<b><u>Program Revenues:</u></b>					
<b>Governmental activities:</b>					
Charges for services:					
General government	\$ 146,498	\$ 221,467	\$ 211,995	\$ 82,803	\$ 72,056
Public safety	1,774,066	1,713,002	1,726,580	1,470,638	1,152,600
Streets and other infrastructure	4,181,410	2,869,523	98,090	248,036	480
Economic development	1,913,324	1,482,785	52,093	-	-
Culture and recreation	12,983,411	12,403,573	12,818,388	11,585,645	7,345,221
Operating grants and contributions:					
General government	-	-	-	-	-
Public safety	1,245,695	1,322,719	96,894	112,651	60,618
Streets and other infrastructure	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital grants and contributions:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	3,070,276	386,624	1,906,397	865,258	3,516,506
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	50,043
Total governmental activities revenues	<u>\$ 25,314,680</u>	<u>\$ 20,399,693</u>	<u>\$ 16,910,436</u>	<u>\$ 14,365,031</u>	<u>\$ 12,197,524</u>

Continued on next page.

CITY OF CARMEL, INDIANA

CHANGES IN NET POSITION

Last Ten Fiscal Years

(Continued)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Business-type activities:</b>					
Charges for services					
Water	\$ 18,407,840	\$ 17,735,563	\$ 16,982,790	\$ 15,458,695	\$ 13,500,929
Sewer	10,157,332	9,994,658	9,638,861	9,303,554	8,471,996
Storm Water	-	-	3,295,837	3,222,138	-
Other	-	-	1,067,865	1,034,682	4,038,620
Operating grants and contributions					
Water	-	-	-	-	-
Sewer	-	-	-	-	-
Capital grants and contributions					
Water	3,458,396	3,279,973	4,995,765	4,620,949	-
Sewer	387,133	629,483	336,363	552,460	-
Total business-type activities revenues	<u>32,410,701</u>	<u>31,639,677</u>	<u>36,317,481</u>	<u>34,192,478</u>	<u>26,011,545</u>
Total primary government revenues	<u>\$ 57,725,381</u>	<u>\$ 52,039,370</u>	<u>\$ 53,227,917</u>	<u>\$ 48,557,509</u>	<u>\$ 38,209,069</u>
Net (expense) revenue and changes in net position:					
Governmental Activities	\$(169,185,359)	\$(146,861,114)	\$(132,886,045)	\$(139,892,179)	\$(114,244,003)
Business-Type Activities	1,867,342	2,199,266	(1,095,665)	2,378,161	4,267,800
Total primary government net (expense) revenue	<u>(167,318,017)</u>	<u>(144,661,848)</u>	<u>(133,981,710)</u>	<u>(137,514,018)</u>	<u>(109,976,203)</u>
GENERAL REVENUES AND TRANSFERS:					
Property tax	56,571,934	54,455,110	52,042,841	52,989,360	44,104,576
Income tax	44,847,572	43,996,077	41,801,838	36,700,613	32,745,504
Other taxes	36,555,314	33,658,972	30,326,364	28,850,762	26,154,361
Unrestricted investment earnings	4,208,019	4,487,604	2,723,267	574,253	155,461
Other	21,196,478	29,899,818	15,522,157	16,797,331	20,679,190
Transfers	-	-	-	-	-
Total general revenues and transfers	<u>163,379,317</u>	<u>166,497,581</u>	<u>142,416,467</u>	<u>135,912,319</u>	<u>123,839,092</u>
CHANGE IN NET POSITION BEFORE SPECIAL ITEMS	(3,938,700)	21,835,733	8,434,757	(1,601,699)	13,862,889
SPECIAL ITEM: gain	-	-	-	-	619,000
Total CHANGE IN NET POSITION	<u>(3,938,700)</u>	<u>21,835,733</u>	<u>8,434,757</u>	<u>(1,601,699)</u>	<u>14,481,889</u>
NET POSITION: beginning	462,741,521	400,056,203	401,190,880	409,974,503	395,492,614
Restatement	(17,069,806)	40,849,585	(8,447,001)	(7,095,064)	-
NET POSITION: beginning, adjusted	<u>445,671,715</u>	<u>440,905,788</u>	<u>392,743,879</u>	<u>402,879,439</u>	<u>395,492,614</u>
NET POSITION: ending	<u>\$ 441,733,015</u>	<u>\$ 462,741,521</u>	<u>\$ 401,178,636</u>	<u>\$ 401,277,741</u>	<u>\$ 409,974,503</u>

