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August 11, 2022

To: The Officials of Hendricks County
Hendricks County
355 South Washington Street #220
Danville, IN 46122

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Hendricks County. We have reviewed the audit report opined upon by Katz, Sapper & Miller, LLP, Independent Public Accountants, for the period January 1, 2020 to December 31, 2020. Per the *Independent Auditors' Report*, the financial statements present fairly the financial condition of Hendricks County, as of December 31, 2020, and the results of its operations for the period then ended, on the basis of accounting described in the report.

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

We call your attention to the findings in the report on pages 9 through 10 of the Single Audit Report, which is included after the Financial Report. Please refer to the Schedule of Findings and Questioned Costs for further detail. Management's Corrective Action Plan appears at the end of the reports.

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

HENDRICKS COUNTY, INDIANA

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT
WITH SUPPLEMENTARY INFORMATION

December 31, 2020

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Independent Auditors' Report

The Officials of the Hendricks County, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information of Hendricks County, Indiana (County) as of and for the year ended December 31, 2020, and the related notes to the financial statements. We were engaged to audit the business-type activities and Hendricks County Regional Sewer District of the County as of and for the year ended December 31, 2020, and the related notes to the financial statements. These financial statements collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. Because of the matter described in the Basis of Disclaimer of Opinions paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for audit opinions on the financial statements of the business-type activities and Hendricks County Regional Sewer District. We did not audit the financial statements of Hendricks Regional Health, a component unit of the County as described in Note 1, which represents 97.6%, 97.1%, and 99.6%, respectively, of the total assets, total net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Hendricks Regional Health, is based solely on the report of other auditors.

We conducted our audit of the financial statements of the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the financial statements of the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information.

Basis for Disclaimer of Opinions on the Business-Type Activities and Hendricks County Regional Sewer District

Because of the inadequacy of accounting records for the year ended December 31, 2020, we were unable to obtain sufficient appropriate audit evidence regarding capital asset balances and activity as of and for the year ended December 31, 2020, related to the Hendricks County Regional Sewer District, a major fund of Hendricks County, and the County's business-type activities

Disclaimer of Opinions on the Business-Type Activities and Hendricks County Regional Sewer District

Because of the significance of the matter discussed in the Basis of Disclaimer of Opinions paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for audit opinion on the financial statements of the business-type activities and Hendricks County Regional Sewer District. Accordingly, we do not express opinions on the financial statements of the business-type activities and Hendricks County Regional Sewer District.

Unmodified Opinions on the Governmental Activities, the Major Discretely Presented Component Unit, the Aggregate Remaining Discretely Presented Component Units, Each Major Fund Except for Hendricks County Regional Sewer District, and the Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information of the County as of December 31, 2020, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules, budget/GAAP reconciliation, schedule of County's proportionate share of net pension liability and related ratios INPRS (PERF), schedule of employer contributions INPRS (PERF), schedule of changes in the County's net pension liability and related ratios - sheriff's retirement plan and sheriff's benefit plan, schedule of County contributions - sheriff's retirement plan and sheriff's benefit plan, schedule of investment returns - sheriff's retirement plan and sheriff's benefit plan, schedule of changes in net OPEB liability, schedule of net OPEB liability, and schedule of employer contributions be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

We were engaged for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinions paragraph, it is inappropriate to and we do not express an opinion on the combining and individual nonmajor fund financial statements.

Emphasis of Matter

As discussed in Note H to the financial statements, the net position and fund balance as of December 31, 2019, has been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2022, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
July 13, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

As management of Hendricks County, Indiana, ("the County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2020. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- > The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$471,997 (net position).
- > The County's total net position, increased by \$14,447 as compared to the adjusted 2019 total net position.
- > As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$203,734 an increase of \$71,984 in comparison with the prior year adjusted fund balance.
- > At the end of the current fiscal year, the fund balance for the general fund was \$27,492 which represented 85.45% of total general fund expenditures, excluding transfers out.
- > The County's total bond related debt increased by \$62,922 (173%) during the current fiscal year. The net change was the result of the issuance of lease rental bonds in the amount of \$58,275 for the purpose of constructing a new jail, tax increment financing bonds issued in the amount of \$4,596 for the gateway project, and principal payments on existing debt.
- > Hendricks County will be receiving an estimated ARPA award in the amount of \$33,288,924. The funds will be distributed to the County in two installments, one in 2021 and another in 2022.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to 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 County's finances, in a manner similar to private-sector business.

The statement of net position presents information on all the County's assets and liabilities, with the difference between the two 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 County is improving or deteriorating.

The statement of activities presents information showing how the government'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 in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

Both of the government-wide financial statements distinguish functions of the County 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-wide financial statements can be found on pages 14-16 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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term 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 County maintains several 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 County General fund, Jail Building Corporation fund, Cumulative Bridge fund, and EDIT Project fund which are considered to be major funds. Data for the remaining County governmental funds are combined into a single, aggregated presentation. Individual fund data for non-major governmental funds is provided in the form of combining statements elsewhere in the report. The County adopts an annual appropriated budget for its general fund, certain special revenue funds, debt service funds and certain capital projects funds. A budgetary comparison schedule has been provided for the County General fund in the required supplementary information.

The governmental fund financial statements can be found on pages 17-20 of this report.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

Proprietary funds. The County maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses an enterprise fund to account for the activities of the sewer district. The County maintains one proprietary fund for internal services. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses the internal service fund to account for medical and liability insurance. Because these services benefit the governmental-type functions, they have been included within the governmental activities on the Statement of Net Position in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 21-23 of this report.

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

The basic fiduciary fund financial statements can be found on pages 24-25 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-92 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budget for its general fund as well as a reconciliation between the budget schedule and fund financial statements. In addition, the County's funding progress for its obligation to provide pension and other post-employment benefits to certain employees is included as required supplementary information. Required supplementary information can be found on pages 93-114 of this report.

The combining statements referred to earlier in connection with non-major funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found pages on 115-158 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the County, assets exceeded liabilities by \$471,997 at the close of the most recent fiscal year.

By far the largest portion, \$347,938 (73.72%), of the County's net position reflects the investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

The following table reflects the condensed statement of County net position:

Hendricks County, Indiana, Net Position – Primary Government

	Governmental Activities	
	2020	2019
Current and other assets	\$ 249,910	\$ 140,204
Capital assets	388,755	332,511
Total assets	638,665	472,715
Deferred outflows of resources	6,828	6,065
Long-term liabilities	132,125	70,352
Other liabilities	6,751	5,872
Total liabilities	138,876	76,224
Deferred inflows of resources	34,620	3,530
Net investment in capital assets	347,938	296,177
Restricted net position	177,842	104,904
Unrestricted net position	(53,783)	(2,055)
	<u>\$ 471,997</u>	<u>\$ 399,026</u>

The table above reports both governmental activities and business-type activities in the aggregate.

An additional portion of the County's net position, \$177,842 (37.68%), represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the County can report a positive balance in net position. The same situation held true for the prior fiscal year.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

Governmental Activities

The following table provides a comparative summary of changes in net position for the County.

Hendricks County, Indiana, Changes in Net Position – Primary Government

	Governmental Activities	
	2020	2019
Revenue:		
Program Revenues:		
Charges for service	\$ 10,230	\$ 9,110
Operating grants and contributions	23,643	14,248
Capital grants and contributions	3,795	-
General Revenues:		
Property taxes	31,974	30,823
Income taxes	30,392	21,135
Other taxes	5,667	10,715
Other taxes	16,569	22,472
Transfers	2	-
	<u>122,272</u>	<u>108,503</u>
Expenses:		
General government	32,091	36,780
Public safety	24,963	19,245
Highways and streets	32,771	27,637
Health and welfare	6,273	6,476
Culture and recreation	4,902	4,608
Economic development	3,452	9,070
Interest expense	1,333	1,014
Wastewater	2,040	-
Total Expense	<u>107,825</u>	<u>104,830</u>
Change in net position	14,447	3,673
Net position - beginning as previously stated	399,026	395,353
Adjustment to net position	58,524	-
Net position - beginning as adjusted	<u>457,550</u>	<u>395,353</u>
Net position - end of year	<u>\$ 471,997</u>	<u>\$ 399,026</u>

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

The County's net position, increased by \$14,447 or 3.16% in 2020, over the adjusted net position of 2019. The net position previously reported for 2019 was adjusted for changes in the amount of outstanding debt and the addition of several blended component units in 2020, including the sewer district which is reported as a business-type activity and included in the primary government summary above. Notable changes in governmental activities revenues and expenses in 2020 compared to 2019 include the following:

- > Program revenues (charge for services) reported a total amount of \$10,230. The total amount is comprised of general government revenue of \$3,715, public safety revenue of \$3,334, highways and streets revenue of \$258, health and welfare revenue of \$1,685, culture and recreation revenue of \$34, and sewer district revenue of \$1,204.
- > Program revenues (operating grants and contributions) reported a total amount of \$23,643. The total amount is comprised of general government revenue of \$1,854, public safety revenue of \$859, highway and streets revenue of \$7,860, health and welfare revenue of \$8,674, culture and recreation revenue of \$2,723, and economic development revenue of \$1,673.
- > Program revenues (capital grants and contributions) reported a total amount of \$3,795 from the sewer district.
- > Property tax revenues in 2020 were \$31,974 and are reported net of circuit breaker tax credits. Income taxes and other taxes reported \$30,392, and \$5,667, respectively.
- > Other general revenue \$16,569 included local shared revenue of \$3,583, investment income of \$2,887, and miscellaneous revenue of \$10,099.
- > General government expenses reported a total amount of \$32,091.
- > Public safety expenses reported a total amount of \$24,963.
- > Highway and streets expenses reported a total amount of \$32,771.
- > Health and welfare expenses reported a total amount \$6,273.
- > Culture and recreation expenses reported a total amount \$4,902.
- > Economic development expenses reported a total amount \$3,452.
- > Wastewater expenses reported a total of \$2,040.
- > Interest on debt service reported a total amount \$1,333.

