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July 18, 2022

To: The Officials of the City of Carmel
City of Carmel
1 Civic Square
Carmel, IN 46032

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the City of Carmel. We have reviewed the audit report opined upon by FORVIS, LLP, Independent Public Accountants, for the period January 1, 2021 to December 31, 2021. Per the *Independent Auditor's Report*, the financial statements included in the Annual Comprehensive Financial Report present fairly the financial condition of the City of Carmel, as of December 31, 2021, and the results of its operations for the period then ended, on the basis of accounting described in the report.

In our opinion, FORVIS, LLP prepared the audit report in accordance with the guidelines established by the State Board of Accounts.

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

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

Tammy R. White, CPA
Deputy State Examiner

CITY OF CARMEL INDIANA

Annual Comprehensive Financial Report



For the Fiscal Year Ended December 31, 2021



CITY OF CARMEL, INDIANA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2021

Prepared by:



Board of Public Works and Safety



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CITY OF CARMEL, INDIANA
Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021

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INTRODUCTORY SECTION



Introductory Section:

Letter of Transmittal

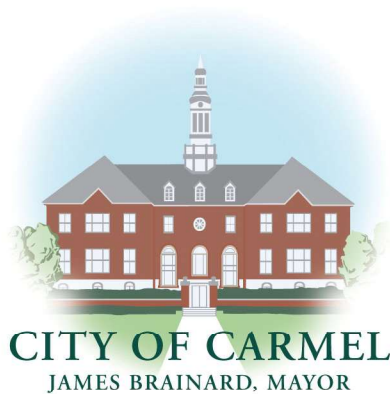
*Certificate of Achievement – Government Finance
Officers Association*

City of Carmel Organization Chart

List of Principal Officials



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June 30, 2022

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

We are pleased to submit the Annual Comprehensive Financial Report (“Report”) for the City of Carmel (“City”) year ended December 31, 2021. 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 control 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 City’s audit for 2021 was performed by the independent certified public accounting firm of FORVIS. Their audit was conducted in accordance with generally accepted governmental auditing standards. The independent certified public accounting firm concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified (clean) opinion that the City of Carmel’s financial statements for the year ended December 31, 2021, are fairly presented in conformity with GAAP. The independent auditor’s report is presented as the first component of the financial section, on page 23 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 report.

CITY PROFILE

The City of Carmel was incorporated in 1874 and is located in Hamilton County, directly north of Indianapolis. The City occupies nearly 49 square miles, with more than 524 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 101,759 according to the U.S. Census Bureau's 2021 Census. Personal income statistics are above national and State of Indiana averages. The median household income level is \$115,109, and the median value of a home is \$352,400. 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 significantly lower than that of the State of Indiana throughout 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. 2 best place to live in the U.S. by Money in 2021-2022, 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 residents.

City Structure

In 2021, the City operated under elected officials including the Mayor, City Clerk, Judge and a nine-member City Council pursuant to Indiana law. The Mayor serves as the chief executive of the City and serves a four-year term. The City Controller is appointed by the Mayor and is responsible for the financial records of the City. The legislative and fiscal body for the City is the City Council. The nine-member Council is comprised of three at-large and six 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.

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 water and wastewater utility services.

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

The City employs a total of 622 full-time employees, with union representation as follows:

Carmel Professional Firefighters / IAFF #4444
Firefighters 140

Fraternal Order of Police Lodge #185
Police 171

The unions negotiate contracts with the City, but they are not collective bargaining units.

Planning and Zoning

The Carmel Plan Commission promotes orderly growth throughout the City. 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, five 501(c)(4) corporations, and a statutory local 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. More than 130 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 Republic Airways which purchased land along the U.S. 31 corridor to build a new corporate headquarters and an airline pilot advanced training center. The \$200 million aviation campus will bring in 1,900 new jobs to Carmel. The Signature at Carmel redevelopment project broke ground and will bring a large mixed-use presence to West Main Street, including 16,000 square feet of ground floor retail space. This \$78 million investment will include apartments, owner-occupied condos, office/retail space and a public parking garage. In the heart of the Arts & Design District, the new 1st on Main project also broke ground on another mixed-use project that will bring more retail, residential and free public parking to Main Street.

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, KAR Global with approximately 1,000 employees, The Capital Group with approximately 975 employees, Next Gear Capital with 694 employees, Allied Solutions with more than 500 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 (now part of Accenture), CNO Financial Group, Monster.com, Encore Sotheby's International Realty, 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 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 Women's Center, St. Vincent Heart Center, I.U. Health North Hospital and its Cancer Center, and Franciscan Health Carmel, which is in the process of building a new campus with a full-service hospital. 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 Partners opened in 2021 and is expected to create 300 additional jobs by 2022. Franciscan Health Carmel expanded with a new \$120-million development, Franciscan Health Orthopedic Hospital. The 235,000-square-foot facility opened in April 2022 and was developed by Meridian Ortho Development, LLC.

The Bridges is a 65-acre mixed-use, master planned development located on the west side of US 31 in the Meridian Corridor. More than 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, "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 Smoky Row Road in the City's central corridor, just west of the Monon Greenway. 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 received \$3,761,460 from the U.S. Treasury on June 14, 2021, from the American Rescue Plan Act of 2021 (“ARP”). The ARP established the Coronavirus Local Fiscal Recovery Fund (“Fund”) and appropriated money for allocations to metropolitan cities, non-entitlement units and counties. A second payment of \$3,761,460 will be received in 2022, not earlier than twelve months after the first payment. All appropriated money remains available through December 31, 2024.

The City received \$414,648 from FEMA in 2021 for Covid-19 Public Assistance conducted by the Fire Department. To date in 2022, the City has received \$470,400 from FEMA for Covid-19 testing and \$52,868 for Covid-19 Public Assistance conducted by the Fire Department.

QUALITY OF LIFE

During the past 10 years, park land 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 the City’s 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 Actors Theatre of Indiana, the Gregory Hancock Dance Theatre, Indiana Wind Symphony, 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 attracted 110,000 visitors to its Saturday morning markets in 2021. The Carmel Christkindlmarkt and the Ice at Carter Green is a winter wonderland with shops, dining options, skating and entertainment in the fresh crisp air, attracting more than 400,000 visitors in 2021. The Christkindlmarkt was voted the No. 1 Best Holiday Market in North America by USA Today readers in 2021.

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. The expanded Monon Greenway and Midtown Plaza continued to provide outdoor public spaces to give residents and visitors an opportunity to venture out for some much-needed experiences with nature. Among the amenities, this linear 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; 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 is one of the busiest public libraries in the State of Indiana, serving residents of the City. In 2021, the library began construction of new library and campus on Main Street, a \$40-million expansion that is expected to include additional teen space, additional programming space, functional outdoor space, and a parking garage. 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. In addition to the new facility, the library operates a Community Tech Center further west on Main Street for computer use and training, software, recording room and 3-D printing services for library patrons.

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 2021 enrollment for the School Corporation at 16,174 students, and the Superintendent's Office reports 1,082 full-time educators.

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, free public parking garages 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 \$20-million structure features Anthony's Chophouse, a three-story, 12,000-square-foot restaurant and 3UP, a rooftop bar, a four-story office building, retail space along Main Street, a parking garage and seven townhomes. In 2021, Lauth began construction on 1st on Main, a \$40 million project located at the northeast corner of Main Street and Range Line Road. This project will include 35 luxury apartment units, 8 luxury condominiums, a four-story office building, retail space, a free public parking garage and a community gathering plaza featuring the City's Rotary Clock.

The City Center redevelopment project is home to the Center for the Performing Arts and several mixed-use buildings, including the Hotel Carmichael, Carmel City Center, the James Building, the Nash Building, the Mezz on Monon and approximately twelve more buildings scheduled to be constructed in the next few years.

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 2022 for both residential and business sectors. Additional public spaces are planned as well.

Another major mixed-use development, known as the Proscenium, is nearly completed in a redevelopment area south of the City government center. The \$60-million project includes apartments, for-sale condos, a 100,000 square foot office building, retail space and a one-level underground free parking garage. The Proscenium will welcome the arrival of 101 Beer Kitchen and Indiana's first Wahlburgers, a nationally recognized restaurant created by the Wahlburg family, which includes actors that are known on the national and international stage.

The City's \$30-million expansion of the Monon Greenway from a 12-foot path to the 140-foot Monon Boulevard, 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, Monon Boulevard 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 the construction of more than 141 roundabouts across the City. The transition away from traffic signals and 4-way stops has resulted in Carmel having one of the lowest automobile accident fatality rates among cities its size in the U.S. Carmel's current fatality rate is 2.25 (based on 100,000 population).

The City also took ownership of the former 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 with 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 and Indiana State Road 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, replacing the former 4-lane road with traffic signals on a “road diet.” This process eliminated two lanes of traffic, added a bike lane, added 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. In 2021, this transformation continued to the north of this section to the edge of the Arts & Design District.

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, who have completed twenty or more years of full-time service to the City. 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, subject to approval by the Indiana Department of Local Government Finance (“DLGF”), 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 directors are 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.

Accounting System

The City's accounting records for general government operations are reported by the Controller's Office on 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 a 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 Controller's Office direction the City's system of internal accounting controls continues to appropriately 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, cyber liability, inland marine/boiler, and crime damage. 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 Annual Comprehensive Financial Report for the fiscal year that ended December 31, 2020. 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 Controller's Office, whose support and dedication made the report possible. We would like to express our appreciation to FORVIS 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 report. 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO



*Certificate
of
Achievement*
FOR EXCELLENCE IN
Financial Reporting

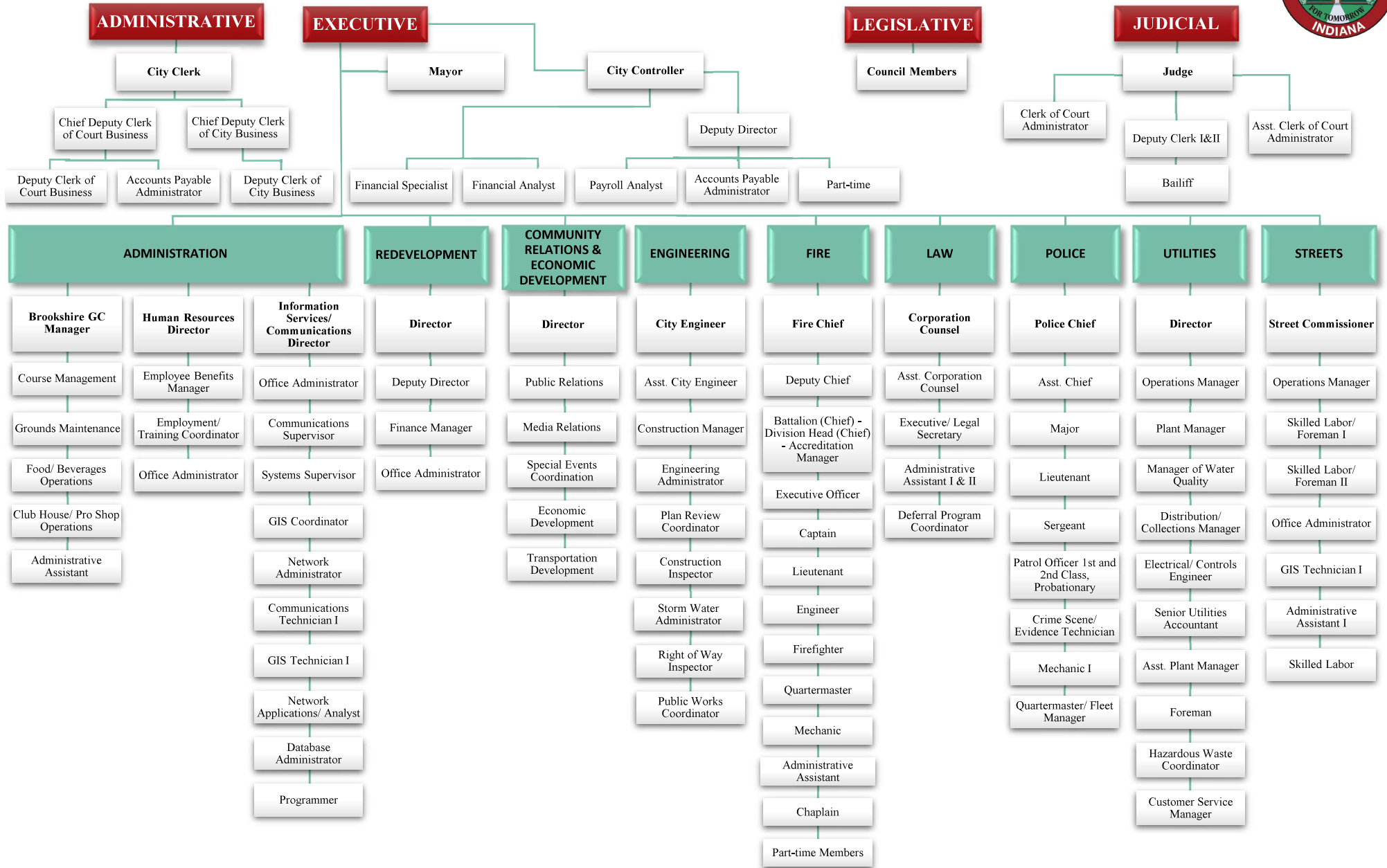
The Government Finance Officers Association of the United States (GFOA) awarded the City a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the fiscal year that ended December 31, 2020. This Certificate of Achievement is the highest 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

2021 ORGANIZATIONAL CHART



City of Carmel, Indiana
List of Elected and Appointed Officials
For the Fiscal Reporting Year Ended December 31, 2021

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



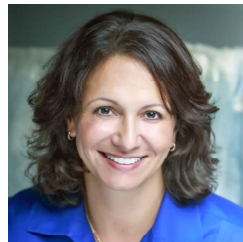
Vice-President
Jeff Worrell
At-Large
jworrell@carmel.in.gov



Parliamentarian
Sue Finkam
Northeast District
sfinkam@carmel.in.gov



Bruce Kimball
Central District
bkimball@carmel.in.gov



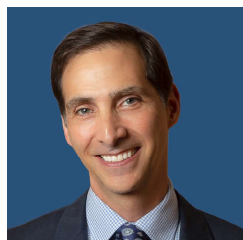
Chaplain
Laura Campbell
North District
lcampbell@carmel.in.gov



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



Tony Green
Southwest District
agreen@carmel.in.gov



Miles Nelson
West District
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CITY OF CARMEL, INDIANA
LIST OF ELECTED AND APPOINTED OFFICIALS
For the Fiscal Reporting Year Ended December 31, 2021
(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

Sue Finkam

Michael Ruggiero

Ted 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 Bowers, Vice President

William Brooks, Secretary

Adam Campagna

Jeff Worrell

Michael Kerschner

FINANCIAL SECTION

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

Audit Committee
City of Carmel, Indiana
Carmel, Indiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carmel, Indiana (City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying 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 of Carmel, Indiana, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of The City of Carmel Local Public Improvement Bond Bank, a blended component unit, which represent 1%, 58%, and .2%, respectively, of the assets, liabilities and net position of the total governmental activities of the City as of December 31, 2021. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the governmental activities, are based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

FORVIS,LLP

Indianapolis, Indiana
June 30, 2022

CITY OF CARMEL, INDIANA
MANAGEMENT DISCUSSION AND ANALYSIS
For the Fiscal Year Ended December 31, 2021

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, 2021. 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 37 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 \$473,667,675 (net position).
- The City's total net position increased \$38,020,210 from the prior fiscal year. The main reason for this improvement was the unusually favorable results from pension investments. Other reasons for this overall increase 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 \$241,853,379, an increase of \$117,738,684 in comparison with the prior year. Much of the increase represents bond proceeds. Approximately \$22,154,293 of this amount (9.2%) 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 \$28,881,023, or approximately 30.4% of total General Fund expenditures.
- The City's total outstanding long-term liabilities increased by \$83,365,801 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, five 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 37 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-two 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, Redevelopment Authority Debt Service Fund, Bond Bank Project Fund, and 2021 Project 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 39 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 44 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 50 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 52 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 95 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 115 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 \$473,667,675 at the close of the fiscal year.

City of Carmel's Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 281,447,802	\$ 137,118,190	\$ 22,208,946	\$ 23,216,203	\$ 303,656,748	\$ 160,334,393
Capital assets	969,579,445	972,643,978	279,555,288	267,954,454	1,249,134,733	1,240,598,432
Total assets	<u>1,251,027,247</u>	<u>1,109,762,168</u>	<u>301,764,234</u>	<u>291,170,657</u>	<u>1,552,791,481</u>	<u>1,400,932,825</u>
Total deferred outflows of resources	38,520,748	32,430,049	1,943,603	1,350,754	40,464,351	33,780,803
Other liabilities	17,659,056	15,541,311	3,213,729	2,516,845	20,872,785	18,058,156
Long-term liabilities outstanding	876,379,628	795,713,811	176,026,081	173,326,097	1,052,405,709	969,039,908
Total liabilities	<u>894,038,684</u>	<u>811,255,122</u>	<u>179,239,810</u>	<u>175,842,942</u>	<u>1,073,278,494</u>	<u>987,098,064</u>
Total deferred inflows of resources	40,211,257	7,816,719	6,098,406	4,151,380	46,309,663	11,968,099
Net position:						
Net investment in capital assets	369,685,144	376,746,545	149,036,091	138,083,697	518,721,235	514,830,242
Restricted	32,312,802	14,625,073	2,254,154	2,069,280	34,566,956	16,694,353
Unrestricted	(46,699,892)	(68,251,242)	(32,920,624)	(27,625,888)	(79,620,516)	(95,877,130)
Total net position	<u>\$ 355,298,054</u>	<u>\$ 323,120,376</u>	<u>\$ 118,369,621</u>	<u>\$ 112,527,089</u>	<u>\$ 473,667,675</u>	<u>\$ 435,647,465</u>

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.

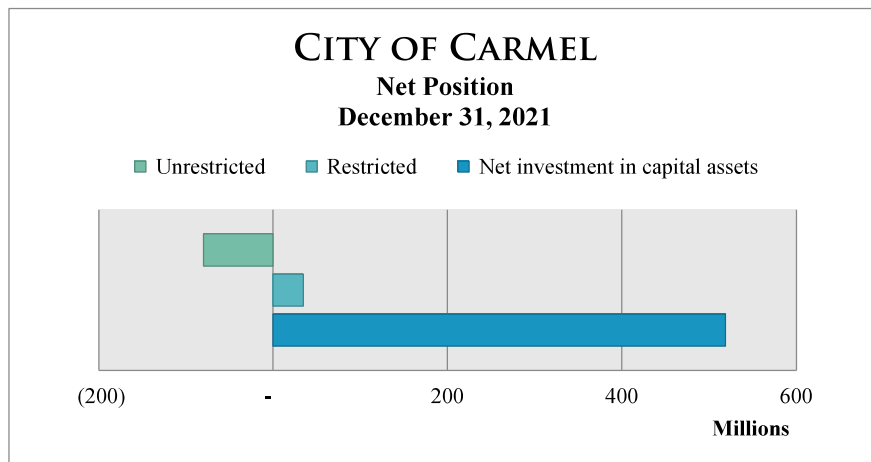
An additional portion of the City's net position represents resources that are subject to external restriction on how they may be used. The remaining balance of spendable net position is a deficit of \$79,620,516.

The City reported significant negative unrestricted net position of \$46,699,892 in governmental activities. This deficit is due in part to unfunded pension and retiree healthcare liabilities of \$45.3 million, as follows:

Other post-employment benefits – retiree healthcare obligation	\$ 23,524,710
Non-uniform public employee retirement plan obligation	4,589,201
'37 firefighters pension plan obligation	8,976,936
'25 police pension plan obligation	8,187,979
	<u>\$ 45,278,826</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 appropriations, 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. The plan was closed to new entrants as of October 3, 2016.

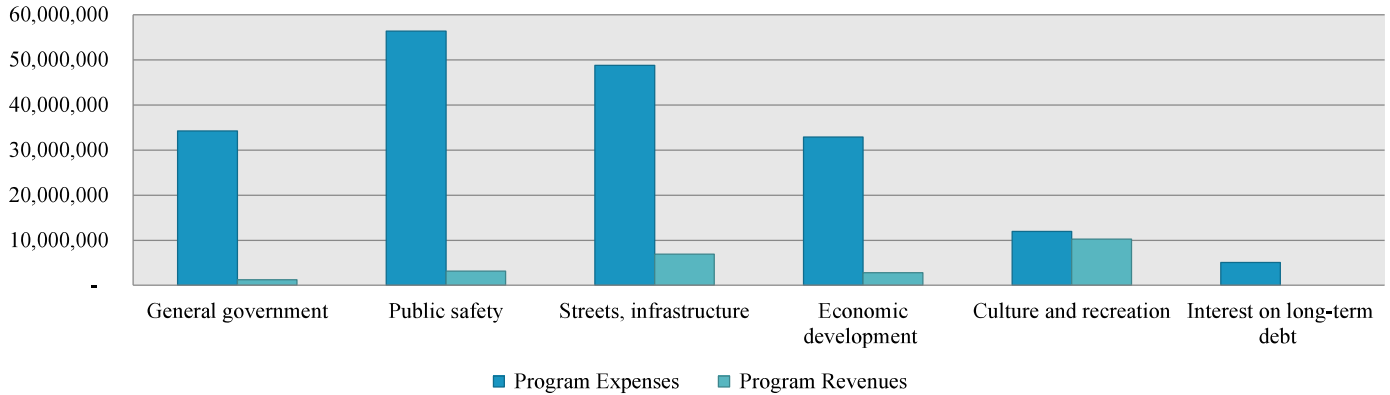
Another contributing factor to the deficit is the City's growth and aggressive acquisition of capital assets for infrastructure and other amenities. This growth and improvement have been financed with debt, resulting in significant transaction costs and amortization of deferred outflows. The City views 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 strong tax base, yielding one of the lowest local tax rates in Indiana, despite the cost of debt.



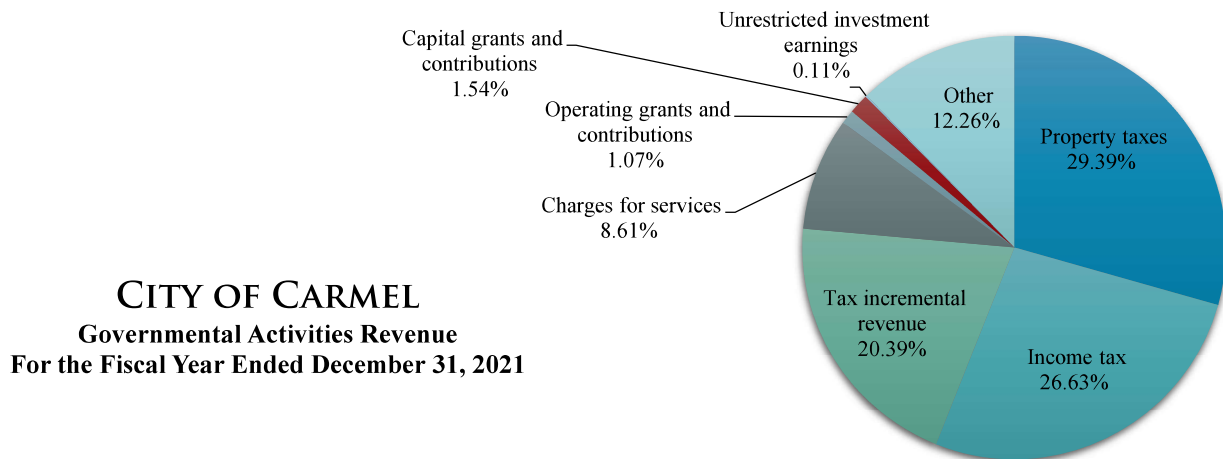
Governmental Activities. During the current fiscal year, net position for governmental activities increased \$32,177,678 from the prior fiscal year for an ending balance of \$355,298,054. The increase of 9.06% resulted in part from unusually favorable gains from pension trust investments.

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

CITY OF CARMEL
Program Revenues vs. Expenses
For the Fiscal Year Ended December 31, 2021



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	
	2021	2020	2021	2020	2021	2020
REVENUES:						
Program revenues:						
Charges for services	\$ 18,709,961	\$ 15,806,603	\$ 31,053,128	\$ 30,383,687	\$ 49,763,089	\$ 46,190,290
Operating grants and contributions	2,327,172	4,596,617	-	-	2,327,172	4,596,617
Capital grants and contributions	3,338,803	4,324,469	7,688,348	4,181,014	11,027,151	8,505,483
General revenues:						
Property taxes	63,905,027	63,533,389	-	-	63,905,027	63,533,389
Income tax	57,887,325	44,412,562	-	-	57,887,325	44,412,562
Food and beverage tax	2,712,115	2,153,220	-	-	2,712,115	2,153,220
Tax incremental revenue	44,334,410	36,446,525	-	-	44,334,410	36,446,525
Unrestricted investment earnings	236,719	897,178	157,199	223,599	393,918	1,120,777
Other	26,662,617	21,888,537	(76,768)	357,188	26,585,849	22,245,725
Total revenues	220,114,149	194,059,100	38,821,907	35,145,488	258,936,056	229,204,588
EXPENSES:						
General government	34,218,709	31,926,796	-	-	34,218,709	31,926,796
Public safety	56,351,024	53,605,541	-	-	56,351,024	53,605,541
Streets, infrastructure	48,809,731	43,870,342			48,809,731	43,870,342
Water distribution	-	-	21,799,363	20,130,070	21,799,363	20,130,070
Sewer collection	-	-	9,859,506	10,567,339	9,859,506	10,567,339
Economic development	32,871,669	34,750,667	-	-	32,871,669	34,750,667
Culture and recreation	11,946,131	20,141,103	-	-	11,946,131	20,141,103
Interest on long-term debt	5,059,713	5,593,677	-	-	5,059,713	5,593,677
Other	-	-	-	-	-	-
Total expenses	189,256,977	189,888,126	31,658,869	30,697,409	220,915,846	220,585,535
Change in net position before transfers	30,857,172	4,170,974	7,163,038	4,448,079	38,020,210	8,619,053
Transfers	1,320,506	1,912,211	(1,320,506)	(1,912,211)	-	-
Increase (decrease) in net position	32,177,678	6,083,185	5,842,532	2,535,868	38,020,210	8,619,053
NET POSITION - beginning	323,120,376	331,561,593	112,527,089	110,171,422	435,647,465	441,733,015
Restatement*	-	(14,524,402)	-	(180,201)	-	(14,704,603)
NET POSITION - beginning, adjusted	323,120,376	317,037,191	112,527,089	109,991,221	435,647,465	427,028,412
NET POSITION - ending	\$ 355,298,054	\$ 323,120,376	\$ 118,369,621	\$ 112,527,089	\$ 473,667,675	\$ 435,647,465

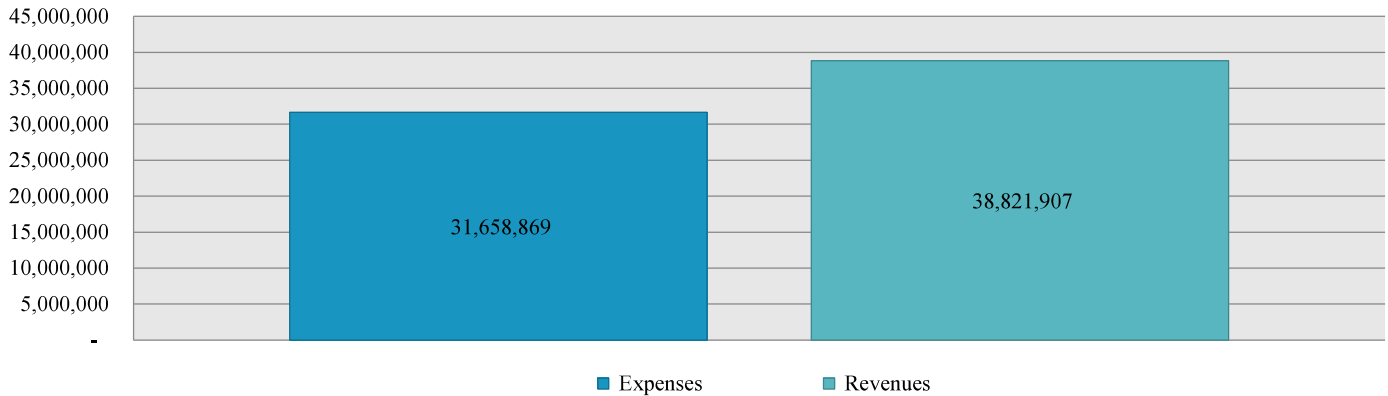
Fluctuations in grant revenues mainly reflect the unique, one-time grant programs related to the national health emergency.

The reduction in culture and recreation expense is due primarily to the refunding of certain bonds, originally issued for culture and recreation projects, but now redirected in part to other functions.

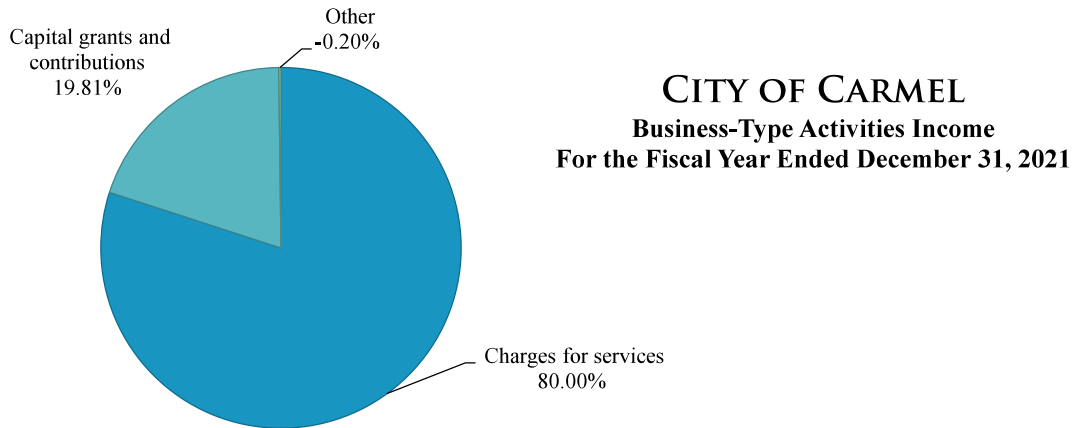
Business-type Activities. For the City's business-type activities, overall net position increased to an ending balance of \$118,369,621. The total increase in net position for business-type activities (water and sewer) was \$5,842,532 or 4.9% from the prior fiscal year, indicating a relatively stable and healthy net position.

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

CITY OF CARMEL
Business-Type Revenues vs. Expenses
For the Fiscal Year Ended December 31, 2021



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, 2021, the City's governmental funds reported combined fund balances of \$241,853,379, an increase of \$117,738,684 in comparison with the prior year. Much of the increase is due to proceeds from bond issues. Approximately 9.2% of the combined fund balances, \$22,154,293, 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 (\$207,974,077), it is committed for particular purposes (\$4,998,279), or it is assigned for particular purposes (\$6,726,730).

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 \$22,154,293 while the total fund balance was \$28,881,023. 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 23.3% of total general fund expenditures while total fund balance represents 30.4% of that amount.

The fund balance of the City's General Fund increased by \$1,307,227 during the year, indicating a budget variance within approximately 1% 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 \$28,168,884 increase in fund balance during the year, due primarily to bond proceeds and certain payments received from developers, which put the overall fund balance at \$40,411,325.

The Redevelopment Authority Debt Service Fund, a major fund, had a \$51,824,210 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 \$76,406,605, all of which was restricted for debt service.

The Bond Bank Project Fund, a major fund, accounts for debt issued by the Carmel Bond Bank, a component unit which aggregates multiple City debt issuances to enhance transaction cost efficiency. The Bond Bank Project Fund received transfers from the funds responsible for servicing the debt and paid out principal and interest of \$22,029,095. It also retains some debt service reserves.

The 2021 Project Fund, a major fund, accounts for the expenditure of proceeds of certain 2021 bond issuances, the purpose of which was to finance the Police headquarters expansion and related parking garage projects. The fund had a \$40,387,223 increase in fund balance during the year, due to bond proceeds received, which put the overall fund balance at \$40,387,223.

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 a deficit of \$27,824,161; for the Sewer Utility, it was a deficit of \$5,096,465. Water Utility net position, before capital contributions and transfers, decreased \$1,830,648. Improvement is expected as the utilities continue to expand and achieve both economies of scale and greater utilization of recently installed mains, treatment facilities, and replacement of aging water meters.