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>General Fund:</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	3,014,336	3,014,336	1,803,672	1,910,880	1,416,155
Unassigned	22,006,859	23,328,255	15,034,935	15,066,402	14,008,886
<b>Total General Fund</b>	<b>\$ 25,021,195</b>	<b>\$ 26,342,591</b>	<b>\$ 16,838,607</b>	<b>\$ 16,977,282</b>	<b>\$ 15,425,041</b>
<b>All Other Governmental Funds:</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	128,443,455	178,817,196	256,581,733	257,811,177	43,069,142
Committed	5,286,665	6,007,566	5,443,978	3,212,225	1,115,637
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(249,855)
<b>Total all other Governmental Funds</b>	<b>\$133,730,120</b>	<b>\$184,824,762</b>	<b>\$262,025,711</b>	<b>\$261,023,402</b>	<b>\$ 43,934,924</b>
<b>Total, Governmental Funds</b>	<b>\$158,751,315</b>	<b>\$211,167,353</b>	<b>\$278,864,318</b>	<b>\$278,000,684</b>	<b>\$ 59,359,965</b>

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Revenues:</b>					
Property tax	\$ 56,633,438	\$ 54,425,761	\$52,259,944	\$ 52,647,063	\$ 44,043,914
Income tax	45,139,812	44,606,607	37,187,574	46,625,784	28,847,934
Other local tax	36,555,314	33,658,972	30,326,364	28,850,762	26,154,361
Charges for services	20,998,709	18,679,782	14,907,146	12,901,368	8,570,357
Investment income	3,958,675	4,356,867	2,339,501	442,961	74,597
Licenses and permits	2,572,301	2,909,371	2,490,849	2,441,853	2,159,234
Fines and forfeits	439,110	457,062	466,731	571,556	788,604
Intergovernmental:					
Grants	3,166,761	4,358,623	1,710,058	1,191,485	3,062,731
Fire service contract	-	-	-	6,825,041	4,870,501
State shared revenue	6,986,908	2,993,528	2,736,296	1,198,398	1,116,639
Other	3,289,848	7,426,341	5,995,761	-	-
Contributions	240,302	190,321	262,116	660,714	286,716
Other	7,091,842	12,175,681	4,336,810	5,858,544	10,915,190
<b>Total revenues</b>	<b>187,073,020</b>	<b>186,238,916</b>	<b>155,019,150</b>	<b>160,215,529</b>	<b>130,890,778</b>
<b>Expenditures:</b>					
Current:					
General government	28,720,273	24,830,230	29,533,750	28,670,916	20,135,899
Public safety	49,435,106	49,683,728	40,261,813	38,547,773	45,026,384
Streets and other infrastructure	31,433,579	30,794,894	13,258,597	13,540,350	13,784,488
Economic development	5,840,957	20,179,724	1,319,474	5,074,808	4,284,583
Culture and recreation	18,102,363	14,359,423	12,938,526	13,397,374	13,432,578
Debt Service:					
Principal	24,650,551	21,976,855	18,808,576	17,387,515	15,768,608
Interest	28,998,519	28,361,382	26,688,864	17,763,071	17,223,247
Lease rentals and issuance costs	328,421	-	-	-	-
Capital outlay:					
General government	1,301,526	503,513	707,523	2,931,360	119,885
Public safety	1,016,079	2,440,252	1,327,731	1,925,392	3,710,693
Streets and other infrastructure	52,780,716	84,098,163	60,138,533	25,097,876	4,445,749
Economic development	24,325,592	15,212,738	34,138,220	16,809,771	2,439,830
Culture and recreation	2,261,904	5,061,517	747,324	734,053	422,388
<b>Total expenditures</b>	<b>269,195,586</b>	<b>297,502,419</b>	<b>239,868,931</b>	<b>181,880,259</b>	<b>140,794,332</b>
Excess (deficit) of revenues over (under) expenditures	(82,122,566)	(111,263,503)	(84,849,781)	(21,664,730)	(9,903,554)