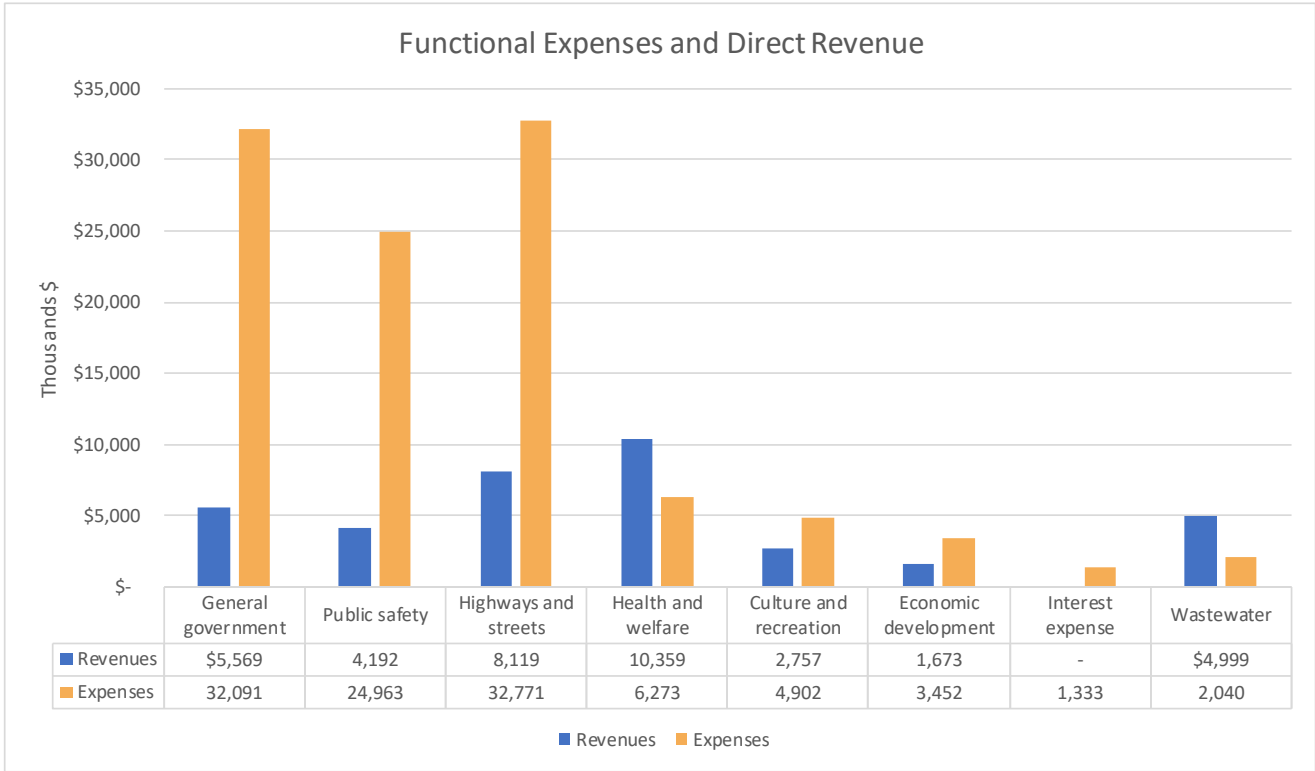
The County's property tax rate, \$0.3027 for 2020 was a slight decrease from the \$0.3090 for 2019, per \$100 of assessed value. The stability of the tax rate is a reflection of stable to growing assessed values and levies remaining within parameters allowed for statewide annual levy growth.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

Program Revenue and Expenses – Governmental Activities

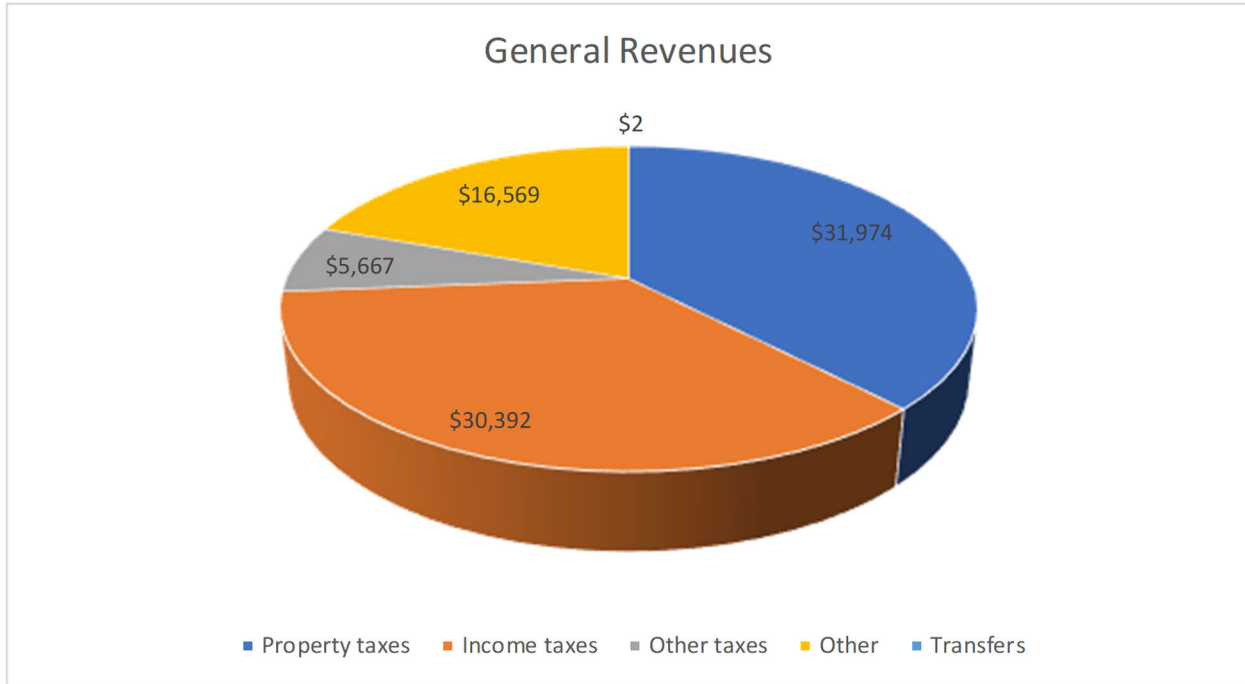
Taxes, as in prior years, were the County's major source of revenue supporting its activities, primarily in the area of public safety, health and welfare and general government. Other sources of revenue consisted primarily of unrestricted investment earnings and miscellaneous revenue. The following graph displays program revenues as compared to program expenses. Deficits in programs are made up by general revenues.



HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

The following displays the General Revenues by source for the County's governmental activities. General revenues are used to help offset funding shortfalls related to governmental functions detailed in the preceding graph:



Business Type Activities

The County reports the Hendricks County Regional Sewer District as a business type activity. The Sewer District has reported cash in the amount of \$4,441 and capital assets in the amount of \$52,726 for an ending net position of \$57,166.

The Sewer District had expenses in the amount of \$2,040 and revenues in the amount of \$5,014, classified as follows: Charges for Services: \$1,204, Capital Grants and Contributions: \$3,795, and Investment Income: \$14. The Regional Sewer District reported a change in net position in the amount \$2,973 and a restatement in the amount of \$54,193. The restatement is related to valuation of capital assets.

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful to assess the County's financial requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

Fund balances are the differences between assets and liabilities in a governmental fund. The nonspendable fund balance includes amounts that are not in spendable form or amounts that are required to be maintained intact. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision-making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund and deficit fund balances in any other governmental fund.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$203,734 an increase of \$71,983 in comparison with the prior year adjusted fund balance. The fund balance has restricted fund balance of \$177,842, assigned balance of \$259, and unassigned fund balance of \$25,633. (See pages 36-37)

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$27,233 while the total fund balance totaled \$27,492. 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 expenditures of \$32,173 excluding transfers. Unassigned fund balance represents 84.65% of total general fund expenditures, while total fund balance represents 85.45% of that same amount.

The fund balance of the County general fund had an increase of \$4,501 during the current fiscal year. Key factors in this increase are as follows:

- > Operating revenues exceeded operating expenditures by \$10,277 during 2020.
- > General Fund revenues include net property taxes of \$14,962; income tax of \$15,832; other tax of \$123; intergovernmental revenues, \$4,931; charges for services, \$820; investment income of \$1,919; fines and forfeits of \$1,466; and other revenue of \$2,396.
- > Major general fund expenditures include general government, \$16,126; public safety, \$13,766 and health and welfare, \$1,652.

Proprietary Funds. The County reports the Hendricks County Regional Sewer District as a proprietary fund on the financial statements. The focus of this fund is to account for the activity of the Sewer District which is a blended component unit of the County. As of December 31, 2020, the Sewer District is reporting an unrestricted net position of \$57,166. Operating expenses exceeded operating revenues by \$836. The biggest factor for this loss is due to depreciation on capital assets. The Regional Sewer District also had nonoperating revenues in the amount of \$14 and capital contributions in the amount of \$3,794 for a positive change in net position of \$2,973.

General Fund Budgetary Highlights

The County submits annual budgets to align planned spending with available revenues to ensure operational accountability over County resources. This process correlates with longer term fiscal planning to help ensure that the County can continue to provide services in all economic conditions. Assumptions used at the time of budget adoption are adjusted during the ensuing year through additional appropriations or budget reductions as circumstances dictate.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

The final General Fund budget had a planned deficiency of revenues under expenditures of \$706 including other financing sources. Below is a summary of the key highlights of the budget.

- > The final budgeted revenue, \$38,632, for the general fund comprised of property taxes of \$32,077, licenses and permits of \$660, intergovernmental of \$1,695, charges for services of \$1,700, fines, forfeitures, and fees of \$500, and interest of \$2,000.
- > The final General Fund budgeted expenditures of \$40,833 were distributed across multiple County departments, comprised of general government \$23,693, public safety of \$14,783, Health and Human Services of \$1,846, and Culture, Recreation and Education of \$511.
- > During the year on a budgetary basis, revenues exceeded expenditures, excluding other financing sources (uses) for the general fund in the amount of \$3,128.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for 2020 amounts to \$336,030 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment and infrastructure.

Major capital asset events during the current fiscal year included the following:

- > Additions of capital assets during 2019 included construction in progress of \$13,996, machinery and equipment of \$1,142, and Infrastructure of \$1,562.

The following table displays the County's capital assets.