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	\$ 43,995,746	\$ 41,832,811	\$ (2,162,935)
Income tax	44,619,726	50,335,437	5,715,711
Licenses and permits	2,475,030	-	(2,475,030)
Intergovernmental	108,296	519,922	411,626
Charges for services	3,400,828	1,390,129	(2,010,699)
Fines and forfeits	456,850	292,965	(163,885)
Miscellaneous	-	2,264,838	2,264,838
Investment earnings, subfund transactions, and other	13,988,084	12,737,478	(1,250,606)
Total	<u>\$ 109,044,560</u>	<u>\$ 109,373,580</u>	<u>\$ 329,020</u>

The revenue excesses and shortfalls in the above revenue sources net to less than 1% and were not considered problematic in the aggregate.

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

Department	Final Estimated Expenditures	Final Actual Expenditures	Difference
Controller	\$ 1,188,351	\$ 983,820	\$ (204,531)
Clerk	842,464	626,311	(216,153)
Mayor's Office	4,981,340	4,645,931	(335,409)
City Council	588,265	523,089	(65,176)
Board of Public Works	16,231,284	16,221,182	(10,102)
Administration	3,870,146	3,297,224	(572,922)
Brookshire Golf Course	1,894,532	1,484,238	(410,294)
Building Operations	3,457,493	2,977,159	(480,334)
City Court	758,960	615,970	(142,990)
Law Department	1,928,473	1,261,593	(666,880)
Community Services	5,049,819	4,050,042	(999,777)
Personnel/ Human Resources	893,575	739,923	(153,652)
Information Systems	4,500	-	(4,500)
City Property Maintenance	1,694,974	1,004,911	(690,063)
Public Affairs/ Community Relations	4,715,876	3,835,724	(880,152)
Fire Department	30,621,440	30,387,037	(234,403)
Police Department	27,660,826	24,943,285	(2,717,541)
Communication Center	5,252,130	4,112,426	(1,139,704)
Parks Department	4,414,580	3,865,245	(549,335)
Redevelopment Department	792,005	784,039	(7,966)
Other	-	352,738	352,738
Total	\$ 116,841,033	\$ 106,711,887	\$ (10,129,146)

The under-budget conditions mostly reflect the City's policy of fully funding full staffing, with no provision for vacancies, and fringe benefits at the highest potential cost. Actual expenditures tend to be less.

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, 2021, amounts to \$1,249,134,733 (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 0.69%.

In 2021, the City continued its program of improving streets and streetscapes, using proceeds of bonds issued in 2016 and 2017. The City issued more bonds in 2021 for streets and streetscapes as well as enhanced headquarters for the police department and improved emergency communications facilities. The City also completed a major economic development project in the center of the city.

Capital Assets

	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 196,345,440	\$ 197,628,106	\$ 4,554,522	\$ 4,130,981	\$ 200,899,962	\$ 201,759,087
Construction in progress	107,183,512	202,570,110	48,884,946	35,989,902	156,068,458	238,560,012
Buildings	207,908,254	200,587,544	-	-	207,908,254	200,587,544
Machinery, equipment, and vehicles	26,290,175	23,128,405	-	-	26,290,175	23,128,405
Infrastructure	431,852,064	348,729,813	-	-	431,852,064	348,729,813
Water distribution system	-	-	164,233,523	163,977,184	164,233,523	163,977,184
Sewer system	-	-	61,882,297	63,856,387	61,882,297	63,856,387
Total	\$ 969,579,445	\$ 972,643,978	\$ 279,555,288	\$ 267,954,454	\$ 1,249,134,733	\$ 1,240,598,432

Additional information on the City's capital assets can be found in Note II.C. on pages 60–61 of this report.

Long-term Debt. On September 14, 2021, the City issued, through its local public improvement bond bank, \$32,380,000 of its Local Income Tax Lease Rental Bonds, Series 2021. The bonds were issued to finance the acquisition of property, construction, renovation, installation, and equipping of buildings and other related improvements comprising an expansion to the police headquarters and relocating the related information technology facility into a new facility and funding the renovation, installation and equipping of that facility. The City has pledged both its future distributions of local income tax and an ad valorem property tax to repay the bonds.

On September 14, 2021, the City issued, through its local public improvement bond bank, \$54,225,000 of its Ad Valorem Property Tax Lease Rental Bonds, Series 2021. The bonds were issued to finance the cost of the acquisition, design, construction, reconstruction, resurfacing, improvement and/or equipping of road and street projects. The City has pledged an ad valorem property tax levied on all taxable property within the City Redevelopment District to repay the bonds.

On September 14, 2021, the City issued, through its local public improvement bond bank, \$24,215,000 of its Taxable Redevelopment District Bonds, Series 2021. The bonds were issued to finance the cost of certain public improvement projects, including land acquisition, site preparation, other on-site improvements, road and utility infrastructure improvements, utility relocation, parking facilities and other local public improvements. The City has pledged an ad valorem property tax levied on all taxable property within the City Redevelopment District to repay the bonds. The bonds are further secured by a debt service reserve.

On September 14, 2021, the City issued, through its local public improvement bond bank, \$10,550,000 of its Taxable Local Income Tax General Obligation Bonds, Series 2021. The bonds were issued to provide funds for the acquisition, design, construction and/or equipping of a new police station parking garage. The City has pledged both its future distributions of local income tax and an ad valorem property tax to repay the bonds.

At the end of the current fiscal year, the City had total bonded debt outstanding of \$927,819,022. Of this amount, \$624,899,569 is debt backed by an unlimited ad valorem property tax levy, \$91,635,000 is debt backed by income tax, \$42,125,000 is debt backed by tax increment, and \$169,159,453 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 Long-Term Liabilities

	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Bonds	\$ 758,659,569	\$ 672,545,287	\$ 169,159,453	\$ 163,948,374	\$ 927,819,022	\$ 836,493,661
Contract purchases	8,053,173	8,737,615	-	-	8,053,173	8,737,615
Unamortized premium	54,121,774	43,779,354	386,052	415,270	54,507,826	44,194,624
Compensated absences	2,062,886	1,827,642	472,295	510,525	2,535,181	2,338,167
OPEB	23,524,710	26,487,196	3,611,107	4,218,078	27,135,817	30,705,274
Net pension liability	21,754,116	33,958,343	1,640,943	3,655,129	23,395,059	37,613,472
Capital leases	10,266,286	10,206,016	1,228,526	1,089,246	11,494,812	11,295,262
Total	\$ 878,442,514	\$ 797,541,453	\$ 176,498,376	\$ 173,836,622	\$ 1,054,940,890	\$ 971,378,075

The City's total debt outstanding increased by \$83,562,815 (8.60%) 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 61–70 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 2022 fiscal year budget.

- The unemployment rate for the City was 0.7% at the close of the fiscal year, which is significantly below the national rate of 3.9% and also below the rate of nearby communities.
- 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.

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, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and investments	\$ 242,909,508	\$ 6,918,851	\$ 249,828,359
Receivables (net of allowances for uncollectibles):			
Accounts	671,692	629,693	1,301,385
Taxes	22,098,453	-	22,098,453
Other	-	1,646,189	1,646,189
Internal balances	348,989	(348,989)	-
Inventories	-	836,229	836,229
Prepaid expenditures	1,059,853	25,000	1,084,853
Cash, restricted for debt service	-	12,501,973	12,501,973
Net pension asset	14,359,307	-	14,359,307
Capital assets:			
Not being depreciated: land, improvements, and construction in progress	303,528,952	53,439,468	356,968,420
Other capital assets, net of depreciation	666,050,493	226,115,820	892,166,313
Total assets	<u>1,251,027,247</u>	<u>301,764,234</u>	<u>1,552,791,481</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Bond refunding	17,453,102	-	17,453,102
Pensions	18,738,821	1,586,123	20,324,944
Other post-employment benefits	2,328,825	357,480	2,686,305
Total deferred outflows of resources	<u>38,520,748</u>	<u>1,943,603</u>	<u>40,464,351</u>
LIABILITIES:			
Accounts payable	3,976,166	1,669,754	5,645,920
Accrued interest payable	9,011,550	726,574	9,738,124
Claims payable	1,072,881	-	1,072,881
Other current payables	-	147,664	147,664
Accrued payroll and withholdings payable	1,535,573	155,137	1,690,710
Compensated absences	2,062,886	472,295	2,535,181
Customer deposits	-	42,305	42,305
Noncurrent liabilities:			
Due within one year:			
Bonds and contract purchases payable	34,785,245	6,381,466	41,166,711
Capital leases payable	2,798,383	334,697	3,133,080
OPEB liability	843,870	129,534	973,404
Due in more than one year:			
Bonds and contract purchases payable	786,049,271	163,164,039	949,213,310
Capital leases payable	7,467,903	893,829	8,361,732
Net pension liability	21,754,116	1,640,943	23,395,059
OPEB liability	22,680,840	3,481,573	26,162,413
Total liabilities	<u>894,038,684</u>	<u>179,239,810</u>	<u>1,073,278,494</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred revenue	2,457,603	-	2,457,603
2008 bond call rights waiver	-	2,486,791	2,486,791
Pensions	30,791,355	2,542,883	33,334,238
Other post-employment benefits	6,962,299	1,068,732	8,031,031
Total deferred inflows of resources	<u>40,211,257</u>	<u>6,098,406</u>	<u>46,309,663</u>
NET POSITION:			
Net investment in capital assets	369,685,144	149,036,091	518,721,235
Restricted:			
General government	507,955	-	507,955
Public safety	16,272,013	-	16,272,013
Streets and other infrastructure	5,943,057	2,254,154	8,197,211
Economic development	2,224,163	-	2,224,163
Culture and recreation	7,365,614	-	7,365,614
Unrestricted	(46,699,892)	(32,920,624)	(79,620,516)
Total net position	<u>\$ 355,298,054</u>	<u>\$ 118,369,621</u>	<u>\$ 473,667,675</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, 2021

	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
FUNCTIONS/PROGRAMS:							
Governmental activities:							
General government	\$ 34,218,709	\$ 131,588	\$ 1,134,894	\$ -	\$ (32,952,227)	\$ -	\$ (32,952,227)
Public safety	56,351,024	1,945,203	1,192,278		(53,213,543)	-	(53,213,543)
Streets and other infrastructure	48,809,731	4,763,870	-	2,154,150	(41,891,711)	-	(41,891,711)
Economic development	32,871,669	1,595,688	-	1,184,653	(30,091,328)	-	(30,091,328)
Culture and recreation	11,946,131	10,273,612	-	-	(1,672,519)	-	(1,672,519)
Unallocated interest expense	5,059,713	-	-	-	(5,059,713)	-	(5,059,713)
Total governmental activities	<u>189,256,977</u>	<u>18,709,961</u>	<u>2,327,172</u>	<u>3,338,803</u>	<u>(164,881,041)</u>	<u>-</u>	<u>(164,881,041)</u>
Business-type activities:							
Water	21,799,363	20,017,196	-	5,775,390	-	3,993,223	3,993,223
Sewer	9,859,506	11,035,932	-	1,912,958	-	3,089,384	3,089,384
Total business-type activities	<u>31,658,869</u>	<u>31,053,128</u>	<u>-</u>	<u>7,688,348</u>	<u>-</u>	<u>7,082,607</u>	<u>7,082,607</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 220,915,846</u>	<u>\$ 49,763,089</u>	<u>\$ 2,327,172</u>	<u>\$ 11,027,151</u>	<u>(164,881,041)</u>	<u>7,082,607</u>	<u>(157,798,434)</u>
GENERAL REVENUES AND TRANSFERS:							
General Revenues:							
Property tax					63,905,027	-	63,905,027
Income tax					57,887,325	-	57,887,325
Food and beverage tax					2,712,115	-	2,712,115
Tax incremental revenue					44,334,410	-	44,334,410
Unrestricted investment earnings					236,719	157,199	393,918
American Rescue Plan - lost revenue replacement					168,963	-	168,963
Other					26,493,654	(76,768)	26,416,886
Transfers					1,320,506	(1,320,506)	-
Total general revenues and transfers					<u>197,058,719</u>	<u>(1,240,075)</u>	<u>195,818,644</u>
CHANGE IN NET POSITION					32,177,678	5,842,532	38,020,210
NET POSITION: beginning					<u>323,120,376</u>	<u>112,527,089</u>	<u>435,647,465</u>
NET POSITION: ending					<u>\$ 355,298,054</u>	<u>\$ 118,369,621</u>	<u>\$ 473,667,675</u>

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

CITY OF CARMEL, INDIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

	General Fund	Redevelopment Commission Fund	Redevelopment Authority Debt Service Fund	Bond Bank Project Fund	2021 Project Fund	Total Nonmajor Funds	Total
ASSETS:							
Cash and investments	\$ 23,914,427	\$ 40,452,107	\$ 76,406,605	\$ 12,276,350	\$ 40,387,223	\$ 49,472,796	\$ 242,909,508
Receivables:							
Accounts	584,278	-	-	-	-	87,414	671,692
Taxes:							
Property	1,775,417	-	-	-	-	708,149	2,483,566
Income	19,614,887	-	-	-	-	-	19,614,887
Due from other governmental funds	-	-	-	-	-	68,108	68,108
Due from related utility	-	-	-	-	-	348,989	348,989
TOTAL ASSETS	<u>45,889,009</u>	<u>40,452,107</u>	<u>76,406,605</u>	<u>12,276,350</u>	<u>40,387,223</u>	<u>50,685,456</u>	<u>266,096,750</u>
LIABILITIES:							
Accounts payable	1,350,655	40,782	-	-	-	2,584,729	3,976,166
Claims payable	-	-	-	-	-	1,072,881	1,072,881
Due to other funds	-	-	-	-	-	68,108	68,108
Accrued payroll withholdings payable	1,305,285	-	-	-	-	230,288	1,535,573
Total liabilities	<u>2,655,940</u>	<u>40,782</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,956,006</u>	<u>6,652,728</u>
DEFERRED INFLOWS OF RESOURCES:							
Deferred revenue	-	-	-	-	-	2,457,603	2,457,603
Unavailable revenue	14,352,046	-	-	-	-	780,994	15,133,040
Total deferred inflow of resources	<u>14,352,046</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,238,597</u>	<u>17,590,643</u>
FUND BALANCES:							
Restricted:							
General government	-	-	-	-	-	507,955	507,955
Public safety	-	-	-	-	-	1,912,706	1,912,706
Highways and streets	-	-	19,028,044	12,276,350	40,387,223	26,141,365	97,832,982
Drainage and other capital assets	-	-	-	-	-	166,375	166,375
Economic development	-	40,411,325	38,800,252	-	-	2,224,163	81,435,740
Culture and recreation	-	-	18,578,309	-	-	7,540,010	26,118,319
Debt service	-	-	-	-	-	-	-
Committed:							
General government	-	-	-	-	-	1,032,827	1,032,827
Public safety	-	-	-	-	-	2,383,614	2,383,614
Highways and streets	-	-	-	-	-	870,603	870,603
Economic development	-	-	-	-	-	711,235	711,235
Assigned:							
General government	4,070,750	-	-	-	-	-	4,070,750
Public safety	2,417,827	-	-	-	-	-	2,417,827
Economic development	235	-	-	-	-	-	235
Culture and recreation	237,918	-	-	-	-	-	237,918
Unassigned	22,154,293	-	-	-	-	-	22,154,293
Total fund balances	<u>28,881,023</u>	<u>40,411,325</u>	<u>76,406,605</u>	<u>12,276,350</u>	<u>40,387,223</u>	<u>43,490,853</u>	<u>241,853,379</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
	<u>\$ 45,889,009</u>	<u>\$ 40,452,107</u>	<u>\$ 76,406,605</u>	<u>\$ 12,276,350</u>	<u>\$ 40,387,223</u>	<u>\$ 50,685,456</u>	<u>\$ 266,096,750</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, 2021

Fund Balance - governmental funds **\$ 241,853,379**

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. 1,059,853

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

Land and construction in progress	\$ 303,528,952	
Machinery, equipment, and vehicles	903,153,880	
Accumulated depreciation	<u>(237,103,387)</u>	
		969,579,445

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	\$ 2,483,566	
Income tax	11,992,351	
Ambulance fees	72,845	
Supplemental ambulance fees	<u>584,278</u>	
		15,133,040

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	\$ (21,754,116)	
Other post-employment benefit liability	<u>(23,524,710)</u>	
		(45,278,826)

The net pension asset is not an available resource and, therefore, is not reported in the funds. 14,359,307

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	\$ 17,453,102	
Pension-related inflows	(30,791,355)	
OPEB-related inflows	(6,962,299)	
Pension-related outflows	18,738,821	
OPEB-related outflows	<u>2,328,825</u>	
		767,094

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

Compensated absences	\$ (2,062,886)	
Accrued interest payable	(9,011,550)	
Unamortized value of capital leases	(10,266,286)	
Unamortized premiums on bonds outstanding	(54,121,774)	
Unamortized principal on bonds outstanding	<u>(766,712,742)</u>	
		<u>(842,175,238)</u>

Net position of governmental activities **\$ 355,298,054**

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, 2021

	General Fund	Redevelopment Commission Fund	Redevelopment Authority Debt Service Fund	Bond Bank Project Fund	2021 Project Fund	Total Nonmajor Funds	Total
REVENUES:							
Property tax	\$ 41,832,811	\$ -	\$ -	\$ -	\$ -	\$ 21,450,567	\$ 63,283,378
Income tax	50,521,352	-	-	-	-	-	50,521,352
Food and beverage tax	2,712,115	-	-	-	-	-	2,712,115
Other local tax	3,672,926	38,593,790	-	-	-	2,067,694	44,334,410
Charges for services	1,390,129	414,550	-	-	-	16,905,266	18,709,945
Investment income	127,172	402	1,776	430	280	106,659	236,719
Licenses and permits	3,028,712	-	-	-	-	29,730	3,058,442
Fines and forfeits	292,965	-	-	-	-	-	292,965
Intergovernmental:							
Grants	1,178,649	-	-	-	-	3,471,636	4,650,285
State shared revenue	851,928	-	-	-	-	6,391,779	7,243,707
Other	148,236	-	-	-	-	-	148,236
Contributions	-	-	-	-	-	551,408	551,408
Other	1,582,005	6,405,142	-	5,038,159	-	1,015,637	14,040,943
Total revenues	<u>107,339,000</u>	<u>45,413,884</u>	<u>1,776</u>	<u>5,038,589</u>	<u>280</u>	<u>51,990,376</u>	<u>209,783,905</u>
EXPENDITURES:							
Current:							
General government	27,095,315	-	-	-	-	3,638,581	30,733,896
Public safety	55,233,909	-	-	-	-	1,948,179	57,182,088
Streets and other infrastructure	1,071,597	-	-	4,955,834	-	21,782,833	27,810,264
Economic development	786,806	7,296,043	-	-	-	454,511	8,537,360
Culture and recreation	6,148,707	-	-	-	-	7,888,960	14,037,667
Debt service:							
Principal	745,000	1,774,442	19,482,471	8,960,000	-	3,021,968	33,983,881
Interest	30,856	909,227	10,717,961	13,069,095	-	928,946	25,656,085
Bond issuance costs	-	-	-	1,181,841	34,288	-	1,216,129
Capital outlay:							
General government	135,715	-	3,854,605	-	-	234,272	4,224,592
Public safety	2,183,915	-	-	-	1,412,388	-	3,596,303
Streets and other infrastructure	-	-	-	-	-	17,459,764	17,459,764
Economic development	5,967	5,085,833	-	-	-	106,188	5,197,988
Culture and recreation	1,495,454	-	-	-	-	367,917	1,863,371
Total expenditures	<u>94,933,241</u>	<u>15,065,545</u>	<u>34,055,037</u>	<u>28,166,770</u>	<u>1,446,676</u>	<u>57,832,119</u>	<u>231,499,388</u>

CITY OF CARMEL, INDIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	General Fund	Redevelopment Commission Fund	Redevelopment Authority Debt Service Fund	Bond Bank Project Fund	2021 Project Fund	Total Nonmajor Funds	Total
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	12,405,759	30,348,339	(34,053,261)	(23,128,181)	(1,446,396)	(5,841,743)	(21,715,483)
OTHER FINANCING SOURCES AND (USES):							
Bond issuance - principal	-	23,930,329	50,076,025	3,991,965	43,371,681	-	121,370,000
Bond issuance - premium	-	-	8,700,206	5,240,426	-	-	13,940,632
Debt issuance - capital leases	2,334,029	-	-	-	-	489,000	2,823,029
Transfers in, governmental funds	899,989	1,538,062	44,100,488	23,378,274	-	11,871,855	81,788,668
Transfer in (out) from (to) enterprise funds	1,320,506	-	-	-	-	-	1,320,506
Transfers (out), governmental funds	(15,653,056)	(27,647,846)	(16,999,248)	-	(1,538,062)	(19,950,456)	(81,788,668)
Total other financing sources and uses	(11,098,532)	(2,179,455)	85,877,471	32,610,665	41,833,619	(7,589,601)	139,454,167
NET CHANGES IN FUND BALANCES	1,307,227	28,168,884	51,824,210	9,482,484	40,387,223	(13,431,344)	117,738,684
FUND BALANCES: beginning	27,573,796	12,242,441	24,582,395	2,793,866	-	56,922,197	124,114,695
FUND BALANCES: ending	\$ 28,881,023	\$ 40,411,325	\$ 76,406,605	\$ 12,276,350	\$ 40,387,223	\$ 43,490,853	\$ 241,853,379

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, 2021

Net change in fund balances - total governmental funds, Statement of Revenues, Expenditures, and Changes in Fund Balances \$ 117,738,684

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 expense. Following is the amount by which capital outlay expenditures were less than depreciation expense in the current period:

Capital outlays	36,336,840	
Disposal of assets	(16,361,188)	
Depreciation expense	<u>(23,040,185)</u>	(3,064,533)

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	5,350,000	
Decrease (increase) in bonds payable for other bonds secured by revenues	(91,464,282)	
Decrease (increase) in bonds payable for contract purchase obligations	684,442	
Amortization of certain bond-related prepaid expense and deferred inflows and outflows	(1,922,000)	
Amortization of premium on bonds outstanding	3,598,212	
Bond issuance premium	(13,940,632)	
Capital lease proceeds	(2,823,029)	
Change in capital lease payable	(16,465)	
Principal payments on capital leases	2,762,759	
Compensated absences	<u>(235,244)</u>	(98,006,239)

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

Property tax	621,649	
Income tax	7,365,973	
Ambulance fees	(9,592)	
Ambulance fee supplemental	<u>(11,088)</u>	7,966,942

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

1925 Police Officers' plan	292,180	
1937 Firefighters' plan	287,127	
1977 Police Officers' plan	2,359,434	
1977 Firefighters' plan	3,009,557	
Civilian public employee retirement plan	2,163,066	
Other post-employment benefits - retiree health insurance	<u>(742,789)</u>	7,368,575

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, net decrease in accrual.

174,249

Change in net position of governmental activities (Statement of Activities) \$ 32,177,678

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, 2021

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total Enterprise
ASSETS:			
Current assets:			
Cash and investments	\$ 3,907,036	\$ 3,011,815	\$ 6,918,851
Accounts receivable (net of allowance)	311,377	318,316	629,693
Other receivables	1,034,620	611,569	1,646,189
Due from associated utility	-	774,920	774,920
Inventories	422,386	413,843	836,229
Prepaid items	15,625	9,375	25,000
Total current assets	5,691,044	5,139,838	10,830,882
Noncurrent assets:			
Restricted cash, debt service	5,371,960	7,130,013	12,501,973
Due from associated utility	692,940	-	692,940
Capital assets:			
Land, improvements to land and construction in progress	30,744,962	22,694,506	53,439,468
Utility plant in service, net of depreciation	164,233,523	61,882,297	226,115,820
Total noncurrent assets	201,043,385	91,706,816	292,750,201
Total assets	206,734,429	96,846,654	303,581,083
DEFERRED OUTFLOW OF RESOURCES:			
Pension-related	900,172	685,951	1,586,123
OPEB-related	204,024	153,456	357,480
Total deferred outflow of resources	1,104,196	839,407	1,943,603

Continued on next page.

CITY OF CARMEL, INDIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021
(Continued)

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total Enterprise
LIABILITIES:			
Current liabilities:			
Accounts payable	\$ 1,161,175	\$ 508,579	\$ 1,669,754
Accrued wages payable	88,213	66,924	155,137
Compensated absences	276,365	195,930	472,295
Due to associated governmental funds	348,989	-	348,989
Due to associated utility	774,920	-	774,920
Hydrant deposits	42,305	-	42,305
Revenue bonds payable, current portion	4,822,000	1,559,466	6,381,466
Capital leases payable, current portion	274,812	59,885	334,697
Accrued interest payable	605,933	120,641	726,574
OPEB liability	73,929	55,605	129,534
Other	147,664	-	147,664
Total current liabilities	<u>8,616,305</u>	<u>2,567,030</u>	<u>11,183,335</u>
Noncurrent liabilities:			
Bonds payable	132,400,264	30,763,775	163,164,039
Capital leases payable	779,597	114,232	893,829
Due to associated utility	-	692,940	692,940
Net pension liability	931,284	709,659	1,640,943
OPEB liability	1,987,032	1,494,541	3,481,573
Total noncurrent liabilities	<u>136,098,177</u>	<u>33,775,147</u>	<u>169,873,324</u>
Total liabilities	<u>144,714,482</u>	<u>36,342,177</u>	<u>181,056,659</u>
DEFERRED INFLOW OF RESOURCES			
Pension-related	1,443,162	1,099,721	2,542,883
OPEB-related	609,956	458,776	1,068,732
2008 bond call rights waiver	2,486,791	-	2,486,791
Total deferred inflow of resources	<u>4,539,909</u>	<u>1,558,497</u>	<u>6,098,406</u>
NET POSITION:			
Net investment in capital assets	85,395,874	63,640,217	149,036,091
Restricted for infrastructure	1,012,518	1,241,636	2,254,154
Unrestricted	(27,824,161)	(5,096,465)	(32,920,626)
Total net position	<u>\$ 58,584,234</u>	<u>\$ 59,785,387</u>	<u>\$ 118,369,621</u>

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, 2021

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total Enterprise
OPERATING REVENUES:			
Residential sales	\$ 14,619,934	\$ 5,921,160	\$ 20,541,094
Commercial and industrial sales	4,727,829	4,943,306	9,671,135
Other operating revenue	669,433	171,466	840,899
Total operating revenues	<u>20,017,196</u>	<u>11,035,932</u>	<u>31,053,128</u>
OPERATING EXPENSES:			
Source of supply - operation and maintenance	829,045	-	829,045
Water treatment - operation and maintenance	4,377,508	-	4,377,508
Transmission and distribution	4,005,565	-	4,005,565
Collection system - operation and maintenance	-	1,754,245	1,754,245
Treatment and disposal - operation and maintenance	-	3,045,682	3,045,682
Customer accounts	837,023	634,409	1,471,432
Administration and general	878,420	1,311,212	2,189,632
Payroll tax	322,906	246,336	569,242
Utility receipts tax	281,834	-	281,834
Depreciation	4,377,310	2,537,247	6,914,557
Pension expense (credit)	(316,402)	(350,661)	(667,063)
OPEB	76,359	(107,700)	(31,341)
Total operating expenses	<u>15,669,568</u>	<u>9,070,770</u>	<u>24,740,338</u>
OPERATING INCOME	<u>4,347,628</u>	<u>1,965,162</u>	<u>6,312,790</u>
NON OPERATING REVENUES (EXPENSES):			
Interest and investment revenue	120,445	36,754	157,199
Miscellaneous revenue	298,398	68,782	367,180
Amortization of call rights waiver	556,382	-	556,382
Amortization of debt premium/(discount)	26,934	2,284	29,218
Interest expense	(6,713,111)	(791,020)	(7,504,131)
Gain (loss) from disposition of property	(467,324)	23,376	(443,948)
Total nonoperating revenue (expenses)	<u>(6,178,276)</u>	<u>(659,824)</u>	<u>(6,838,100)</u>

Continued on next page.

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

For the Fiscal Year Ended December 31, 2021
(Continued)

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total Enterprise
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS AND TRANSFERS	(1,830,648)	1,305,338	(525,310)
CAPITAL CONTRIBUTIONS AND TRANSFERS:			
Capital contributions	5,775,390	1,912,958	7,688,348
Transfers to associated city	(839,763)	(480,743)	(1,320,506)
Total capital contributions and transfers	4,935,627	1,432,215	6,367,842
CHANGE IN NET POSITION	3,104,979	2,737,553	5,842,532
NET POSITION: beginning	55,479,255	57,047,834	112,527,089
TOTAL NET POSITION: ending	\$ 58,584,234	\$ 59,785,387	\$ 118,369,621

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, 2021

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 19,422,171	\$ 10,859,164	\$ 30,281,335
Payments for goods and services	(4,706,965)	(1,872,357)	(6,579,322)
Payments to employees	(6,451,924)	(4,770,490)	(11,222,414)
Other receipts	690,048	189,795	879,843
Net cash provided by operating activities	8,953,330	4,406,112	13,359,442
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from sale of bonds	5,100,000	10,360,000	15,460,000
Capital contributions	4,485,537	1,575,307	6,060,844
Acquisition and construction of capital assets	(10,208,370)	(7,157,811)	(17,366,181)
Payment of capital debt, including refunded debt	(4,070,000)	(8,571,260)	(12,641,260)
Interest paid on debt	(3,647,294)	(739,482)	(4,386,776)
Gain (loss) from disposal of assets	(447,559)	23,376	(424,183)
Bond-related professional fees	(69,000)	(179,519)	(248,519)
Net cash provided (used) by capital and related financing activities	(8,856,686)	(4,689,389)	(13,546,075)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	120,445	36,754	157,199
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from (to) governmental funds	(839,763)	(480,743)	(1,320,506)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(622,674)	(727,266)	(1,349,940)
CASH AND CASH EQUIVALENTS: beginning	9,901,670	10,869,094	20,770,764
CASH AND CASH EQUIVALENTS: ending	\$ 9,278,996	\$ 10,141,828	\$ 19,420,824

Continued on next page.

CITY OF CARMEL, INDIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Total Enterprise
RECONCILIATION OF OPERATING INCOME TO			
NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income	\$ 4,347,628	\$ 1,965,162	\$ 6,312,790
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	4,377,310	2,537,247	6,914,557
Nonoperating income (expense)	290,087	63,285	353,372
(Increase) decrease in assets:			
Accounts receivable	(144,871)	(55,409)	(200,280)
Pension-related deferred outflows of resources	(240,192)	(142,653)	(382,845)
OPEB-related deferred outflows of resources	(127,905)	(90,945)	(218,850)
Other	(279,689)	(34,112)	(313,801)
Interfund receivables	30,993	84,220	115,213
Inventories	(10,885)	(5,183)	(16,068)
Increase (decrease) in liabilities:			
Accounts payable	473,776	276,792	750,568
Wages payable	25,627	16,038	41,665
Compensated absence payable	(10,477)	(27,753)	(38,230)
Net pension liability	(1,073,500)	(940,686)	(2,014,186)
OPEB liability	(179,590)	(289,850)	(469,440)
Pension-related deferred inflows of resources	997,290	732,678	1,729,968
OPEB-related deferred inflows of resources	383,854	273,095	656,949
Other current liabilities	93,874	44,186	138,060
Total adjustments	4,605,702	2,440,950	7,046,652
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 8,953,330	\$ 4,406,112	\$ 13,359,442
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Initiation of capital leases	\$ 416,079	\$ 28,909	\$ 444,988
Contributions of capital assets and aid in construction	\$ 1,285,854	\$ 337,652	\$ 1,623,506
Amortization of call rights waiver	\$ 556,382	\$ -	\$ 556,382
Amortization of bond premium	\$ 26,934	\$ 14,568	\$ 41,502
Amortization of bond discount	\$ -	\$ (12,284)	\$ (12,284)
Accreted interest	\$ 2,392,339	\$ -	\$ 2,392,339

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, 2021

	Pension Trust Funds	Custodial Funds
ASSETS:		
Cash and cash equivalents	\$ 150,255	\$ 77,685
Receivable from State of Indiana	98,361	-
Total assets	248,616	77,685
LIABILITIES:		
Payroll withholdings	98,361	-
Total liabilities	98,361	-
NET POSITION: restricted	\$ 150,255	\$ 77,685

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, 2021

	Pension Trust Funds	Custodial Funds
ADDITIONS:		
Employer contributions	\$ 1,178,649	\$ -
Investment income	569	-
Court costs and fees	-	1,146,705
Total additions	1,179,218	1,146,705
DEDUCTIONS:		
Benefits to plan members and beneficiaries	1,180,233	-
Distributions	-	1,171,998
Total deductions	1,180,233	1,171,998
NET DECREASE IN NET POSITION	(1,015)	(25,293)
NET POSITION: beginning	151,270	102,978
NET POSITION: ending	\$ 150,255	\$ 77,685

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

CITY OF CARMEL, INDIANA
NOTES TO BASIC FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2021

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, 2021, 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 seven 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) is a legally separate Indiana not-for-profit corporation that facilitates borrowing for certain City capital projects. Accordingly, it imposes certain financial burdens and provides certain benefits to the City. City officials appoint its board. It exists exclusively for the benefit of the City.