Continued on next page.

**CITY OF CARMEL, INDIANA**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years  
(modified accrual basis of accounting)  
(Continued)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Other financing sources (uses):</b>					
Bond issuance - principal	24,695,000	13,791,036	81,358,423	199,265,510	-
Bond issuance - premium	0	243,540	3,334,569	35,087,956	-
Proceeds - refunding	0	0	23,180,000	18,170,404	-
Capital lease proceeds	3,530,369	2,555,639	2,638,693	2,294,226	3,167,006
Payment to refunded bond escrow agent	0	0	(26,501,547)	(17,909,681)	-
Transfers in	79,578,276	60,427,364	126,937,135	278,264,371	30,928,247
Transfer in from associated utility	1,320,506	1,320,506	1,703,277	1,606,319	1,014,100
Transfers out	(79,578,276)	(60,427,364)	(126,937,135)	(278,264,371)	(30,928,247)
<b>Total other financing sources (uses)</b>	<u>29,545,875</u>	<u>17,910,721</u>	<u>85,713,415</u>	<u>238,514,734</u>	<u>4,181,106</u>
 Total change in fund balances	 <u><u>\$(52,576,691)</u></u>	 <u><u>\$(93,352,782)</u></u>	 <u><u>\$ 863,634</u></u>	 <u><u>\$216,850,004</u></u>	 <u><u>\$ (5,722,448)</u></u>
 Total debt service expenditures as a percentage of noncapital expenditures	 27.5%	 29.5%	 28.9%	 23.4%	 25.0%

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain

CITY OF CARMEL, INDIANA  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Net Value Real Estate Property</b>	<b>Net Value Railroad/ Utility/ Business Personal Property</b>	<b>Total Net Taxable Assessed Value</b>	<b>Estimated Actual Value</b>		<b>Total Direct Tax Rate</b>
2019	7,442,409,615	458,423,500	7,900,833,115	14,197,500,652	55.6%	0.7886
2018	6,666,896,042	467,365,607	7,134,261,649	12,997,560,747	54.9%	0.7887
2017	6,474,642,116	436,043,965	6,910,686,081	12,552,181,043	55.1%	0.7895
2016	6,220,543,748	420,168,770	6,640,712,518	12,043,692,490	55.1%	0.8356
2015	6,006,875,967	409,451,119	6,416,327,086	11,591,806,730	55.4%	0.7007
2014	4,829,947,454	398,186,327	5,228,133,781	9,538,010,360	54.8%	0.7007
2013	4,762,146,198	373,474,201	5,135,620,399	9,445,479,646	54.4%	0.7007
2012	4,863,829,903	398,308,947	5,262,138,850	9,604,804,116	54.8%	0.6788
2011	4,891,357,512	426,518,904	5,317,876,416	9,561,032,777	55.6%	0.6664
2010	5,088,667,610	388,639,324	5,477,306,934	9,654,531,997	56.7%	0.6664

**Source:** Hamilton County Auditor's office property tax abstracts.

- Notes:**
1. Property taxes are the City's most significant own-source revenue.
  2. Estimated actual value is 100% of *gross* assessed value, which approximates market value. Residential real property for homesteads is subject to a \$45,000 homestead deduction plus a 35% supplemental homestead deduction to arrive at *net* assessed value.
  3. Assessed on January 1 of the prior year for taxes due and payable in the year indicated.
  4. Personal property other than business personal property is not taxable beginning in 2009.