Hendricks County, Indiana, Capital Assets

	Governmental Activities	
	2020	2019
Land	\$ 2,917	\$ 2,917
Construction in progress	13,996	257
Buildings	34,181	34,181
Improvements	3,294	3,294
Machinery and equipment	22,542	22,313
Infrastructure	499,504	498,394
Total Capital Assets	576,434	561,356
Accumulated depreciation	(240,404)	(228,845)
Net capital assets	<u>\$ 336,030</u>	<u>\$ 332,511</u>

Long-term obligations. At the end of the current fiscal year, the County had total long-term obligations (net of unamortized premiums and discounts) of \$132,125. Of this amount, \$4,976 relates to revenue bond debt.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

The remainder of the County's long-term obligations consist of \$6,419 related to TIF Bonds, \$2,810 of general obligation bonds, \$79,694 of lease rental bonds, \$353 of notes and loans payable, \$690 of capital lease obligations, \$651 of compensated absences, \$14,597 of net pension liability and \$13,238 of other postemployment benefits.

The following table reflects the County's long-term obligations:

Hendricks County, Indiana, Long-Term Obligations

	Governmental Activities	
	2020	2019
Revenue bonds	\$ 4,976	\$ 5,518
General obligation bonds	2,810	3,564
TIF bonds	10,840	7,865
Lease rental bonds	80,645	19,402
Sub-total	99,271	36,349
Capital leases	690	1,001
Other postemployment benefits	13,238	11,014
Net pension liability	14,597	17,076
Compensated absences	651	1,234
Matured and unpaid principal	570	345
Matured and unpaid interest	2,755	2,635
Loans payable	353	698
Sub-total	32,854	34,003
Total	132,125	70,352
Less: Current portion	(4,841)	(5,035)
	\$ 127,284	\$ 65,317

The County's total long-term obligations increased by \$61,773 during the current fiscal year.

- > Debt increased during the year due to the issuance of the Building Facilities Corporation Lease Rental Bonds, Series 2020 in the amount of \$58,275 for the purpose of constructing a new jail. Also, debt increased during the year due to the issuance of Economic Development Revenue Bonds, Series 2020 in the amount of \$4,596 for the purpose of the Gateway Park project.
- > Other postemployment benefits increased by \$2,224 as a result of updated actuarial studies performed for the County.
- > Net pension liability for pensions decreased by \$2,479 as a result of updated actuarial studies performed for the County.
- > Obligations associated with loans payable decreased by \$345 as a result of scheduled payments.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

The County maintains long-term ratings of "AA+" on its outstanding general obligation bonds and building corporation lease rental bonds (which are rated as a general obligation security) and an "A+" long-term rating on outstanding bonds which are payable from County wheel tax revenues assigned by S&P Global Ratings.

Additional information of the County's long-term debt can be found on pages 49-56 in Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budget and Rates

- > The 2021 tax rates for the County increased from \$.3027 in 2020 to a rate of \$.3163 per \$100 in assessed value. Overall, the County's assessed value increased by \$561,232 (5.77%) from \$9,734 in 2020 to \$10,295 in 2021.
- > Property tax is the County's largest source of revenue. Local Income Tax (LIT) is the second largest source of the County's current governmental revenues. These funds can be used for capital projects as well as ongoing operating expenses.
- > State-wide property tax caps (based upon a percent of gross assessed value by property class) became effective in 2009. For the 2020 budget year, the loss to the County due to the caps is \$2,227 (7.56% of the property tax levy). Calendar year 2021 expected losses of revenue due to circuit breaker is \$2,709 (or 8.32% of the property tax levy). Expenditure restraints and revenue diversification have been used to offset this loss.

All the above factors were considered in preparing the County's budget for the 2021 calendar year.

Restatement and Adjustment of Net Position/Fund Balance

Fund balance has been adjusted to accurately report blended component units.

EDIT Project Fund

EDIT Project Fund balance - December 31, 2019 (as reported)	\$ 16,488,830
Add: EDIT interfund loan to Redevelopment Commission	<u>1,780,000</u>
Fund Balance - December 31, 2019 (as adjusted)	<u>\$ 18,268,830</u>

Nonmajor Governmental Funds

Nonmajor Governmental Funds Fund balance - December 31, 2019 (as reported)	\$ 77,548,801
Add: Beginning fund balance of the Redevelopment Authority	2,066,391
Beginning fund balance of the Fairground Building Corporation	762,402
Less: Beginning fund balance of the Redevelopment Commission	<u>(752,592)</u>
Fund Balance - December 31, 2019 (as adjusted)	<u>\$ 79,625,002</u>

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2020

Net position has been restated to correct the reporting of debt liabilities and properly report Hendricks County Sewer District as a blended component unit.

Governmental Activities Net Position - December 31, 2019 (as reported)	\$ 399,025,678
Add: Fund balance adjustments noted above	3,856,201
Decrease in debt liability associated with 2013 A and B Bond	<u>475,098</u>
Net Position - December 31, 2019 (as adjusted)	<u>\$ 403,356,977</u>
Business-Type Activities Net Position - December 31, 2019 (as reported)	\$ -
Add: Beginning Balance of Hendricks County Regional Sewer District	<u>54,192,733</u>
Net Position - December 31, 2019 (as restated)	<u>\$ 54,192,733</u>

Request for Information

This financial report is designed to provide a general overview of the County'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 Hendricks County Auditor's office located at #220 355 S Washington St., Danville, IN 46122.

BASIC FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

HENDRICKS COUNTY, INDIANA

STATEMENT OF NET POSITION December 31, 2020

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Totals	Hendricks Regional Health	Nonmajor Component Units
Assets					
Cash and cash equivalents	\$ 140,802,543	\$ 4,440,552	\$ 145,243,095	\$ 66,018,450	\$ 5,221,068
Investments	51,502,289	-	51,502,289	56,664,402	-
Receivables					
Interest	249,969	-	249,969	-	-
Taxes	39,586,100	-	39,586,100	-	-
Accounts	1,402,272	-	1,402,272	60,805,275	-
Intergovernmental	1,426,712	-	1,426,712	-	-
Inventories	-	-	-	3,406,062	-
Prepays	203,027	-	203,027	-	-
Restricted assets:					
Cash and cash equivalents	7,252,571	-	7,252,571	-	-
Investments	3,043,662	-	3,043,662	-	-
Other current assets	-	-	-	37,485,808	-
Assets limited as to use					
Noncurrent assets	-	-	-	247,754,342	-
Current assets	-	-	-	9,233,062	-
Other assets	-	-	-	895,867	-
Capital assets					
Land and construction in progress	16,912,849	-	16,912,849	24,782,182	140,500
Other capital assets, net of depreciation	319,116,885	52,725,518	371,842,403	230,342,212	12,665,002
Net pension asset	-	-	-	4,818,570	-
Total assets	581,498,879	57,166,070	638,664,949	742,206,232	18,026,570
Deferred outflows of resources					
Loss on refunding of debt	869,000	-	869,000	1,089,047	-
Pension Related - INPRS	2,653,251	-	2,653,251	-	40,088
Pension Related - sheriff pension & benefit	935,194	-	935,194	-	-
OPEB related	2,370,783	-	2,370,783	-	-
Pension related	-	-	-	16,887,940	-
Total deferred outflows of resources	6,828,228	-	6,828,228	17,976,987	40,088

Continued on next page

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF NET POSITION December 31, 2020

	Primary Government			Component Units	
	Governmental	Business-type	Totals	Hendricks	Nonmajor
	Activities	Activities		Regional Health	Component Units
Liabilities					
Accounts payable	\$ 5,332,930	\$ -	\$ 5,332,930	\$ 49,851,782	\$ 18,577
Accrued payroll and withholdings payable	441,755	-	441,755	13,276,726	-
Accrued interest payable	401,238	-	401,238	1,318,123	-
Claims payable	575,026	-	575,026	-	-
Estimated third party settlement	-	-	-	1,796,890	-
Medicare accelerated and advance payments	-	-	-	20,697,110	-
Other current payables	-	-	-	70,677,675	-
Line of credit	-	-	-	14,000,000	-
Noncurrent liabilities					
Due within one year					
Matured but unpaid interest - TIF bonds	83,500	-	83,500	-	-
General obligation bonds	400,000	-	400,000	-	-
TIF bonds	795,796	-	795,796	-	-
Revenue bonds	560,000	-	560,000	-	529,675
Lease rental bonds	2,370,000	-	2,370,000	-	-
Notes and loan payable	352,882	-	352,882	-	120,000
Capital lease obligations	278,464	-	278,464	-	-
Other	-	-	-	9,233,062	-
Due in more than one year					
Matured but unpaid interest - TIF bonds	2,671,898	-	2,671,898	-	-
General obligation bonds	2,410,000	-	2,410,000	-	-
TIF bonds (net of discounts, premiums)	10,044,624	-	10,044,624	-	-
Matured but unpaid principal - TIF bonds	570,000	-	570,000	-	-
Revenue bonds (net of discounts, premiums)	4,416,526	-	4,416,526	-	2,900,325
Lease rental bonds	78,274,403	-	78,274,403	-	-
Capital lease obligations	411,102	-	411,102	-	14,400
Compensated absences	651,104	-	651,104	-	-
Notes and loan payable	-	-	-	-	445,000
Other long-term payables	-	-	-	108,589,016	-
Net pension liability - INPRS	10,342,434	-	10,342,434	-	329,223
Net pension liability - sheriff pension & benefit	4,254,853	-	4,254,853	-	-
Total OPEB obligation payable	13,237,659	-	13,237,659	-	-
Total liabilities	138,876,194	-	138,876,194	289,440,384	4,357,200
Deferred inflows of resources					
Pension related - INPRS	2,294,321	-	2,294,321	-	90,081
Pension related - sheriff pension & benefit	1,700,441	-	1,700,441	-	-
OPEB related	296,769	-	296,769	-	-
Unavailable revenue	30,328,494	-	30,328,494	-	-
Pension related	-	-	-	14,174,701	-
Total deferred inflows of resources	34,620,025	-	34,620,025	14,174,701	90,081
Net position					
Net investment in capital assets	295,212,819	52,725,518	347,938,337	137,302,316	9,306,069
Net position - restricted for					
General government	24,768,422	-	24,768,422	-	-
Public safety	72,914,420	-	72,914,420	-	-
Highways and streets	19,991,321	-	19,991,321	-	-
Health and welfare	2,954,737	-	2,954,737	-	3,093,738
Culture and recreation	1,862,017	-	1,862,017	-	1,219,570
Property reassessment	1,376,951	-	1,376,951	-	-
Drainage maintenance	3,586,897	-	3,586,897	-	-
Economic development	15,574,925	-	15,574,925	-	-
Capital projects	24,298,533	-	24,298,533	-	-
Debt service	10,496,598	-	10,496,598	-	-
Donor restrictions	16,879	-	16,879	-	-
Held by trustee	-	-	-	14,964,702	-
Non-expendable	-	-	-	1,189,495	-
Net position - unrestricted	(58,223,631)	4,440,552	(53,783,079)	303,111,621	-
Total net position	\$ 414,830,888	\$ 57,166,070	\$ 471,996,958	\$ 456,568,134	\$ 13,619,377