Carmel Municipal Facilities Building Corporation (CMFBC) is a legally separate Indiana not-for-profit corporation that facilitates borrowing for certain City public safety-related capital projects. Accordingly, it imposes certain financial burdens and provides certain benefits to the City. City officials appoint its board. It exists exclusively for the benefit of the City.

The Carmel City Center Community Development Corporation (4CDC) Carmel Midtown Community Development Corporation (CMCDC) and Downtown City Center Development Corporation (DCCDC) are legally separate Indiana not-for-profit corporations that are organized as community development corporations, pursuant to Indiana Code 4-4-28-2. Their primary function is to facilitate borrowing for 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 Redevelopment Authority, CMBC, CMCDC, CMFBC, 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 *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 *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 *2021 Project Fund* is used to account for the expenditure of proceeds of certain 2021 bond issuances, the purpose of which were to finance the Police headquarters expansion and related parking garage projects.

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, pensions, other post-employment benefits, 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 trust, 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 include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

2. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit, and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension and OPEB trust funds are stated at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction at year end.

3. 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.

4. 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 Buildings	10–20 years
Machinery, Equipment, and Vehicles	5–20 years
Infrastructure	20–50 years

5. *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.

6. *Bond Premiums and Discounts*

Bond premiums and discounts are amortized in the government-wide and proprietary statements over the life of the issuances.

7. *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 assets 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 assets 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 and OPEB-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.

8. *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.

9. 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.

10. 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) includes 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) includes 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.

11. 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, OPEB liabilities, deferred inflows and outflows of resources related to pensions and OPEB, and certain receivables.

12. 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 its value on January 1 of the year prior to the budget/levy year, and, before November 1 of that year. The Council is empowered to adopt the ensuing year property tax levies and rates. The Council's action is subject to certain statutory limitations. In some instances, these statutory limitations may be appealed by the City, and adjusted as appropriate by the Indiana Department of Local Government Finance (DLGF). Such appeals must be filed by the City by October 10 or December 31, depending on the nature of the appeal. After November 1, levies, rates, and appropriations adopted by the Council are subject to review by the Indiana DLGF and adjusted, as appropriate, to meet statutory requirements and to reflect the results of levy appeals. In some circumstances, taxpayers may also appeal the levies and rates at a public hearing before the DLGF. Review by the DLGF must be completed by December 31 or January 15, depending on the type of levy appeal the City may file. Rates must then be published by county officials three times, at least one week apart. The County Auditor then computes a tax bill for each parcel. The County Auditor must apply a credit to each real estate tax bill that exceeds a certain percentage of the gross assessed value of the parcel. Those percentages are 1% for most single-family owner-occupied residences, 2% for most other residential property, and 3% for commercial and other real property. The credit is funded by reducing a portion of the levy of the City and each other overlapping taxing jurisdiction, on a pro-rata basis. Tax bills, net of credits, are due and payable in two installments on May 10 and November 10 of the budget/levy year. The City considers property tax revenue to be receivable when it is due and payable by the property owner, at which time the City has an enforceable legal claim on the revenue.

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 Nonoperating 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 and services. 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 Investments

1. 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, 2021, were \$231,893,774, of which \$12,501,973 is restricted and \$219,391,801 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.

The deposits and investments of the Pension and OPEB Trust Funds, as discussed in Notes II.F. and II.G. below, are held separately.

2. 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, 2021:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less than 1</u>	<u>1 to 5</u>	<u>More than 5</u>
Municipal Bonds	\$ 2,574,249	\$ 2,183,635	\$ 390,614	\$ -
U.S. Treasury Notes	10,911,830	-	10,911,830	-
U.S. Government-backed Securities	16,950,479	16,950,479	-	-
Total	<u>\$ 30,436,558</u>	<u>\$ 19,134,114</u>	<u>\$ 11,302,444</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's investments in Federal Home Loan Bank Board and Federal Home Loan Mortgage Corporation are rated AA+ by Standard & Poor's and Aaa by Moody's Investors Service and the municipal bond investments are all rated AA or better by Standard & Poor's and Moody's Investors Service.

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, 2021, 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	\$ 1,775,417	\$ 708,149	\$ 2,483,566
Income taxes	19,614,887	-	19,614,887
Other	584,278	87,414	671,692
Due from other funds	-	68,108	68,108
Due from utility	-	348,989	348,989
Total	<u>\$ 21,974,582</u>	<u>\$ 1,212,660</u>	<u>\$ 23,187,242</u>

Receivables at December 31, 2021, 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	\$ 1,345,997	\$ 929,885	\$ 2,275,882
Due from associated utility	-	774,920	774,920
Due from associated utility - noncurrent	692,940	-	692,940
Total	<u>\$ 2,038,937</u>	<u>\$ 1,704,805</u>	<u>\$ 3,743,742</u>

The Sewer Utility recognizes a long-term liability of \$692,940 due to the Water Utility for its share of the Water Utility's 2020 revenue bond.

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:

<u>Description</u>	<u>Unavailable Revenue</u>
Property taxes	\$ 2,483,566
Income taxes	11,992,351
Ambulance fees	72,845
Supplemental Medicaid	584,278
Total unavailable revenue	<u>\$ 15,133,040</u>

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>RDA Debt Service</u>	<u>Bond Bank</u>	<u>Nonmajor</u>	
General Fund	\$ -	\$ -	\$ 15,430,556	\$ -	\$ 222,500	\$ 15,653,056
Redevelopment Commission Fund	527,794	-	20,115,500	2,524,236	4,480,316	27,647,846
RDA Debt Service Fund	-	-	-	16,999,248	-	16,999,248
2021 Project Fund	-	1,538,062	-	-	-	1,538,062
Nonmajor	372,195	-	8,554,432	3,854,790	7,169,039	19,950,456
Total	<u>\$ 899,989</u>	<u>\$ 1,538,062</u>	<u>\$ 44,100,488</u>	<u>\$ 23,378,274</u>	<u>\$ 11,871,855</u>	<u>\$ 81,788,668</u>

The General Fund, the Redevelopment Commission Fund, and nonmajor funds made lease payments to the Redevelopment Authority (RDA) Debt Service Fund in the amounts of \$15,430,556, \$20,115,500, and \$8,554,432, respectively, in order to satisfy debt service payments.

The General Fund transferred \$222,500 of proceeds from a sale of property to a nonmajor fund to pay for park projects.

The Redevelopment Commission Fund transferred \$527,794 to the General Fund to satisfy debt service payments.

The Redevelopment Commission Fund transferred \$879,000 to a nonmajor fund to satisfy debt service payments.

The Redevelopment Commission Fund transferred \$1,211,265 of grant revenue to a nonmajor fund to pay for improvements to a City-owned office and theater building associated with a new tenant.

The Redevelopment Commission Fund transferred \$2,390,051 to a nonmajor fund for repayment of a bank loan.

The Redevelopment Commission Fund, the Redevelopment Authority Debt Service Fund, and nonmajor funds transferred \$2,524,236, \$16,999,248, and \$3,854,790, respectively, to the Bond Bank Project Fund to satisfy debt service payments.

The 2021 Project Fund transferred of reimbursements \$1,538,062 to the Redevelopment Commission Fund associated with the Police Headquarters project.

A nonmajor fund transferred \$372,195 of grant revenue to the General Fund and \$1,448,762 to other nonmajor funds for Federal grant projects.

A nonmajor fund transferred \$896,764 to another nonmajor fund in compliance with a City ordinance.

A nonmajor fund transferred \$4,009,275 to another nonmajor fund for costs associated with an economic development project.

A nonmajor fund transferred \$204,059 of funds remaining after the completion of a certain road improvement project to another nonmajor fund to be used for future road improvement projects.

A nonmajor fund made \$143,032 of contract purchase payments on behalf of another fund.

Nonmajor funds transferred \$467,147 to other nonmajor funds to close out certain construction cash accounts.

b) Transfers between Governmental and Enterprise Funds

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

The Water and Sewer Funds transferred \$839,763 and \$480,743, respectively, of available excess cash to the General Fund.

C. Capital Assets

Capital asset activity for Governmental Activities for the year ended December 31, 2021, was as follows:

Governmental Activities:	Balance Dec 31, 2020	Additions/ Transfers In	Deletions/ Transfers Out	Balance Dec 31, 2021
Capital assets, not being depreciated				
Land	\$ 197,628,106	\$ 1,282,666	\$ (2,565,332)	\$ 196,345,440
Construction in progress	202,570,110	23,529,716	(118,916,314)	107,183,512
Total capital assets, not being depreciated	<u>400,198,216</u>	<u>24,812,382</u>	<u>(121,481,646)</u>	<u>303,528,952</u>
Capital assets, being depreciated				
Buildings and improvements	246,352,629	18,693,335	(5,593,242)	259,452,722
Machinery, equipment, and vehicles	49,488,701	7,269,277	(1,352,534)	55,405,444
Infrastructure	491,920,531	96,529,123	(153,940)	588,295,714
Total capital assets, being depreciated	<u>787,761,861</u>	<u>122,491,735</u>	<u>(7,099,716)</u>	<u>903,153,880</u>
Less accumulated depreciation, for				
Buildings and improvements	45,765,085	5,779,383	-	51,544,468
Machinery, equipment, and vehicles	26,360,296	4,007,870	(1,252,897)	29,115,269
Infrastructure	143,190,718	13,252,932	-	156,443,650
Total accumulated depreciation	<u>215,316,099</u>	<u>23,040,185</u>	<u>(1,252,897)</u>	<u>237,103,387</u>
Total capital assets, being depreciated, net	<u>572,445,762</u>	<u>99,451,550</u>	<u>(5,846,819)</u>	<u>666,050,493</u>
Governmental activities capital assets, net	<u>\$ 972,643,978</u>	<u>\$ 124,263,932</u>	<u>\$ (127,328,465)</u>	<u>\$ 969,579,445</u>

Capital asset activity for Business-Type Activities for the year ended December 31, 2021, was as follows:

Business-Type Activities:	Balance Dec 31, 2020	Additions/ Transfers In	Deletions/ Transfers Out	Balance Dec 31, 2021
Capital assets, not being depreciated				
Land & land rights	\$ 4,130,981	\$ 423,541	\$ -	\$ 4,554,522
Construction in progress	35,989,902	19,133,332	(6,238,288)	48,884,946
Total capital assets, not being depreciated	<u>40,120,883</u>	<u>19,556,873</u>	<u>(6,238,288)</u>	<u>53,439,468</u>
Capital assets, being depreciated				
Utility plant & equipment in service	327,602,783	5,798,973	(2,127,796)	331,273,960
Total capital assets, being depreciated	<u>327,602,783</u>	<u>5,798,973</u>	<u>(2,127,796)</u>	<u>331,273,960</u>
Less accumulated depreciation for				
Utility plant & equipment in service	99,769,212	6,914,557	(1,525,629)	105,158,140
Total capital assets, being depreciated, net	<u>227,833,571</u>	<u>(1,115,584)</u>	<u>(602,167)</u>	<u>226,115,820</u>
Business-type activities capital assets, net	<u>\$ 267,954,454</u>	<u>\$ 18,441,289</u>	<u>\$ (6,840,455)</u>	<u>\$ 279,555,288</u>

Depreciation expense was charged as follows for the year ended December 31, 2021:

Governmental Activities:	
General Government	\$ 494,788
Economic Development	6,138,805
Culture & Recreation	169,649
Public Safety	1,711,042
Streets and other infrastructure	<u>14,525,901</u>
Total governmental depreciation	<u>23,040,185</u>
Business-Type Activities:	
Utility plant & equipment in service	<u>6,914,557</u>
Total business-type depreciation	<u>6,914,557</u>
Total depreciation	<u>\$ 29,954,742</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, 2021:

	Balance Jan 1, 2021	Additions	Reductions	Balance Dec 31, 2021	Due Within One Year
Governmental Activities:					
Private placement bonds	\$ 77,065,000	\$ -	\$ (5,350,000)	\$ 71,715,000	\$ 5,080,000
Other bonds secured by revenues	595,480,287	121,370,000	(29,905,718)	686,944,569	28,987,702
Contract purchase obligations	8,737,615	-	(684,442)	8,053,173	717,543
Unamortized bond premium	43,779,354	13,940,632	(3,598,212)	54,121,774	
Subtotal, bonds, premiums, and discounts	<u>725,062,256</u>	<u>135,310,632</u>	<u>(39,538,372)</u>	<u>820,834,516</u>	<u>34,785,245</u>
Capital leases	10,206,016	2,823,029	(2,762,759)	10,266,286	2,798,383
Compensated absences	1,827,642	418,190	(182,946)	2,062,886	2,062,886
Net pension liability	33,958,343	4,142,699	(16,346,926)	21,754,116	-
Total OPEB liability	<u>26,487,196</u>	<u>4,411,329</u>	<u>(7,373,815)</u>	<u>23,524,710</u>	<u>843,870</u>
Total governmental activities	<u>\$ 797,541,453</u>	<u>\$ 147,105,879</u>	<u>\$ (66,204,818)</u>	<u>878,442,514</u>	<u>\$ 40,490,384</u>
Less,					
Portion of above due within one year				40,490,384	
Portion of capital leases payable due in more than one year				7,467,903	
Net pension liability and total OPEB liability due in more than one year				<u>44,434,956</u>	
Bonds payable due in more than one year				<u>\$ 786,049,271</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, 2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>Dec 31, 2021</u>	Due Within <u>One Year</u>
Business-Type Activities:					
Sewer utility revenue bonds	\$ 30,534,501	\$ 10,360,000	\$ (8,571,260)	\$ 32,323,241	\$ 1,559,466
Water utility revenue bonds	133,413,873	7,492,339	(4,070,000)	136,836,212	4,822,000
Total business-type bonds	163,948,374	17,852,339	(12,641,260)	169,159,453	6,381,466
Sewer utility bond premium	14,568	-	(14,568)	-	-
Sewer utility bond discount	(12,284)	-	12,284	-	-
Water utility bond premium	412,986	-	(26,934)	386,052	-
Subtotal, bonds, premiums, and discounts	164,363,644	17,852,339	(12,670,478)	169,545,505	6,381,466
Utility capital leases	1,089,246	444,988	(305,708)	1,228,526	334,697
Compensated absences	510,525	32,841	(71,071)	472,295	472,295
Net pension liability	3,655,129	1,303,158	(3,317,344)	1,640,943	-
Total OPEB liability	4,218,078	602,468	(1,209,439)	3,611,107	129,534
Total business-type activities	<u>\$ 173,836,622</u>	<u>\$ 20,235,794</u>	<u>\$ (17,574,040)</u>	<u>176,498,376</u>	<u>\$ 7,317,992</u>

Less,

Portion of above due within one year	7,317,992
Portion of capital leases payable due in more than one year	893,829
Net pension liability and total OPEB liability due in more than one year	5,122,516
Bonds payable due in more than one year	<u>\$ 163,164,039</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>
Redevelopment Authority Property Tax Lease Rental Bonds, Series 2021	3.000% - 4.000%	2021	2041	\$ 54,225,000	\$ 54,225,000
Taxable Redevelopment District Bonds, Series 2021	0.211% - 2.301%	2021	2035	24,215,000	24,215,000
Taxable Lease Rental Revenue Refunding Bonds, Series 2020A	0.839% - 2.628%	2020	2038	125,195,000	125,195,000
Taxable Lease Rental Revenue Refunding Bonds, Series 2020B	0.337% - 2.074%	2020	2033	62,270,000	61,525,000
Storm Water District Revenue Bonds, Series 2020	2.110%	2020	2033	6,700,000	5,870,000
Taxable Lease Rental Bonds, Series 2019A-1	3.940%	2019	2027	10,525,000	7,715,000
Taxable Lease Rental Bonds, Series 2019A-2	3.990% - 4.850%	2019	2035	8,170,000	7,135,000
Redevelopment Authority Tax-Exempt Lease Rental Bonds, Series 2017B-1	3.000% - 5.000%	2017	2037	32,495,000	31,630,000
Redevelopment Authority Tax-Exempt Lease Rental Bonds, Series 2017B-2	3.200% - 3.200%	2017	2037	24,000,000	23,235,000
Redevelopment Authority Taxable Lease Rental Bonds, Series 2017C-1	2.006% - 3.200%	2017	2027	815,000	540,000
Taxable Special Program Bonds, Series 2016	1.576% - 3.762%	2016	2041	18,830,000	17,885,000
General Obligation Bonds, Series 2016A	2.000% - 5.000%	2016	2036	1,214,000	986,000

General Obligation Bonds, Series 2016B	2.000% 5.000%	2016	2036	1,089,000	884,000
General Obligation Bonds, Series 2016C	2.000% 5.000%	2016	2036	1,633,000	1,327,000
General Obligation Bonds, Series 2016D	2.000% 5.000%	2016	2036	1,373,000	1,115,000
General Obligation Bonds, Series 2016E	2.000% 5.000%	2016	2036	1,599,000	1,299,000
General Obligation Bonds, Series 2016F	2.000% 5.000%	2016	2036	1,577,000	1,283,000
General Obligation Bonds, Series 2016G	2.000% 5.000%	2016	2036	1,373,000	1,115,000
General Obligation Bonds, Series 2016H	2.000% 5.000%	2016	2036	1,577,000	1,283,000
General Obligation Bonds, Series 2016I	2.000% 5.000%	2016	2036	1,426,000	1,159,000
General Obligation Bonds, Series 2016J	2.000% 5.000%	2016	2036	1,513,000	1,230,000
General Obligation Bonds, Series 2016K	2.000% 5.000%	2016	2036	1,394,000	1,133,000
General Obligation Bonds, Series 2016L	2.000% 5.000%	2016	2036	1,383,000	1,125,000
General Obligation Bonds, Series 2016M	2.000% 5.000%	2016	2036	1,211,000	984,000
2016 Storm Water Bond (Authorized: \$44,500,000)	2.000% 5.000%	2016	2036	30,720,000	24,435,000
Redevelopment Authority Lease Rental Bonds, Series 2016A (Public Infrastructure Projects)	2.000% 5.000%	2016	2036	139,872,000**	130,376,000
Redevelopment Authority Lease Rental Bonds, Series 2016B (Economic Development Projects)	2.000% 5.000%	2016	2029	10,337,000	8,758,000
Redevelopment Authority Lease Rental Bonds, Series 2016C (Energy Center Project)	2.000% 5.000%	2016	2035	15,164,000	12,429,000
Redevelopment Authority Taxable Lease Rental Bonds, Series 2016D (Midtown Phase 1A)	1.576% 3.762%	2016	2041	10,890,000	9,965,000
Redevelopment District Bonds of 2013	2.000% 4.000%	2013	2035	6,535,000	5,180,000
Lease Rental Revenue Multipurpose Bonds, Series 2012B	1.190% 3.000%	2012	2025	69,245,000	25,855,000
Lease Rental Revenue Refunding Bonds of 2011 (West Clay road)	5.000%	2011	2024	25,190,000	6,485,000
Lease Rental Revenue Bonds of 2005 (unrefunded portion)	5.800% 8.450%	2005	2026	19,649,150*	27,323,569

* 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, 2021, the total of payments on the bonds listed above was 0.498% of taxable assessed value.

Bonds issued in order to acquire capital assets, for which the City has pledged its local income tax (LIT) 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>
Municipal Facilities Building Corp Lease Rental Bonds, Series 2021	3.000% - 4.000%	2021	2041	32,380,000	32,380,000
Taxable Local Income Tax General Obligation Bonds, Series 2021	0.855% - 2.706%	2021	2041	10,550,000	10,550,000
Redevelopment Authority LIT Lease Rental Revenue Refunding Bonds, Series 2017	2.360% - 2.360%	2017	2030	23,180,000	18,920,000
COIT Lease Rental Revenue Refunding Bond, Series 2014B (Northwest Clay Road)	3.000% - 5.000%	2014	2027	46,795,000	29,015,000
COIT Refunding Bonds of 2011	2.320%	2011	2022	7,180,000	770,000

In the year ended December 31, 2021, the total of payments on the bonds listed immediately above was 14.0% 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	2,070,000
Redevelopment Authority Taxable Lease Rental Bonds, Series 2017A (Midtown South)	1.973% - 3.864%	2017	2042	7,405,000	7,240,000
Taxable Lease Rental Bonds, Series 2017C-2	2.100% - 3.750%	2017	2025	16,600,000	14,440,000
Taxable Economic Development Lease Rental Revenue Bonds, Series 2018A (Midtown West Project)	2.500% - 5.000%	2018	2043	12,645,000	12,375,000
2019 City Center Community Development Loan	5.150%	2019	2048	6,000,000	6,000,000
2020 Carmel Midtown Community Development Corporation Mortgage Note	LIBOR +215 basis points	2020	2021	2,500,000	-

In the year ended December 31, 2021, the total of payments on the bonds listed immediately above was 16.1% 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	6,385,000
Restated Secondary Village #1	LIBOR	2013	2034	4,500,000	1,668,173
Total bond principal and contract purchases					766,712,742
Capital Leases	1.290% - 3.980%	2011-2021	2031	18,281,639	10,266,286
Compensated Absences	N/A	N/A	N/A	N/A	2,062,886
Total bond principal, contract purchases, capital leases, and compensated absences.					779,041,914
Bond premium					54,121,774
Total governmental activities bonds, contract purchases, capital leases, and compensated absences.					<u>\$ 833,163,688</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>
Junior Waterworks Revenue Bonds of 2021	0.830% - 2.430%	2021	2039	\$ 5,100,000	\$ 5,100,000
2021 Sewer Utility Revenue Bonds	2.340%	2021	2039	3,100,000	3,100,000
2021 Sewer Utility Refunding Bonds	1.750%	2021	2032	7,260,000	7,260,000
Sewer Utility Revenue Bonds of 2020	2.250%	2020	2039	15,954,000	15,953,000
Waterworks Revenue Bond Anticipation Notes of 2019	2.320%	2019	2023	17,745,000	17,745,000
Junior Waterworks Revenue Refunding Bonds of 2017	1.800%-3.700%	2017	2037	13,000,000	10,897,000
Waterworks Special Program Bonds, Series 2016	3.000%-5.000%	2016	2028	53,735,000	44,695,000
Sewer Utility 2012 Revenue Bonds	2.000%-3.250%	2012	2032	11,040,000	-
Water Utility Junior Waterwork Revenue Bond of 2012	2.000%-4.000%	2012	2036	21,625,000	14,760,000
Sewer Utility 2009 SRF	0.420%	2009	2030	5,894,000	2,640,241
Water Utility 2008 Capital Appreciation Bonds	4.130%-5.790%	2008	2025	20,644,479	43,639,212
Sewer Utility 2005 Revenue Bonds Refinance	4.320%-4.610%	2005	2026	11,000,000	3,370,000
Bond Premium/ Discount					<u>386,052</u>
Total bonded debt, including amount due in one year					169,545,505
Capital Leases		2013	2029	1,198,932	1,228,526
Compensated Absences	N/A	N/A	N/A	N/A	<u>472,295</u>
Total business-type activities bonds, capital leases, and compensated absences.					<u>171,246,326</u>
Total City bonds, capital leases, and compensated absences.					<u>\$1,004,410,014</u>

In the year ended December 31, 2021, revenue, net of reasonable expenses for operation, repair, and maintenance, was 113.1% of debt service requirement for the Water utility and 48.4% of debt service requirement for the Sewer utility.

The City has pledged up to \$1,115,000 of 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	\$ 11,100,533
Economic development	<u>9,752,357</u>
Total	<u>\$ 20,852,890</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
2022	\$ 5,080,000	\$ 2,269,119	\$ 7,349,119	\$ 717,543	\$ 523,731	\$ 1,241,274
2023	4,965,000	2,110,350	7,075,350	755,929	465,083	1,221,012
2024	5,055,000	1,918,299	6,973,299	794,612	425,167	1,219,779
2025	4,665,000	1,760,925	6,425,925	838,602	381,160	1,219,762
2026	4,725,000	1,615,968	6,340,968	887,909	335,457	1,223,366
2027 - 2031	24,305,000	5,889,009	30,194,009	4,058,578	730,392	4,788,970
2032 - 2036	16,220,000	2,709,901	18,929,901	-	-	-
2037 - 2041	5,200,000	535,935	5,735,935	-	-	-
2042 - 2046	1,200,000	189,735	1,389,735	-	-	-
Thereafter	300,000	8,340	308,340	-	-	-
	<u>\$ 71,715,000</u>	<u>\$ 19,007,581</u>	<u>\$ 90,722,581</u>	<u>\$ 8,053,173</u>	<u>\$ 2,860,990</u>	<u>\$ 10,914,163</u>

Year Ended December 31	Notes and Loan Payable - Direct Borrowings			Notes and Loan and Contract Purchase Obligations Payable - Total		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 28,987,702	\$ 25,896,434	\$ 54,884,136	\$ 34,785,245	\$ 28,689,284	\$ 63,474,529
2023	29,828,488	25,903,070	55,731,558	35,549,417	28,478,503	64,027,920
2024	31,473,494	26,109,711	57,583,205	37,323,106	28,453,177	65,776,283
2025	38,165,042	19,181,464	57,346,506	43,668,644	21,323,549	64,992,193
2026	43,049,660	20,249,895	63,299,555	48,662,569	22,201,320	70,863,889
2027 - 2031	217,110,000	70,671,947	287,781,947	245,473,578	77,291,348	322,764,926
2032 - 2036	209,847,000	32,405,808	242,252,808	226,067,000	35,115,709	261,182,709
2037 - 2041	67,550,000	4,824,389	72,374,389	72,750,000	5,360,324	78,110,324
2042 - 2046	1,510,000	57,001	1,567,001	2,710,000	246,736	2,956,736
Thereafter	-	-	-	300,000	8,340	308,340
Total Requirements	667,521,386	<u>\$ 225,299,719</u>	<u>\$ 892,821,105</u>	747,289,559	<u>\$ 247,168,290</u>	<u>\$ 994,457,849</u>
Accretion on CABs	<u>19,423,183</u>			<u>19,423,183</u>		
Total Requirements	<u>\$ 686,944,569</u>			<u>\$ 766,712,742</u>		

Business-Type Activities:

Year Ended December 31	Principal	Interest	Total
2022	\$ 6,381,466	\$ 4,247,670	\$ 10,629,136
2023	24,692,678	3,803,710	28,496,388
2024	8,485,894	3,297,747	11,783,641
2025	9,231,116	2,932,098	12,163,214
2026	11,478,343	2,488,567	13,966,910
2027 - 2031	47,241,512	31,334,573	78,576,085
2032 - 2036	30,617,711	33,276,111	63,893,822
2037 - 2041	8,036,000	264,044	8,300,044
Total Requirements	146,164,720	<u>\$ 81,644,519</u>	<u>\$ 227,809,239</u>
Accretion on CABs	<u>22,994,733</u>		
Total Requirements	<u>\$ 169,159,453</u>		

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, 2021, the City had assets with an original cost of \$18,281,639 and accumulated depreciation of \$8,208,076 financed through capital leases.

Year Ended December	Equipment Capital Leases		
	Principal	Interest	Total
2022	\$ 2,798,383	\$ 230,291	\$ 3,028,674
2023	2,172,481	167,564	2,340,045
2024	1,845,470	118,647	1,964,117
2025	1,331,197	80,026	1,411,223
2026	718,115	52,482	770,597
2027 - 2031	1,400,640	68,267	1,468,907
Total	<u>\$ 10,266,286</u>	<u>\$ 717,277</u>	<u>\$ 10,983,563</u>

Business-type Activities:

The Water and Sewer Utilities entered into various capital leases for certain equipment. As of December 31, 2021, the Utilities had assets with an original cost of \$1,392,745 and accumulated depreciation of \$562,327 financed through capital leases.

Capital Leases:

Year Ended December 31	Principal	Interest	Total
2022	\$ 334,697	\$ 21,675	\$ 356,372
2023	225,170	16,919	242,089
2024	157,171	13,252	170,423
2025	58,049	10,372	68,421
2026	60,211	38,823	99,034
2027 - 2031	393,228	19,727	412,955
Total	<u>\$ 1,228,526</u>	<u>\$ 120,768</u>	<u>\$ 1,349,294</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. Rent revenue of \$1,079,358 was recognized under this arrangement during 2021. Depreciation expense for the year ended December 31, 2021, was \$410,000 and book value as of December 31, 2021, was \$16,810,000.

5. Other Commitments

Various claims and lawsuits are pending against the City. At December 31, 2021, 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. For governmental funds, these obligations are included in, and do not exceed, the assigned, committed and restricted fund balances of the respective funds.

Total assigned from the General Fund balance: \$ 6,726,730

Construction commitments for the Water and Sewer Enterprise Funds were \$1,800,000 and \$1,700,000, respectively.

6. Contingent Grants

The Carmel Redevelopment Commission, an integral part of the City, is contingently liable for the issuance of up to \$25.5 million of grants, via a community development corporation which is a component unit of the City. The purpose of the contingent grants is to encourage private investment in the area served by the community development corporation. The grants are contingent upon the need to cover payments on loans used to finance the private investment. As of December 31, 2021, no grant payments had been made by the City in connection with these loans. The Administration believes no such payments will be needed in the future.

7. Limited Recourse Obligations Payable Solely from Property Taxes Generated from a Specific Project Site

The City has entered into certain transactions with private firms to redevelop designated real property meeting certain criteria. In these instances, bonds are issued to finance improvements on property designated by the City but owned by the private firm and its affiliates. The bonds are purchased by the same private firm and affiliates. The private firm may supplement these improvements with additional improvements financed from its own resources. As improvements are completed, incremental property tax revenue is generated, and a pre-determined portion of that revenue is applied to the payment of the bonds. This pre-determined share of tax paid by the private firm is the sole source of repayment. There is no recourse to the City if this revenue is inadequate to pay principal and interest on the bonds. The private firm and its affiliates are, in substance, the property owner, the owner of the bonds, and the taxpayer. Accordingly, the bonds are not reported as liabilities of the City in the accompanying financial statements. Following are the currently active transactions of this kind.

- 2021C Subordinate Economic Development Revenue Bonds (Proscenium)
- 2021B Senior Economic Development Revenue Bonds (Proscenium)
- 2021ASenior Economic Development Revenue Bonds (Proscenium)
- 2021B Subordinate Economic Development Revenue Bonds (Signature)
- 2021A Senior Economic Development Revenue Bonds (Signature)
- 2021 Economic Development Revenue Bonds (Firehouse Project)
- 2021 Economic Development Revenue Bonds (The Corner Project)
- 2021 Economic Development Revenue Bonds (Franciscan Health Project)
- 2020 Economic Development Tax Increment Revenue Bonds (City Center Phase II)
- 2020 Economic Development Tax Increment Revenue Bonds (Brookshire Village Shoppes Project)
- 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 Economic Development Revenue Bonds (Grand & Main - The District)
- 2015 Economic Development Revenue Bonds (The Olivia on Main)
- 2011B Subordinate Economic Development Revenue Bonds (Arts District Lofts & Shoppes)
- 2011A Senior Economic Development Revenue Bonds (Arts District Lofts & Shoppes)
- 2011 Taxable Economic Development Revenue Bonds (Meridian and Main - Indiana Spine Group I Project)
- 2011 Taxable Economic Development Revenue Bonds (116th Street Centre Project)
- 2006B Taxable Economic Development Revenue Bonds (Buckingham-Gramercy Project)

8. Economic Gain on Advance Refunding

Proceeds of Sewer Utility bonds issued during the year ended December 31, 2021, known as the 2021 Sewer Utility Refunding Bonds, were used to refund certain other obligations then outstanding, at an economic gain of \$1,188,398.

The change in cash flows resulting from the refunding is as follows:

Year	<u>Refunded Obligations</u>	<u>Refunding Bonds</u>	<u>Savings</u>
2021	\$ 749,869	\$ 54,702	\$ 695,167
2022	750,862	731,713	19,150
2023	754,363	725,994	28,369
2024	752,338	725,144	27,194
2025	754,787	724,119	30,668
2026	761,563	722,919	38,644
2027 - 2031	3,896,869	3,624,200	272,669
2032 - 2036	802,837	726,300	76,537
2037 - 2039	-	-	-
Totals	<u>\$ 9,223,488</u>	<u>\$ 8,035,090</u>	<u>\$ 1,188,398</u>

9. Schedule of Outstanding Principal on Advance Refunded Debt

<u>Outstanding Bonds</u>	<u>Outstanding Amount Refunded Bonds</u>	<u>Bonds Refunded</u>	<u>Outstanding Through</u>
Taxable Lease Rental Revenue Refunding Bonds, Series 2020A	\$ 115,900,000	2012A LR Multi Bonds	1/1/2031
Taxable Lease Rental Revenue Refunding Bonds, Series 2020B	54,405,000	2014 LR Refunding Bonds	1/15/2035
Lease Rental Revenue Multipurpose Bonds, Series 2012A	20,125,000	2010A COPS	1/15/2035
Taxable Lease Rental Revenue Multipurpose Bonds, Series 2012B	31,195,000	2010B COPS	1/15/2035
Carmel Bond Bank Lease Rental Refunding Bonds, Series 2016C	2,120,000	2010C COPs	7/15/2035
Carmel Bond Bank Special Program Bonds, Series 2016	12,400,000	2008B Jr. Water	6/1/2026
	<u>\$ 236,145,000</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.