**CITY OF CARMEL, INDIANA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(Rate per \$100 of assessed value)**  
Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>City Direct Rates:</b>										
Corporation General	0.5572	0.5769	0.5741	0.5745	0.5088	0.5381	0.5459	0.5284	0.5266	0.4578
Motor Vehicle Highway	0.1188	0.1051	0.1027	0.1701	0.1643	0.1249	0.1268	0.1080	0.0777	0.1291
Cumulative Sewer	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Debt Service	0.0184	0.0193	0.0195	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Redevelopment Bond	0.0445	0.0374	0.0440	0.0424	0.0000	0.0101	0.0000	0.0160	0.0145	0.0331
Lease Rental Payment	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0144	0.0133
Cumulative Capital Development	0.0497	0.0500	0.0492	0.0486	0.0276	0.0276	0.0280	0.0264	0.0332	0.0331
<b>Total Direct Rate</b>	<b>0.7886</b>	<b>0.7887</b>	<b>0.7895</b>	<b>0.8356</b>	<b>0.7007</b>	<b>0.7007</b>	<b>0.7007</b>	<b>0.6788</b>	<b>0.6664</b>	<b>0.6664</b>
<b>Overlapping Rates:</b>										
State	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
County	0.2791	0.2814	0.2814	0.2814	0.2926	0.3054	0.3074	0.2901	0.2769	0.2724
Solid Waste	0.0031	0.0032	0.0032	0.0032	0.0033	0.0033	0.0033	0.0032	0.0030	0.0030
Township - Clay	0.0640	0.0675	0.0694	0.0673	0.0746	0.0719	0.0781	0.0693	0.0753	0.0674
Library	0.0755	0.0760	0.0760	0.0778	0.0787	0.0787	0.0765	0.0682	0.0657	0.0657
Carmel Clay School Corp	0.8251	0.8118	0.8291	0.8053	0.8106	0.8453	0.8591	0.7911	0.8990	0.6460
<b>Total Direct and Overlapping Rate</b>	<b>2.0354</b>	<b>2.0286</b>	<b>2.0486</b>	<b>2.0706</b>	<b>1.9605</b>	<b>2.0053</b>	<b>2.0251</b>	<b>1.9007</b>	<b>1.9863</b>	<b>1.7209</b>

**Source:** Hamilton County Auditor's office property tax abstracts; Indiana Department of Local Government Finance certified budget orders.

**Notes:** For taxes due and payable in the year indicated and assessed the prior year.

The Indiana Constitution limits the taxing power of Indiana public agencies. A taxpayer's property tax liability on homestead property taxes is capped at 1%, other residential and agricultural property taxes are capped at 2%, and other real property and personal property taxes are capped at 3%. Property taxes approved by referendum are not subject to these limitations.

**CITY OF CARMEL, INDIANA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
 Current Year and Nine Years Ago

**2019**

<u><b>Taxpayer</b></u>	<u><b>Assessed Value</b></u>	<b>Percentage of Total City Assessed Value</b>
Clarion Health North LLC	162,806,900	2.19%
Old Town Companies	154,810,260	2.08%
JC Hart Co.	146,343,920	1.97%
Parkwood Crossings	139,233,000	1.87%
Buckingham Companies	125,367,750	1.68%
Pedcor	92,884,285	1.25%
Clay Terrace Partners	82,872,460	1.11%
Keystone Corp.	77,975,980	1.05%
Washington National	58,507,240	0.79%
Hamilton Crossing Indianapolis Realty	52,383,220	0.70%
	<u>1,093,185,015</u>	<u>14.69%</u>