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF ACTIVITIES

For The Year Ended December 31, 2020

Functions/programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-type Activities	Total Primary Government	Hendricks Regional Health	Nonmajor Component Units
Governmental activities									
General government	\$ 32,090,398	\$ 3,714,613	\$ 1,853,960	\$ -	\$ (26,521,825)	\$ -	\$ (26,521,825)	\$ -	\$ -
Public safety	24,962,987	3,333,752	858,608	-	(20,770,627)	-	(20,770,627)	-	-
Highways and streets	32,770,345	258,278	7,860,338	-	(24,651,729)	-	(24,651,729)	-	-
Health and welfare	6,273,199	1,685,486	8,673,978	-	4,086,265	-	4,086,265	-	-
Culture and recreation	4,902,267	34,049	2,722,549	-	(2,145,669)	-	(2,145,669)	-	-
Economic development	3,452,127	-	1,673,244	-	(1,778,883)	-	(1,778,883)	-	-
Interest on long term debt	1,333,603	-	-	-	(1,333,603)	-	(1,333,603)	-	-
Total governmental activities	<u>105,784,926</u>	<u>9,026,178</u>	<u>23,642,677</u>	<u>-</u>	<u>(73,116,071)</u>	<u>-</u>	<u>(73,116,071)</u>	<u>-</u>	<u>-</u>
Business-type activities									
Hendricks County Regional Sewer District	<u>2,040,415</u>	<u>1,204,422</u>	<u>-</u>	<u>3,794,963</u>	<u>-</u>	<u>2,958,970</u>	<u>2,958,970</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 107,825,341</u>	<u>\$ 10,230,600</u>	<u>\$ 23,642,677</u>	<u>\$ 3,794,963</u>	<u>(73,116,071)</u>	<u>2,958,970</u>	<u>(70,157,101)</u>	<u>-</u>	<u>-</u>
Component units									
Hendricks Regional Hospital	\$ 807,378,633	\$ 770,615,554	\$ 40,784,967	\$ -	-	-	-	4,021,888	-
Other	3,502,526	786,803	88,627	-	-	-	-	-	(2,627,096)
Total component units	<u>\$ 810,881,159</u>	<u>\$ 771,402,357</u>	<u>\$ 40,873,594</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,021,888</u>	<u>(2,627,096)</u>
General revenues									
Property taxes					31,973,688	-	31,973,688	-	1,534,615
Income taxes					30,392,463	-	30,392,463	-	709,469
Other taxes					5,666,749	-	5,666,749	-	141,057
Local shared revenue					3,583,223	-	3,583,223	-	-
Investment income					2,872,463	14,367	2,886,830	23,699,789	57,029
Donations					-	-	-	-	27,029
Miscellaneous					10,099,558	-	10,099,558	-	131,560
Gain on sale of assets					-	-	-	-	760
Transfers					1,838	-	1,838	-	-
Total general revenues and transfers					<u>84,589,982</u>	<u>14,367</u>	<u>84,604,349</u>	<u>23,699,789</u>	<u>2,601,519</u>
Change in net position					11,473,911	2,973,337	14,447,248	27,721,677	(25,577)
Net position - beginning as previously stated					399,025,678	-	399,025,678	428,846,457	13,644,954
Restatement of net position (See Note III.H)					-	54,192,733	54,192,733	-	-
Adjustment to net position (See Note III.H)					4,331,299	-	4,331,299	-	-
Net position - beginning as adjusted					<u>403,356,977</u>	<u>54,192,733</u>	<u>457,549,710</u>	<u>428,846,457</u>	<u>13,644,954</u>
Net position - end of year					<u>\$ 414,830,888</u>	<u>\$ 57,166,070</u>	<u>\$ 471,996,958</u>	<u>\$ 456,568,134</u>	<u>\$ 13,619,377</u>

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

HENDRICKS COUNTY, INDIANA

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2020

	County General	Jail Building Corporation	Cumulative Bridge	EDIT Project Fund	Nonmajor Funds	Totals
Assets						
Cash and cash equivalents	\$ 13,878,245	\$ 62,356,427	\$ 4,368,755	\$ 9,228,276	\$ 49,064,570	\$ 138,896,273
Investments	9,540,087	-	3,005,482	6,343,695	32,613,025	51,502,289
Receivables						
Taxes	21,520,516	-	4,467,494	1,794,570	11,803,520	39,586,100
Interest	244,082	-	5,186	-	701	249,969
Accounts	449,340	-	-	70,566	851,246	1,371,152
Intergovernmental	222,615	-	-	-	1,204,097	1,426,712
Interfund receivable:						
Interfund receivables	-	-	-	1,656,534	886,025	2,542,559
Restricted assets:						
Cash and cash equivalents	-	-	-	-	7,252,571	7,252,571
Investments	-	-	-	-	3,043,662	3,043,662
Total assets	45,854,885	62,356,427	11,846,917	19,093,641	106,719,417	245,871,287
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	203,171	-	114,044	2,648,253	2,367,462	5,332,930
Accrued payroll and withholdings payable	326,417	-	10,284	-	99,979	436,680
Interfund payable	-	-	-	-	2,542,559	2,542,559
Total liabilities	529,588	-	124,328	2,648,253	5,010,000	8,312,169
Deferred inflows of resources						
Unavailable revenue	17,833,746	-	4,288,622	872,926	10,829,560	33,824,854
Fund balances						
Reserved for						
Restricted	-	62,356,427	7,433,967	15,572,462	92,478,844	177,841,700
Assigned	259,049	-	-	-	-	259,049
Unassigned	27,232,502	-	-	-	(1,598,987)	25,633,515
Total fund balances	27,491,551	62,356,427	7,433,967	15,572,462	90,879,857	203,734,264
Total liabilities, deferred inflows of resources and fund balances	\$ 45,854,885	\$ 62,356,427	\$ 11,846,917	\$ 19,093,641	\$ 106,719,417	\$ 245,871,287

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

HENDRICKS COUNTY, INDIANA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION December 31, 2020

Fund balance - governmental funds		\$ 203,734,264
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Land and construction in progress	\$ 16,912,849	
Other capital assets, net of depreciation	<u>319,116,885</u>	336,029,734
Prepays are not current financial resources and, therefore, are not reported in the funds.		203,027
Pension liability is not paid from current financial resources and, therefore, is not shown in the funds.		
Net pension liability - Sheriff	\$ (4,254,853)	
Net pension liability - County	<u>(10,342,434)</u>	(14,597,287)
Deferred outflows of resources on the loss on refunding of debt are not recognized in the governmental funds, but are recorded in the Statement of Net Position		869,000
Deferred outflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		935,194
Deferred inflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		(1,700,441)
Deferred outflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		2,653,251
Deferred inflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		(2,294,321)
Unavailable revenues are not available to pay current liabilities and, therefore, are not reported as liabilities in the Statement of Net Position.		3,496,360
Internal service funds are used by management to charge the costs of insurance to General and Highway Funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.		1,357,289
Total OPEB liability is not paid from current financial resources and, therefore, is not shown in the funds.		(13,237,659)
Deferred outflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		2,370,783
Deferred inflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		(296,769)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(651,104)
Accrued interest on bonds payable is not due and payable in the current period and, therefore, is not reported in the funds.		(401,238)
Matured and unpaid interest - 2008 TIF Bonds is not due and payable in the current period and, therefore, is not reported in the funds.		(2,755,398)
Long-term liabilities, including capital leases, are not due and payable in the current period and, therefore, are not reported in the funds.		(689,566)
Long-term liabilities, including notes and loans payable, are not due and payable in the current period and, therefore, are not reported in the funds.		(352,882)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds	\$ (2,810,000)	
Tax increment financing (TIF) bonds	(11,410,420)	
Lease rental bonds	(80,644,403)	
Revenue bonds	<u>(4,976,526)</u>	<u>(99,841,349)</u>
Net position of governmental activities		<u>\$ 414,830,888</u>

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For The Year Ended December 31, 2020

	County General	Jail Building Corporation	Cumulative Bridge	EDIT Project Fund	Nonmajor Funds	Total Governmental Funds
Revenues						
Taxes						
Property	\$ 14,962,313	\$ -	\$ 2,923,707	\$ -	\$ 14,087,668	\$ 31,973,688
Income	15,831,847	-	-	5,823,261	10,414,761	32,069,869
Other	122,755	-	30,341	-	5,513,653	5,666,749
Licenses and permits	-	-	-	-	163,125	163,125
Intergovernmental	4,931,389	-	432,862	3,534	21,858,115	27,225,900
Charges for services	820,118	-	-	-	5,150,397	5,970,515
Fines and forfeits	1,466,499	-	-	-	1,426,039	2,892,538
Investment income	1,919,202	-	128,809	121,007	703,445	2,872,463
Other	2,396,175	-	8,466	3,372,264	2,542,619	8,319,524
Total revenues	42,450,298	-	3,524,185	9,320,066	61,859,822	117,154,371
Expenditures						
Current						
General government	16,125,977	-	-	692,073	5,390,060	22,208,110
Public safety	13,765,989	-	-	946,893	9,177,353	23,890,235
Highways and streets	-	-	5,864,094	5,713,681	11,522,412	23,100,187
Health and welfare	1,651,632	-	-	-	4,641,940	6,293,572
Culture and recreation	482,186	-	-	-	4,395,891	4,878,077
Economic development	-	-	-	2,447,295	1,004,832	3,452,127
Debt service						
Principal	-	-	-	-	3,930,524	3,930,524
Interest	-	-	-	-	903,137	903,137
Bond issuance costs	-	279,625	-	-	80,000	359,625
Capital outlay						
General government	139,927	-	-	-	4,061,694	4,201,621
Public safety	7,682	-	-	-	7,406,590	7,414,272
Highways and streets	-	-	1,092,812	2,216,492	1,518,152	4,827,456
Total expenditures	32,173,393	279,625	6,956,906	12,016,434	54,032,585	105,458,943
Excess (deficiency) of revenues over (under) expenditures	10,276,905	(279,625)	(3,432,721)	(2,696,368)	7,827,237	11,695,428
Other financing sources (uses)						
Bond proceeds	-	58,275,000	-	-	4,596,021	62,871,021
Premium on bonds issued	-	4,361,052	-	-	-	4,361,052
Transfers in	5,418,403	-	-	-	9,347,077	14,765,480
Transfers out	(11,194,000)	-	-	-	(10,515,480)	(21,709,480)
Total other financing sources and uses	(5,775,597)	62,636,052	-	-	3,427,618	60,288,073
Net change in fund balances	4,501,308	62,356,427	(3,432,721)	(2,696,368)	11,254,855	71,983,501
Fund balances - beginning as previously stated	22,990,243	-	10,866,688	16,488,830	77,548,801	127,894,562
Adjustment to fund balances (See Note III.H)	-	-	-	1,780,000	2,076,201	3,856,201
Fund balances - beginning as adjusted	22,990,243	-	10,866,688	18,268,830	79,625,002	131,750,763
Fund balances - ending	<u>\$ 27,491,551</u>	<u>\$ 62,356,427</u>	<u>\$ 7,433,967</u>	<u>\$ 15,572,462</u>	<u>\$ 90,879,857</u>	<u>\$ 203,734,264</u>