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:

	2021	2020
Unpaid claims, beginning of fiscal year	\$ 910,893	\$ 646,713
Incurred claims and changes in estimates	15,204,616	11,368,866
Claim payments	15,042,628	11,104,686
Unpaid claims, end of fiscal year	\$ 1,072,881	\$ 910,893

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 Controller 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:

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	14
Terminated employees entitled to but not yet receiving benefits	-	-
Current active employees	-	-
Total Plan Members	<u>14</u>	<u>14</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, 2021, the State of Indiana contributed \$579,819 to the '25 Police Officers' Plan and \$598,830 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 \$8,187,979 for the '25 Police Officers' Plan and \$8,976,936 for the '37 Firefighters' Plan was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021. For the year ended December 31, 2021, the City recognized pension expense of \$288,692 for the '25 Police Plan and \$311,326 for the '37 Firefighters Plan.

Assumptions and Other Inputs

Measurement Date	December 31, 2021
Valuation Date	December 31, 2021—Police Officers' member census data as of January 1, 2021, and Firefighters' member census data as of January 1, 2021, 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-2020 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	3.48% Police Officers; 3.48% Firefighters for 2021 and 2020 3.54% Police Officers; 3.58% Firefighters for 2019
Cost of Living Increase:	
1925 or 1937 Plan	2.50%
1977 Plan Converted	2.50%

Changes in the Net Pension Liability:

	'25 Police Officers' Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of December 31, 2020	\$ 8,616,378	\$ 136,916	\$ 8,479,462
Changes for the year:			
Service Cost	-	-	-
Interest	288,782	-	288,782
Changes in Plan Provisions	-	-	-
Difference between Expected and Actual Experience	-	-	-
Changes in Assumptions	-	-	-
Benefit Payments	(587,133)	-	(587,133)
Employer contributions	-	579,819	(579,819)
Employee contributions	-	-	-
Net transfers into (out of) trust	-	-	-
Net investment income	-	446	(446)
Benefit payments	-	(587,133)	587,133
Administrative expenses	-	-	-
Other	-	-	-
Balances as of December 31, 2021	<u>\$ 8,318,027</u>	<u>\$ 130,048</u>	<u>\$ 8,187,979</u>
Fiduciary net position as a percentage of total pension liability			<u>1.56%</u>

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

At December 31, 2021, the City reported a net pension liability of \$8,187,979 for the '25 Police Officers' Plan.

For the year ended December 31, 2021, the City recognized pension expense of \$288,692, which included net amortization of deferred amounts from liability experience, assumption changes and investment gains and/or losses. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the '25 Police Officers' Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>'25 Police Officers' Plan</u>		
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	7,276	-
Changes in assumptions	-	-
Total	<u>\$ 7,276</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>	
2022	\$ 2,725
2023	1,897
2024	1,791
2025	863
2026	-
Thereafter	-
	<u>\$ 7,276</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, 2020	\$ 9,278,530	\$ 14,354	\$ 9,264,176
Changes for the year:			
Service Cost	-	-	-
Interest	311,713	-	311,713
Changes in Plan Provisions	-	-	-
Difference between Expected and Actual Experience	-	-	-
Changes in Assumptions	-	-	-
Benefit Payments	(593,100)	-	(593,100)
Employer contributions	-	598,830	(598,830)
Employee contributions	-	-	-
Net transfers into (out of) trust	-	-	-
Net investment income	-	123	(123)
Benefit payments	-	(593,100)	593,100
Administrative expenses	-	-	-
Other	-	-	-
Balances as of December 31, 2021	<u>\$ 8,997,143</u>	<u>\$ 20,207</u>	<u>\$ 8,976,936</u>
Fiduciary net position as a percentage of total pension liability			<u>0.22%</u>

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

At December 31, 2021, the City reported a net pension liability of \$8,976,936 for the '37 Firefighters' Plan.

For the year ended December 31, 2021, the City recognized pension expense of \$311,326, which included net amortization of deferred amounts from liability experience, assumption changes and investment gains and/or losses. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the '37 Firefighters' Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<u>'37 Firefighters' Plan</u>		
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual earnings on pension plan investments	890	-
Changes in assumptions	-	-
Total	<u>\$ 890</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>	
2022	\$ 313
2023	186
2024	314
2025	77
2026	-
Thereafter	-
	<u>\$ 890</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	\$ 9,021,695	\$ 8,187,979	\$ 7,471,938
'37 Firefighters' Plan	\$ 9,918,068	\$ 8,976,936	\$ 8,173,998

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, 2021. The amounts were \$579,819 and \$598,830, 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, 2021

	<u>'25 Police Pension Trust</u>	<u>'37 Fire Pension Trust Fund</u>
ASSETS:		
Cash and cash equivalents	\$ 130,048	\$ 20,207
Receivable from State of Indiana	48,983	49,378
Total assets	<u>179,031</u>	<u>69,585</u>
LIABILITIES: payroll withholdings	<u>48,983</u>	<u>49,378</u>
NET POSITION: restricted for pensions	<u>\$ 130,048</u>	<u>\$ 20,207</u>

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION FUNDS

For the Fiscal Year Ended December 31, 2021

	<u>'25 Police Pension Trust</u>	<u>'37 Fire Pension Trust Fund</u>
ADDITIONS:		
Employer contributions	\$ 579,819	\$ 598,830
Investment income	446	123
Miscellaneous revenue	-	-
Total additions	<u>580,265</u>	<u>598,953</u>
DEDUCTIONS:		
Benefits	587,133	593,100
Other services and charges	-	-
Total deductions	<u>587,133</u>	<u>593,100</u>
NET INCREASE (DECREASE) IN NET POSITION	(6,868)	5,853
NET POSITION: beginning	<u>136,916</u>	<u>14,354</u>
NET POSITION: ending - restricted for pensions	<u>\$ 130,048</u>	<u>\$ 20,207</u>

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plan

PUBLIC EMPLOYEES' RETIREMENT FUND (PERF)

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 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 (Park).
2. All other civilian employees of the City (City).

The City plan is allocated between governmental and business-type activities based on the percentage of total civilian (non-uniformed) PERF expenditures during the City's fiscal year ended December 31.

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 MC DC. Refer to the Description of Defined Contribution Funds for discussion of both the PERF DC and PERF MC DC plans. 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.

Members who have service in both PERF DB and either TRF Pre-'96 DB or TRF '96 DB, have the option of choosing from which of these funds they would like to retire.

Benefits Provided:

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

If a member dies after June 30, 2018, a spouse or dependent beneficiary of a member with a minimum of 10 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.

If a member dies while receiving a benefit, a beneficiary 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:

The employer defined-benefit contribution rate is based on an actuarial valuation and is adopted, and may be amended, by the INPRS Board. For 2021, the City contributed 11.2% of employee compensation to the plan. The DC Account consists of the employee contribution, which is set by statute at 3% of compensation, as defined by Indiana statutes, plus the interest/earnings or losses credited to the employee's account. The employer may choose to make the contributions on behalf of its participating employees, which the City has elected to do. In addition, under certain circumstances, employees may elect to make additional voluntary contributions of up to 10% of their compensation into their DC Account. An employee's contribution and interest credits belong to the employee and do not belong to the State or the City.

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 developed. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below.

The City's contribution to the plan for the year ending December 31, 2021, was \$3,481,738 for City participants and \$237,999 for the Park participants, which was equal to the required contributions for the year.

Proportionate Share of the Net Pension Liability:

At December 31, 2021, the City reported a liability of \$5,443,399 for its proportionate share of the City net pension liability and a liability of \$786,745 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 plan. The proportionate share used at the June 30, 2021, measurement date was 0.0041368 for the City plan and 0.0005979 for the Park plan.

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, 2021
Valuation Date	
Assets:	June 30, 2021
Liabilities:	June 30, 2020 – The TPL as of June 30, 2021 was determined based on an actuarial valuation prepared as of June 30, 2020 rolled forward one year to June 30, 2021, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.
Price Inflation	2.00% per year
Future Salary Increases	2.65% - 8.65% based on service

	<u>Service</u>	<u>Wage Inflation</u>	<u>Merit</u>	<u>Salary Increase</u>
	0	2.65%	6.00%	8.65%
	1	2.65%	5.00%	7.65%
	2	2.65%	4.00%	6.65%
	3	2.65%	3.00%	5.65%
	4	2.65%	2.50%	5.15%
	5	2.65%	2.00%	4.65%
	6	2.65%	1.50%	4.40%
	7	2.65%	1.50%	4.15%
	8	2.65%	1.25%	3.90%
	9	2.65%	1.00%	3.65%
	10	2.65%	0.75%	3.40%
	11	2.65%	0.50%	3.15%
	12	2.65%	0.25%	2.90%
	13+	2.65%	0.00%	2.65%

Cost-of-Living Increases	As of June 30, 2021: Members in pay status were granted a 1.00% COLA on January 1, 2022 and no COLA on January 1, 2023. Thereafter, the following COLAs, compounded annually, were assumed: 0.4% beginning on January 1, 2024 0.5% beginning on January 1, 2034 0.6% beginning on January 1, 2039 As of June 30, 2020: In lieu of a COLA on 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: 0.4% beginning on January 1, 2022 0.5% beginning on January 1, 2034 0.6% beginning on January 1, 2039
Mortality Assumption	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. <i>Healthy Employees</i> – General Employee table with a 3 year set forward for males and a 1 year set forward for females. <i>Retirees</i> – General Retiree table with a 3 year set forward for males and a 1 year set forward for females. <i>Beneficiaries</i> – Contingent Survivor table with no set forward for males and a 2 year set forward for females. <i>Disableds</i> – General Disabled table with a 140% load.

Experience Study The most recent comprehensive experience study, based on member experience between June 30, 2014 and June 30, 2019, was completed in February 2020. The demographic assumptions were approved by the Board in June 2020 and were used beginning with the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.

Discount Rate 6.25%, 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. The discount rate decreased from the 6.75% used on 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 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, 2021 actuarial valuation assumes a long-term rate of return on assets of 6.25%, 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.

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. Deterministic projections indicate the actuarially determined contribution rate will decline over the coming years. 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.

Discount Rate Sensitivity 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 6.25 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 (5.25%) or one percentage point higher (7.25%) than the current rate:

	1% Decrease	Current Rate	1% Increase
	5.25%	6.25%	7.25%
2021 City	\$ 14,236,874	\$ 5,443,399	\$ (1,891,524)
2021 Park	\$ 2,057,684	\$ 786,745	\$ (273,386)

Classes of Plan Members Covered The June 30, 2021 valuation was performed using census data provided by INPRS as of June 30, 2020. Standard actuarial techniques were used to roll forward the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date using actual benefit payments during that period of time.

Money-Weighted Rate of Return The money-weighted rate of return equals investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. For the fiscal year ending June 30, 2021, the moneyweighted return on the plan assets is 25.5%.

Summary of Plan Provisions:

Definitions

- Fiscal year** Twelve month period ending June 30.
- Participation** All full time employees of the State of Indiana and all full time employees of Political Subdivisions which have adopted the plan become members of PERF upon date of hire.
- Average monthly earnings** The monthly average of earnings during 20 quarters (in groups of 4 consecutive contribution quarters) preceding retirement that produce the highest such average. Earnings include basic salary, the member's 3% mandatory contribution paid by the employer, the member's salary reduction agreement under Section 125, 430(b), or 457 of the Internal Revenue Code, and up to \$2,000 of additional compensation received from the employer in anticipation of the member's termination or retirement.
- Member contributions** Each member is required to contribute to an Annuity Savings Account at the rate of 3% of pay (unless the employer has opted to make the contribution for the employee). These contributions are kept on deposit and credited with interest based on the investment elections of each member until such time as they are withdrawn or annuitized by the member.

The Annuity Savings Account benefit is in addition to the annuity benefits provided by employer contributions. During FYE 2018, the Annuity Savings Accounts were completely separated from the defined benefit plan, and so are no longer relevant to the valuation process.

Minimum pension benefit The minimum pension benefit paid to a member with 10 or more years of creditable service receiving any pension benefit is \$180 per month.

Eligibility for Benefits

Deferred vested 10 or more years of vesting service and no longer active.
 Disability retirement 5 or more years of vesting service and qualified for Social Security disability benefits or federal Civil Service disability benefits.
 Early retirement Age 50 with 15 or more years of vesting service.
 Normal retirement Earliest of:
 Age 65 with 10 or more years of vesting service,
 Age 60 with 15 or more years of vesting service, or
 Age 55 with sum of age and vesting service equal to 85 or more.
 Pre-retirement death 10 or more years of vesting service.

Monthly Benefits Payable

Normal retirement The normal retirement benefit is a pension payable for life with 60 months guaranteed and is equal to 1.1% of average monthly earnings multiplied by years of creditable service earned. The minimum monthly benefit is \$180 if the member has at least 10 years of creditable service.
 Early retirement The early retirement benefit is the accrued retirement benefit determined as of the early retirement date and payable commencing at the normal retirement date. A member may elect to have the benefit commence prior to normal retirement provided the benefit is reduced by 1/10% for each of the first 60 months and by 5/12% for each of the next 120 months that the benefit commencement date precedes the normal retirement date. The minimum monthly benefit is \$180 if the member has at least 10 years of creditable service.
 Deferred retirement The termination benefit is the accrued retirement benefit determined as of the termination date and payable commencing at age 65. If the member has 15 or more years of creditable service, then the member may elect to receive a reduced early retirement benefit prior to age 65. The minimum monthly benefit is \$180 if the member has at least 10 years of creditable service.
 Disability The disability retirement benefit is the accrued retirement benefit determined as of the disability date and payable commencing the month following disability date without reduction for early commencement. The minimum monthly benefit is \$180.
 Pre-retirement death The spouse or dependent beneficiary is entitled to receive the monthly life benefit payable immediately under the assumption that the member retired on the later of age 50 or the date before the date of death and elected the joint and full survivor option. The minimum monthly benefit is \$180 if the member has at least 10 years of creditable service.
 Cost-of-Living-Adjustments The employer-funded monthly pension benefits for members in pay status are increased periodically to preserve purchasing power that is diminished due to inflation. Such increases are not guaranteed by Statute and will only be provided by legislative action.
 A "13th check" was paid to each member in pay status during fiscal year 2018, 2019, 2020 and 2021. The amount of the 13th check varied based on the years of creditable service the member had earned prior to retirement.
 Legislation passed in the 2018 legislative session creates a funding mechanism to provide for future benefit increases or 13th checks. The INPRS Board has the authority to have employers contribute up to 1% of member pay into the fund.
 Increases or payments are made upon passed legislation subject to the availability of funds to provide the benefit. Legislation passed in 2021 provided for a 1% increase effective January 1, 2022 and no increase through the remainder of the biennium.

Forms of payment

a. 5-Year Guaranteed Beneficiary Benefit Member will receive a monthly benefit for the rest of their life. If the member dies before receiving benefits for 5 years, the beneficiary will receive that monthly benefit for the remainder of those 5 years or a lump sum distribution equal to the present value of those payments. After 5 years, there are no payments available to the beneficiary.
 b. Benefit with No Guarantee Member will receive a monthly benefit for life, but there are no monthly payments to anyone after death. However, the balance of the Annuity Savings Account will be distributed to the beneficiary or estate if it is larger than the payments previously made to the member.

c. Joint with Full Survivor Benefits	Member will be paid a monthly benefit for life. After death, the same monthly benefit will be paid to the beneficiary for their lifetime.
d. Joint with Two-Thirds Survivor Benefits	Member will be paid a monthly benefit for life. After death, two-thirds (2/3) of the benefit will be paid to the beneficiary for their lifetime.
e. Joint with One-Half Survivor Benefits	Member will be paid a monthly benefit for life. After death, one-half (1/2) of the benefit will be paid to the beneficiary for their lifetime.
f. Integration with Social Security	<p>A member who retires between ages 50 and 62 may integrate the PERF monthly pension benefit with the member's estimated Social Security benefits. This does not affect the amount of the benefit received from the Social Security Administration.</p> <p>Before age 62, the member's benefits will equal the sum of the member's Social Security estimate, multiplied by actuarial factors, and the member's early retirement benefit. This will result in the member receiving a larger monthly benefit payment before age 62. After age 62, the member's benefit will equal the difference between the member's Social Security estimate, multiplied by actuarial factors, and the member's pre-62 monthly pension benefit. Depending upon the member's estimated Social Security disbursement, benefit payments may be greatly reduced or terminated at age 62.</p>
g. 5-Year Guaranteed Beneficiary Benefit with Cash Refund	In order to select this option, the member must choose to combine at least a portion of their Defined Contribution Account with their lifetime monthly pension benefit. If selected, the member will receive a monthly benefit for the rest of their life. If the member dies before receiving payments for 5 years, the beneficiary will receive the pension portion of their monthly benefit for the remainder of those 5 years or a lump sum equal to the present value of those remaining payments. Also, upon death (whether death occurs before or after receiving 5 years of benefits), the beneficiary may receive any remaining balance of the Defined Contribution Account.

Actuarial Methods:

Actuarial Cost Method	The actuarial cost method is Entry Age Normal - Level Percent of Payroll.
COLA Surcharge	The COLA Surcharge is developed by determining the assets needed at the start of the next biennium to fund the post-retirement benefit increases anticipated to be granted in that biennium. This amount is divided by the present value of expected payroll over which the accumulations will occur.
Asset Valuation Method	Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Market Value of Assets subject to a 20% corridor.
Anticipated Payroll	The Anticipated Payroll for the fiscal year beginning July 1, 2021 is equal to the actual payroll during the year ending June 30, 2021, increased with one year of salary scale.
Employer Contribution Rates	Based on the assumptions and methods previously described, an actuarially determined contribution rate is computed. The Board considers this information and has ultimate authority in setting the employer contribution rates.

Other Assumptions:

Form of payment	100% of members are assumed to elect the normal form of benefit payment, a single life annuity with a five-year certain period.
Marital status:	
Percent married	80% of male members and 65% of female members are assumed to be married and or to have a dependent beneficiary.
Spouse's age	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.
Decrement timing	Decrements are assumed to occur at the beginning of the year.
Miscellaneous adjustments	For active members, the Average Annual Compensation was increased by \$200 for additional wages received upon termination, such as severance or unused sick leave.

Data Assumptions:

Changes in actuarial assumptions:

- The investment return assumption was lowered from 6.75% (as of June 30, 2020) to 6.25%.
- Price inflation was lowered from 2.25% (as of June 30, 2020) to 2.00%.
- General wage inflation was lowered from 2.75% (as of June 30, 2020) to 2.65%.
- Legislation granted a 1.00% cost-of-living adjustment effective January 1, 2022 to be paid from the Supplemental Reserve Account. No supplemental benefits were granted for fiscal year 2023. This replaces the COLA assumption of 0.4% for Fiscal Years 2022 and 2023 but does not change the assumption for future years.

Changes in actuarial methods:

- There were no changes in actuarial methods since the prior year.

Changes in plan provisions:

- House Enrolled Act No. 1001 was passed in April 2021 and granted a 1.00% cost-of-living adjustment effective January 1, 2022 to be paid from the Supplemental Reserve Account. No supplemental benefits were granted for fiscal year 2023.

Changes in the Net Pension Liability:

	City Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of December 31, 2020	\$ 67,354,361	\$ 54,859,594	\$ 12,494,767
Changes for the year:			
Service Cost	853,111	-	853,111
Interest Cost	4,471,549	-	4,471,549
Experience (Gains)/Losses	125,877	-	125,877
Assumption Changes	3,709,010	-	3,709,010
Plan Amendments	65,967	-	65,967
Benefit Payments	(3,913,856)	(3,913,856)	-
Service Purchases:			
Employer Contributions	1,363	1,363	-
Employee Contributions	534	534	-
Member Reassignments	(12,646)	(12,646)	-
Employer Contributions	-	2,593,718	(2,593,718)
Non-employer Contributions	-	-	-
Employee Contributions	-	-	-
Net Investment Income	-	13,757,135	(13,757,135)
Administrative Expenses	-	(74,476)	74,476
Other	-	505	(505)
Net Changes	<u>5,300,909</u>	<u>12,352,277</u>	<u>(7,051,368)</u>
Balances as of December 31, 2021	<u>\$ 72,655,270</u>	<u>\$ 67,211,871</u>	<u>\$ 5,443,399</u>

	Parks Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of December 31, 2020	\$ 9,734,861	\$ 7,928,967	\$ 1,805,894
Changes for the year:			
Service Cost	123,302	-	123,302
Interest Cost	646,282	-	646,282
Experience (Gains)/Losses	18,193	-	18,193
Assumption Changes	536,071	-	536,071
Plan Amendments	9,534	-	9,534
Benefit Payments	(565,677)	(565,677)	-
Service Purchases:			
Employer Contributions	197	197	-
Employee Contributions	77	77	-
Member Reassignments	(1,828)	(1,828)	-
Employer Contributions	-	374,875	(374,875)
Non-employer Contributions	-	-	-
Employee Contributions	-	-	-
Net Investment Income	-	1,988,346	(1,988,346)
Administrative Expenses	-	(10,764)	10,764
Other	-	74	(74)
Net Changes	<u>766,151</u>	<u>1,785,300</u>	<u>(1,019,149)</u>
Balances as of December 31, 2021	<u>\$ 10,501,012</u>	<u>\$ 9,714,267</u>	<u>\$ 786,745</u>

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

At December 31, 2021, the City reported a net pension liability of \$5,443,399 for the City Plan and \$786,745 for the Parks Plan.

For the year ended December 31, 2021, the City recognized pension expense of \$109,525 for the City plan and -\$74,863 for the Park plan. Pension expense included net amortization of deferred amounts described below. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the PERF Hybrid Plan from the following sources:

City	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 186,180	\$ 108,689
Net difference between projected and actual earnings on pension plan investments	-	7,067,756
Changes in assumptions	2,738,065	1,222,690
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>314,903</u>	<u>36,214</u>
Total that will be recognized in pension expense (income) based on the table below	3,239,148	8,435,349
Pension contributions subsequent to measurement date	<u>2,022,405</u>	<u>-</u>
Total	<u>\$ 5,261,553</u>	<u>\$ 8,435,349</u>

Parks	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 26,909	\$ 15,709
Net difference between projected and actual earnings on pension plan investments	-	1,021,517
Changes in assumptions	395,738	176,718
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>15,504</u>	<u>83,079</u>
Total that will be recognized in pension expense (income) based on the table below	438,151	1,297,023
Pension contributions subsequent to measurement date	<u>122,918</u>	<u>-</u>
Total	<u>\$ 561,069</u>	<u>\$ 1,297,023</u>

Contributions subsequent to the June 30, 2021, 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 liability 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. Differences between expected and actual experience and changes in assumptions are 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>
2022	\$ (1,314,964)	\$ (233,799)
2023	(1,132,443)	(206,443)
2024	(728,488)	(126,630)
2025	(2,020,306)	(292,000)
2026	-	-
Thereafter	-	-
Total	<u>\$ (5,196,201)</u>	<u>\$ (858,872)</u>

Pension Plan Report and 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.

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.

Benefits Provided:

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 Indiana Administrative Code Article 35-2, other Indiana pension law.

Contributions and Funding Policy:

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 2021, 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 developed. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below.

The City's contribution to the plan for the year ending December 31, 2021, was \$2,197,128 for police participants and \$2,787,164 for fire participants, which was equal to the required contributions for the year.

Proportionate Share of the Net Pension Asset:

At December 31, 2021, the City reported an asset of \$6,281,665 for police and an asset of \$8,077,642 for fire for its proportionate share of the net pension asset. The City's proportionate share of the net pension asset was based on the City's wages as a proportion of total wages for the plan. The proportionate share used at the June 30, 2021, measurement date was 0.0106286 for police and 0.0136674 for fire.

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, 2021
Valuation Date:	
Assets	June 30, 2021
Liabilities	June 30, 2020 – The TPL as of June 30, 2021 was determined based on an actuarial valuation prepared as of June 30, 2020 rolled forward one year to June 30, 2021, using the following key actuarial assumptions and other inputs, such as benefit accruals and actual benefit payments during that time period.
Price Inflation	2.00%
Future Salary Increases	2.65%
Cost-of-Living Increases	As of June 30, 2021: 1.95% compounded annually, beginning July 1, 2020. Actual COLA increases at July 1, 2020 (2.1%) and July 1, 2021 (1.95%) are reflected in the valuation. As of June 30, 2020: 2.1% compounded annually, beginning July 1, 2020. Actual COLA increases at July 1, 2019 (1.6%) and July 1, 2020 (2.1%) are reflected in the valuation.
Mortality Assumption	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. <i>Healthy Employees</i> – Safety Employee table with a 3-year set forward for males and no set forward for females. <i>Retirees</i> – Safety Retiree table with a 3-year set forward for males and a 1 year set forward for females. <i>Beneficiaries</i> – Contingent Survivor table with no set forward for males and a 2-year set forward for females. <i>Disableds</i> – General Disabled table.
Experience Study	The most recent comprehensive experience study, based on member experience between June 30, 2014 and June 30, 2019, was completed in February 2020. The demographic assumptions were approved by the Board in June 2020 and were used beginning with the June 30, 2020 actuarial valuation. Economic assumptions were updated and approved by the Board in May 2021 following the completion of an Asset-Liability study and first used in the June 30, 2021 actuarial valuation.
Discount Rate	6.25%, 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. The discount rate decreased from the 6.75% used on 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 plan is over 100% funded on a market value basis as of June 30, 2021 and, based on the funding policy, the total employer and member contribution rate is above the amount needed to fund ongoing accruals of the plan. The June 30, 2021 actuarial valuation assumes a long-term rate of return on assets of 6.25%, 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.

Discount Rate Sensitivity 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 6.25 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 (5.25%) or one percentage point higher (7.25%) than the current rate:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	5.25%	6.25%	7.25%
2021 Police	\$ 6,474,125	\$ (6,281,665)	\$ (16,579,077)
2021 Fire	\$ 8,325,128	\$ (8,077,642)	\$ (21,319,165)

Classes of Plan Members Covered

The June 30, 2021 valuation was performed using census data provided by INPRS as of June 30, 2020. Standard actuarial techniques were used to roll forward the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date using actual benefit payments during that period of time.

Money-Weighted Rate of Return

The money-weighted rate of return equals investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. For the fiscal year ending June 30, 2021, the moneyweighted return on the plan assets is 25.5%.

Summary of Plan Provisions:

Definitions

Fiscal year	Twelve month period ending June 30.
Participation	All full-time, fully-paid police officers and firefighters who work for employers participating in the 1977 Fund and who are hired or rehired after April 30, 1977.
Member contributions	Members are assumed to contribute at the rate of 6% of salary until they have completed 32 years of service.

Eligibility for Benefits

Deferred vested	20 or more years of creditable service and no longer active.
Disability retirement	As determined by a disability medical panel.
Early retirement	Age 50 with 20 or more years of creditable service.
Normal retirement	Age 52 with 20 or more years of creditable service.
Pre-retirement death	Immediate.

Monthly Benefits Payable

Normal retirement	The retirement benefit valued is 52% of the base salary (first-class salary) of a First Class Police Officer and Firefighter with 20 years of service, plus an additional 1% for each completed 6 months of service over 20 years up to a maximum of 76% with 32 years of service.
Early retirement	Early retirement benefits are reduced by 7% per year for commencement between ages 50 and 52.
Deferred retirement	If a member ends employment other than by death or disability before completing 20 years of active service, the member shall be entitled to the member's contributions plus accumulated interest. This benefit is not available to converted members. If termination is after earning 20 years of service, the termination benefit is the accrued retirement benefit determined as of the termination date and payable commencing of the normal retirement date. The member may elect to receive a reduced early retirement benefit.

Disability:

Hired before 1990 This disability benefit is only available to members hired prior to January 1, 1990 and who do not choose to be covered by the disability benefit for members hired after 1989. The disability benefit is equal to the benefit the member would have received if the member had retired. If the member does not have 20 years of service or is not at least age 52 on the date of disability, the benefit is computed as if the member does have 20 years of service and is age 52 on the date of disability.

For catastrophic physical personal injuries that result in a degree of impairment of at least 67% and permanently prevents the member from performing any gainful work, the member will receive a disability benefit equal to 100% of base salary. Additionally, the benefit is increased by the increase in the base salary.

Hired after 1989

This disability benefit is for members hired after 1989, or hired prior to January 1, 1990, who have chosen to be covered by this disability benefit. The following describes the three different classes of impairments and the amount of base benefit for each class:

Class 1 Impairment:

A personal injury that occurs while on duty, while responding to an emergency, or due to an occupational disease. The disability benefit is equal to a base benefit of 45% of base salary, plus an additional amount between 10% and 45% of this salary based on degree of impairment. The benefit is payable for life, at which time the member is entitled to a retirement benefit based on the salary and service the member would have earned had the member remained in active service.

Class 2 Impairment:

A proven duty-related disease. The disability benefit is equal to a base benefit of 22% of base salary, plus an additional 0.5% of this salary for each year of service up to a maximum of 30 years of service, plus an additional amount between 10% and 45% of this salary based on degree of impairment. If the member's total benefit is less than 30% of this salary and the member has fewer than 4 years of service, then the benefit is payable for a period equal to the years of service of the member. Otherwise, the benefit is payable for life.

Class 3 Impairment:

All other impairments that are not Class 1 or Class 2. The disability benefit is equal to a base benefit of 1% of base salary for each year of service up to a maximum of 30 years of service, plus an additional amount between 10% and 45% of this salary based on degree of impairment. If the member's total benefit is less than 30% of this salary and the member has fewer than 4 years of service, then the benefit is payable for a period equal to the years of service of the member. Otherwise, the benefit is payable until age 52, at which time the member is entitled to a retirement benefit based on 20 years of service.

2017 House Enrolled Act No. 1617 Enhanced Disability:

For catastrophic physical personal injuries that result in a degree of impairment of at least 67% and permanently prevents the member from performing any gainful work, the member will receive a disability benefit equal to 100% of base salary. Additionally, the benefit is increased by the increase in the base salary.

Pre-retirement death:

Surviving spouse

If a member dies other than in the line of duty, the spouse's benefit is equal to 70% of the monthly benefit the member was receiving or was entitled to receive on the date of death.

If a member dies in the line of duty, the spouse's benefit is equal to the monthly benefit the member was receiving or was entitled to receive on the date of death.

In either case, if the member does not have 20 years of service or is not at least age 52 on the date of death, the benefit is computed as if the member does have 20 years of service and is age 52 on the date of death.

Children

A payment shall be made to each child of a deceased member equal to 20% of the member's benefit until the later of (a) the date the child becomes age 18, or (b) the date the child becomes age 23 if enrolled in a qualified school. If a child is at least 18 and is mentally or physically incapacitated, the child is entitled to an amount equal to the greater of 30% of the base salary, or 55% of the member's benefit payable for the duration of the incapacity. If the member does not have 20 years of service or is not at least age 52 on the date of death, the benefit is computed as if the member does have 20 years of service and is age 52 on the date of death.

Dependent parents

If a deceased member leaves no surviving spouse and no qualified child but does leave a dependent parent or parents, an amount equal to 50% of the member's benefit shall be paid to the parent or parents jointly during their lifetime. If the member does not have 20 years of service or is not at least age 52 on the date of death, the benefit is computed as if the member does have 20 years of service and is age 52 on the date of death.

No spouse or dependent

If a deceased member leaves no surviving spouse, no qualified dependent child, nor a dependent parent, a refund of the member's contributions plus accumulated interest will be made to the member's estate.

Additional death benefits

A funeral death benefit is paid to the heirs or estate upon the member's death from any cause and is equal to at least \$12,000. An additional death benefit of \$150,000 is paid from the Pension Relief Fund to a surviving spouse, children, or parent(s) if death occurs in the line of duty.