**2010**

<u><b>Taxpayer</b></u>	<u><b>Assessed Value</b></u>	<b>Percentage of Total City Assessed Value</b>
Duke Realty	147,134,300	2.94%
Clarion Health North	146,743,500	2.93%
Carmel Indy Properties	56,539,300	1.13%
TIC Carmel Center Furnas	32,712,800	0.65%
Clay Terrace Partners	31,929,500	0.64%
HCRI Indiana Properties	27,044,500	0.54%
Mohawk Associates	23,697,600	0.47%
Providence Housing	23,186,800	0.46%
North Haven Apartments	23,103,800	0.46%
Liberty Parkwood Crossing	22,225,100	0.44%
	<u>534,317,200</u>	<u>10.66%</u>

**Source:** Hamilton County Auditor's office.

CITY OF CARMEL, INDIANA  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Total Tax Levied</b>	<b>Total Tax Collected</b>	<b>Percentage of Levy</b>
2019	59,383,729	55,252,616	93.04%
2018	56,917,333	53,042,657	93.19%
2017	52,180,837	50,907,298	97.56%
2016	55,990,426	52,647,063	94.03%
2015	45,416,367	44,043,913	96.98%
2014	44,020,059	40,554,757	92.13%
2013	43,391,737	38,072,795	87.74%
2012	43,399,780	37,319,721	85.99%
2011	35,993,200	34,393,205	95.55%
2010	36,193,490	36,600,347	101.12%

**Source:** Indiana Gateway for Government Units, County Abstract Public Reports

**Note:** Hamilton County Auditor's Office system is not structured to track collections by year levied. The amount collected includes any delinquent payment plus any penalty or interest applicable. At the end of 2019, total delinquent property tax due to the City for 2019 and all prior years was approximately \$4,558,185.

**CITY OF CARMEL, INDIANA**  
**LEGAL DEBT MARGIN INFORMATION**  
 Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Certified net assessed valuation	\$ 7,530,272,592	\$ 7,216,601,040	\$ 6,994,981,173	\$ 6,700,625,433	\$ 6,481,570,742
2% constitutional debt limit	2.0%	2.0%	2.0%	2.0%	2.0%
Subtotal	150,605,452	144,332,021	139,899,623	134,012,509	129,631,415
divided by 3	3.0	3.0	3.0	3.0	3.0
Debt limit	50,201,817	48,110,674	46,633,208	44,670,836	43,210,472
Net debt applicable to debt limit	(24,822,199)	(26,977,490)	(29,641,000)	(33,580,000)	(15,417,000)
Legal debt margin	<u>\$ 25,379,618</u>	<u>\$ 21,133,184</u>	<u>\$ 16,992,208</u>	<u>\$ 11,090,836</u>	<u>\$ 27,793,472</u>
Legal debt margin as percentage of debt limit	50.56%	43.93%	36.44%	24.83%	64.32%

**Source:** Indiana Department of Local Government Finance budget orders.

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
 Last Ten Fiscal Years

	<b>Governmental Activities</b>			<b>Business Activities</b>					
	<b>Bonds and Contract Purchases</b>	<b>Capital Leases</b>	<b>Total Governmental Activities</b>	<b>Bonds and Contract Purchases</b>	<b>Capital Leases</b>	<b>Total Business Activities</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income<sup>1</sup></b>	<b>Debt per Capita<sup>1</sup></b>
2019	739,095,398	8,433,19	747,528,597	151,165,878	1,092,136	152,258,01	899,786,61	11.79%	8,903
2018	743,736,654	7,637,38	751,374,037	135,831,887	519,822	136,351,709	887,725,74	12.84%	9,161
2017	721,260,757	7,315,66	728,576,423	172,348,990	721,688	173,070,678	901,647,10	14.61%	10,128
2016	660,449,791	6,836,40	667,286,194	175,750,411	562,700	176,313,111	843,599,30	14.08%	9,427
2015	755,670,563	7,315,66	762,986,229	139,951,647	721,688	147,318,693	910,304,92	12.42%	6,441

<sup>1</sup> Population and personal income data can be found on the Schedule of Demographics and Economic Statistics.