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

HENDRICKS COUNTY, INDIANA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For The Year Ended December 31, 2020

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

Net change in fund balances - total governmental funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)		\$ 71,983,501
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:</p>		
Capital outlays	\$ 16,443,349	
Depreciation expense	(12,689,935)	
Loss on sale of assets	<u>(234,305)</u>	3,519,109
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Net Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:</p>		
Principal payments	\$ 3,930,524	
Amortization of bond discount/premium and loss on refunding	(147,048)	
Par amount of new bonds	(62,871,021)	
Bond premium	(4,336,718)	
Capital lease	<u>311,020</u>	<u>(63,113,243)</u>
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:</p>		
Deferred inflows of resources: Unavailable revenue		(1,677,406)
<p>Compensated absences reported in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds.</p>		
		583,237
<p>Prepays amortized in the Statement of Activities require the use of current financial resources and, therefore, are reported as expenditures in governmental funds when paid.</p>		
		(431,410)
<p>Accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		172,721
<p>Matured and unpaid interest - 2008 TIF Bonds does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		(120,575)
<p>County pension obligations are considered expenses of the general government and, therefore, are not reported as current expenditures in the funds.</p>		
		1,081,443
<p>Sheriff pension and benefit obligations are considered expenses of the general government and, therefore, are not reported as current expenditures in the funds.</p>		
		11,839
<p>OPEB obligation reported in the Statement of Activities does not require the use of current resources and, therefore, are not reported as expenditures in governmental funds.</p>		
		(688,920)
<p>Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.</p>		
		<u>153,615</u>
Change in net position of governmental activities (Statement of Activities)		<u>\$ 11,473,911</u>

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF NET POSITION - PROPRIETARY FUNDS December 31, 2020

	Business-Type Activities - Enterprise Fund Hendricks County Regional Sewer District	Governmental Activities Internal Service Funds
Assets		
Current assets		
Cash and cash equivalents	\$ 4,440,552	\$ 1,906,270
Receivables:		
Accounts	-	31,120
Total current assets	4,440,552	1,937,390
Capital Assets:		
Land	-	-
Other capital assets (net of depreciation)	52,725,518	-
Total capital assets	52,725,518	-
Total assets	57,166,070	1,937,390
Liabilities		
Current liabilities		
Claims payable	-	575,026
Accrued payroll and withholdings payable	-	5,075
Total liabilities	-	580,101
Net position		
Unrestricted	57,166,070	1,357,289
Total net position	\$ 57,166,070	\$ 1,357,289

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUND For The Year Ended December 31, 2020

	Business-Type Activities - Enterprise Fund	Governmental Activities
	Hendricks County Regional Sewer District	Internal Service Funds
Operating revenues		
Charges for services	\$ 1,204,422	\$ -
Miscellaneous	-	1,780,034
Total operating revenues	1,204,422	1,780,034
Operating expenses		
Salaries and wages	60,587	-
Professional services	230,656	-
Utilities	203,948	-
Other	85	-
Depreciation	1,545,139	-
Administrative expenses	-	8,572,257
Total operating expenses	2,040,415	8,572,257
Operating loss	(835,993)	(6,792,223)
Nonoperating revenues (expenses)		
Interest and investment income	14,367	-
Total nonoperating revenues (expenses)	14,367	-
Loss before contributions and transfers	(821,626)	(6,792,223)
Capital contributions	3,794,963	-
Transfers in	-	6,945,838
Change in net position	2,973,337	153,615
Fund balances - beginning as previously stated	-	1,203,674
Restatement of fund balances	54,192,733	-
Fund balances - beginning as restated	54,192,733	1,203,674
Total net position - ending	\$ 57,166,070	\$ 1,357,289

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS For The Year Ended December 31, 2020

	Business-Type Activities - Enterprise Fund Hendricks County Regional Sewer District	Governmental Activities Internal Service Fund
Cash flows from operating activities		
Receipts from charges for services	\$ 1,204,422	\$ -
Payments to support operations	(495,276)	-
Receipts from interfund services provided	-	1,748,914
Payments for interfund services used	-	(8,797,831)
Net cash provided (used) by operating activities	709,146	(7,048,917)
Cash flows from investing activities		
Interest received	14,367	-
Net cash provided by investing activities	14,367	-
Cash flows from nonoperating activities		
Transfers in	-	6,945,838
Transfers out	-	-
Net transfers	-	6,945,838
Net increase (decrease) in cash and cash equivalents	723,513	(103,079)
Cash and cash equivalents, January 1	3,717,039	2,009,349
Cash and cash equivalents, December 31	\$ 4,440,552	\$ 1,906,270
Reconciliation of operating loss to net cash provided (used) by operating activities		
Operating loss	\$ (835,993)	\$ (6,792,223)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities		
Depreciation Expense	1,545,139	-
Decrease in accounts receivable	-	(31,120)
Decrease in liabilities		
Claims payable	-	(228,650)
Accrued payroll and withholdings payable	-	3,076
Total adjustments	1,545,139	(256,694)
Net cash provided (used) by operating activities	\$ 709,146	\$ (7,048,917)

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS December 31, 2020

	Pension Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 1,075,724	\$ 20,994,487
Receivables		
Taxes	-	233,628,451
Employee contributions	14,250	-
Accrued interest and dividends	78,161	-
Accounts	450,851	45,238
Total receivables	543,262	233,673,689
Investments at fair value		
Fixed income securities	5,405,327	-
Domestic and foreign equities	12,006,511	-
Total investments	17,411,838	-
Total assets	19,030,824	254,668,176
Liabilities		
Accounts payable and other liabilities	-	254,648,320
Due to broker(s) for unsettled trades	440,459	19,856
Total liabilities	440,459	254,668,176
Net position - restricted for:		
Pensions	18,590,365	-
Net position restricted for pensions	\$ 18,590,365	\$ -

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

HENDRICKS COUNTY, INDIANA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS For The Year Ended December 31, 2020

	Pension Trust Funds	Custodial Funds
Additions		
Contributions		
Employer contributions	\$ 1,333,326	\$ -
Employee contributions	<u>116,326</u>	<u>-</u>
Total contributions	<u>1,449,652</u>	<u>-</u>
Investment income		
Interest	547,066	-
Net increase (decrease) in fair value of investments	1,967,093	-
Less investment expense, other than securities lending	<u>(72,906)</u>	<u>-</u>
Total investment income	<u>2,441,253</u>	<u>-</u>
Property taxes collected for other governments	-	554,704,813
Miscellaneous	<u>-</u>	<u>38,074,535</u>
Total additions	<u>3,890,905</u>	<u>592,779,348</u>
Deductions		
Taxes distributed to other governments	-	559,061,076
Benefit payments (including refunds of employee contributions)	717,441	-
Administrative expense	68,226	-
Other trust activities	282,109	33,716,434
Property taxes distributed to other governments	-	-
Transfers to other funds	<u>-</u>	<u>1,838</u>
Total deductions	<u>1,067,776</u>	<u>592,779,348</u>
Change in fiduciary net position	2,823,129	-
Net position, beginning	<u>15,767,236</u>	<u>-</u>
Net position, ending	<u>\$ 18,590,365</u>	<u>\$ -</u>

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

HENDRICKS COUNTY, INDIANA

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HENDRICKS COUNTY, INDIANA
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Hendricks County, Indiana (primary government) was established under the laws of the State of Indiana. The primary government operates under a council-commissioner form of government and provides the following services: public safety (police and fire), highways and streets, health, welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of Hendricks County, Indiana, (County) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the County. The reporting entity for the County consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended, or fiduciary. Generally, discretely presented component units should be reported in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Blended Component Units

The Fairground Building Corporation is a blended component unit of the County. The Fairground Building Corporation finances, constructs, and leases local public improvements to the primary government. The primary government appoints a voting majority of the Building Corporation's board and a financial benefit/burden relationship exists between the County and the Building Corporation. Although it is legally separate from the primary government, the Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government and is not involved in the operation/maintenance of these assets/infrastructure. The debt of the Building Corporation will be repaid entirely, or almost entirely, from resources of the primary government. The Fairground Building Corporation does not issue separate financial statements.

The Jail Building Corporation is a blended component unit of the County. The Jail Building Corporation finances, constructs, and leases local public improvements to the primary government. The primary government appoints a voting majority of the Building Corporation's board and a financial benefit/burden relationship exists between the County and the Building Corporation. Although it is legally separate from the primary government, the Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government and is not involved in the operation/maintenance of these assets/infrastructure. The debt of the Building Corporation will be repaid entirely, or almost entirely, from resources of the primary government. The Jail Building Corporation does not issue separate financial statements.

The Hendricks County Redevelopment Authority is a blended component unit of the County. The Redevelopment Authority finances, constructs, and leases local public improvements to the primary government. The primary government appoints a voting majority of the Redevelopment Authority's board and a financial benefit/burden relationship exists between the County and the Redevelopment Authority. Although it is legally separate from the primary government, the Redevelopment Authority is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government and is not involved in the operation/maintenance of these assets/infrastructure. The debt of the Redevelopment Authority will be repaid entirely, or almost entirely, from resources of the primary government.