Deferred retirement option plan (“DROP”)	<p>The DROP is an optional form of benefit, which allows members who are eligible for an unreduced retirement benefit to continue to work and earn a salary while accumulating a DROP benefit payable in a lump sum or three annual installments. A member who elects to enter the DROP shall execute an irrevocable election to retire on the DROP retirement date. The member shall select a DROP retirement date not less than 12 months and not more than 36 months after the member’s DROP entry date. While in the DROP, the member shall continue to make applicable fund contributions.</p> <p>When a member enters the DROP, a “DROP frozen benefit” will be calculated. This is equal to the member's monthly retirement benefit based on accrued service and base salary as of the date member enters the DROP. Upon DROP retirement, the member is eligible to receive a lump sum equal to the amount of the DROP frozen benefit multiplied by the number of months in the DROP. You may elect to receive this amount in three annual installments instead of in a single lump sum. In addition, the member will receive a monthly retirement benefit equal to the DROP frozen benefit. The member will not continue to accrue service credit for the years in the DROP. Cost of living adjustments will not apply to the frozen monthly benefit while in the DROP. The cost of living adjustments will begin to be applied to the frozen monthly benefit, however, in the year after the year in which the member retires.</p> <p>If the member elected to participate in the DROP, the member may, upon retirement, elect to forego DROP benefits, and instead receive monthly retirement benefits calculated as if the member never elected to participate in the DROP. These benefits would be based on accrued service and base salary as of the date the member retires.</p>
Cost-of-Living-Adjustments	Benefits for retired members are increased annually based on increases in the CPI-U index. The increase is subject to a 3% maximum and 0% minimum.
Forms of payment	
a. Single life annuity	Member will receive a monthly benefit for life, but there are no monthly payments to anyone after death.
b. Joint with 70% survivor benefits	Member will be paid a monthly benefit for life. After death, 70% of the benefit will be paid to the spouse or parent for their lifetime or the dependent until age 18.

Actuarial Methods:

Actuarial Cost Method	The actuarial cost method is Entry Age Normal - Level Percent of Payroll.
Asset Valuation Method	The Actuarial Value of Assets smooths the recognition of gains and losses on the Market Value of Assets over five years, subject to a 20% corridor.
Employer Contribution Rate	Based on the assumptions and methods previously described, an actuarially determined contribution rate is computed. The Board considers this information and has ultimate authority in setting the employer contribution rate.
Anticipated Payroll	The anticipated payroll for the fiscal year following the valuation date is equal to the actual payroll during the year ending on the valuation date, increased with one year of salary scale.

Other Assumptions:

Form of payment	Members are assumed to elect either a single life annuity or a 70% joint survivor benefit based on the marriage assumptions below.
Marital status:	
Percent married	80% of male members and 60% of female members are assumed to be married and or to have a dependent beneficiary.
Spouse's age	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.
Decrement timing	Decrements are assumed to occur at the beginning of the year.
Members in DROP	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.
Active member death	20% are assumed to be in the line of duty and 80% are other than in the line of duty.

Active member disability retirement For members hired after 1989 who become disabled:
59% are assumed to be Class 1,
10% are assumed to be Class 2,
30% are assumed to be Class 3, and
1% are assumed to be a catastrophic disability (HEA 1617).
The additional monthly amount determined under IC 36-8-8-13.5(f) based on the degree of impairment is assumed to be 17%.

Active member disability retirement For members hired before 1989 who become disabled:
99% are assumed to be a non-catastrophic disability, and 1% are assumed to be a catastrophic disability (HEA 1617).

Data Assumptions:

Changes in actuarial assumptions:

- The investment return assumption was lowered from 6.75% (as of June 30, 2020) to 6.25%.
- Price inflation was lowered from 2.25% (as of June 30, 2020) to 2.00%.
- General wage inflation was lowered from 2.75% (as of June 30, 2020) to 2.65%.
- Interest on member balances was lowered from 3.50% (as of June 30, 2020) to 3.30%.
- Cost-of-living adjustments were lowered from 2.10% (as of June 30, 2020) to 1.95%. For benefits paid under the 2017 House Enrolled Act No. 1617, the annual cost-of-living assumption was lowered from 2.75% to 2.65%.

Changes in actuarial methods:

- There were no changes in actuarial methods since the prior year.

Changes in plan provisions:

- Senate Enrolled Act No. 396 changed the definition of the first-class officer salary but, based on a sample of newly collected first-class officer salaries, the change was deemed immaterial for purposes of this actuarial valuation and is, therefore, not reflected in this valuation.

Changes in the Net Pension Liability:

	Police Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balances as of December 31, 2020	\$ 72,121,511	\$ 69,540,804	\$ 2,580,707
Changes for the year:			
Service Cost	2,001,827	-	2,001,827
Interest Cost	4,918,100	-	4,918,100
Experience (Gains)/Losses	357,315	-	357,315
Assumption Changes	3,890,762	-	3,890,762
Plan Amendments	-	-	-
Benefit Payments	(2,539,206)	(2,539,206)	-
Service Purchases:			
Employer Contributions	3,640	3,640	-
Employee Contributions	10,376	10,376	-
Member Reassignments	-	-	-
Employer Contributions	-	1,765,346	(1,765,346)
Non-employer Contributions	-	-	-
Employee Contributions	-	581,669	(581,669)
Net Investment Income	-	17,703,717	(17,703,717)
Administrative Expenses	-	(20,554)	20,554
Other	-	198	(198)
Net Changes	<u>8,642,814</u>	<u>17,505,186</u>	<u>(8,862,372)</u>
Balances as of December 31, 2021	<u>\$ 80,764,325</u>	<u>\$ 87,045,990</u>	<u>\$ (6,281,665)</u>

	Firefighters Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Balances as of December 31, 2020	\$ 92,741,616	\$ 89,423,065	\$ 3,318,551
Changes for the year:			
Service Cost	2,574,165	-	2,574,165
Interest Cost	6,324,224	-	6,324,224
Experience (Gains)/Losses	459,474	-	459,474
Assumption Changes	5,003,161	-	5,003,161
Plan Amendments	-	-	-
Benefit Payments	(3,265,185)	(3,265,185)	-
Service Purchases:			
Employer Contributions	4,680	4,680	-
Employee Contributions	13,343	13,343	-
Member Reassignments	-	-	-
Employer Contributions	-	2,270,072	(2,270,072)
Non-employer Contributions	-	-	-
Employee Contributions	-	747,972	(747,972)
Net Investment Income	-	22,765,349	(22,765,349)
Administrative Expenses	-	(26,430)	26,430
Other	-	254	(254)
Net Changes	11,113,862	22,510,055	(11,396,193)
Balances as of December 31, 2021	\$ 103,855,478	\$ 111,933,120	\$ (8,077,642)

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

At December 31, 2021, the City reported a net pension asset of \$6,281,665 for the Police Plan and a net pension asset of \$8,077,642 for the Firefighters Plan.

For the year ended December 31, 2021, the City recognized pension expense of -\$503,503 for police and -\$655,390 for fire, which included net amortization of deferred amounts described below. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the 1977 Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Police		
Differences between expected and actual experience	\$ 1,630,563	\$ 179,904
Net difference between projected and actual earnings on pension plan investments	-	9,162,670
Changes in assumptions	3,425,079	924,873
Changes in proportion and differences between City contributions and proportionate share of contributions	92,716	49,555
Total that will be recognized in pension expense (income) based on the table below	5,148,358	10,317,002
Pension contributions subsequent to measurement date	1,197,570	-
Total	\$ 6,345,928	\$ 10,317,002

	Deferred Outflows of Resources	Deferred Inflows of Resources
Firefighters		
Differences between expected and actual experience	\$ 2,096,754	\$ 231,340
Net difference between projected and actual earnings on pension plan investments	-	11,782,349
Changes in assumptions	4,404,335	1,189,302
Changes in proportion and differences between City contributions and proportionate share of contributions	<u>148,258</u>	<u>81,871</u>
Total that will be recognized in pension expense (income) based on the table below	6,649,347	13,284,862
Pension contributions subsequent to measurement date	<u>1,498,883</u>	<u>-</u>
Total	<u>\$ 8,148,230</u>	<u>\$ 13,284,862</u>

Contributions subsequent to the June 30, 2021, 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 liability 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. Differences between expected and actual experience and changes in assumptions are 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>
2022	\$ (2,042,434)	\$ (2,634,315)
2023	(1,739,759)	(2,237,415)
2024	(1,365,531)	(1,753,031)
2025	(1,849,767)	(2,374,441)
2026	692,932	895,031
Thereafter	<u>1,135,915</u>	<u>1,468,656</u>
	<u>\$ (5,168,644)</u>	<u>\$ (6,635,515)</u>

Pension Plan Report and 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.

G. Other Post-Employment Benefits

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 allocated between governmental and business-type activities based on the percentage of total personal services expenditures during the City's fiscal year ended December 31.

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:

	Plan A		Plan B	
	Network	Non-Network	Network	Non-Network
<u>Non-prescription Coverage</u>				
Deductible (2x Family)	\$2,000	\$4,000	\$750	\$1,500
Physician Office Copay	N/A	N/A	\$50	N/A
Coinsurance Percentage	0%	0%	20%	40%
Out-of-Pocket 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.

	Plan A	Plan B
<u>Prescription Coverage</u>		
Copayment		
Retail Generic	Subject to medical deductible and coinsurance	\$10
Formulary Brand		\$60
Non-Formulary Brand		\$100
Mail Order		2x Above
<u>Dental Coverage</u>		
Deductible (2x Family)	\$50	Waived for preventative and orthodontia
Copayment Percentage		
Preventative	100%	
Basic	80%	
Major/Orthodontia	50%	
Annual Maximum	\$2,500	\$2,500 lifetime max for orthodontia

Monthly Premiums:

	2019/2020		2021/2022	
	Plan A	Plan B	Plan A	Plan B
<u>Medical and Vision</u>				
Retiree	\$724.00	\$852.00	\$761.00	\$895.00
Spouse	\$949.00	\$1,115.00	\$996.00	\$1,170.00
<u>Dental</u>	Dental Plan		Plan B	
Retiree	\$61.00		\$65.00	
Spouse	\$52.00		\$54.00	

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 rate.

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 \$162,768 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, 2021, the City contributed \$973,405 to the Plan for current premiums.

Employees Covered By Benefit Terms

At December 31, 2021, the following members were projected to be covered by the terms of the plan:

Inactive plan members currently receiving benefit payments	45
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members: fully eligible	142
Active plan members: not fully eligible	256
Total	<u>443</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, 2021, 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:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2020	\$ 29,704,128	\$ -	\$ 29,704,128
Changes for the Year			
Service Cost	1,415,051	-	1,415,051
Interest	1,012,016	-	1,012,016
Changes in Plan Provisions	-	-	-
Difference between Expected and Actual Experience	(6,005,917)	-	(6,005,917)
Changes in Assumptions	1,983,945	-	1,983,945
Benefit Payments	(973,406)	-	(973,406)
Total OPEB Net Changes	<u>(2,568,311)</u>	<u>-</u>	<u>(2,568,311)</u>
Balances at December 31, 2021	<u>\$ 27,135,817</u>	<u>\$ -</u>	<u>\$ 27,135,817</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:

	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$ 29,095,638	\$ 27,135,817	\$ 25,256,131
Plan Fiduciary Net Position	-	-	-
Net OPEB Liability	<u>\$ 29,095,638</u>	<u>\$ 27,135,817</u>	<u>\$ 25,256,131</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:

	1% Decrease	Current Rate	1% Increase
Total OPEB Liability	\$ 24,994,662	\$ 27,135,817	\$ 29,621,257
Plan Fiduciary Net Position	-	-	-
Net OPEB Liability	<u>\$ 24,994,662</u>	<u>\$ 27,135,817</u>	<u>\$ 29,621,257</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, 2021, the City recognized OPEB expense of \$1,761,415. 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, 2021, 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>
Liability Experience Losses / (Gains)	\$ -	\$ 6,975,797
Changes in Assumptions	2,686,305	1,055,234
Investment Losses / (Gains)	-	-
Total	<u>\$ 2,686,305</u>	<u>\$ 8,031,031</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>
2022	\$ (665,652)
2023	(665,652)
2024	(665,652)
2025	(665,652)
2026	(665,652)
Thereafter	<u>(2,016,466)</u>
	<u>\$ (5,344,726)</u>

Actuarial Methods and Assumptions

Measurement Date December 31, 2021
Valuation Date December 31, 2021

COST METHOD Entry Age Normal (Level % of Pay)

ECONOMIC ASSUMPTIONS:

Discount rate 2.25% per annum as of December 31, 2021
3.30% per annum as of December 31, 2020
3.30% per annum as of December 31, 2019

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-2021 (MP-2019 at December 31, 2019) 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

According to Sarason Table T-1.

Retirement Rates:

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:

2021/2022

Plan A	75%
Plan B	25%

Per capita claims cost:

Varies by age and status; representative rates follow:

<u>Age</u>	<u>2019/2020 Medical & Vision</u>		<u>Age</u>	<u>2019/2020 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			
<u>Age</u>	<u>2021/2022 Medical & Vision</u>		<u>Age</u>	<u>2021/2022 Dental</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>
55-59	\$ 13,890	\$ 13,740	All Ages	\$ 746	\$ 746
60-64	\$ 17,816	\$ 16,098			

Inflation; health care cost trend rate:

<u>Year</u>	<u>2019/2020</u>		<u>2021/2022</u>	
	<u>Medical</u>	<u>Dental</u>	<u>Medical</u>	<u>Dental</u>
0	9.0%	5.0%	9.0%	5.0%
1 to 2	8.5%	5.0%	8.5%	5.0%
3 to 5	8.0%	5.0%	8.0%	5.0%
6 to 8	7.0%	5.0%	7.0%	5.0%
9 to 10	6.0%	5.0%	6.0%	5.0%
11+	6.0%	5.0%	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
Total pension liability	\$ 8,318,027	\$ 8,997,143	\$ 83,156,282	\$ 184,619,803	\$ 285,091,255
Plan net position	<u>130,048</u>	<u>20,207</u>	<u>76,926,138</u>	<u>198,979,110</u>	<u>276,055,503</u>
Net pension liability (asset)	<u>\$ 8,187,979</u>	<u>\$ 8,976,936</u>	<u>\$ 6,230,144</u>	<u>\$ (14,359,307)</u>	<u>\$ 9,035,752</u>
Deferred outflows of resources	<u>\$ 7,276</u>	<u>\$ 890</u>	<u>\$ 5,822,621</u>	<u>\$ 14,494,157</u>	<u>\$ 20,324,944</u>
Deferred inflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,732,373</u>	<u>\$ 23,601,865</u>	<u>\$ 33,334,238</u>
Pension expense (income)	<u>\$ 288,692</u>	<u>\$ 311,326</u>	<u>\$ 34,662</u>	<u>\$ (1,158,893)</u>	<u>\$ (524,213)</u>

*Additional detail provided below.

The Public Employees' Retirement Fund is first classified by INPRS by (1) Parks employees (Parks) and (2) all other Civilian employees of the City (City). The City plan is then allocated between governmental and business-type activities based on the percentage of total civilian (non-uniformed) PERF expenditures during the City's fiscal year ended December 31.

	Parks	City Plan			Total Public Employees' Retirement
		Water Utility	Sewer Utility	City- All Other	
Total pension liability	\$ 10,501,012	\$ 12,430,228	\$ 9,472,109	\$ 50,752,933	\$ 83,156,282
Plan net position	<u>9,714,267</u>	<u>11,498,944</u>	<u>8,762,450</u>	<u>46,950,477</u>	<u>76,926,138</u>
Net pension liability	<u>\$ 786,745</u>	<u>\$ 931,284</u>	<u>\$ 709,659</u>	<u>\$ 3,802,456</u>	<u>\$ 6,230,144</u>
Deferred outflows of resources	<u>\$ 561,069</u>	<u>\$ 900,172</u>	<u>\$ 685,951</u>	<u>\$ 3,675,430</u>	<u>\$ 5,822,622</u>
Deferred inflows of resources	<u>\$ 1,297,023</u>	<u>\$ 1,443,162</u>	<u>\$ 1,099,721</u>	<u>\$ 5,892,466</u>	<u>\$ 9,732,372</u>
Pension expense (income)	<u>\$ (74,863)</u>	<u>\$ 18,738</u>	<u>\$ 14,279</u>	<u>\$ 76,508</u>	<u>\$ 34,662</u>

I. Deferred Compensation Plan

The City offers its employees certain deferred compensation plans established in accordance with Internal Revenue Code Sections 401(a) and 457(b). The plans are 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 plans 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 plans 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 plans 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, 2021 is as follows:

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Motor Vehicle Highway Fund	Storm Water Fund	\$ 68,108
Total among governmental funds		<u>\$ 68,108</u>
Water Enterprise Fund	Sewer Enterprise Fund	\$ 692,940
Sewer Enterprise Fund	Water Enterprise Fund	<u>774,920</u>
Total among proprietary funds		<u>\$ 1,467,860</u>
Storm Water Fund	Water Enterprise Fund	<u>\$ 348,989</u>
Total among governmental and proprietary funds		<u>\$ 348,989</u>

The Motor Vehicle Highway Fund is due \$68,108 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.

The Sewer Utility recognizes a long-term liability due to the Water Utility for its share of the Water Utility's 2020 revenue bond.

K. Reclassification

Funds treated as nonmajor in the prior year were reclassified as major for the year ended December 31, 2021:

	<u>Major</u>	<u>Nonmajor</u>	<u>Total Governmental</u>
Total fund balances of nonmajor funds as previously reported at December 31, 2020	\$ 85,805,939	\$ 38,308,756	\$ 124,114,695
Reclassification from major to nonmajor funds for 2021:			
2016 Project Fund	(2,420,970)	2,420,970	-
2017 Project Fund	<u>(16,192,471)</u>	<u>16,192,471</u>	<u>-</u>
Total fund balances as of January 1, 2021	<u>\$ 67,192,498</u>	<u>\$ 56,922,197</u>	<u>\$ 124,114,695</u>

CITY OF CARMEL, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
For the Fiscal Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability					
Service Cost	\$ 1,415,051	\$ 1,831,489	\$ 1,420,618	\$ 1,519,286	\$ 1,330,012
Interest Cost	1,012,016	994,250	1,002,886	861,028	1,029,979
Projected Earnings on Plan Investments	-	-	-	-	-
Changes in Plan Provisions	-	-	-	-	-
Administrative Expenses	-	-	-	-	-
Other Changes in Plan Fiduciary Net Position	-	-	-	-	-
Current Period Recognition of Deferred Outflows / (Inflows) of Resources:					
Differences between Expected and Actual Experience	(6,005,917)	(930,479)	(107,011)	(787,315)	(418,473)
Changes in Assumptions	1,983,945	-	1,205,476	(676,338)	(1,046,528)
Benefit Payments	(973,405)	(906,212)	(884,567)	(539,334)	(413,786)
Net Changes in Total OPEB Liability	<u>(2,568,310)</u>	<u>989,048</u>	<u>2,637,402</u>	<u>377,327</u>	<u>481,204</u>
Total OPEB Liability - Beginning	<u>29,704,128</u>	<u>28,715,080</u>	<u>26,077,678</u>	<u>25,700,351</u>	<u>25,219,147</u>
Total OPEB Liability - Ending	<u>27,135,818</u>	<u>29,704,128</u>	<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>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position - Ending	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net OPEB Liability	<u>\$ 27,135,818</u>	<u>\$ 29,704,128</u>	<u>\$ 28,715,080</u>	<u>\$ 26,077,678</u>	<u>\$ 25,700,351</u>

CITY OF CARMEL, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF NET OPEB LIABILITY
For the Fiscal Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability - Ending	\$ 27,135,818	\$ 29,704,128	\$ 28,715,080	\$ 26,077,678	\$ 25,700,351
Plan Fiduciary Net Position - Ending	-	-	-	-	-
Net OPEB Liability	27,135,818	29,704,128	28,715,080	26,077,678	25,700,351
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 35,069,203	\$ 45,468,975	\$ 44,359,976	\$ 38,986,588	\$ 38,047,090
Net OPEB Liability as a Percentage of Covered-Employee Payroll	77.38%	65.33%	64.73%	66.89%	67.55%

The most recent actuarial valuation date is December 31, 2021.

Notes to Schedule:

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.

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

Additional information on the City's OPEB can be found in Note II.G. on pages 88–92 of this report.

CITY OF CARMEL, INDIANA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST-EMPLOYMENT BENEFIT PLAN
December 31, 2021

SUMMARY OF MAIN PLAN PROVISIONS

The plan is a PPO plan providing comprehensive major medical benefits to eligible retirees, their spouses, and dependents.

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. Employees hired or disabled on or after October 3, 2016 are not eligible (except for those killed or disabled in the line of duty).

Monthly Premiums

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 rate.

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.

METHOD AND ASSUMPTIONS

COST METHOD
(Prescribed) Entry Age Normal (Level % of Pay)

ASSUMPTIONS:

Discount Rate	2.25% per annum as of December 31, 2021 3.30% per annum as of December 31, 2020 3.30% per annum as of December 31, 2019
Discount Rate Basis	S&P Municipal Bond 20-Year High Grade Rate Index*
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	<u>SOA published mortality table</u> : 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	<u>SOA published mortality table</u> : 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	<u>SOA published mortality improvement scale</u> : MP-2021 (MP-2019 at December 31, 2019) 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	According to Sarason Table T-1.
Plan Mix	Plan A: 75%; Plan B: 25%
Healthcare Cost Trend Rates	Medical costs were trended at 9.0% in the first year, graded down to 6.0% over 10 years; dental costs were trended at a flat 5.0% per year.

CITY OF CARMEL, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
December 31, 2021

1925 Police Officers' Pension Plan:	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 579,819	\$ 607,355	\$ 564,928	\$ 564,928	\$ 557,208	\$ 546,748	\$ 534,143
Contributions in relation to the actuarially determined contribution	<u>579,819</u>	<u>607,355</u>	<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>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<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	Not applicable	Not applicable
1937 Firefighters' Pension Plan:	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 598,830	\$ 565,704	\$ 584,282	\$ 584,282	\$ 577,369	\$ 553,519	\$ 562,264
Contributions in relation to the actuarially determined contribution	<u>598,830</u>	<u>565,704</u>	<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>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<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	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, 2021

1925 Police Officers' Pension Plan:	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability	\$ 8,318,027	\$ 8,616,378	\$ 9,650,494	\$ 9,893,565	\$10,119,548	\$10,119,548	\$10,179,012
Less, fiduciary net position	<u>130,048</u>	<u>136,916</u>	<u>145,316</u>	<u>131,361</u>	<u>147,471</u>	<u>148,470</u>	<u>147,785</u>
Net pension liability	<u>\$ 8,187,979</u>	<u>\$ 8,479,462</u>	<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>1.56%</u>	<u>1.59%</u>	<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>	<u>-</u>	<u>-</u>
Net position as a percentage of covered payroll	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
 1937 Firefighters' Pension Plan:							
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability	\$ 8,997,143	\$ 9,278,530	\$10,366,629	\$10,601,151	\$10,883,369	\$10,883,369	\$10,997,707
Less, fiduciary net position	<u>20,207</u>	<u>14,354</u>	<u>36,220</u>	<u>5,405</u>	<u>26,027</u>	<u>30,375</u>	<u>39,365</u>
Net pension liability	<u>\$ 8,976,936</u>	<u>\$ 9,264,176</u>	<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>0.22%</u>	<u>0.15%</u>	<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>	<u>\$ -</u>	<u>\$ -</u>
Net position as a percentage of covered payroll	Not applicable	Not applicable	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, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
1925 Police Officers' Pension Plan:							
Total pension liability - beginning	\$ 8,616,378	\$ 9,650,494	\$ 9,893,565	\$10,119,548	\$10,119,548	\$10,179,012	\$10,220,740
Interest on total pension liability	288,782	329,811	339,070	354,913	355,402	363,703	367,444
Effect of economic/demographic gains and losses	-	(599,196)	-	338,525	201,812	122,896	125,844
Effect of assumptions changes or inputs	-	(148,471)	-	(337,280)	-	-	-
Benefit payments	(587,133)	(616,260)	(582,141)	(582,141)	(557,214)	(546,063)	(535,016)
Total pension liability - ending	<u>8,318,027</u>	<u>8,616,378</u>	<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	136,916	145,316	131,361	147,471	148,470	147,785	148,615
Employer contributions	579,819	607,355	564,928	564,928	557,208	546,748	534,143
Net investment income	446	505	4,121	1,203	882	-	143
Benefit payments	(587,133)	(616,260)	(582,141)	(582,141)	(557,214)	(546,063)	(535,016)
Administrative expenses	-	-	-	(100)	(1,875)	-	(100)
Other	-	-	27,047	-	-	-	-
Fiduciary net position - ending	<u>130,048</u>	<u>136,916</u>	<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>\$ 8,187,979</u>	<u>\$ 8,479,462</u>	<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>
1937 Firefighters' Pension Plan:							
Total pension liability - beginning	\$ 9,278,530	\$10,366,629	\$10,601,151	\$10,883,369	\$10,883,369	\$10,997,707	\$11,028,789
Interest on total pension liability	311,713	355,711	367,840	385,277	385,817	393,503	396,965
Effect of economic/demographic gains and losses	-	(699,325)	-	289,272	192,103	54,668	125,812
Effect of assumptions changes or inputs	-	(156,836)	-	(351,553)	-	-	-
Benefit payments	(593,100)	(587,649)	(602,362)	(605,214)	(577,920)	(562,509)	(553,859)
Total pension liability - ending	<u>8,997,143</u>	<u>9,278,530</u>	<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	14,354	36,220	5,405	26,027	30,375	39,365	30,909
Employer contributions	598,830	565,704	584,282	584,282	577,369	553,519	562,264
Net investment income	123	79	847	310	224	-	51
Benefit payments	(593,100)	(587,649)	(602,362)	(605,214)	(577,920)	(562,509)	(553,859)
Administrative expenses	-	-	-	-	(4,021)	-	-
Other	-	-	48,048	-	-	-	-
Fiduciary net position - ending	<u>20,207</u>	<u>14,354</u>	<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>\$ 8,976,936</u>	<u>\$ 9,264,176</u>	<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, 2021

Assumption changes: Effective with the December 31, 2020 measurement date, the future mortality improvement assumption was updated from MP-2018 to MP-2020, which is the latest scale published by the Society of Actuaries.

Discount Rate: 3.48% Police Officers; 3.48% Firefighters for 2021 and 2020
3.54% Police Officers; 3.58% Firefighters for 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:

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

Note: The City is presenting its seventh ACFR 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, 2021

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)
<u>City:</u>					
June 30, 2021	0.0041368	\$ 5,443,399	\$ 22,808,056	23.9%	92.5%
June 30, 2020	0.0041028	\$ 12,392,074	\$ 22,149,413	55.9%	81.5%
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%	76.7%
June 30, 2016	0.0035353	\$ 16,044,763	\$ 16,943,306	94.7%	75.4%
June 30, 2015	0.0034106	\$ 13,891,040	\$ 16,335,991	85.0%	77.4%
<u>Parks:</u>					
June 30, 2021	0.0005979	\$ 786,745	\$ 3,296,397	23.9%	92.5%
June 30, 2020	0.0006229	\$ 1,881,404	\$ 3,362,676	55.9%	81.5%
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%	76.7%
June 30, 2016	0.0006398	\$ 2,903,697	\$ 3,066,437	94.7%	75.4%
June 30, 2015	0.0006001	\$ 2,444,149	\$ 2,874,230	85.0%	77.4%

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, 2021

(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)
<u>Police:</u>					
June 30, 2021	0.0106286	\$ (6,281,665)	\$ 10,091,036	-62.2%	107.8%
June 30, 2020	0.0102375	\$ 2,485,745	\$ 9,493,108	26.2%	96.4%
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%
<u>Fire:</u>					
June 30, 2021	0.0136674	\$ (8,077,642)	\$ 12,976,093	-62.3%	107.8%
June 30, 2020	0.0128110	\$ 3,110,611	\$ 11,879,532	26.2%	96.4%
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 seventh ACFR 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.

Source: INPRS Actuarial Valuations and Unaudited Employer-specific GASB 68 Schedules.

CITY OF CARMEL, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLANS - MULTIPLE EMPLOYER PLANS
SCHEDULE OF CITY CONTRIBUTIONS
December 31, 2021

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
City:					
December 31, 2021	\$ 3,481,738	\$ 3,481,738	\$ -	\$ 22,478,735	15.5%
December 31, 2020	\$ 3,497,604	\$ 3,497,604	\$ -	\$ 21,548,645	16.2%
December 31, 2019	\$ 3,523,477	\$ 3,523,477	\$ -	\$ 20,500,698	17.2%
December 31, 2018	\$ 3,308,652	\$ 3,308,652	\$ -	\$ 18,689,985	17.7%
December 31, 2017	\$ 3,045,739	\$ 3,045,739	\$ -	\$ 17,134,878	17.8%
December 31, 2016	\$ 2,916,463	\$ 2,916,463	\$ -	\$ 16,639,649	17.5%
December 31, 2015	\$ 2,755,295	\$ 2,755,295	\$ -	\$ 15,944,994	17.3%

Parks:

December 31, 2021	\$ 237,999	\$ 237,999	\$ -	\$ 3,329,537	7.1%
December 31, 2020	\$ 344,090	\$ 344,090	\$ -	\$ 3,328,051	10.3%
December 31, 2019	\$ 339,303	\$ 339,303	\$ -	\$ 3,218,501	10.5%
December 31, 2018	\$ 307,209	\$ 307,209	\$ -	\$ 3,075,470	10.0%
December 31, 2017	\$ 304,629	\$ 304,629	\$ -	\$ 3,036,900	10.0%
December 31, 2016	\$ 291,429	\$ 291,429	\$ -	\$ 2,970,334	9.8%
December 31, 2015	\$ 297,154	\$ 297,154	\$ -	\$ 3,089,990	9.6%

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
Police:					
December 31, 2021	\$ 2,197,128	\$ 2,197,128	\$ -	\$ 9,792,072	22.4%
December 31, 2020	\$ 2,117,739	\$ 2,117,739	\$ -	\$ 9,224,232	23.0%
December 31, 2019	\$ 1,920,734	\$ 1,920,734	\$ -	\$ 8,775,824	21.9%
December 31, 2018	\$ 1,809,416	\$ 1,809,416	\$ -	\$ 8,115,623	22.3%
December 31, 2017	\$ 1,713,532	\$ 1,713,532	\$ -	\$ 7,740,981	22.1%
December 31, 2016	\$ 1,657,359	\$ 1,657,359	\$ -	\$ 7,699,809	21.5%
December 31, 2015	\$ 1,607,669	\$ 1,607,669	\$ -	\$ 6,066,675	26.5%

Fire:

December 31, 2021	\$ 2,787,164	\$ 2,787,164	\$ -	\$ 12,427,813	22.4%
December 31, 2020	\$ 2,695,458	\$ 2,695,458	\$ -	\$ 11,646,881	23.1%
December 31, 2019	\$ 2,424,965	\$ 2,424,965	\$ -	\$ 11,394,697	21.3%
December 31, 2018	\$ 2,351,694	\$ 2,351,694	\$ -	\$ 10,817,803	21.7%
December 31, 2017	\$ 2,350,371	\$ 2,350,371	\$ -	\$ 10,356,379	22.7%
December 31, 2016	\$ 2,186,794	\$ 2,186,794	\$ -	\$ 10,339,049	21.2%
December 31, 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, 2021

Changes in actuarial assumptions:

Public Employees' Retirement Fund and 1977 Police Officers' and Firefighters' Pension and Disability Fund:

The investment return assumption was lowered from 6.75% (as of June 30, 2020) to 6.25%.

Price inflation was lowered from 2.25% (as of June 30, 2020) to 2.00%.

General wage inflation was lowered from 2.75% (as of June 30, 2020) to 2.65%.

Public Employees' Retirement Fund:

Legislation granted a 1.00% cost-of-living adjustment effective January 1, 2022 to be paid from the Supplemental Reserve Account. No supplemental benefits were granted for fiscal year 2023. This replaces the COLA assumption of 0.4% for Fiscal Years 2022 and 2023 but does not change the assumption for future years.

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

Interest on member balances was lowered from 3.50% (as of June 30, 2020) to 3.30%.

Cost-of-living adjustments were lowered from 2.10% (as of June 30, 2020) to 1.95%. For benefits paid under the 2017 House Enrolled Act No. 1617, the annual cost-of-living assumption was lowered from 2.75% to 2.65%.

Changes in actuarial methods:

There were no changes in actuarial methods since the prior year.

Changes in plan provisions:

Public Employees' Retirement Fund:

House Enrolled Act No. 1001 was passed in April 2021 and granted a 1.00% cost-of-living adjustment effective January 1, 2022 to be paid from the Supplemental Reserve Account. No supplemental benefits were granted for fiscal year 2023.