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
 Last Ten Fiscal Years

	<b>Bonds and Contract Purchases<sup>1</sup></b>	<b>Less: Amounts Available in Debt Service Fund<sup>2</sup></b>	<b>Total</b>	<b>Percentage of Estimated Actual Value of Taxable Property<sup>3</sup></b>	<b>Per Capita<sup>4</sup></b>
2019	890,261,276	22,340,580	867,920,696	6.11%	8,587
2018	879,568,541	25,853,165	853,715,376	6.57%	8,810
2017	893,609,747	20,790,202	872,819,545	6.95%	9,585
2016	836,200,202	21,862,629	814,337,573	6.76%	9,147
2015	895,622,210	17,977,793	877,644,417	7.57%	9,893

**Note:** Details regarding the City's outstanding debt can be found in the notes to financial statements.

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

<sup>1</sup> Includes bonds and contract purchases of both governmental and business-type activities.

<sup>2</sup> Amount restricted for debt service principal payments.

<sup>3</sup> Property tax value can be found on the Schedule of Assessed Value and Actual Value of Taxable Property.

<sup>4</sup> Population data can be found on the Schedule of Demographics and Economic Statistics.

CITY OF CARMEL, INDIANA  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
at December 31, 2019

<u>Governmental Unit</u>	<u>Outstanding Debt</u>	<u>Percent Applicable to Carmel (1)</u>	<u>Amount Applicable to Carmel</u>
<b>Direct Debt:</b>			
City of Carmel (see page 150)	<u>\$747,528,597</u>	100%	<u>\$747,528,597</u>
<b>Overlapping Debt Paid with Property Taxes:</b>			
Carmel Clay School Corporation	147,320,000	77.64%	114,379,797
Carmel Clay Public Library	2,570,000	97.38%	2,502,776
Clay Township	86,913,343	97.52%	84,760,513
Hamilton County	120,233,895	34.01%	40,894,213
Hamilton County Tax Increment Bonds	<u>8,185,000</u>	0.00%	<u>-</u>
Sub-Total Overlapping Debt:	<u>\$365,222,238</u>		<u>242,537,29</u>
<b>Total Direct and Overlapping Debt:</b>			<u>\$990,065,896</u>
Population - 2019 (2)			101,068
Estimated direct and overlapping debt per capita			<u>\$ 9,796</u>

**Note:** Overlapping districts are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping districts that is borne by the residents and businesses of the City. This process recognizes that, when considering the districts' ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of another governmental unit's assessed value that is within the City's corporate boundaries and dividing it by each unit total

(2) Source: U.S. Census Bureau

**CITY OF CARMEL, INDIANA**  
**PLEDGED-REVENUE COVERAGE**  
at December 31, 2019

	<u>Operating Revenue</u>	<u>Operating Expenses</u> <sup>1</sup>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements</u>		<u>Coverage</u> <sup>2</sup>
				<u>Principal</u>	<u>Interest</u>	
<b>Water Utility</b>						
2019	\$ 18,407,840	\$ 10,818,376	\$ 7,589,464	\$ 3,625,000	\$ 5,019,477	88%
2018	\$ 17,735,563	\$ 10,480,050	\$ 7,255,513	\$ 3,191,000	\$ 4,912,499	90%
2017	\$ 16,982,790	\$ 11,035,945	\$ 5,946,845	\$ 2,797,000	\$ 5,901,623	68%
2016	\$ 15,458,695	\$ 9,343,469	\$ 6,115,226	\$ 2,877,177	\$ 5,993,331	69%
2015	\$ 13,500,929	\$ 9,367,529	\$ 4,133,400	\$ 3,457,294	\$ 6,158,188	43%
<b>Sewer Utility</b>						
2019	\$ 10,157,332	\$ 7,377,202	\$ 2,780,130	\$ 1,359,058	\$ 472,156	152%
2018	\$ 9,994,658	\$ 7,042,092	\$ 2,952,566	\$ 1,323,861	\$ 495,372	162%
2017	\$ 9,638,861	\$ 7,300,561	\$ 2,338,300	\$ 1,288,670	\$ 538,490	128%
2016	\$ 9,303,554	\$ 6,915,953	\$ 2,387,601	\$ 1,254,484	\$ 557,477	132%
2015	\$ 8,471,996	\$ 6,383,278	\$ 2,088,718	\$ 1,256,303	\$ 562,869	115%