The Hendricks County Regional Sewer District is a blended component unit of the County. The Hendricks County Commissioners have appointed themselves as the Board of the Sewer District. Although it is legally separate from the primary government, the District is reported as if it were a part of the primary government because the County Commissioners have financial control over the District. This blended component unit is reported as an enterprise fund, and reported in business type activities on the Government-Wide financial statements. During 2020, the Hendricks County Regional Sewer District calculated the value of its capital assets based on current estimates of the purchase price and cost of installation and then discounted back to the time period in which the capital asset was obtained.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Discretely Presented Component Units

Hendricks Regional Health

The Hendricks Regional Health is a significant discretely presented component unit of the County. Hendricks Regional Health, a proprietary fund type, provides healthcare services to the residents of Hendricks County, Indiana. The primary government appoints a voting majority of the Hospital's board and a financial benefit/ burden relationship exists between the County and the Hospital. Complete financial statements of the component unit can be obtained from the administrative office:

Hendricks Regional Health
1000 E Main Street
Danville, IN 46122

Hendricks County Solid Waste

The Hendricks County Solid Waste is a discretely presented component unit of the County. The Solid Waste District operates a household hazardous waste facility and educates the public on recycling programs in Hendricks County, Indiana. The primary government appoints a voting majority of the Solid Waste District's board and a financial benefit/burden relationship exists between the County and the Solid Waste District. Complete financial statements of the component unit can be obtained from the administration office:

Hendricks County Solid Waste
49 N Wayne Street
Danville, IN 46122

Avon-Washington Public Library

The government wide financial statements include the Avon-Washington Public Library as a component unit. The Library is a legally separate organization. The County appoints a voting majority of the Board and is able to impose its will. The Library does not issue separate financial statements.

Coatesville-Clay Township Public Library

The government wide financial statements include the Coatesville-Clay Township Public Library as a component unit. The Library is a legally separate organization. The County appoints a voting majority of the Board and is able to impose its will. The Library does not issue separate financial statements.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*. This statement establishes criteria for reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. This standard was implemented January 1, 2020 and did not have a significant impact on the financial statements.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Fund Financial Statements

Financial statements of the County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

- c. In addition, any other governmental or enterprise fund that the County believes is particularly important to financial statement users may be reported as a major fund.

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

The County reports the following major governmental funds:

County General - accounts for the County's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

EDIT Project Fund - used to account for the receipt and disbursement of Economic Development Income Tax funds.

Jail Building Corporation - used to account for debt service requirement related to jail construction project.

Cumulative Bridge Fund - used to account for the financing and construction of major bridges as defined by state statute. Financing is provided by an annual property tax levy.

The County reports the following governmental fund types:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Debt Service Funds - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs.

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

In addition, the County reports the following fund types:

Internal Service Funds - used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost-reimbursement basis.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Pension (and Other Employee Benefit) Trust Funds - used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

Custodial Funds - used to account for and report assets controlled by the County and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. Property taxes are recognized as revenues in the succeeding year when services financed by the levy are being provided.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

Intergovernmental aids and grants are recognized as revenues in the period the County is entitled the resources and the amounts are available. Amounts owed to the County which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The 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 Internal Service Funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary 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.

All Financial Statements

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the County considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

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

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

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

Nonparticipating certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost.

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

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

Indiana Code 5-13-9 authorizes the County to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of or interest in an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed fifty percent (50%) of the funds held by the County and available for investment.

The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise; or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of, or interest in, an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

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

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note III. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

See Note III. A. for further information.

2. Receivables

Property taxes levied are collected by the County Treasurer and are distributed to the primary government in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by January 15. These rates were based upon the preceding year's January 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the primary government prior to December 31 of the year collected. Delinquent property taxes outstanding at year end for governmental funds are recorded as a receivable with an offset to deferred inflows of resources – unavailable revenue since the amounts are not considered available.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

3. Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets, more than \$100,000 for building and building improvements, more than \$50,000 for computer software, and more than \$200,000 for general infrastructure improvements and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings and Improvements	50 Years
Machinery and Equipment	5-10 Years
Vehicles	5-15 Years
Land	N/A Years
Infrastructure	50-75 Years
Improvements Other Than Buildings	50 Years

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

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time. The County is reporting deferred outflows of resources for loss on refunding of debt and pension and OPEB related items.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

The County has deferred outflows related to the pension and OPEB related items related to differences between expected and actual experience, differences between projected and actual investment earnings on investments, change in assumptions, and changes in the proportion and differences between employer contributions and proportionate share of contributions. The County also has a deferred outflow related to contributions made after the measurement dates

7. Compensated Absences

County employees earn paid time off (PTO) as follows:

Employees who work a 35 hour work week accrue 168 hours to 252 hours of PTO a year, based on the years of service. Employees who work a 40 or 45 hour work week accrue 192-288 hours per year, based on the years of service. This PTO time can be used for vacation, personal, or sick days. PTO accumulations may be carried over from year to year. The maximum carryover is the annual amount of PTO hours accrued during the calendar year. Accrued PTO hours in excess of the amount allowed to be carried over at the end of the calendar year, shall automatically be placed in an FMLA Bank to be utilized for FMLA qualifying events only. Accrued PTO will be paid out in full upon retirement. In the event an employee resigns, in good standing, the employee may be paid out their accrued PTO, in an amount up to a maximum of seventy hours.

PTO leave is accrued when incurred in the government-wide statements and is reported as a liability in the Statement of Net Position. A liability for these amounts is reported in the governmental funds only if they matured, for example as a result of employee resignations and retirements. Payments for PTO will be made at rates in effect when the benefits are used. Compensated absences for governmental activities typically have been liquidated from the County General fund and County Highway fund.

Compensated absences at December 31, 2020, are determined on the basis of current salary rates and include salary related payments.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Long-Term Obligations

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, accrued compensated absences, pension liabilities, and OPEB liabilities. .

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. The County is reporting deferred inflows of resources for pension and OPEB related items, and unavailable revenue for the tax levy that was approved in 2020.

The County has deferred inflows related to the pension and OPEB related items related to differences between expected and actual experience, differences between projected and actual investment earnings on investments, change in assumptions, and changes in the proportion and differences between employer contributions and proportionate share of contributions.

10. Net Position/Fund Balance Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Net Position/Fund Balance Classifications (cont.)

- c. Unrestricted net position - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the County Council or County Commissioners. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the County Council or County Commissioners that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Net Position/Fund Balance Classifications (cont.)

Fund Statements (cont.)

The County considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note III. G. for further information.

Fiduciary fund net position is classified as restricted for pool participants, individuals, organizations, and other governments on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the County believes it is in compliance with all significant restrictions.

11. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County OPEB Plan and additions to/deductions from the County OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the County OPEB Plan. For this purpose, the County OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

12. Pensions

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

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

A. BUDGETARY INFORMATION (cont.)

On or before August 31, the County Auditor submits to the County Council a proposed operating budget for the year commencing the following January 1. Prior to adoption the budget is advertised and public hearings are conducted by the County Council to obtain taxpayer comments. In September of each year, the County Council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the County Auditor receives approval of the Indiana Department of Local Government Finance.

Indiana law restricts the County's maximum tax levy, with certain adjustments and expectations. If the advertised budget, for funds for which property taxes are levied or for which highway use taxes are received, exceeds the spending and tax limits of the state control laws, an excess levy may be granted by the Indiana Department of Local Government Finance.

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

B. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2020, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Redevelopment Commission	\$ 1,598,987	Interfund payable

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The County's deposits and investments at year end were comprised of the following:

	Carrying Value	Bank and Investment Balances	Associated Risks
Deposits	\$ 172,703,325	\$ 175,562,572	None
U.S. agencies	22,812,767	22,812,767	Credit Risk, Custodial Credit Risk, Interest Rate Risk,
Mutual funds - other than bonds	5,405,327	5,405,327	Credit Risk, Interest Rate Risk,
Certificates of deposit	11,905,942	11,905,942	Credit Risk, Interest Rate Risk
Equity securities	12,006,511	12,006,511	Custodial Credit Risk
Money market accounts	1,861,502	1,861,502	Custodial Credit Risk
State and local bonds	19,827,242	19,827,242	Credit Risk, Custodial Credit Risk, Interest Rate Risk,
Petty cash	1,050	-	N/A
Total Deposits and Investments	\$ 246,523,666	\$ 249,381,863	
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 196,745,384		
Restricted cash and investments	10,296,233		
Per statement of net position - fiduciary funds			
Pension Trust Funds	18,487,562		
Custodial Funds	20,994,487		
Total Deposits and Investments	\$ 246,523,666		

Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds, and has a principal office or branch that qualifies to receive public funds of the political subdivision. The County's deposit policy for custodial credit risk is to comply with Indiana Code 5-13-8-1. The bank balances were insured by the Federal Deposit Insurance Fund, which covers all public funds held in approved depositories.

The investments are valued as follows:

Certificates of Deposit: Valued by discounting cash flows based on interest rates of similar instruments with similar credit ratings and duration.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Common Stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual Fund Shares: Valued at the daily closing price as reported by the funds. These funds are required to publish their daily net asset value and to transact at that price. These funds are deemed to be actively traded.

State and Local Bonds and U.S. Agencies: Valued using pricing models maximizing the use of observable inputs for similar securities.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- > Level 1 - Fixed income and equity securities are valued using unadjusted quoted prices in active markets for those securities.
- > Level 2 - Fixed income securities are valued using a proprietary matrix technique. This pricing technique defines the primary source and secondary sources to be used if the primary source does not provide a value. The valuation techniques may include market participant's assumptions, quoted prices for similar securities, benchmark yield curves, including but not limited to treasury benchmarks, LIBOR and swap curves, market corroborated inputs, and other data inputs. Equity securities are valued using bid evaluations.
- > Level 3 - Fixed income securities are valued using proprietary information. Equity securities are valued using proprietary information and independent appraisals. This results in using one or more valuation techniques, such as the market approach and/or the income approach, for those securities for which sufficient and reliable data is available. Within this level, the use of the market approach generally consists of using comparable market transactions or other data, while the use of the income approach generally consists of the net present value of estimated future cash flows.

Investment Type	December 31, 2020			
	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 11,905,942	\$ -	\$ 11,905,942
Equity Securities	12,006,511	-	-	12,006,511
Mutual Funds	5,405,327	-	-	5,405,327
State and Local Bonds	-	19,827,242	-	19,827,242
U.S. Agencies	-	22,812,767	-	22,812,767
Total	<u>\$ 17,411,838</u>	<u>\$ 54,545,951</u>	<u>\$ -</u>	<u>\$ 71,957,789</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to the County.