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

Senate Enrolled Act No. 396 changed the definition of the first-class officer salary but, based on a sample of newly collected first-class officer salaries, the change was deemed immaterial for purposes of this actuarial valuation and is, therefore, not reflected in this valuation.

Note: The City is presenting its seventh ACFR 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.

Note: Covered payroll for the purposes of this schedule was determined as of the City's fiscal year ended December 31.

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

For the Fiscal Year Ended December 31, 2021

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Budgetary Basis Amounts	
	Original	Final		
REVENUES:				
Property tax	\$ 43,995,746	\$ 43,995,746	\$ 41,832,811	\$ (2,162,935)
Income tax	44,619,726	44,619,726	50,335,437	5,715,711
Licenses and permits	2,475,030	2,475,030	-	(2,475,030)
Intergovernmental	108,296	108,296	519,922	411,626
Charges for services	3,400,828	3,400,828	1,390,129	(2,010,699)
Fines and forfeits	456,850	456,850	292,965	(163,885)
Miscellaneous	-	-	2,264,838	2,264,838
Other	15,187,539	13,988,084	12,737,478	(1,250,606)
Total revenues: budgetary basis	<u>110,244,015</u>	<u>109,044,560</u>	<u>109,373,580</u>	<u>\$ 329,020</u>
Increase in available income tax receivable			185,915	
Transfer in from enterprise funds treated as revenue on a budgetary basis			(1,320,506)	
Transfer from a nonmajor fund treated as revenue on a budgetary basis			<u>(899,989)</u>	
Total revenues reported on the Statement of Revenues and Expenditures			<u>\$ 107,339,000</u>	
EXPENDITURES:				
Current:				
General government:				
City Controller:				
Personal services	\$ 888,579	\$ 888,579	\$ 812,206	\$ (76,373)
Supplies	10,919	10,919	4,471	(6,448)
Other services and charges	278,765	278,765	163,544	(115,221)
Capital outlay	10,088	10,088	3,599	(6,489)
City Clerk:				
Personal services	\$ 671,269	\$ 699,269	585,323	\$ (113,946)
Supplies	10,000	10,000	4,554	(5,446)
Other services and charges	98,195	98,195	27,169	(71,026)
Capital outlay	35,000	35,000	9,265	(25,735)
Mayor's Office:		-		
Personal services	493,790	493,790	435,386	(58,404)
Supplies	4,684	4,684	4,668	(16)
Other services and charges	4,421,517	4,421,517	4,177,413	(244,104)
Capital outlay	61,349	61,349	28,464	(32,885)
City Council:				
Personal services	387,713	387,713	372,224	(15,489)
Supplies	4,000	4,000	1,204	(2,796)
Other services and charges	193,862	193,862	147,768	(46,094)
Capital outlay	2,690	2,690	1,893	(797)

Continued on next page.

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

For the Fiscal Year Ended December 31, 2021

(Continued)

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
General government (continued):				
Board of Public Works:				
Personal services	21,872	21,872	15,075	(6,797)
Debt service	16,209,412	16,209,412	16,206,107	(3,305)
Administration:				
Personal services	478,725	478,725	444,415	(34,310)
Supplies	68,400	68,400	49,904	(18,496)
Other services and charges	2,507,950	2,507,950	2,111,181	(396,769)
Capital outlay	815,071	815,071	691,724	(123,347)
Brookshire Golf Course:				
Personal services	898,052	898,052	791,370	(106,682)
Supplies	71,000	71,000	47,950	(23,050)
Other services and charges	449,100	449,100	407,477	(41,623)
Capital outlay	476,380	476,380	237,441	(238,939)
Building Operations:				
Supplies	8,000	8,000	-	(8,000)
Other services and charges	3,449,493	3,449,493	2,977,159	(472,334)
Capital outlay	-	-	-	-
City Court:				
Personal services	606,760	606,760	519,416	(87,344)
Supplies	-	-	-	-
Other services and charges	137,200	137,200	89,786	(47,414)
Capital outlay	15,000	15,000	6,768	(8,232)
Law Department:				
Personal services	1,212,065	1,212,065	793,300	(418,765)
Supplies	3,025	3,025	6,565	3,540
Other services and charges	665,278	665,278	399,361	(265,917)
Capital outlay	48,105	48,105	62,367	14,262
Community Services:				
Personal services	2,797,810	2,797,810	2,691,820	(105,990)
Supplies	61,337	61,337	41,265	(20,072)
Other services and charges	1,549,874	1,556,746	893,433	(663,313)
Capital outlay	633,926	633,926	423,524	(210,402)
Personnel/ Human Resources:		-		
Personal services	598,865	598,865	607,419	8,554
Supplies	1,000	1,000	28	(972)
Other services and charges	150,645	280,645	130,962	(149,683)
Capital outlay	13,065	13,065	1,514	(11,551)

Continued on next page.

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

For the Fiscal Year Ended December 31, 2021
(Continued)

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
Information Systems:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	4,500	4,500	-	(4,500)
Capital outlay	-	-	-	-
City Property Maintenance:				
Supplies	215,092	215,092	133,560	(81,532)
Other services and charges	1,479,882	1,479,882	871,351	(608,531)
Public Affairs/ Community Relations:				
Personal services	1,065,333	1,065,333	1,001,135	(64,198)
Supplies	3,580	3,580	2,511	(1,069)
Other services and charges	3,600,962	3,600,962	2,810,005	(790,957)
Capital outlay	46,001	46,001	22,073	(23,928)
Total general government	<u>47,935,180</u>	<u>48,100,052</u>	<u>42,267,117</u>	<u>(5,832,935)</u>
Public Safety:				
Fire Department:				
Personal services	26,989,914	27,597,135	28,168,260	571,125
Supplies	446,189	446,189	330,718	(115,471)
Other services and charges	2,578,116	2,578,116	1,888,059	(690,057)
Police Department:				
Personal services	22,728,500	22,761,081	21,346,161	(1,414,920)
Supplies	684,170	706,170	589,397	(116,773)
Other services and charges	1,680,499	1,727,899	1,406,960	(320,939)
Capital outlay	1,873,925	2,465,676	1,600,767	(864,909)
Communication Center:				
Personal services	2,147,961	2,147,961	2,017,530	(130,431)
Supplies	52,011	52,011	44,907	(7,104)
Other services and charges	2,259,619	2,259,619	1,547,358	(712,261)
Capital outlay	792,539	792,539	502,631	(289,908)
Total public safety	<u>62,233,443</u>	<u>63,534,396</u>	<u>59,442,748</u>	<u>(4,091,648)</u>

Continued on next page.

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

For the Fiscal Year Ended December 31, 2021

(Continued)

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
Culture and recreation:				
Parks Department:				
Personal services	2,819,882	2,819,882	2,687,944	(131,938)
Supplies	140,011	140,011	108,039	(31,972)
Other services and charges	1,440,637	1,440,637	1,063,473	(377,164)
Capital outlay	<u>14,050</u>	<u>14,050</u>	<u>5,789</u>	<u>(8,261)</u>
Total culture and recreation	<u>4,414,580</u>	<u>4,414,580</u>	<u>3,865,245</u>	<u>(549,335)</u>
Economic Development:				
Redevelopment Department:				
Personal services	687,813	687,813	656,438	(31,375)
Supplies	3,700	3,700	5,031	1,331
Other services and charges	91,292	91,292	119,236	27,944
Capital outlay	<u>9,200</u>	<u>9,200</u>	<u>3,334</u>	<u>(5,866)</u>
Total economic development	<u>792,005</u>	<u>792,005</u>	<u>784,039</u>	<u>(7,966)</u>
Transfers to nonmajor funds treated as expenditures on a budgetary basis	<u>-</u>	<u>-</u>	<u>222,500</u>	<u>222,500</u>
Other Expenditure	<u>-</u>	<u>-</u>	<u>130,238</u>	<u>130,238</u>
Total expenditures, budgetary basis	<u>\$ 115,375,208</u>	<u>\$ 116,841,033</u>	<u>106,711,887</u>	<u>\$ (10,129,146)</u>
Increase in accrued liabilities:				
Accounts payable			81,312	
Accrued payroll and withholdings payable			280,420	
Capital leases			2,334,029	
Transfers to other funds			<u>(15,653,056)</u>	
Total expenditures reported on the Statement of Revenues and Expenditures			<u>\$ 94,933,241</u>	

CITY OF CARMEL, INDIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
December 31, 2021

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, and 2016 Property Tax Bond 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. Original budgeted revenues represent the budgeted revenues submitted by the City along with budget expenditures, as adopted. The final budget reflects official changes to those numbers.

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 fees 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 CMCDC Operating Fund accounts for revenue borrowed or otherwise set aside for certain economic development purposes.

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.

Continued on next page.

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

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

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 Fund 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 Sidewalk Non-Reverting Fund accounts for monies received and expended for City sidewalk improvements.

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.

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

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

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 COVID Fund accounts for relief monies received for navigating the impact of the COVID-19 pandemic.

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 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 acquisition of EMS and fire protection equipment.

The Parks 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.

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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 2016 Property Tax Bond Construction Funds 1-6 and 9-13 account for the proceeds of eleven separate street projects financed by property tax, issued for the purpose of street improvement and construction.

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 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.

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, 2021

Special Revenue Funds

	Park Impact Fee	Hazardous Material	Parks Program	Parks Monon	Parks Facility	Local Road & Street
ASSETS:						
Cash and cash equivalents	\$ 2,264,499	\$ 33,169	\$ 1,716,861	\$ 2,859,859	\$ 193,079	\$ 2,193,298
Property tax receivable	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Total assets	<u>2,264,499</u>	<u>33,169</u>	<u>1,716,861</u>	<u>2,859,859</u>	<u>193,079</u>	<u>2,193,298</u>
LIABILITIES:						
Accounts payable	32,764	-	19,294	97,193	7,392	496,956
Claims payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Accrued payroll	-	-	31,927	37,311	-	-
Total liabilities	<u>32,764</u>	<u>-</u>	<u>51,221</u>	<u>134,504</u>	<u>7,392</u>	<u>496,956</u>
DEFERRED INFLOW OF RESOURCES:						
Deferred revenue	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:						
Restricted:						
General government	-	-	-	-	-	-
Public safety	-	33,169	-	-	-	-
Highways and streets	-	-	-	-	-	1,696,342
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	2,231,735	-	1,665,640	2,725,355	185,687	-
Committed:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>2,231,735</u>	<u>33,169</u>	<u>1,665,640</u>	<u>2,725,355</u>	<u>185,687</u>	<u>1,696,342</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 2,264,499</u>	<u>\$ 33,169</u>	<u>\$ 1,716,861</u>	<u>\$ 2,859,859</u>	<u>\$ 193,079</u>	<u>\$ 2,193,298</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Special Revenue Funds

	Deferral	User Fee	Barrett Law	Barrett Law Surplus	Storm Water	4CDC Operating Fund
ASSETS:						
Cash and cash equivalents	\$ 184,934	\$ 118,598	\$ 6	\$ 166,369	\$ 7,480,708	\$ 2,113,778
Property tax receivable	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-
Due from related utility	-	-	-	-	348,989	-
Intergovernmental receivables	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Total assets	<u>184,934</u>	<u>118,598</u>	<u>6</u>	<u>166,369</u>	<u>7,829,697</u>	<u>2,113,778</u>
LIABILITIES:						
Accounts payable	103	3,872	-	-	2,262	105,972
Claims payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	68,108	-
Accrued payroll	514	-	-	-	-	-
Total liabilities	<u>617</u>	<u>3,872</u>	<u>-</u>	<u>-</u>	<u>70,370</u>	<u>105,972</u>
DEFERRED INFLOW OF RESOURCES:						
Deferred revenue	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:						
Restricted:						
General government	-	-	-	-	-	-
Public safety	184,317	114,726	-	-	-	-
Highways and streets	-	-	-	-	7,759,327	-
Drainage and other capital assets	-	-	6	166,369	-	-
Economic development	-	-	-	-	-	1,525,271
Culture and recreation	-	-	-	-	-	-
Committed:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	482,535
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>184,317</u>	<u>114,726</u>	<u>6</u>	<u>166,369</u>	<u>7,759,327</u>	<u>2,007,806</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 184,934</u>	<u>\$ 118,598</u>	<u>\$ 6</u>	<u>\$ 166,369</u>	<u>\$ 7,829,697</u>	<u>\$ 2,113,778</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Special Revenue Funds

	CMCDC Operating Fund	Motor Vehicle Highway Fund	MIHP	Health Self Insurance	Workers Comp	Support for the Arts
ASSETS:						
Cash and cash equivalents	\$ 82,780	\$ 4,749,017	\$ 8,529	\$ 1,768,139	\$ 473,235	\$ 19,134
Property tax receivable	-	399,792	-	-	-	-
Due from other governmental funds	-	68,108	-	-	-	-
Due from related utility	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Total assets	<u>82,780</u>	<u>5,216,917</u>	<u>8,529</u>	<u>1,768,139</u>	<u>473,235</u>	<u>19,134</u>
LIABILITIES:						
Accounts payable	-	576,249	-	135,666	-	-
Claims payable	-	-	-	1,072,881	-	-
Due to other funds	-	-	-	-	-	-
Accrued payroll	-	160,536	-	-	-	-
Total liabilities	<u>-</u>	<u>736,785</u>	<u>-</u>	<u>1,208,547</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES:						
Deferred revenue	-	-	-	-	-	-
Unavailable revenue	-	399,792	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>399,792</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:						
Restricted:						
General government	-	-	-	-	-	-
Public safety	-	-	8,529	-	-	-
Highways and streets	-	4,080,340	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	82,780	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Committed:						
General government	-	-	-	559,592	473,235	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	19,134
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>82,780</u>	<u>4,080,340</u>	<u>8,529</u>	<u>559,592</u>	<u>473,235</u>	<u>19,134</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 82,780</u>	<u>\$ 5,216,917</u>	<u>\$ 8,529</u>	<u>\$ 1,768,139</u>	<u>\$ 473,235</u>	<u>\$ 19,134</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Special Revenue Funds

	Keystone Non- Reverting	Bicycle Facilities Non- Reverting	Center Green Ice Non- Reverting	Events & Festival Non- Reverting	Code Enforcement Non- Reverting	Sidewalk Non- Reverting
ASSETS:						
Cash and cash equivalents	\$ 138,375	\$ 31,619	\$ 437,874	\$ 26,666	\$ 41,022	\$ 30,387
Property tax receivable	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Total assets	<u>138,375</u>	<u>31,619</u>	<u>437,874</u>	<u>26,666</u>	<u>41,022</u>	<u>30,387</u>
LIABILITIES:						
Accounts payable	-	-	7,543	-	-	-
Claims payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Accrued payroll	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>7,543</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES:						
Deferred revenue	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:						
Restricted:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Committed:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	138,375	31,619	430,331	26,666	41,022	30,387
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>138,375</u>	<u>31,619</u>	<u>430,331</u>	<u>26,666</u>	<u>41,022</u>	<u>30,387</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 138,375</u>	<u>\$ 31,619</u>	<u>\$ 437,874</u>	<u>\$ 26,666</u>	<u>\$ 41,022</u>	<u>\$ 30,387</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Special Revenue Funds

	Urban Forestry	Clerk's Record Perpetuation	Court Interpreter	Public Defender	Judicial Salary Fees	Historic Preservation Fund
ASSETS:						
Cash and cash equivalents	\$ 74,759	\$ 301,205	\$ 80	\$ 8,039	\$ 99,493	\$ 209,566
Property tax receivable	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Total assets	<u>74,759</u>	<u>301,205</u>	<u>80</u>	<u>8,039</u>	<u>99,493</u>	<u>209,566</u>
LIABILITIES:						
Accounts payable	-	213	-	-	735	-
Claims payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Accrued payroll	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>213</u>	<u>-</u>	<u>-</u>	<u>735</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES:						
Deferred revenue	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:						
Restricted:						
General government	-	300,992	-	-	-	-
Public safety	-	-	80	8,039	98,758	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	74,759	-	-	-	-	-
Committed:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	209,566
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>74,759</u>	<u>300,992</u>	<u>80</u>	<u>8,039</u>	<u>98,758</u>	<u>209,566</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 74,759</u>	<u>\$ 301,205</u>	<u>\$ 80</u>	<u>\$ 8,039</u>	<u>\$ 99,493</u>	<u>\$ 209,566</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Special Revenue Funds

	Fire Gift	Police Gift	Parks Gift	Community Relations Gift	Redevelopment Commission Gift	Economic Development
ASSETS:						
Cash and cash equivalents	\$ 24,150	\$ 180,344	\$ 106,938	\$ 169,381	\$ 32,502	\$ 53,565
Property tax receivable	-	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-	-
Due from related utility	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Total assets	<u>24,150</u>	<u>180,344</u>	<u>106,938</u>	<u>169,381</u>	<u>32,502</u>	<u>53,565</u>
LIABILITIES:						
Accounts payable	-	-	45	3,126	-	-
Claims payable	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Accrued payroll	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>45</u>	<u>3,126</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES:						
Deferred revenue	-	-	-	-	-	-
Unavailable revenue	-	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:						
Restricted:						
General government	-	-	-	166,255	32,502	-
Public safety	24,150	180,344	-	-	-	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	53,565
Culture and recreation	-	-	106,893	-	-	-
Committed:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>24,150</u>	<u>180,344</u>	<u>106,893</u>	<u>166,255</u>	<u>32,502</u>	<u>53,565</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 24,150</u>	<u>\$ 180,344</u>	<u>\$ 106,938</u>	<u>\$ 169,381</u>	<u>\$ 32,502</u>	<u>\$ 53,565</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Special Revenue Funds

	Housing Authority	Drug Task Force	Thoroughfare	COVID Fund	Grant	Total Special Revenue Funds
ASSETS:						
Cash and cash equivalents	\$ 58,865	\$ 420,001	\$ 1,694,199	\$ 2,594,393	\$ 853,941	\$ 34,013,356
Property tax receivable	-	-	-	-	-	399,792
Due from other governmental funds	-	-	-	-	-	68,108
Due from related utility	-	-	-	-	-	348,989
Intergovernmental receivables	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-
Total assets	<u>58,865</u>	<u>420,001</u>	<u>1,694,199</u>	<u>2,594,393</u>	<u>853,941</u>	<u>34,830,245</u>
LIABILITIES:						
Accounts payable	-	13,348	-	128,584	-	1,631,317
Claims payable	-	-	-	-	-	1,072,881
Due to other funds	-	-	-	-	-	68,108
Accrued payroll	-	-	-	-	-	230,288
Total liabilities	<u>-</u>	<u>13,348</u>	<u>-</u>	<u>128,584</u>	<u>-</u>	<u>3,002,594</u>
DEFERRED INFLOW OF RESOURCES:						
Deferred revenue	-	-	-	2,457,603	-	2,457,603
Unavailable revenue	-	-	-	-	-	399,792
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,457,603</u>	<u>-</u>	<u>2,857,395</u>
FUND BALANCE:						
Restricted:						
General government	-	-	-	8,206	-	507,955
Public safety	-	406,653	-	-	853,941	1,912,706
Highways and streets	-	-	1,694,199	-	-	15,230,208
Drainage and other capital assets	-	-	-	-	-	166,375
Economic development	58,865	-	-	-	-	1,720,481
Culture and recreation	-	-	-	-	-	6,990,069
Committed:						
General government	-	-	-	-	-	1,032,827
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	698,400
Drainage and other capital assets	-	-	-	-	-	-
Economic development	-	-	-	-	-	711,235
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>58,865</u>	<u>406,653</u>	<u>1,694,199</u>	<u>8,206</u>	<u>853,941</u>	<u>28,970,256</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 58,865</u>	<u>\$ 420,001</u>	<u>\$ 1,694,199</u>	<u>\$ 2,594,393</u>	<u>\$ 853,941</u>	<u>\$ 34,830,245</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Capital Projects Funds			
	Redevelopment Authority Capital Projects Fund	Ambulance	Parks Capital	Cumulative Capital Improvement
ASSETS:				
Cash and cash equivalents	\$ 497,678	\$ 2,372,620	\$ 553,321	\$ 172,203
Property tax receivable	-	-	-	-
Due from other governmental funds	-	-	-	-
Due from related utility	-	-	-	-
Intergovernmental receivables	-	-	-	-
Accounts receivable	-	87,414	-	-
Total assets	497,678	2,460,034	553,321	172,203
LIABILITIES:				
Accounts payable	204,992	3,575	3,380	-
Claims payable	-	-	-	-
Due to other funds	-	-	-	-
Accrued payroll	-	-	-	-
Total liabilities	204,992	3,575	3,380	-
DEFERRED INFLOW OF RESOURCES:				
Deferred revenue	-	-	-	-
Unavailable revenue	-	72,845	-	-
Total deferred inflow of resources	-	72,845	-	-
FUND BALANCE:				
Restricted:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	292,686	-	-	-
Drainage and other capital assets	-	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	-	549,941	-
Committed:				
General government	-	-	-	-
Public safety	-	2,383,614	-	-
Highways and streets	-	-	-	172,203
Drainage and other capital assets	-	-	-	-
Economic development	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCES	292,686	2,383,614	549,941	172,203
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	\$ 497,678	\$ 2,460,034	\$ 553,321	\$ 172,203

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Capital Projects Funds

	Cumulative Capital Sewer	Cumulative Capital Development	Illinois Street Construction	Old Town/126th Construction	2016 Property Tax Bond Construction 1
ASSETS:					
Cash and cash equivalents	\$ 9,651	\$ 445,457	\$ -	\$ 459	\$ 1,492
Property tax receivable	-	157,646	-	-	-
Due from other governmental funds	-	-	-	-	-
Due from related utility	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>9,651</u>	<u>603,103</u>	<u>-</u>	<u>459</u>	<u>1,492</u>
LIABILITIES:					
Accounts payable	-	-	-	-	-
Claims payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Accrued payroll	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES:					
Deferred revenue	-	-	-	-	-
Unavailable revenue	-	157,646	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>157,646</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:					
Restricted:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	9,651	445,457	-	-	1,492
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	-	-	-	-	-
TOTAL FUND BALANCES	<u>9,651</u>	<u>445,457</u>	<u>-</u>	<u>459</u>	<u>1,492</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 9,651</u>	<u>\$ 603,103</u>	<u>\$ -</u>	<u>\$ 459</u>	<u>\$ 1,492</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Capital Projects Funds				
	2016 Property Tax Bond Construction	2016 Property Tax Bond Construction	2016 Property Tax Bond Construction	2016 Property Tax Bond Construction	2016 Property Tax Bond Construction
	2	3	4	5	6
ASSETS:					
Cash and cash equivalents	\$ -	\$ 1,731,139	\$ 380,399	\$ -	\$ -
Property tax receivable	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-
Due from related utility	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	<u>-</u>	<u>1,731,139</u>	<u>380,399</u>	<u>-</u>	<u>-</u>
LIABILITIES:					
Accounts payable	-	-	-	-	-
Claims payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Accrued payroll	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES:					
Deferred revenue	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE:					
Restricted:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	1,731,139	380,399	-	-
Drainage and other capital assets	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Committed:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-
Economic development	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>1,731,139</u>	<u>380,399</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ -</u>	<u>\$ 1,731,139</u>	<u>\$ 380,399</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Capital Projects Funds				
	2016 Property Tax Bond Construction 9	2016 Property Tax Bond Construction 10	2016 Property Tax Bond Construction 11	2016 Property Tax Bond Construction 12	2016 Property Tax Bond Construction 13
ASSETS:					
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 167,365
Property tax receivable	-	-	-	-	-
Due from other governmental funds	-	-	-	-	-
Due from related utility	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Total assets	-	-	-	-	167,365
LIABILITIES:					
Accounts payable	-	-	-	-	-
Claims payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Accrued payroll	-	-	-	-	-
Total liabilities	-	-	-	-	-
DEFERRED INFLOW OF RESOURCES:					
Deferred revenue	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
FUND BALANCE:					
Restricted:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	167,365
Drainage and other capital assets	-	-	-	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Committed:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Drainage and other capital assets	-	-	-	-	-
Economic development	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	-	-	-	-	167,365
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ 167,365

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Capital Projects Funds				Total Capital Projects Funds
	2016 Project Fund	2017 Project Fund	2017 A Bond Construction Fund	2018 CMBC Bond Construction Fund	
ASSETS:					
Cash and cash equivalents	\$ 544,322	\$ 7,597,093	\$ -	\$ 464,726	\$ 14,937,925
Property tax receivable	-	-	-	-	157,646
Due from other governmental funds	-	-	-	-	-
Due from related utility	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-
Accounts receivable	-	-	-	-	87,414
Total assets	<u>544,322</u>	<u>7,597,093</u>	<u>-</u>	<u>464,726</u>	<u>15,182,985</u>
LIABILITIES:					
Accounts payable	741,465	-	-	-	953,412
Claims payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Accrued payroll	-	-	-	-	-
Total liabilities	<u>741,465</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>953,412</u>
DEFERRED INFLOW OF RESOURCES:					
Deferred revenue	-	-	-	-	-
Unavailable revenue	-	-	-	-	230,491
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>230,491</u>
FUND BALANCE:					
Restricted:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	(197,143)	7,558,596	-	-	10,389,642
Drainage and other capital assets	-	-	-	-	-
Economic development	-	38,497	-	464,726	503,682
Culture and recreation	-	-	-	-	549,941
Committed:					
General government	-	-	-	-	-
Public safety	-	-	-	-	2,383,614
Highways and streets	-	-	-	-	172,203
Drainage and other capital assets	-	-	-	-	-
Economic development	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>(197,143)</u>	<u>7,597,093</u>	<u>-</u>	<u>464,726</u>	<u>13,999,082</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 544,322</u>	<u>\$ 7,597,093</u>	<u>\$ -</u>	<u>\$ 464,726</u>	<u>\$ 15,182,985</u>

CITY OF CARMEL, INDIANA
BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Debt Service Funds			Total Debt Service Funds	Total Nonmajor Governmental Funds
	Lease Rental	2004 Road Bond	2016 Property Tax Bond Fund		
ASSETS:					
Cash and cash equivalents	\$ 3,853	\$ 361,158	\$ 156,504	\$ 521,515	\$ 49,472,796
Property tax receivable	-	93,012	57,699	150,711	708,149
Due from other governmental funds	-	-	-	-	68,108
Due from related utility	-	-	-	-	348,989
Intergovernmental receivables	-	-	-	-	-
Accounts receivable	-	-	-	-	87,414
Total assets	<u>3,853</u>	<u>454,170</u>	<u>214,203</u>	<u>672,226</u>	<u>50,685,456</u>
LIABILITIES:					
Accounts payable	-	-	-	-	2,584,729
Claims payable	-	-	-	-	1,072,881
Due to other funds	-	-	-	-	68,108
Accrued payroll	-	-	-	-	230,288
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,956,006</u>
DEFERRED INFLOW OF RESOURCES:					
Deferred revenue	-	-	-	-	2,457,603
Unavailable revenue	-	93,012	57,699	150,711	780,994
Total deferred inflow of resources	<u>-</u>	<u>93,012</u>	<u>57,699</u>	<u>150,711</u>	<u>3,238,597</u>
FUND BALANCE:					
Restricted:					
General government	-	-	-	-	507,955
Public safety	-	-	-	-	1,912,706
Highways and streets	3,853	361,158	156,504	521,515	26,141,365
Drainage and other capital assets	-	-	-	-	166,375
Economic development	-	-	-	-	2,224,163
Culture and recreation	-	-	-	-	7,540,010
Committed:					
General government	-	-	-	-	1,032,827
Public safety	-	-	-	-	2,383,614
Highways and streets	-	-	-	-	870,603
Drainage and other capital assets	-	-	-	-	-
Economic development	-	-	-	-	711,235
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>3,853</u>	<u>361,158</u>	<u>156,504</u>	<u>521,515</u>	<u>43,490,853</u>
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 3,853</u>	<u>\$ 454,170</u>	<u>\$ 214,203</u>	<u>\$ 672,226</u>	<u>\$ 50,685,456</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021

Special Revenue

	Park Impact Fee	Hazardous Material	Parks Program	Parks Monon	Parks Facility	Local Road & Street
REVENUES:						
Charges for services	\$ 1,351,368	\$ 3,268	\$ 2,931,179	\$ 4,571,518	\$ 161,006	\$ -
Investment income	7,145	121	6,568	10,328	627	-
Licenses and permits	-	-	-	-	-	-
Other	-	-	41,430	-	410	652
Other taxes	-	-	-	-	-	-
Contributions	-	-	-	26,107	-	-
General property taxes	-	-	-	-	-	-
Intergovernmental:						
Grants	-	-	-	-	-	-
Shared revenue	-	-	-	-	-	2,538,305
Total revenues	<u>1,358,513</u>	<u>3,389</u>	<u>2,979,177</u>	<u>4,607,953</u>	<u>162,043</u>	<u>2,538,957</u>
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	1,643	-	2,752,027	4,404,304	120,801	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	1,673,596
Economic development	-	-	-	-	-	-
Culture and recreation	221,582	-	-	-	-	-
Total expenditures	<u>223,225</u>	<u>-</u>	<u>2,752,027</u>	<u>4,404,304</u>	<u>120,801</u>	<u>1,673,596</u>
Excess (deficiency) of revenues over (under) expenditures	1,135,288	3,389	227,150	203,649	41,242	865,361
Other financing sources (uses):						
Transfers in, governmental funds	-	-	-	-	-	-
Transfer in (out) from (to) enterprise funds	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	-	(1,544,451)
Bond issuance - principal	-	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,544,451)</u>
NET CHANGE IN FUND BALANCES	1,135,288	3,389	227,150	203,649	41,242	(679,090)
FUND BALANCES: beginning	<u>1,096,447</u>	<u>29,780</u>	<u>1,438,490</u>	<u>2,521,706</u>	<u>144,445</u>	<u>2,375,432</u>
FUND BALANCES: ending	<u>\$ 2,231,735</u>	<u>\$ 33,169</u>	<u>\$ 1,665,640</u>	<u>\$ 2,725,355</u>	<u>\$ 185,687</u>	<u>\$ 1,696,342</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Special Revenue

	Deferral	User Fee	Barrett Law	Barrett Law Surplus	Storm Water	4CDC Operating Fund
REVENUES:						
Charges for services	\$ 2,464	\$ 43,038	\$ -	\$ -	\$ 4,470,361	\$ 1,079,358
Investment income	789	-	-	-	33,752	-
Licenses and permits	-	29,730	-	-	-	-
Other	-	5,625	-	-	-	-
Other taxes	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
General property taxes	-	-	-	-	-	-
Intergovernmental:						
Grants	-	-	-	-	-	-
Shared revenue	-	-	-	-	-	-
Total revenues	<u>3,253</u>	<u>78,393</u>	<u>-</u>	<u>-</u>	<u>4,504,113</u>	<u>1,079,358</u>
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	905,480
Public safety	48,891	67,537	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-
Economic development	-	-	-	-	-	224,604
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	440,000	(143,032)
Interest	-	-	-	-	130,820	196,636
Lease rentals and issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	3,978,768	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total expenditures	<u>48,891</u>	<u>67,537</u>	<u>-</u>	<u>-</u>	<u>4,549,588</u>	<u>1,183,688</u>
Excess (deficiency) of revenues over (under) expenditures	(45,638)	10,856	-	-	(45,475)	(104,330)
Other financing sources (uses):						
Transfers in, governmental funds	-	-	-	-	438,815	1,211,265
Transfer in (out) from (to) enterprise funds	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	(3,265,854)	(143,032)
Bond issuance - principal	-	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,827,039)</u>	<u>1,068,233</u>
NET CHANGE IN FUND BALANCES	(45,638)	10,856	-	-	(2,872,514)	963,903
FUND BALANCES: beginning	<u>229,955</u>	<u>103,870</u>	<u>6</u>	<u>166,369</u>	<u>10,631,841</u>	<u>1,043,903</u>
FUND BALANCES: ending	<u>\$ 184,317</u>	<u>\$ 114,726</u>	<u>\$ 6</u>	<u>\$ 166,369</u>	<u>\$ 7,759,327</u>	<u>\$ 2,007,806</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Special Revenue