**Note:** Details of the City's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup> Operating expenses do not include depreciation and amortization.

<sup>2</sup> Coverage = Net Available Revenue/Debt Service Requirements.

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
 Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Median Age<sup>1,2</sup></b>	<b>Per Capita Income<sup>3</sup></b>	<b>Personal Income</b>	<b>High School Graduation<sup>4</sup></b>	<b>Public School Enrollment<sup>5</sup></b>	<b>Unemployment Rate<sup>6</sup></b>
2019	101,068	39.5	75,525	7,633,160,700	97.6%	16,352	2.6%
2018	96,900	39.2	74,717	6,463,965,363	97.9%	16,147	2.7%
2017	91,065	39.2	71,816	6,539,924,040	97.5%	16,082	2.7%
2016	89,029	39.9	69,299	6,169,620,671	96.5%	15,954	3.1%
2015	88,713	38.5	66,867	5,931,972,171	95.8%	15,971	3.3%
2014	86,682	38.4	64,213	5,566,111,266	96.9%	15,912	3.9%
2013	85,929	38.7	60,809	5,225,256,561	96.3%	15,724	4.8%
2012	83,595	38.4	60,153	5,028,490,035	94.3%	15,750	4.9%
2011	81,633	38.2	57,334	4,680,346,422	93.8%	15,493	5.3%
2010	79,191	38.0	53,883	4,267,048,653	93.0%	15,498	5.9%

**Sources:**

- <sup>1</sup> U.S. Census Bureau  
U.S. Census Bureau, American Community Survey 1-Year Estimates
- <sup>2</sup> U.S. Census Bureau, 5-Year American Community Survey  
Median Age and City of Carmel Per Capita Income
- <sup>3</sup> Bureau of Economic Analysis  
Hamilton County Per Capita Income for years 2008-2018. 2019 estimate based on trend.
- <sup>4</sup> National Center for Educational Statistics
- <sup>5</sup> Indiana Department of Education  
Corporate enrollment, Carmel Clay Schools
- <sup>6</sup> Bureau of Labor Statistics

**CITY OF CARMEL, INDIANA**  
**PRINCIPAL EMPLOYERS**  
 Current Year and Nine Years Ago

**2019**

<u>Company</u>	<u>Industry</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Carmel Clay Schools	Public education	2,145	1	4.31%
CNO Financial Group	Life insurance holding company	1,600	2	3.22%
GEICO	Auto insurance company	1,500	3	3.02%
Liberty Mutual	Insurance company	1,450	4	2.92%
Allegion	Safety and security systems	1,300	5	2.61%
Resort Condominium Int'l. (RCI)	Vacation exchange network and services	1,125	6	2.26%
The Capital Group	Financial Services	975	7	1.96%
KAR Global	Automotive remarketing services	892	8	1.79%
Whisper Hearing Center	Home health services	825	9	1.66%
Midcontinent ISO	Electrical transmission operator	700	10	1.41%