The County does not have any deposits exposed to custodial credit risk.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The County does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2020, the County's investments were rated as follows:

S&P Rating	Certificates of Deposit	State and Local Bonds	US Agencies
A	\$ -	\$ 1,135,103	\$ -
A-	-	422,020	-
A+	-	1,042,666	-
AA	-	3,321,960	-
AA-	-	366,154	-
AA+	-	9,223,743	17,761,287
AAA	-	519,995	-
Unrated	11,905,942	3,795,601	5,051,480
Total Investments	\$ 11,905,942	\$ 19,827,242	\$ 22,812,767

Moody's Ratings	Certificates of Deposit	State and Local Bonds	US Agencies
A1	-	234,281	-
Aa1	-	1,058,479	-
Aa2	-	1,854,978	-
Aa3	-	111,146	-
Aaa	-	1,845,444	17,761,287
Baa2	-	106,002	-
Unrated	11,905,942	14,616,912	5,051,480
Total Investments	\$ 11,905,942	\$ 19,827,242	\$ 22,812,767

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County follows state regulations regarding investment of funds. The County does not have a separate policy regarding concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2020, the County's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)	
		Less than 1 Year	1-5 Years
Certificates of Deposit	\$ 11,905,942	\$ 252,610	\$ 11,653,332
State and Local Bonds	19,827,242	4,438,055	15,389,187
U.S. Agencies	<u>22,812,767</u>	<u>4,080,440</u>	<u>18,732,327</u>
Totals	<u>\$ 54,545,951</u>	<u>\$ 8,771,105</u>	<u>\$ 45,774,846</u>

See Note I.D.1. for further information on deposit and investment policies.

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report *unavailable revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>
Taxes Receivable	<u>\$ 33,824,854</u>
Total Unavailable Revenue for Governmental Funds	<u>\$ 33,824,854</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 2,916,819	\$ -	\$ -	\$ 2,916,819
Construction in progress	<u>256,993</u>	<u>13,996,029</u>	<u>256,992</u>	<u>13,996,030</u>
Total Capital Assets Not Being Depreciated	<u>3,173,812</u>	<u>13,996,029</u>	<u>256,992</u>	<u>16,912,849</u>
Capital assets being depreciated				
Buildings	34,180,900	-	-	34,180,900
Improvements Other Than Buildings	3,294,317	-	-	3,294,317
Machinery and Equipment	22,312,884	1,142,377	912,854	22,542,407
Infrastructure	<u>498,393,526</u>	<u>1,561,934</u>	<u>451,597</u>	<u>499,503,863</u>
Total Capital Assets Being Depreciated	<u>558,181,627</u>	<u>2,704,311</u>	<u>1,364,451</u>	<u>559,521,487</u>
Total Capital Assets	<u>561,355,439</u>	<u>16,700,340</u>	<u>1,621,443</u>	<u>576,434,336</u>
Less: Accumulated depreciation for				
Buildings	\$ (14,968,702)	\$ (670,306)	\$ -	\$ (15,639,008)
Improvements Other Than Buildings	(469,696)	(64,341)	-	(534,037)
Machinery and Equipment	(15,185,047)	(2,951,167)	806,909	(17,329,305)
Infrastructure	<u>(198,221,370)</u>	<u>(9,004,119)</u>	<u>323,237</u>	<u>(206,902,252)</u>
Total Accumulated Depreciation	<u>(228,844,815)</u>	<u>(12,689,933)</u>	<u>1,130,146</u>	<u>(240,404,602)</u>
Net Capital Assets Being Depreciated	<u>329,336,812</u>	<u>(9,985,622)</u>	<u>234,305</u>	<u>319,116,885</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 332,510,624</u>	<u>\$ 4,010,407</u>	<u>\$ 491,297</u>	<u>\$ 336,029,734</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Government	\$ 1,671,000
Public Safety	1,504,236
Highways and Streets	9,466,095
Health and Welfare	14,392
Culture and Recreation	<u>34,210</u>
Total Governmental Activities Depreciation Expense	<u>\$ 12,689,933</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets being depreciated				
Infrastructure	\$ 71,679,125	\$ 3,794,963	\$ -	\$ 75,474,088
Total Capital Assets Being Depreciated	71,679,125	3,794,963	-	75,474,088
Less: Accumulated depreciation for				
Infrastructure	(21,203,431)	(1,545,139)	-	(22,748,570)
Total Accumulated Depreciation	(21,203,431)	(1,545,139)	-	(22,748,570)
Net Capital Assets Being Depreciated	50,475,694	2,249,824	-	52,725,518
Business-type Capital Assets, Net of Accumulated Depreciation	\$ 50,475,694	\$ 2,249,824	\$ -	\$ 52,725,518

D. INTERFUND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
EDIT Project Fund	Redevelopment Commission	\$ 1,656,534
General Drain Improvement	Drain Maintenance	886,025
Total - Fund Financial Statements		2,542,559
Less: Fund eliminations		(2,542,559)
Total Internal Balances - Government-Wide Statement of Net Position		\$ -

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. INTERFUND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Internal service fund	General fund	\$ 6,944,000	Insurance claims
Nonmajor funds	General fund	4,250,000	Rainy day transfer
General fund	Nonmajor funds	5,418,403	Transfer from Coronavirus relief fund
Internal service fund	Custodial funds	1,838	To support services
Nonmajor funds	Nonmajor funds	<u>5,097,077</u>	To support operations and debt service
Total - Fund Financial Statements		<u>\$ 21,711,318</u>	
Less: Government-wide eliminations		<u>(21,709,480)</u>	
Total Transfers - Government-Wide Statement of Activities		<u><u>\$ 1,838</u></u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2020, was as follows:

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities						
Bonds and Notes Payable						
General obligation bonds	\$ 3,560,000	\$ -	\$ -	\$ 750,000	\$ 2,810,000	\$ 400,000
Revenue bonds	5,515,000	-	-	540,000	4,975,000	560,000
Tax increment financing bonds	7,865,000	(475,098)	4,596,021	1,145,503	10,840,420	795,796
Lease Rental Bonds	19,315,000	-	58,275,000	1,375,000	76,215,000	2,370,000
Notes or loans payable	697,903	-	-	345,021	352,882	352,882
(Discounts)/Premiums	94,211	-	4,361,052	24,334	4,430,929	-
Sub-totals	<u>37,047,114</u>	<u>(475,098)</u>	<u>67,232,073</u>	<u>4,179,858</u>	<u>99,624,231</u>	<u>4,478,678</u>
Other Liabilities						
Vested compensated absences	1,234,342	-	-	583,238	651,104	-
Capital leases	1,000,586	-	-	311,020	689,566	278,464
Other postemployment benefits	11,014,301	-	2,735,716	512,358	13,237,659	-
Net pension obligation	17,075,965	-	2,493,380	4,972,058	14,597,287	-
Matured and unpaid principal	345,000	-	225,000	-	570,000	-
Matured and unpaid interest	2,545,698	-	209,700	-	2,755,398	83,500
Total Other Liabilities	<u>33,215,892</u>	<u>-</u>	<u>5,663,796</u>	<u>6,378,674</u>	<u>32,501,014</u>	<u>361,964</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 70,263,006</u>	<u>\$ (475,098)</u>	<u>\$ 72,895,869</u>	<u>\$ 10,558,532</u>	<u>\$ 132,125,245</u>	<u>\$ 4,840,642</u>

As of December 31, 2020, the County reported the ending balance of the TIF funds to be in agreement with the amortization schedules; however, the liability did not agree with the amortization schedule due to how payments are made. Below is a summary of the bond issue and the payment allocation:

The Redevelopment District TIF Revenue Bonds, Series 2013A and Redevelopment District TIF Revenue Bonds, Series 2013B were issued to finance the cost of additional infrastructure needed in the tax increment finance (TIF) allocation area in the vicinity of I-70 and SR 39. In addition to these two bonds, the County advanced funds the Hendricks County Redevelopment Commission (RDC) for costs related to infrastructure in this TIF area. This advance is referred to as the 2010 County Reimbursement Obligation and is being repaid in conjunction with the repayment of the bonds. The RDC pledged a percentage of the TIF revenues from this area to repay these obligations. The amount of the payments on these obligations varies each year depending on the amount of TIF funds received that year. The obligations are paid in the following order of priority from the available TIF revenues at the time the payments are due:

1. Interest on the 2010 County Reimbursement Obligation and the Redevelopment District TIF Revenue Bonds, Series 2013A, on a pro rata basis;
2. Interest on the Redevelopment District TIF Revenue Bonds, Series 2013B;

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

3. Principal on the 2010 County Reimbursement Obligation and the Redevelopment District TIF Revenue Bonds, Series 2013A, on a pro rata basis;
4. Principal on the Redevelopment District TIF Revenue Bonds, Series 2013B;

The amounts reported for the Redevelopment District TIF Revenue Bonds, Series 2013A and Redevelopment District TIF Revenue Bonds, Series 2013B as due within one year and debt service to maturity are estimated based on the remaining principal amount, interest rate, and remaining outstanding period of the bonds as of December 31, 2020. These amounts will fluctuate from year to year based on the actual payments made from the TIF revenue collected for that year. In the unlikely event that TIF revenues are insufficient to pay the interest when due, the interest would continue to accrue on the respective outstanding balances.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the County. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

Governmental Activities

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2020
2016 General Obligation Debt	12/15/2016	12/31/2026	2.50%	\$ 3,660,000	\$ 2,810,000
Total Governmental Activities - General Obligation Debt					\$ 2,810,000

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Bonds	
	Principal	Interest
2021	\$ 400,000	\$ 67,750
2022	425,000	57,625
2023	450,000	46,876
2024	480,000	35,376
2025	515,000	23,188
2026	540,000	10,125
Totals	\$ 2,810,000	\$ 240,940

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt

Governmental activities revenue bonds are payable from revenues derived from tax revenues.

The County has pledged future Wheel and Surtax revenues, net of specified operating expenses, to repay Hendricks County, Indiana Wheel Tax Refunding Revenue Bonds, Series 2012 (Transportation Series 2012), which was issued to refund Transportation Revenue Bonds, Series 2003 for road improvements. Proceeds from the bonds provide revenue for road improvements. The bonds are payable solely from local Wheel and Surtax revenues and are payable through 2023. Annual principal and interest payments on the bonds are expected to require 23% of net revenues. The total principal and interest remaining to be paid on the bonds is \$873,650. Principal and interest paid for the current year and total customer net revenues were \$283,719 and \$1,254,500 respectively.