	CMCDC Operating Fund	Motor Vehicle Highway Fund	MIHP	Health Self Insurance	Workers Comp	Support of the Arts
REVENUES:						
Charges for services	\$ 101,780	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	36	-	-	-
Licenses and permits	-	-	-	-	-	-
Other	-	299,871	-	-	-	-
Other taxes	-	1,262,131	-	-	-	-
Contributions	-	-	819	-	-	-
General property taxes	-	14,302,568	-	-	-	-
Intergovernmental:						
Grants	-	-	-	-	-	-
Shared revenue	-	3,850,647	-	-	-	-
Total revenues	<u>101,780</u>	<u>19,715,217</u>	<u>855</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:						
Current:						
General government	-	-	-	1,503,933	254,043	-
Public safety	-	-	1,747	-	-	-
Streets and other infrastructure	-	16,737,970	-	-	-	-
Economic development	162,032	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	2,500,000	-	-	-	-	-
Interest	90,051	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	3,736,770	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total expenditures	<u>2,752,083</u>	<u>20,474,740</u>	<u>1,747</u>	<u>1,503,933</u>	<u>254,043</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(2,650,303)	(759,523)	(892)	(1,503,933)	(254,043)	-
Other financing sources (uses):						
Transfers in, governmental funds	2,533,083	2,110,770	-	-	-	-
Transfer in (out) from (to) enterprise funds	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	-	-
Bond issuance - principal	-	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-	-
Capital lease proceeds	-	489,000	-	-	-	-
Total other financing sources	<u>2,533,083</u>	<u>2,599,770</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(117,220)	1,840,247	(892)	(1,503,933)	(254,043)	-
FUND BALANCES: beginning	<u>200,000</u>	<u>2,240,093</u>	<u>9,421</u>	<u>2,063,525</u>	<u>727,278</u>	<u>19,134</u>
FUND BALANCES: ending	<u>\$ 82,780</u>	<u>\$ 4,080,340</u>	<u>\$ 8,529</u>	<u>\$ 559,592</u>	<u>\$ 473,235</u>	<u>\$ 19,134</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Special Revenue

	Keystone Non- Reverting	Bicycle Facilities Non- Reverting	Center Green Ice Non- Reverting	Events & Festival Non- Reverting	Code Enforcement Non-Reverting	Sidewalk Non- Reverting
REVENUES:						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	530	101	2,071	117	138	64
Licenses and permits	-	-	-	-	-	-
Other	-	9,263	53,442	14,624	10,000	-
Other taxes	-	-	-	-	-	-
Contributions	-	-	-	5,789	-	-
General property taxes	-	-	-	-	-	-
Intergovernmental:						
Grants	-	-	-	-	-	-
Shared revenue	-	-	-	-	-	-
Total revenues	<u>530</u>	<u>9,364</u>	<u>55,513</u>	<u>20,530</u>	<u>10,138</u>	<u>64</u>
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	19,677
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	245,636	24,900	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>245,636</u>	<u>24,900</u>	<u>-</u>	<u>19,677</u>
Excess (deficiency) of revenues over (under) expenditures	530	9,364	(190,123)	(4,370)	10,138	(19,613)
Other financing sources (uses):						
Transfers in, governmental funds	-	-	-	-	-	-
Transfer in (out) from (to) enterprise funds	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	-	-
Bond issuance - principal	-	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	530	9,364	(190,123)	(4,370)	10,138	(19,613)
FUND BALANCES: beginning	<u>137,845</u>	<u>22,255</u>	<u>620,454</u>	<u>31,036</u>	<u>30,884</u>	<u>50,000</u>
FUND BALANCES: ending	<u>\$ 138,375</u>	<u>\$ 31,619</u>	<u>\$ 430,331</u>	<u>\$ 26,666</u>	<u>\$ 41,022</u>	<u>\$ 30,387</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Special Revenue

	Urban Forestry	Clerk's Record Perpetuation	Court Interpreter	Public Defender	Judicial Salary Fees	Historic Preservation Fund
REVENUES:						
Charges for services	\$ -	\$ -	\$ -	\$ 2,216	\$ 25,944	\$ -
Investment income	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Other	3,568	27,321	16	-	-	76,953
Other taxes	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
General property taxes	-	-	-	-	-	-
Intergovernmental:						
Grants	-	-	-	-	-	-
Shared revenue	-	-	-	-	-	-
Total revenues	<u>3,568</u>	<u>27,321</u>	<u>16</u>	<u>2,216</u>	<u>25,944</u>	<u>76,953</u>
EXPENDITURES:						
Current:						
General government	-	17,327	-	-	-	-
Public safety	-	-	-	6,000	40,979	-
Streets and other infrastructure	-	-	-	-	-	-
Economic development	-	-	-	-	-	41,175
Culture and recreation	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>17,327</u>	<u>-</u>	<u>6,000</u>	<u>40,979</u>	<u>41,175</u>
Excess (deficiency) of revenues over (under) expenditures	3,568	9,994	16	(3,784)	(15,035)	35,778
Other financing sources (uses):						
Transfers in, governmental funds	-	-	-	-	-	-
Transfer in (out) from (to) enterprise funds	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	-	-
Bond issuance - principal	-	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	3,568	9,994	16	(3,784)	(15,035)	35,778
FUND BALANCES: beginning	<u>71,191</u>	<u>290,998</u>	<u>64</u>	<u>11,823</u>	<u>113,793</u>	<u>173,788</u>
FUND BALANCES: ending	<u>\$ 74,759</u>	<u>\$ 300,992</u>	<u>\$ 80</u>	<u>\$ 8,039</u>	<u>\$ 98,758</u>	<u>\$ 209,566</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Special Revenue

	Fire Gift	Police Gift	Parks Gift	Community Relations Gift	Redevelopment Commission Gift	Economic Development
REVENUES:						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	94	330	284	831	10	-
Licenses and permits	-	-	-	-	-	-
Other	-	-	-	2,786	-	30,000
Other taxes	-	-	-	-	-	-
Contributions	8,746	183,770	118,465	186,712	20,000	-
General property taxes	-	-	-	-	-	-
Intergovernmental:						
Grants	-	-	-	-	-	-
Shared revenue	-	-	-	-	-	-
Total revenues	<u>8,840</u>	<u>184,100</u>	<u>118,749</u>	<u>190,329</u>	<u>20,010</u>	<u>30,000</u>
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Public safety	11,430	63,798	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	49,442	150,988	27,432	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Total expenditures	<u>11,430</u>	<u>63,798</u>	<u>49,442</u>	<u>150,988</u>	<u>27,432</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(2,590)	120,302	69,307	39,341	(7,422)	30,000
Other financing sources (uses):						
Transfers in, governmental funds	-	-	-	-	-	-
Transfer in (out) from (to) enterprise funds	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	-	-
Bond issuance - principal	-	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(2,590)	120,302	69,307	39,341	(7,422)	30,000
FUND BALANCES: beginning	<u>26,740</u>	<u>60,042</u>	<u>37,586</u>	<u>126,914</u>	<u>39,924</u>	<u>23,565</u>
FUND BALANCES: ending	<u>\$ 24,150</u>	<u>\$ 180,344</u>	<u>\$ 106,893</u>	<u>\$ 166,255</u>	<u>\$ 32,502</u>	<u>\$ 53,565</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Special Revenue

	Housing Authority	Drug Task Force	Thoroughfare	COVID Fund	Grant	Total Special Revenue Funds
REVENUES:						
Charges for services	\$ -	\$ -	\$ 293,509	\$ -	\$ -	\$ 15,037,009
Investment income	-	1,792	5,822	8,206	-	79,756
Licenses and permits	-	-	-	-	-	29,730
Other	-	42,989	-	-	-	618,950
Other taxes	-	-	-	-	-	1,262,131
Contributions	-	-	-	-	1,000	551,408
General property taxes	-	-	-	-	-	14,302,568
Intergovernmental:						
Grants	-	13,629	-	1,303,857	2,154,150	3,471,636
Shared revenue	-	-	-	-	-	6,388,952
Total revenues	<u>-</u>	<u>58,410</u>	<u>299,331</u>	<u>1,312,063</u>	<u>2,155,150</u>	<u>41,742,140</u>
EXPENDITURES:						
Current:						
General government	-	-	-	957,798	-	3,638,581
Public safety	-	194,898	-	-	200,523	635,803
Streets and other infrastructure	-	-	-	-	-	16,757,647
Economic development	-	-	-	-	-	427,811
Culture and recreation	-	-	-	111,787	-	7,888,960
Debt service:						
Principal	-	-	-	-	-	2,796,968
Interest	-	-	-	-	-	417,507
Lease rentals and issuance costs	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	234,272	-	234,272
Public safety	-	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	-	9,389,134
Economic development	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	221,582
Total expenditures	<u>-</u>	<u>194,898</u>	<u>-</u>	<u>1,303,857</u>	<u>200,523</u>	<u>42,408,265</u>
Excess (deficiency) of revenues over (under) expenditures	-	(136,488)	299,331	8,206	1,954,627	(666,125)
Other financing sources (uses):						
Transfers in, governmental funds	-	-	-	-	-	6,293,933
Transfer in (out) from (to) enterprise funds	-	-	-	-	-	-
Transfers (out), governmental funds	-	-	-	-	(1,820,957)	(6,774,294)
Bond issuance - principal	-	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	489,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,820,957)</u>	<u>8,639</u>
NET CHANGE IN FUND BALANCES	-	(136,488)	299,331	8,206	133,670	(657,486)
FUND BALANCES: beginning	<u>58,865</u>	<u>543,141</u>	<u>1,394,868</u>	<u>-</u>	<u>720,271</u>	<u>29,627,742</u>
FUND BALANCES: ending	<u>\$ 58,865</u>	<u>\$ 406,653</u>	<u>\$ 1,694,199</u>	<u>\$ 8,206</u>	<u>\$ 853,941</u>	<u>\$ 28,970,256</u>

CITY OF CARMEL, INDIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

Capital Projects Funds

	Redevelopment Authority Capital Projects Fund	Ambulance	Parks Capital	Cumulative Capital Improvement
REVENUES:				
Charges for services	\$ -	\$ 1,868,257	\$ -	\$ -
Investment income	142	7,736	2,320	-
Licenses and permits	-	-	-	-
Other	-	-	-	-
Other taxes	-	-	-	188,300
Contributions	-	-	-	-
General property taxes	-	-	-	-
Intergovernmental:				
Grants	-	-	-	-
Shared revenue	-	-	-	-
Total revenues	<u>142</u>	<u>1,875,993</u>	<u>2,320</u>	<u>188,300</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public safety	-	1,312,376	-	-
Streets and other infrastructure	-	-	-	-
Economic development	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Lease rentals and issuance costs	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Streets and other infrastructure	518,925	-	-	393,069
Economic development	-	-	-	-
Culture and recreation	-	-	146,335	-
Total expenditures	<u>518,925</u>	<u>1,312,376</u>	<u>146,335</u>	<u>393,069</u>
Excess (deficiency) of revenues over (under) expenditures	(518,783)	563,617	(144,015)	(204,769)
Other financing sources (uses):				
Transfers in, governmental funds	-	-	222,500	-
Transfer in (out) from (to) enterprise funds	-	-	-	-
Transfers (out), governmental funds	-	-	-	-
Bond issuance - principal	-	-	-	-
Bond issuance - premium	-	-	-	-
Capital lease proceeds	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>222,500</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(518,783)	563,617	78,485	(204,769)
FUND BALANCES: beginning	<u>811,469</u>	<u>1,819,997</u>	<u>471,456</u>	<u>376,972</u>
FUND BALANCES: ending	<u>\$ 292,686</u>	<u>\$ 2,383,614</u>	<u>\$ 549,941</u>	<u>\$ 172,203</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Capital Projects Funds

	Cumulative Capital Sewer	Cumulative Capital Development	Illinois Street Construction	Old Town/126th Construction	2016 Property Tax Bond Construction I
REVENUES:					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	-	-	1
Licenses and permits	-	-	-	-	-
Other	-	-	-	-	-
Other taxes	-	353,935	-	-	-
Contributions	-	-	-	-	-
General property taxes	-	4,011,776	-	-	-
Intergovernmental:					
Grants	-	-	-	-	-
Shared revenue	-	1,621	-	-	-
Total revenues	<u>-</u>	<u>4,367,332</u>	<u>-</u>	<u>-</u>	<u>1</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	269,107	172,563	-	-	450
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	3,568
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	<u>269,107</u>	<u>172,563</u>	<u>-</u>	<u>-</u>	<u>4,018</u>
Excess (deficiency) of revenues over (under) expenditures	(269,107)	4,194,769	-	-	(4,017)
Other financing sources (uses):					
Transfers in, governmental funds	-	-	-	-	-
Transfer in (out) from (to) enterprise funds	-	-	-	-	-
Transfers (out), governmental funds	-	(4,183,993)	(204,059)	-	-
Bond issuance - principal	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>(4,183,993)</u>	<u>(204,059)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(269,107)	10,776	(204,059)	-	(4,017)
FUND BALANCES: beginning	<u>278,758</u>	<u>434,681</u>	<u>204,059</u>	<u>459</u>	<u>5,509</u>
FUND BALANCES: ending	<u>\$ 9,651</u>	<u>\$ 445,457</u>	<u>\$ -</u>	<u>\$ 459</u>	<u>\$ 1,492</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Capital Projects Funds

	2016 Property Tax Bond Construction 2	2016 Property Tax Bond Construction 3	2016 Property Tax Bond Construction 4	2016 Property Tax Bond Construction 5	2016 Property Tax Bond Construction 6
REVENUES:					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	17	1,491	26	4	1
Licenses and permits	-	-	-	-	-
Other	-	-	-	-	-
Other taxes	-	-	-	-	-
Contributions	-	-	-	-	-
General property taxes	-	-	-	-	-
Intergovernmental:					
Grants	-	-	-	-	-
Shared revenue	-	-	-	-	-
Total revenues	<u>17</u>	<u>1,491</u>	<u>26</u>	<u>4</u>	<u>1</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	450	451	450	450	449
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	-	35,119	-	-	1,523
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	<u>450</u>	<u>35,570</u>	<u>450</u>	<u>450</u>	<u>1,972</u>
Excess (deficiency) of revenues over (under) expenditures	(433)	(34,079)	(424)	(446)	(1,971)
Other financing sources (uses):					
Transfers in, governmental funds	-	-	320,194	-	-
Transfer in (out) from (to) enterprise funds	-	-	-	-	-
Transfers (out), governmental funds	(112,679)	-	-	(25,606)	(8,668)
Bond issuance - principal	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-
Total other financing sources	<u>(112,679)</u>	<u>-</u>	<u>320,194</u>	<u>(25,606)</u>	<u>(8,668)</u>
NET CHANGE IN FUND BALANCES	(113,112)	(34,079)	319,770	(26,052)	(10,639)
FUND BALANCES: beginning	<u>113,112</u>	<u>1,765,218</u>	<u>60,629</u>	<u>26,052</u>	<u>10,639</u>
FUND BALANCES: ending	<u>\$ -</u>	<u>\$ 1,731,139</u>	<u>\$ 380,399</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Capital Projects Funds

	2016 Property Tax Bond Construction 9	2016 Property Tax Bond Construction 10	2016 Property Tax Bond Construction 11	2016 Property Tax Bond Construction 12	2016 Property Tax Bond Construction 13
REVENUES:					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Investment income	5	19	17	12	10
Licenses and permits	-	-	-	-	-
Other	-	-	-	-	-
Other taxes	-	-	-	-	-
Contributions	-	-	-	-	-
General property taxes	-	-	-	-	-
Intergovernmental:					
Grants	-	-	-	-	-
Shared revenue	-	-	-	-	-
Total revenues	<u>5</u>	<u>19</u>	<u>17</u>	<u>12</u>	<u>10</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	450	450	449	449	450
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Lease rentals and issuance costs	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	-	45,325	53,118	-	-
Economic development	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Total expenditures	<u>450</u>	<u>45,775</u>	<u>53,567</u>	<u>449</u>	<u>450</u>
Excess (deficiency) of revenues over (under) expenditures	(445)	(45,756)	(53,550)	(437)	(440)
Other financing sources (uses):					
Transfers in, governmental funds	-	-	-	-	146,953
Transfer in (out) from (to) enterprise funds	-	-	-	-	-
Transfers (out), governmental funds	(32,340)	(110,045)	(96,887)	(80,922)	-
Bond issuance - principal	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-
Total other financing sources	<u>(32,340)</u>	<u>(110,045)</u>	<u>(96,887)</u>	<u>(80,922)</u>	<u>146,953</u>
NET CHANGE IN FUND BALANCES	(32,785)	(155,801)	(150,437)	(81,359)	146,513
FUND BALANCES: beginning	<u>32,785</u>	<u>155,801</u>	<u>150,437</u>	<u>81,359</u>	<u>20,852</u>
FUND BALANCES: ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,365</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Capital Projects Funds

	2016 Project Fund	2017 Project Fund	2017 A Bond Construction Fund	2018 CMBC Bond Construction Fund	Total Capital Projects Funds
REVENUES:					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 1,868,257
Investment income	528	14,545	-	29	26,903
Licenses and permits	-	-	-	-	-
Other	396,687	-	-	-	396,687
Other taxes	-	-	-	-	542,235
Contributions	-	-	-	-	-
General property taxes	-	-	-	-	4,011,776
Intergovernmental:					
Grants	-	-	-	-	-
Shared revenue	-	-	-	-	1,621
Total revenues	<u>397,215</u>	<u>14,545</u>	<u>-</u>	<u>29</u>	<u>6,847,479</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	1,312,376
Streets and other infrastructure	4,620	4,573,948	-	-	5,025,186
Economic development	-	26,700	-	-	26,700
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	-	-	-	225,000	225,000
Interest	-	-	-	511,439	511,439
Lease rentals and issuance costs	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Streets and other infrastructure	7,019,983	-	-	-	8,070,630
Economic development	-	-	-	106,188	106,188
Culture and recreation	-	-	-	-	146,335
Total expenditures	<u>7,024,603</u>	<u>4,600,648</u>	<u>-</u>	<u>842,627</u>	<u>15,423,854</u>
Excess (deficiency) of revenues over (under) expenditures	(6,627,388)	(4,586,103)	-	(842,598)	(8,576,375)
Other financing sources (uses):					
Transfers in, governmental funds	4,009,275	-	-	879,000	5,577,922
Transfer in (out) from (to) enterprise funds	-	-	-	-	-
Transfers (out), governmental funds	-	(4,009,275)	(1,488)	-	(8,865,962)
Bond issuance - principal	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-
Total other financing sources	<u>4,009,275</u>	<u>(4,009,275)</u>	<u>(1,488)</u>	<u>879,000</u>	<u>(3,288,040)</u>
NET CHANGE IN FUND BALANCES	(2,618,113)	(8,595,378)	(1,488)	36,402	(11,864,415)
FUND BALANCES: beginning	<u>2,420,970</u>	<u>16,192,471</u>	<u>1,488</u>	<u>428,324</u>	<u>25,863,497</u>
FUND BALANCES: ending	<u>\$ (197,143)</u>	<u>\$ 7,597,093</u>	<u>\$ -</u>	<u>\$ 464,726</u>	<u>\$ 13,999,082</u>

CITY OF CARMEL, INDIANA
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**
 For the Fiscal Year Ended December 31, 2021
 (Continued)

Debt Service Funds

	Lease Rental	2004 Road Bond	2016 Property Tax Bond Fund	Total Debt Service Funds	Total Nonmajor Governmental Funds
REVENUES:					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 16,905,266
Investment income	-	-	-	-	106,659
Licenses and permits	-	-	-	-	29,730
Other	-	-	-	-	1,015,637
Other taxes	-	149,361	113,967	263,328	2,067,694
Contributions	-	-	-	-	551,408
General property taxes	-	1,777,200	1,359,023	3,136,223	21,450,567
Intergovernmental:					
Grants	-	-	-	-	3,471,636
Shared revenue	-	684	522	1,206	6,391,779
Total revenues	<u>-</u>	<u>1,927,245</u>	<u>1,473,512</u>	<u>3,400,757</u>	<u>51,990,376</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	3,638,581
Public safety	-	-	-	-	1,948,179
Streets and other infrastructure	-	-	-	-	21,782,833
Economic development	-	-	-	-	454,511
Culture and recreation	-	-	-	-	7,888,960
Debt service:					
Principal	-	-	-	-	3,021,968
Interest	-	-	-	-	928,946
Lease rentals and issuance costs	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	234,272
Public safety	-	-	-	-	-
Streets and other infrastructure	-	-	-	-	17,459,764
Economic development	-	-	-	-	106,188
Culture and recreation	-	-	-	-	367,917
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,832,119</u>
Excess (deficiency) of revenues over (under) expenditures	-	1,927,245	1,473,512	3,400,757	(5,841,743)
Other financing sources (uses):					
Transfers in, governmental funds	-	-	-	-	11,871,855
Transfer in (out) from (to) enterprise funds	-	-	-	-	-
Transfers (out), governmental funds	-	(2,824,500)	(1,485,700)	(4,310,200)	(19,950,456)
Bond issuance - principal	-	-	-	-	-
Bond issuance - premium	-	-	-	-	-
Capital lease proceeds	-	-	-	-	489,000
Total other financing sources	<u>-</u>	<u>(2,824,500)</u>	<u>(1,485,700)</u>	<u>(4,310,200)</u>	<u>(7,589,601)</u>
NET CHANGE IN FUND BALANCES	-	(897,255)	(12,188)	(909,443)	(13,431,344)
FUND BALANCES: beginning	<u>3,853</u>	<u>1,258,413</u>	<u>168,692</u>	<u>1,430,958</u>	<u>56,922,197</u>
FUND BALANCES: ending	<u>\$ 3,853</u>	<u>\$ 361,158</u>	<u>\$ 156,504</u>	<u>\$ 521,515</u>	<u>\$ 43,490,853</u>

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

For the Fiscal Year Ended December 31, 2021

	Motor Vehicle Highway Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 15,021,910	\$ 15,021,910	\$ 14,302,568	\$ (719,342)
MVHF distribution	3,874,393	3,874,393	3,844,865	(29,528)
Miscellaneous	3,168,729	2,725,010	3,668,858	943,848
Total Revenues	<u>\$ 22,065,032</u>	<u>\$ 21,621,313</u>	<u>\$ 21,816,291</u>	<u>\$ 194,978</u>
EXPENDITURES:				
Engineering:				
Personal services	1,862,550	1,862,550	1,869,810	7,260
Supplies	12,400	12,400	12,561	161
Other services and charges	621,511	835,517	322,873	(512,644)
Capital outlay	49,900	49,900	17,932	(31,968)
Street Department:				
Personal services	6,158,971	6,158,971	5,942,951	(216,020)
Supplies	2,865,531	2,865,531	1,662,600	(1,202,931)
Other services and charges	9,256,079	10,256,079	6,472,556	(3,783,523)
Capital outlay	1,748,757	1,748,757	1,278,788	(469,969)
Construction, reconstruction, and preservation	-	-	1,922,433	1,922,433
Total Motor Vehicle Highway Fund	<u>\$ 22,575,699</u>	<u>\$ 23,789,705</u>	<u>\$ 19,502,504</u>	<u>\$ (4,287,201)</u>

	Fire Pension Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Interest	\$ -	\$ -	\$ 123	\$ 123
Miscellaneous	6,000	6,000	-	(6,000)
State assumption of pension payments	626,722	626,722	598,315	(28,407)
Total Revenues	<u>632,722</u>	<u>632,722</u>	<u>598,438</u>	<u>(34,284)</u>
EXPENDITURES:				
Personal services	626,722	626,722	592,585	(34,137)
Supplies	150	150	-	(150)
Other services and charges	8,000	8,000	-	(8,000)
Total Fire Pension Fund	<u>\$ 634,872</u>	<u>\$ 634,872</u>	<u>\$ 592,585</u>	<u>\$ (42,287)</u>

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CITY OF CARMEL, INDIANA
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NONMAJOR FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Police Pension Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Interest	\$ -	\$ -	\$ 446	\$ 446
State assumption of pension payments	<u>618,134</u>	<u>618,134</u>	<u>579,303</u>	<u>(38,831)</u>
Total Revenues	<u><u>618,134</u></u>	<u><u>618,134</u></u>	<u><u>579,749</u></u>	<u><u>(38,385)</u></u>
EXPENDITURES:				
Personal services	618,134	618,134	586,617	(31,517)
Supplies	300	300	-	(300)
Other services and charges	<u>5,200</u>	<u>5,200</u>	<u>-</u>	<u>(5,200)</u>
Total Police Pension Fund	<u><u>\$ 623,634</u></u>	<u><u>\$ 623,634</u></u>	<u><u>\$ 586,617</u></u>	<u><u>\$ (37,017)</u></u>

	Local Road & Street Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Local road & street distribution	\$ 1,915,226	\$ 1,915,226	\$ 2,538,305	\$ 623,079
Miscellaneous	<u>604,538</u>	<u>604,538</u>	<u>652</u>	<u>(603,886)</u>
Total Revenues	<u><u>2,519,764</u></u>	<u><u>2,519,764</u></u>	<u><u>2,538,957</u></u>	<u><u>19,193</u></u>
EXPENDITURES:				
Other services and charges	3,685,660	3,685,660	1,416,889	(2,268,771)
Capital outlay	2,206,710	2,206,710	-	(2,206,710)
Debt service	<u>1,544,451</u>	<u>1,544,451</u>	<u>1,544,451</u>	<u>-</u>
Total Local Road & Street Fund	<u><u>\$ 7,436,821</u></u>	<u><u>\$ 7,436,821</u></u>	<u><u>\$ 2,961,340</u></u>	<u><u>\$ (4,475,481)</u></u>

Continued on next page.

CITY OF CARMEL, INDIANA
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NONMAJOR FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	Cumulative Capital Improvement Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
			Basis	Positive
			Amounts	(Negative)
REVENUES:				
Cigarette tax distribution	\$ 205,327	\$ 205,327	\$ 188,300	\$ (17,027)
Total Revenues	205,327	205,327	188,300	(17,027)
EXPENDITURES:				
Other services and charges	457,967	457,967	293,425	(164,542)
Capital outlay	148,772	148,772	99,944	(48,828)
Total Cumulative Capital Improvement Fund	\$ 606,739	\$ 606,739	\$ 393,369	\$ (213,370)

	Cumulative Capital Development Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Budgetary	Final Budget
			Basis	Positive
			Amounts	(Negative)
REVENUES:				
Property tax	\$ 4,212,538	\$ 4,212,538	\$ 4,011,776	\$ (200,762)
Commercial vehicle excise tax	1,880	1,545	1,621	76
Other	430,634	305,834	353,935	48,101
Total Revenues	4,645,052	4,519,917	4,367,332	(152,585)
EXPENDITURES:				
Other services and charges	669,985	669,985	172,563	(497,422)
Capital outlay	-	-	-	-
Debt service	4,183,993	4,183,993	4,183,993	-
Total Cumulative Capital Development Fund	\$ 4,853,978	\$ 4,853,978	\$ 4,356,556	\$ (497,422)

Continued on next page.

CITY OF CARMEL, INDIANA
SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
NONMAJOR FUNDS
For the Fiscal Year Ended December 31, 2021
(Continued)

	2004 Road Bond P/I Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property tax	\$ 1,777,691	\$ 1,777,691	\$ 1,777,200	\$ (491)
Commercial vehicle excise tax	1,244	669	684	15
Other	101,235	129,045	149,361	20,316
Total Revenues	1,880,170	1,907,405	1,927,245	19,840
EXPENDITURES:				
Debt service	2,824,500	2,824,500	2,824,500	-
Total 2004 Road Bond P/I Fund	\$ 2,824,500	\$ 2,824,500	\$ 2,824,500	\$ -

	2016 G.O. Property Tax Bond Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property tax	\$ 1,356,437	\$ 1,356,437	\$ 1,359,023	\$ 2,586
Commercial vehicle excise tax	598	510	522	12
Other	131,808	98,466	113,967	15,501
Total Revenues	1,488,843	1,455,413	1,473,512	18,099
EXPENDITURES:				
Debt service	1,485,700	1,485,700	1,485,700	-
Total 2016 G.O. Property Tax Bond Fund	\$ 1,485,700	\$ 1,485,700	\$ 1,485,700	\$ -

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 fund:

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, 2021

	<u>1925 Police Pension Trust Fund</u>	<u>1937 Fire Pension Trust Fund</u>	<u>Total Trust Funds</u>
ASSETS:			
Cash and cash equivalents	\$ 130,048	\$ 20,207	\$ 150,255
Receivable from State of Indiana	48,983	49,378	98,361
Total assets	<u>179,031</u>	<u>69,585</u>	<u>248,616</u>
LIABILITIES:			
Payroll withholdings	48,983	49,378	98,361
Total liabilities	<u>48,983</u>	<u>49,378</u>	<u>98,361</u>
NET POSITION: restricted for pensions	<u>\$ 130,048</u>	<u>\$ 20,207</u>	<u>\$ 150,255</u>

CITY OF CARMEL, INDIANA
COMBINING STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUND
 December 31, 2021

	City Court Custodial Fund
ASSETS:	
Cash and cash equivalents	\$ 77,685
Total assets	77,685
LIABILITIES:	
Court escrow	-
Total liabilities	-
NET POSITION	\$ 77,685

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

For the Fiscal Year Ended December 31, 2021

	1925 Police Pension Trust	1937 Fire Pension Trust Fund	Total Trust Funds
ADDITIONS:			
Employer contributions	\$ 579,819	\$ 598,830	\$ 1,178,649
Investment income	446	123	569
Miscellaneous revenue	-	-	-
Total additions	<u>580,265</u>	<u>598,953</u>	<u>1,179,218</u>
DEDUCTIONS:			
Benefits	587,133	593,100	1,180,233
Other services and charges	-	-	-
Total deductions	<u>587,133</u>	<u>593,100</u>	<u>1,180,233</u>
NET INCREASE (DECREASE) IN NET POSITION	(6,868)	5,853	(1,015)
NET POSITION: beginning	<u>136,916</u>	<u>14,354</u>	<u>151,270</u>
NET POSITION: ending	<u>\$ 130,048</u>	<u>\$ 20,207</u>	<u>\$ 150,255</u>

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

For the Fiscal Year Ended December 31, 2021

	City Court Custodial Fund
ADDITIONS:	
Court costs and fees	\$ 1,146,705
Miscellaneous revenue	-
Total additions	1,146,705
DEDUCTIONS:	
Distributions	1,171,998
Total deductions	1,171,998
NET INCREASE (DECREASE) IN NET POSITION	(25,293)
NET POSITION: beginning	102,978
NET POSITION: ending	\$ 77,685

**CITY OF CARMEL, INDIANA
STATISTICAL SECTION**

This part of the City's annual comprehensive financial report (ACFR) 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.

CONTENTS	PAGES
Financial Trends	151 - 156
<i>Financial trends information is intended to assist users in understanding and assessing how the City's financial position has changed over time.</i>	
Revenue Capacity	157 - 160
<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>	
Debt Capacity	161 - 165
<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>	
Demographic and Economic Information	166 - 167
<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>	
Operating Information	168 - 169
<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 ACFR for the relevant year.