**2010**

<u>Company</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Carmel Clay Schools	2,469	1	6.79%
Conseco Inc (now CNO Financial Group)	2,036	2	6.17%
Marsh Supermarkets	1,235	3	3.74%
Clarian North Medical Center (now IU Health North)	1,150	4	3.48%
Liberty Mutual/Indiana Insurance	750	5	2.27%
City of Carmel	700	6	2.12%
St. Vincent Carmel Hospital	664	7	2.01%
Independent Transmission System Operator (now Midcontinent ISO)	600	8	1.82%
TCL - Thomson Electronics	550	9	1.67%
St. Vincent Heart Center	500	10	1.51%

**Sources:** Hamilton County Economic Development Corporation  
 City and Company Officials  
 Carmel Clay School Corporation

**CITY OF CARMEL, INDIANA**  
**CITY GOVERNMENT EMPLOYEES**  
**BY FUNCTION/ PROGRAM**  
Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>General Government:</b>					
Clerk-Treasurer	9	9			
Mayor	3	3			
City Council	7	7			
Board of Public Works	3	2			
Plan Commission	9	9	9	11	11
Administration	4	3			
City Court	6	6			
Law Department	7	7			
Community Services	23	23	21	22	22
Community Relations	7	7			
<b>Public Safety:</b>					
Police					
Officers	118	114	114	109	117
Civilians	25	24	23	23	26
Fire					
Firefighters and Officers	154	146	147	153	166
Civilians	10	9	8		
<b>Culture and Recreation:</b>					
Parks Department	69	63	65	64	62
Brookshire Golf	4	4			
<b>Utilities (Water and Sewer)</b>	105	104	104	103	109
<b>Other Programs:</b>					
Human Resources	4	3			
Street	52	50	48	48	52
Engineering	15	15	15	15	16
Information Systems	10	10	9	9	9
Communication Center	4	4			
Redevelopment	4	4			
<b>TOTAL</b>	<u>652</u>	<u>626</u>	<u>619</u>	<u>621</u>	<u>652</u>

**Source:** City of Carmel Department Heads; Human Resources

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

**CITY OF CARMEL, INDIANA**  
**OPERATING INDICATORS AND CAPITAL ASSET STATISTICS**  
**BY FUNCTION/ PROGRAM**  
Last Ten Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>General Government:</b>					
Community Services					
Permits issued	1,628	1,703	1,557	1,351	1,237
Residential construction permits	358	478	463	429	359
Total number of dwelling units	469	767	759	432	1,663
Building inspections performed	512	487	472	431	476
<b>Public Safety:</b>					
Police					
Incidents	91,436	83,740	85,500	83,955	83,904
Occurred incidents	4,548	4,361	4,010	4,270	4,330
Accidents	2,645	2,575	2,504	2,488	2,442
Total agency arrests	2,469	2,569	2,459	2,530	2,642
Fire					
Emergency medical responses	5,898	5,517	5,136	4,755	4,402
Fire-related calls for service	3,534	3,220	2,906	2,592	2,312
Number of fire stations	6	6	6	6	6
<b>Culture and recreation:</b>					
Number of parks and greenways	17	17	17	16	15
Total acres	540	530	505	505	505
Total trail miles	26.5	26.5	16	16	16
<b>Streets:</b>					
Number of "center lane" miles streets	515	486	485	483	482
Number of roundabouts	131	122	115	111	97
<b>Sewer:</b>					
Miles of sanitary mains	265	254	243	243	243
Miles of sanitary sewer main cleaned/inspected	25.40	16.00	14.85	14.20	13.65
Wastewater treatment flow per day (in millions of gallons)	10.82	10.78	10.16	10.05	9.92
<b>Water:</b>					
Miles of watermains	550	565	538	538	538
Peak-day water demand (in millions of gallons)	24.0	21.5	22.0	21.0	19.0
Number of fire hydrants inspected/serviced	5,524	5,580	5,024	4,655	4,500

**Source:** City of Carmel Department Heads; Carmel Clay Parks

**Note:** The City is presenting its fifth CAFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.