Note: The City is presenting its seventh ACFR 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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental activities:							
Net investment							
in capital assets	\$ 369,685,144	\$ 376,746,545	\$ 378,022,382	\$ 412,830,075	\$ 344,721,169	\$ 299,216,267	\$ 314,601,738
Not spendable	-	-	-	-	-	-	-
Restricted	32,312,802	14,625,073	23,734,389	35,065,020	30,924,357	25,355,156	25,629,325
Unrestricted	(46,699,892)	(68,251,242)	(70,195,178)	(94,111,631)	(83,269,698)	(35,777,877)	(42,319,616)
Total governmental activities net position	<u>\$ 355,298,054</u>	<u>\$ 323,120,376</u>	<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>
Business-type activities:							
Net investment							
in capital assets	\$ 149,036,091	\$ 138,083,697	\$ 101,192,811	\$ 114,861,067	\$ 118,497,972	\$ 116,495,474	\$ 113,210,726
Not spendable	-	-	-	-	-	-	-
Restricted	2,254,154	2,069,280	-	-	-	-	-
Unrestricted	(32,920,624)	(27,625,888)	8,978,611	(5,903,010)	(9,695,164)	(4,011,279)	(1,147,670)
Total business-type activities net position	<u>\$ 118,369,621</u>	<u>\$ 112,527,089</u>	<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>
Primary government:							
Net investment							
in capital assets	\$ 518,721,235	\$ 514,830,242	\$ 479,215,193	\$ 527,691,142	\$ 463,219,141	\$ 415,711,741	\$ 427,812,464
Not spendable	-	-	-	-	-	-	-
Restricted	34,566,956	16,694,353	23,734,389	35,065,020	30,924,357	25,355,156	25,629,325
Unrestricted	(79,620,516)	(95,877,130)	(61,216,567)	(100,014,641)	(92,964,862)	(39,789,156)	(43,467,286)
Total primary government net position	<u>\$ 473,667,675</u>	<u>\$ 435,647,465</u>	<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 seventh ACFR 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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Expenses:							
Governmental activities:							
General government	\$ 34,218,709	\$ 31,926,796	\$ 29,340,736	\$ 24,996,549	\$ 30,372,875	\$ 30,984,884	\$ 20,841,943
Public safety	56,351,024	53,605,541	54,710,167	53,919,299	41,085,416	40,267,560	42,151,467
Streets and other infrastructure	48,809,731	43,870,342	46,372,722	48,637,707	25,476,391	12,340,719	29,584,125
Economic development	32,871,669	34,750,667	39,956,058	15,817,738	16,711,747	54,995,901	10,771,611
Culture and recreation	11,946,131	20,141,103	21,497,105	21,621,998	17,932,242	10,122,290	18,549,674
Unallocated interest expense	5,059,713	5,593,677	2,623,251	2,267,516	18,217,810	5,545,855	4,542,707
Total governmental activities expenses	<u>189,256,977</u>	<u>189,888,126</u>	<u>194,500,039</u>	<u>167,260,807</u>	<u>149,796,481</u>	<u>154,257,209</u>	<u>126,441,527</u>
Business-type activities:							
Water	21,799,363	20,130,070	20,063,976	19,277,075	20,824,320	19,439,437	13,542,037
Sewer	9,859,506	10,567,339	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>31,658,869</u>	<u>30,697,409</u>	<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>\$ 220,915,846</u>	<u>\$ 220,585,535</u>	<u>\$ 225,043,398</u>	<u>\$ 196,701,218</u>	<u>\$ 187,209,627</u>	<u>\$ 186,071,526</u>	<u>\$ 148,185,272</u>
Program Revenues:							
Governmental activities:							
Charges for services:							
General government	\$ 131,588	\$ 306,364	\$ 146,498	\$ 221,467	\$ 211,995	\$ 82,803	\$ 72,056
Public safety	1,945,203	1,926,343	1,774,066	1,713,002	1,726,580	1,470,638	1,152,600
Streets and other infrastructure	4,763,870	4,016,186	4,181,410	2,869,523	98,090	248,036	480
Economic development	1,595,688	1,470,526	1,913,324	1,482,785	52,093	-	-
Culture and recreation	10,273,612	8,087,184	12,983,411	12,403,573	12,818,388	11,585,645	7,345,221
Operating grants and contributions:							
General government	1,134,894	3,357,992	-	-	-	-	-
Public safety	1,192,278	1,238,625	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	2,154,150	4,324,469	3,070,276	386,624	1,906,397	865,258	3,516,506
Economic development	1,184,653	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	50,043
Total governmental activities revenues	<u>\$ 24,375,936</u>	<u>\$ 24,727,689</u>	<u>\$ 25,314,680</u>	<u>\$ 20,399,693</u>	<u>\$ 16,910,437</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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Business-type activities:							
Charges for services:							
Water	\$ 20,017,196	\$ 19,764,152	\$ 18,407,840	\$ 17,735,563	\$ 16,982,790	\$ 15,458,695	\$ 13,500,929
Sewer	11,035,932	10,619,535	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
Capital grants and contributions:							
Water	5,775,390	3,419,195	3,458,396	3,279,973	4,995,765	4,620,949	-
Sewer	1,912,958	761,819	387,133	629,483	336,363	552,460	-
Total business-type activities revenues	<u>38,741,476</u>	<u>34,564,701</u>	<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>\$ 63,117,412</u>	<u>\$ 59,292,390</u>	<u>\$ 57,725,381</u>	<u>\$ 52,039,370</u>	<u>\$ 53,227,918</u>	<u>\$ 48,557,509</u>	<u>\$ 38,209,069</u>
Net (expense) revenue and changes in net position:							
Governmental Activities	\$(164,881,041)	\$(165,160,437)	\$(169,185,359)	\$(146,861,114)	\$(132,886,044)	\$(139,892,178)	\$(114,244,003)
Business-Type Activities	7,082,607	3,867,292	1,867,342	2,199,266	(1,095,665)	2,378,161	4,267,800
Total primary government net (expense) revenue	<u>(157,798,434)</u>	<u>(161,293,145)</u>	<u>(167,318,017)</u>	<u>(144,661,848)</u>	<u>(133,981,709)</u>	<u>(137,514,017)</u>	<u>(109,976,203)</u>
GENERAL REVENUES AND TRANSFERS:							
Property tax	63,905,027	63,533,389	56,571,934	54,455,110	52,042,841	52,989,360	44,104,576
Income tax	57,887,325	44,412,562	44,847,572	43,996,077	41,801,838	36,700,613	32,745,504
Food and beverage tax	2,712,115	-	-	-	-	-	-
Tax incremental revenue	44,334,410	36,446,525	36,555,314	33,658,972	30,326,364	28,850,762	26,154,361
Unrestricted investment earnings	393,918	1,120,777	4,208,019	4,487,604	2,723,267	574,253	155,461
American Rescue Plan - lost revenue replacement	168,963	-	-	-	-	-	-
Other	26,416,886	24,398,945	21,196,478	29,899,818	15,522,157	16,797,331	20,679,190
Total general revenues and transfers	<u>195,818,644</u>	<u>169,912,198</u>	<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	38,020,210	8,619,053	(3,938,700)	21,835,733	8,434,758	(1,601,698)	13,862,889
SPECIAL ITEM: gain	-	-	-	-	-	-	619,000
Total CHANGE IN NET POSITION	38,020,210	8,619,053	(3,938,700)	21,835,733	8,434,758	(1,601,698)	14,481,889
NET POSITION: beginning	435,647,465	441,733,015	462,741,521	400,056,203	401,190,880	409,974,503	395,492,614
Restatement	-	(14,704,603)	(17,069,806)	40,849,585	(8,447,001)	(7,095,064)	-
NET POSITION: beginning, adjusted	<u>435,647,465</u>	<u>427,028,412</u>	<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>\$ 473,667,675</u>	<u>\$ 435,647,465</u>	<u>\$ 441,733,015</u>	<u>\$ 462,741,521</u>	<u>\$ 401,178,637</u>	<u>\$ 401,277,741</u>	<u>\$ 409,974,503</u>

Note: The City is presenting its seventh ACFR 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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	6,726,730	5,259,777	3,014,336	3,014,336	1,803,672	1,910,880	1,416,155
Unassigned	22,154,293	22,314,019	22,006,859	23,328,255	15,034,935	15,066,402	14,008,886
Total General Fund	<u>\$ 28,881,023</u>	<u>\$ 27,573,796</u>	<u>\$ 25,021,195</u>	<u>\$ 26,342,591</u>	<u>\$ 16,838,607</u>	<u>\$ 16,977,282</u>	<u>\$ 15,425,041</u>
All Other Governmental Funds:							
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	207,974,077	90,467,731	128,443,455	178,817,196	256,581,733	257,811,177	43,069,142
Committed	4,998,279	6,073,168	5,286,665	6,007,566	5,443,978	3,212,225	1,115,637
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(249,855)
Total all other Governmental Funds	<u>\$212,972,356</u>	<u>\$ 96,540,899</u>	<u>\$133,730,120</u>	<u>\$184,824,762</u>	<u>\$262,025,711</u>	<u>\$261,023,402</u>	<u>\$ 43,934,924</u>
Total, Governmental Funds	\$241,853,379	\$124,114,695	\$158,751,315	\$211,167,353	\$278,864,318	\$278,000,684	\$ 59,359,965

Note: The City is presenting its seventh ACFR 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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues:							
Property tax	\$ 63,283,378	\$ 63,437,130	\$ 56,633,438	\$ 54,425,761	\$52,259,944	\$ 52,647,063	\$ 44,043,914
Income tax	50,521,352	47,894,782	45,139,812	44,606,607	37,187,574	46,625,784	28,847,934
Food and beverage tax	2,712,115						
Other local tax	44,334,410	36,446,525	36,555,314	33,658,972	30,326,364	28,850,762	26,154,361
Charges for services	18,709,945	15,806,603	20,998,709	18,679,782	14,907,146	12,901,368	8,570,357
Investment income	236,719	897,178	3,958,675	4,356,867	2,339,501	442,961	74,597
Licenses and permits	3,058,442	3,176,106	2,572,301	2,909,371	2,490,849	2,441,853	2,159,234
Fines and forfeits	292,965	250,062	439,110	457,062	466,731	571,556	788,604
Intergovernmental:							
Grants	4,650,285	7,748,027	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	7,243,707	6,697,371	6,986,908	2,993,528	2,736,296	1,198,398	1,116,639
Other	148,236	2,177,824	3,289,848	7,426,341	5,995,761	-	-
Contributions	551,408	100,185	240,302	190,321	262,116	660,714	286,716
Other	14,040,943	11,480,128	7,091,842	12,175,681	4,336,810	5,858,544	10,915,190
Total revenues	209,783,905	196,111,921	187,073,020	186,238,916	155,019,150	160,215,529	130,890,778
Expenditures:							
Current:							
General government	30,733,896	29,981,293	28,720,273	24,830,230	29,533,750	28,670,916	20,135,899
Public safety	57,182,088	52,740,203	49,435,106	49,683,728	40,261,813	38,547,773	45,026,384
Streets and other infrastructure	27,810,264	20,944,061	31,433,579	30,794,894	13,258,597	13,540,350	13,784,488
Economic development	8,537,360	4,730,248	5,840,957	20,179,724	1,319,474	5,074,808	4,284,583
Culture and recreation	14,037,667	14,474,713	18,102,363	14,359,423	12,938,526	13,397,374	13,432,578
Debt Service:							
Principal	33,983,881	28,078,897	24,650,551	21,976,855	18,808,576	17,387,515	15,768,608
Interest	25,656,085	30,190,082	28,998,519	28,361,382	26,688,864	17,763,071	17,223,247
Lease rentals and issuance costs	1,216,129	-	328,421	-	-	-	-
Capital outlay:							
General government	4,224,592	1,629,419	1,301,526	503,513	707,523	2,931,360	119,885
Public safety	3,596,303	4,189,888	1,016,079	2,440,252	1,327,731	1,925,392	3,710,693
Streets and other infrastructure	17,459,764	44,467,946	52,780,716	84,098,163	60,138,533	25,097,876	4,445,749
Economic development	5,197,988	12,149,970	24,325,592	15,212,738	34,138,220	16,809,771	2,439,830
Culture and recreation	1,863,371	2,890,800	2,261,904	5,061,517	747,324	734,053	422,388
Total expenditures	231,499,388	246,467,520	269,195,586	297,502,419	239,868,931	181,880,259	140,794,332
Excess (deficit) of revenues over (under) expenditures	(21,715,483)	(50,355,599)	(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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Other financing sources (uses):							
Bond issuance - principal	121,370,000	9,200,000	24,695,000	13,791,036	81,358,423	199,265,510	-
Bond issuance - premium	13,940,632	-	-	243,540	3,334,569	35,087,956	-
Proceeds - refunding	-	187,465,000	-	-	23,180,000	18,170,404	-
Capital lease proceeds	2,823,029	4,648,419	3,530,369	2,555,639	2,638,693	2,294,226	3,167,006
Payment to refunded bond escrow agent	-	(186,342,596)	-	-	(26,501,547)	(17,909,681)	-
Transfers in	81,788,668	79,346,147	79,578,276	60,427,364	126,937,135	278,264,371	30,928,247
Transfer in from associated utility	1,320,506	1,912,211	1,320,506	1,320,506	1,703,277	1,606,319	1,014,100
Transfers out	(81,788,668)	(79,346,147)	(79,578,276)	(60,427,364)	(126,937,135)	(278,264,371)	(30,928,247)
Total other financing sources (uses)	<u>139,454,167</u>	<u>16,883,034</u>	<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>\$ 117,738,684</u>	 <u>\$(33,472,565)</u>	 <u>\$(52,576,691)</u>	 <u>\$(93,352,782)</u>	 <u>\$ 863,634</u>	 <u>\$ 216,850,004</u>	 <u>\$ (5,722,448)</u>
 Total debt service expenditures as a percentage of noncapital expenditures	 30.6%	 30.1%	 27.5%	 29.5%	 28.9%	 23.4%	 25.0%

Note: The City is presenting its seventh ACFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

CITY OF CARMEL, INDIANA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 Last Ten Fiscal Years

Taxes Payable Year ²	Net Value Real Estate Property	Net Value Railroad/ Utility/ Business Personal Property	Total Net Taxable Assessed Value	Estimated Actual Value ³	Assessed Value as a Percentage of Estimated Actual Value	Total Direct Tax Rate
2021	8,334,052,361	516,783,628	8,850,835,989	15,967,555,616	55.4%	0.7877
2020	8,005,622,698	509,094,794	8,514,717,492	15,258,648,418	55.8%	0.7877
2019	7,442,409,615	458,423,501	7,900,833,116	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

Sources: Hamilton County Auditor's office
 Indiana Gateway for Government Units

- Notes:**
1. Property taxes are the City's most significant own-source revenue.
 2. Assessed on January 1 of the prior year for taxes due and payable in the year indicated.
 3. 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 and a 35% supplemental homestead and other deductions to arrive at *net* assessed value.
 4. Tax rates are per \$100 of net assessed value.

CITY OF CARMEL, INDIANA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
 (Rate per \$100 of assessed value)
 Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
City Direct Rates:										
Corporation General	0.5222	0.5631	0.5572	0.5769	0.5741	0.5745	0.5088	0.5381	0.5459	0.5284
Motor Vehicle Highway	0.1783	0.1268	0.1188	0.1051	0.1027	0.1701	0.1643	0.1249	0.1268	0.1080
Debt Service	0.0161	0.0183	0.0184	0.0193	0.0195	0.0000	0.0000	0.0000	0.0000	0.0000
Redevelopment Bond	0.0211	0.0295	0.0445	0.0374	0.0440	0.0424	0.0000	0.0101	0.0000	0.0160
Cumulative Capital Development	0.0500	0.0500	0.0497	0.0500	0.0492	0.0486	0.0276	0.0276	0.0280	0.0264
Total Direct Rate	<u>0.7877</u>	<u>0.7877</u>	<u>0.7886</u>	<u>0.7887</u>	<u>0.7895</u>	<u>0.8356</u>	<u>0.7007</u>	<u>0.7007</u>	<u>0.7007</u>	<u>0.6788</u>
Overlapping Rates:										
State	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
County	0.2744	0.2754	0.2791	0.2814	0.2814	0.2814	0.2926	0.3054	0.3074	0.2901
Solid Waste	0.0030	0.0030	0.0031	0.0032	0.0032	0.0032	0.0033	0.0033	0.0033	0.0032
Township - Clay	0.0741	0.0565	0.0640	0.0675	0.0694	0.0673	0.0746	0.0719	0.0781	0.0693
Library	0.0752	0.0751	0.0755	0.0760	0.0760	0.0778	0.0787	0.0787	0.0765	0.0682
Carmel Clay School Corp	0.8583	0.8572	0.8251	0.8118	0.8291	0.8053	0.8106	0.8453	0.8591	0.7911
Total Direct and Overlapping Rate	<u>2.0727</u>	<u>2.0549</u>	<u>2.0354</u>	<u>2.0286</u>	<u>2.0486</u>	<u>2.0706</u>	<u>1.9605</u>	<u>2.0053</u>	<u>2.0251</u>	<u>1.9007</u>

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.

CITY OF CARMEL, INDIANA
PRINCIPAL PROPERTY TAXPAYERS
 Current Year and Nine Years Ago

2021

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>Percentage of Total City Assessed Value</u>
Clarion Health North LLC	95,476,500	1.15%
Clay Terrace Partners LLC	76,177,400	0.91%
Karmel Property LLC	48,481,700	0.58%
Clay Terrace Partners LLC	44,158,800	0.53%
Carmel Lofts LLC	38,357,800	0.46%
Hamilton Crossing Indianapolis Realty LP	36,988,300	0.44%
VSM Partners LLC	36,618,500	0.44%
Edward Rose Development Carmel LLC	36,084,700	0.43%
Carmel Center Apartments LLC	34,815,500	0.42%
Hunt Sunrise LLC	33,560,600	0.40%
	480,719,800	5.76%

2012

<u>Taxpayer</u>	<u>Assessed Value</u>	<u>Percentage of Total City Assessed Value</u>
Clarion Health North LLC	105,908,500	2.18%
Clay Terrace Partners LLC	72,842,000	1.50%
Washington National	45,493,000	0.94%
Hamilton Crossing Indianapolis Realty LP	43,919,760	0.90%
Clay Terrace Partners LLC	41,650,000	0.86%
Carmel Lofts LLC	40,790,200	0.84%
Hamilton Crossing Indianapolis Realty LP	30,023,400	0.62%
Zeller Carmel Property LLC	29,409,700	0.60%
Penn On Parkway LLC	29,007,800	0.60%
VSM Partners LLC	28,497,800	0.59%
	467,542,160	9.63%

Source: Hamilton County Auditor's office.

CITY OF CARMEL, INDIANA
PROPERTY TAX LEVIES AND COLLECTIONS
 Last Ten Fiscal Years

Taxes Payable Year	Total Certified Tax Levy	Total Collections			Percentage of Levy
		Credits ¹	Cash Collections ²	Total	
2021	66,364,322	2,967,513	63,283,378	66,250,891	99.83%
2020	63,779,530	2,425,294	61,908,918	64,334,212	100.87%
2019	59,383,729	2,402,495	55,252,616	57,655,111	97.09%
2018	56,917,333	2,048,991	53,042,657	55,091,648	96.79%
2017	52,180,837	2,642,506	50,907,298	53,549,804	102.62%
2016	55,990,426	2,917,489	52,647,063	55,564,552	99.24%
2015	45,416,367	1,132,485	44,043,913	45,176,398	99.47%
2014	44,020,059	1,105,727	40,554,757	41,660,484	94.64%
2013	43,391,737	1,119,259	38,072,795	39,192,054	90.32%
2012	43,399,780	270,162	37,319,721	37,589,883	86.61%
2011	35,993,200	614,682	34,393,205	35,007,887	97.26%

Sources: Indiana Gateway for Government Units
 Indiana Department of Local Government Finance

Note: 1. Indiana local units are required to credit back to taxpayers a portion of tax bills exceeding a percentage of each property's assessed value. 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.

2. 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 2021, total delinquent property tax due to the City for 2021 and all prior years was approximately \$6,535,101.

CITY OF CARMEL, INDIANA
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Certified net assessed valuation	\$ 8,425,075,775	\$8,096,931,541	\$ 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%	2.0%	2.0%
Subtotal	168,501,516	161,938,631	150,605,452	144,332,021	139,899,623	134,012,509	129,631,415
divided by three ¹	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Debt limit	56,167,172	53,979,544	50,201,817	48,110,674	46,633,208	44,670,836	43,210,472
Net debt applicable to debt limit	(25,189,286)	(25,874,016)	(24,822,199)	(26,977,490)	(29,641,000)	(33,580,000)	(15,417,000)
Legal debt margin	<u>\$ 30,977,886</u>	<u>\$ 28,105,528</u>	<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	55.15%	52.07%	50.56%	43.93%	36.44%	24.83%	64.32%

Source: Indiana Department of Local Government Finance

- Notes:**
1. Division by three is required to adjust for a change in the method of determining values since the constitutional standard was established.
 2. The City is presenting its seventh ACFR 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

	Governmental Activities			Business Activities			Total Primary Government	Percentage of Personal Income¹	Debt per Capita¹
	Bonds and Contract Purchases	Leases	Total Governmental Activities	Bonds and Contract Purchases	Leases	Total Business Activities			
2021	820,834,516	10,266,286	831,100,802	169,545,505	1,228,526	170,774,031	1,001,874,833	12.14%	9,942
2020	725,062,256	10,206,016	735,268,272	164,363,644	1,089,246	165,452,890	900,721,162	11.23%	9,029
2019	739,095,398	8,433,199	747,528,597	151,165,878	1,092,136	152,258,014	899,786,611	11.36%	8,903
2018	743,736,654	7,637,383	751,374,037	135,831,887	519,822	136,351,709	887,725,746	12.01%	9,161
2017	721,260,757	7,315,666	728,576,423	172,348,990	721,688	173,070,678	901,647,101	13.75%	9,901
2016	660,449,791	6,836,403	667,286,194	175,750,411	562,700	176,313,111	843,599,305	13.67%	9,476
2015	755,670,563	7,315,666	762,986,229	139,951,647	721,688	140,673,335	903,659,564	15.19%	10,186

¹ Population and personal income data can be found on the Schedule of Demographics and Economic Statistics.

Note: The City is presenting its seventh ACFR 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

	Bonds and Contract Purchases ¹	Less: Amounts Available in Debt Service Fund ²	Total	Percentage of Estimated Actual Value of Taxable Property ³	Per Capita ⁴
2021	990,380,021	25,913,557	964,466,464	6.04%	9,570
2020	889,425,900	30,013,581	859,412,319	5.63%	8,615
2019	890,261,276	30,090,234	860,171,042	6.06%	8,511
2018	879,568,541	27,141,500	852,427,041	6.56%	8,797
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 seventh ACFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

¹ Includes bonds and contract purchases of both governmental and business-type activities.

² Amount restricted for debt service principal payments.

³ Property tax value can be found on the Schedule of Assessed Value and Actual Value of Taxable Property.

⁴ 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, 2021

<u>Governmental Unit</u>	<u>Outstanding Debt (1)</u>	<u>Percent Applicable to Carmel (2)</u>	<u>Amount Applicable to Carmel</u>
Direct Debt:			
City of Carmel (see page 162)	<u>\$831,100,802</u>	100.00%	<u>\$ 831,100,802</u>
Overlapping Debt Paid with Property Taxes:			
Carmel Clay School Corporation	251,494,954	100.00%	251,494,954
Carmel Clay Public Library	32,510,625	100.00%	32,510,625
Clay Township	129,322,724	100.00%	129,322,724
Hamilton County	101,565,201	33.81%	34,339,194
Hamilton County Tax Increment Bonds	<u>47,350,758</u>	0.00%	<u>-</u>
Sub-Total Overlapping Debt	<u>\$562,244,262</u>		<u>447,667,497</u>
Total Direct and Overlapping Debt			<u><u>\$1,278,768,299</u></u>
Population - 2021 (3)			<u>100,777</u>
Estimated direct and overlapping debt per capita			<u><u>\$ 12,689</u></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) Source: Gateway for Governmental Units.

(2) 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's total

(3) Source: U.S. Census Bureau

CITY OF CARMEL, INDIANA
PLEDGED-REVENUE COVERAGE
at December 31, 2021

	<u>Operating Revenue</u>	<u>Operating Expenses</u> ¹	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirements</u>		<u>Coverage</u> ²
				<u>Principal</u>	<u>Interest</u>	
Water Utility						
2021	\$ 20,017,196	\$ 11,292,258	\$ 8,724,938	\$ 4,822,000	\$ 6,713,111	76%
2020	\$ 19,764,152	\$ 10,321,412	\$ 9,442,740	\$ 4,070,000	\$ 6,049,021	93%
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%
Sewer Utility						
2021	\$ 11,035,932	\$ 6,533,523	\$ 4,502,409	\$ 1,559,466	\$ 791,020	192%
2020	\$ 10,619,535	\$ 7,178,126	\$ 3,441,409	\$ 1,401,260	\$ 725,310	162%
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.

¹ Operating expenses do not include depreciation and amortization.

² Coverage = Net Available Revenue/Debt Service Requirements.

Note: The City is presenting its seventh ACFR 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

Fiscal Year	Population ¹	Median Age ^{1,2}	Per Capita Income ³	Personal Income	High School Graduation ⁴	Public School Enrollment ⁴	Year-end Unemployment Rate ⁵
2021	100,777	37.8	81,885	8,252,167,281	97.0%	16,215	0.7%
2020	99,757	39.4	80,426	8,023,056,482	95.2%	16,664	3.2%
2019	101,068	39.5	78,343	7,917,970,324	97.6%	16,352	2.0%
2018	96,900	39.2	76,293	7,392,791,700	97.9%	16,147	2.4%
2017	91,065	39.2	72,005	6,557,135,325	97.5%	16,082	2.2%
2016	89,029	39.9	69,337	6,173,003,773	96.5%	15,954	2.6%
2015	88,713	38.5	67,040	5,947,319,520	95.8%	15,971	3.0%
2014	86,682	38.4	64,271	5,571,138,822	96.9%	15,912	3.6%
2013	85,929	38.7	60,857	5,229,381,153	96.3%	15,724	3.8%
2012	83,595	38.4	60,158	5,028,908,010	94.3%	15,750	5.1%

Sources:

- ¹ U.S. Census Bureau
 U.S. Census Bureau, American Community Survey 1-Year Estimates
 2020 - U.S. Census Bureau, 2020 Census
- ² U.S. Census Bureau, 5-Year American Community Survey
 Median Age and City of Carmel Per Capita Income
- ³ Bureau of Economic Analysis
 Hamilton County Per Capita Income for years 2012-2020. 2021 estimate based on trend.
- ⁴ Indiana Department of Education
 Total graduation rate and corporate enrollment, Carmel Clay Schools
- ⁵ Bureau of Labor Statistics

CITY OF CARMEL, INDIANA
PRINCIPAL EMPLOYERS
 Current Year and Nine Years Ago

2021

<u>Company</u>	<u>Industry</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Carmel Clay Schools	Public education	2,717	1	5.03%
CNO Financial Group	Life insurance holding company	1,600	2	2.96%
GEICO	Auto insurance company	1,500	3	2.78%
Liberty Mutual	Insurance company	1,450	4	2.68%
Resort Condominium Int'l. (RCI)	Vacation exchange network and services	1,125	5	2.08%
Allegion	Safety and security systems	1,100	6	2.04%
The Capital Group	Financial Services	975	7	1.80%
KAR Global	Automotive remarketing services	892	8	1.65%
Whisper Hearing Center	Home health services	800	9	1.48%
Midcontinent ISO	Electrical transmission operator	700	10	1.30%

2012

<u>Company</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Carmel Clay Schools	2,469	1	6.07%
Conseco Inc (now CNO Financial Group)	2,036	2	5.00%
Marsh Supermarkets	1,235	3	3.04%
Clarian North Medical Center (now IU Health North)	1,150	4	2.83%
Liberty Mutual/Indiana Insurance	750	5	1.84%
City of Carmel	700	6	1.72%
St. Vincent Carmel Hospital	664	7	1.63%
Independent Transmission System Operator (now Midcontinent ISO)	600	8	1.47%
TCL - Thomson Electronics	550	9	1.35%
St. Vincent Heart Center	500	10	1.23%

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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Government:							
Controller	6	7	0	0	0	0	0
City Clerk	5	5	9	9	9	8	6
Mayor	3	3	3	3	3	3	3
City Council	9	9	7	7	7	7	7
Board of Public Works	2	2	3	2	2	2	2
Plan Commission	9	9	9	9	9	11	11
Administration	4	4	4	3	3	2	4
City Court	4	4	6	6	7	7	7
Law Department	5	6	7	7	6	6	8
Community Services	24	24	23	23	21	22	22
Community Relations	9	9	7	7	6	5	4
Public Safety:							
Police							
Officers	136	129	118	114	114	109	117
Civilians	26	24	25	24	23	23	26
Fire							
Firefighters and Officers	164	160	154	146	147	153	166
Civilians	10	10	10	9	8	8	9
Culture and Recreation:							
Parks Department	53	53	69	63	65	64	62
Brookshire Golf	5	5	4	4	4	4	4
Utilities (Water and Sewer)	106	105	105	104	104	103	109
Other Programs:							
Human Resources	5	4	4	3	3	3	3
Street	50	52	52	50	48	48	52
Engineering	15	15	15	15	15	15	16
Communications	14	14	14	14	16	15	13
Redevelopment	5	5	4	4	2	3	1
TOTAL	669	658	652	626	622	621	652

Source: City of Carmel Department Heads; Human Resources

Note: Clerk-Treasurer split into City Clerk and Controller beginning in 2020.

The City is presenting its seventh ACFR 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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Government:							
Community Services							
Permits issued	2,098	1,610	1,628	1,703	1,557	1,351	1,237
Residential construction permits	562	332	358	478	463	429	359
Total number of dwelling units	943	592	469	767	759	432	1,663
Building inspections performed	436	531	512	487	472	431	476
Public Safety:							
Police							
Incidents	91,039	89,250	91,436	83,740	85,500	83,955	83,904
Occurred incidents	3,968	3,642	4,548	4,361	4,010	4,270	4,330
Accidents	2,010	1,602	2,645	2,575	2,504	2,488	2,442
Total agency arrests	2,450	2,500	2,469	2,569	2,459	2,530	2,642
Fire							
Emergency medical responses	7,155	6,769	6,279	5,517	5,136	4,755	4,402
Fire-related calls for service	4,567	4,252	3,848	3,220	2,906	2,592	2,312
Number of fire stations	7	6	6	6	6	6	6
Culture and recreation:							
Number of parks and greenways	19	19	17	17	17	16	15
Total acres	577	550	540	530	505	505	505
Total trail miles	26.5	26.5	26.5	26.5	16	16	16
Streets:							
Number of "center lane" miles streets	527	524	515	486	485	483	482
Number of roundabouts	146	138	131	122	115	111	97
Sewer:							
Miles of sanitary mains	265	252	265	254	243	243	243
Miles of sanitary sewer main cleaned/inspected	135.70	27.00	25.40	16.00	14.85	14.20	13.65
Wastewater treatment flow per day (in millions of gallons)	9.95	10.24	10.82	10.78	10.16	10.05	9.92
Water:							
Miles of watermains	573	555	550	565	538	538	538
Peak-day water demand (in millions of gallons)	23.2	22.5	24.0	21.5	22.0	21.0	19.0
Number of fire hydrants inspected/serviced	7,242	7,295	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 seventh ACFR since 2007. Accordingly, a 10-year history is not presented for certain statistical section presentations.

City of Carmel, Indiana

Single Audit Report

For the Year Ended December 31, 2021

City of Carmel, Indiana

December 31, 2021

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City of Carmel, Indiana
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Amount Passed-Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development				
Hamilton County				
Community Development Block Program/Entitlements Cluster	14.218	B-20-UC-18-0023	\$ -	\$ 438,815
Total U.S. Department of Housing and Urban Development			<u>-</u>	<u>438,815</u>
U.S. Department of Transportation				
Indiana Department of Transportation				
Highway Planning and Construction Cluster				
Highway Planning and Construction	20.205	1383180	-	1,199
Highway Planning and Construction	20.205	1600885	-	8,748
Highway Planning and Construction	20.205	1702127	-	85,869
Highway Planning and Construction	20.205	1702128	-	111,200
Total Highway Planning and Construction Cluster			<u>-</u>	<u>207,016</u>
Hamilton County				
Highway Safety Cluster				
State and Community Highway Safety	20.600	69A37519300004020IN0	-	15,786
Total U.S. Department of Transportation			<u>-</u>	<u>222,802</u>
U.S. Department of Treasury				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	1,175,273
Total U.S. Department of Treasury			<u>-</u>	<u>1,175,273</u>
U.S. Department of Health and Human Services				
Indiana Finance Authority				
COVID-19 Provider Relief Funds	93.498	N/A	-	47,085
Total U.S. Department of Health and Human Services			<u>-</u>	<u>47,085</u>
U.S. Department of Homeland Security				
Indiana Department of Homeland Security				
COVID-19 Disaster Grants - Public Assistance	97.036	DR-4545-IN	-	339,615
Total U.S. Department of Homeland Security			<u>-</u>	<u>339,615</u>
Total Federal Expenditures			<u>\$ -</u>	<u>\$ 2,223,590</u>

City of Carmel, Indiana
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2021

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the City of Carmel, Indiana (City) under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Federal Loan Programs

The City of Carmel had no federal loans that they were administering as of December 31, 2021.

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

Independent Auditor's Report

Audit Committee
City of Carmel, Indiana
Carmel, Indiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Carmel, Indiana (City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2022.

Our report includes a reference to other auditors who audited the financial statements of The City of Carmel Local Public Improvement Bond Bank, a blended component unit, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

FORVIS,LLP

Indianapolis, Indiana
June 30, 2022

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

Independent Auditor's Report

Audit Committee
City of Carmel, Indiana
Carmel, Indiana

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited City of Carmel, Indiana (City)'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2021. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2021, and have issued our report thereon dated June 30, 2022, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS,LLP

Indianapolis, Indiana
June 30, 2022

City of Carmel, Indiana
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2021

6. Identification of major federal program:

Assistance Listing Numbers	Name of Federal Program or Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

7. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.

8. Auditee qualified as a low-risk auditee? Yes No

City of Carmel, Indiana
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2021

Section II – Financial Statement Findings

Reference Number	Finding
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No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
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No matters are reportable.

City of Carmel, Indiana
Summary Schedule of Prior Audit Findings
Year Ended December 31, 2021

Reference Number	Summary of Finding	Status
2021-001	Financial Reporting The City's internal control environment over financial reporting did not timely detect certain adjustments related to the previous fiscal year that were needed to prevent the opening net position for 2020 from being materially misstated. Additionally, certain adjustments related to the current fiscal year were identified through audit procedures that were needed to prevent current year financial statements from being materially misstated.	Resolved