The County has pledged future Wheel and Surtax revenues, net of operating expenses to repay Hendricks County, Indiana Transportation Refunding Revenue Bonds of 2017 (Transportation Series 2017), which was issued to refund the Transportation Revenue Bonds, Series 2009 providing revenue for various road improvements. The bonds are payable solely from local Wheel and Surtax revenues and are payable through 2029. Annual principal and interest payments on the bonds are expected to require 32% of net revenues. The total principal and interest remaining to be paid on the bonds is \$4,701,123. Principal and interest paid for the current year and total customer net revenues were \$397,488 and \$1,254,500 respectively.

Revenue debt payable at December 31, 2020, consists of the following:

Governmental Activities Revenue Debt

<u>Revenue Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2020</u>
2012 Ref Transportation Bonds	3/29/2012	8/1/2023	2% - 3%	\$ 2,740,000	\$ 830,000
2017 Ref Transportation Bonds	3/30/2017	2/1/2029	2.58%	5,180,000	<u>4,145,000</u>
Total Governmental Activities - Revenue Debt					<u>\$ 4,975,000</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities Revenue Debt	
	Principal	Interest
2021	\$ 560,000	\$ 127,271
2022	545,000	112,385
2023	545,000	97,277
2024	575,000	82,045
2025	585,000	67,209
2026-2030	<u>2,165,000</u>	<u>113,586</u>
Totals	<u>\$ 4,975,000</u>	<u>\$ 599,773</u>

Tax Increment Financing Bonds

Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

The County has pledged future local property tax TIF revenues, net of specified operating expenses to repay the Redevelopment District TIF Revenue Bonds, Series 2013A (70 West Commerce Park). Proceeds from the bonds provided financing for the roads, sanitary sewer lines, water mains and other infrastructure. The bonds are payable solely from local property tax TIF revenues from the Allocation Area and are payable through 2028. Annual principal and interest payments on the bonds are expected to require 19% of net revenues. The total principal and interest remaining to be paid on the bonds is \$960,693. Principal and interest paid for the current year and total customer net revenues were \$164,525 and \$868,269, respectively.

The County has pledged future local property tax TIF revenue, net of specified operating expenses to repay the Redevelopment District TIF Revenue Bonds, Series 2013B (70 Commerce Park). Proceeds from the bonds provided financing for the roads, sanitary sewer lines, water mains, and other infrastructure. The bonds are payable solely from local property tax TIF revenues from the Allocation Area and are payable through 2031. Annual principal and interest payments on the bonds are expected to require 8% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,723,356. Principal and interest paid for the current year and total customer net revenues were \$72,400 and \$868,269, respectively.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Tax Increment Financing Bonds (cont.)

The County has pledged future local property tax TIF revenues, net of specified operating expenses, to repay the Redevelopment District TIF Revenue Bonds, Series 2015 (Heartland Crossing), which refunded the Redevelopment District TIF Revenue Bonds, Series 2010A (Heartland Crossing) and Redevelopment District TIF Revenues Bonds, Series 2010B (Heartland Crossing). Proceeds from the bonds provided financing for infrastructure in these areas. The bonds are payable solely from local property tax TIF revenues from the Allocation Area and are payable through 2022. Annual principal and interest payments on the bonds are expected to require 35% of net revenues. The total principal and interest remaining to be paid on the bonds is \$756,732. Principal and interest paid for the current year and total customer net revenues were \$386,488 and \$1,086,013, respectively.

The County has pledged future local property tax TIF revenues, net of operating expenses to repay the Redevelopment District TIF Revenue Bonds, Series 2008 (Westpoint). Proceeds from the bonds was to provide financing for infrastructure for Westpoint Business Park. The bonds are payable solely from property tax TIF revenues from the Allocation Area and are payable through 2028. Annual principal and interest payments on the bonds are expected to require 100% of net revenues. The total principal and interest remaining to be paid on the bonds is \$4,258,900. There was not any principal and interest paid for the current year and total customer net revenues was \$16,623. This TIF District has not been developed; therefore, interest and principal payments have not been made in accordance with the amortization schedule, since tax revenues have not been generated. The amount of principal and interest that has been unpaid on this bond has been reported as unpaid, but matured principal and interest on the County's financial statements.

The County has pledged future property tax TIF revenues, net of operating expenses to repay Hendricks County, Indiana Economic Development Revenue Bonds, Series 2020 (Gateway Park Project) which was issued to provide financing for the roads, sanitary sewer lines, water mains, and other infrastructure. The bonds are payable solely from TIF revenues and are payable through 2045. Annual principal and interest payments on the bonds are expected to require 100% of net revenues. The total principal and interest remaining to be paid on the bonds is \$16,737,274. There was not any principal and interest payments or net revenues generated in 2020.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Tax Increment Financing Bonds (cont.)

Tax Increment Financing Bonds at December 31, 2020, consists of the following:

Governmental Activities

Tax Increment Financing Bonds	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2020
2008 TIF Bonds	9/2/2008	2/1/2028	6.00%	\$ 3,910,000	\$ 3,340,000
2013A TIF Bonds	8/28/2013	2/1/2028	5.50%	1,500,000	778,499
2013B TIF Bonds	8/28/2013	2/1/2031	4.00%	1,810,000	1,395,900
2015 TIF Ref. Bonds	12/1/2015	12/31/2022	2.43%	2,825,000	730,000
Economic Development Revenue Bonds, Series 2020 (Gateway Park Project)	12/23/2020	8/1/2045	6.50%	7,500,000	<u>4,596,021*</u>
Total Governmental Activities Tax Increment Financing Bonds					<u>\$ 10,840,420</u>

*At December 31, 2020, the County had not drawn the full available balance under the bond. The remaining balance is anticipated to be drawn during 2021. The maturity schedule below is based on the outstanding balance at December 31, 2020.

Debt service requirements to maturity are as follows:

Years	Governmental Activities Tax Increment Financing Bonds	
	Principal	Interest
2021	\$ 795,796	\$ 311,866
2022	915,033	277,530
2023	609,718	237,554
2024	659,873	202,800
2025	710,517	165,753
2026-2030	2,473,020	258,156
2031-2035	<u>4,676,463</u>	<u>1,622</u>
Totals	<u>\$ 10,840,420</u>	<u>\$ 1,455,281</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Lease Rental Bonds

Lease Rental Bonds at December 31, 2020, consist of the following:

Governmental Activities	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2020
Lease Rental Bonds					
2012 Ref. Bonds (Fairgrounds)	4/12/2012	1/15/2028	2% to 4%	\$ 18,180,000	\$ 9,490,000
2014 TIF Bonds (Steel Mill)	2/27/2014	12/31/2022	2.25%	9,000,000	2,900,000
2016 Econ. Development Bonds (Convention Center)	11/17/2016	8/15/2036	2.80%	6,215,000	5,550,000
Building Facilities Corporation Lease Rental Bonds, Series 2020	12/9/2020	2/15/1940	2% to 4%	58,275,000	<u>58,275,000</u>
Total Governmental Activities Lease Rental Bonds					<u><u>\$ 76,215,000</u></u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities Bond Anticipation Notes	
	Principal	Interest
2021	\$ 2,370,000	\$ 1,514,002
2022	3,135,000	2,036,132
2023	3,250,000	1,946,421
2024	4,205,000	1,846,848
2025	4,365,000	1,691,892
2026-2030	20,600,000	6,054,626
2031-2035	19,950,000	3,100,140
2036-2040	<u>18,340,000</u>	<u>916,600</u>
Totals	<u>\$ 76,215,000</u>	<u>\$ 19,106,661</u>

Notes and Loans Payable

Other Bonds or Notes or Loans Payable at December 31, 2020 consist of the following:

Governmental Activities	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2020
Notes and Loans Payable					
E 911 Bank Loan	9/22/2015	12/30/2021	1.962%	\$ 2,000,000	<u>\$ 352,882</u>
Total Governmental Activities Notes and Loans Payable					<u><u>\$ 352,882</u></u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. LONG-TERM OBLIGATIONS (cont.)

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities Other Bonds or Notes or Loans Payable	
	Principal	Interest
	2021	\$ <u>352,882</u>
Totals	\$ <u><u>352,882</u></u>	\$ <u><u>5,245</u></u>

Capital Leases

Refer to Note III. F.

F. LEASE DISCLOSURES

Lessee - Capital Leases

The primary government has entered into various capital leases for vehicles and office equipment. The gross amount of these assets under capital lease is \$3,333,531 which are included in capital assets in the governmental activities. Future minimum lease payments under these capital leases as of December 31, 2020 are as follows for the primary government:

<u>Years</u>	Governmental Activities		
	Principal	Interest	Totals
2021	\$ 278,464	\$ 13,901	\$ 292,365
2022	273,423	12,812	286,235
2023	133,729	5,873	139,602
2024	<u>3,950</u>	<u>893</u>	<u>4,843</u>
Totals	<u><u>\$ 689,566</u></u>	<u><u>\$ 33,479</u></u>	<u><u>\$ 723,045</u></u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2020, includes the following:

Governmental Activities

Net Investment in Capital Assets	
Land and Construction in progress	\$ 16,912,849
Other capital assets, net of accumulated depreciation	319,116,885
Less: Long-term debt outstanding	(99,271,349)
Plus: Unspent capital related debt proceeds	58,275,000
Plus: Unamortized deferral of loss on bond refunding	869,000
Less: Capital lease debt outstanding	<u>(689,566)</u>
Total Net Investment in Capital Assets	<u>295,212,819</u>
Total Governmental Activities Net Position	<u><u>\$ 295,212,819</u></u>

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2020, include the following:

	General Fund	Jail Holding Corporation	Cumulative Bridge Fund	EDIT Project Fund	Other Governmental Funds	Totals
Fund Balances						
Restricted for:						
Highways and Streets	\$ -	\$ -	\$ 7,433,967	\$ -	\$ 12,557,354	\$ 19,991,321
Public Safety	-	62,356,427	-	-	10,574,743	72,931,170
Culture and Recreation	-	-	-	-	1,862,146	1,862,146
Health and Human Services	-	-	-	-	6,541,634	6,541,634
Economic Development	-	-	-	15,572,462	2,463	15,574,925
Debt Service	-	-	-	-	10,496,598	10,496,598
Capital Projects	-	-	-	-	24,298,533	24,298,533
General Government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,145,373</u>	<u>26,145,373</u>
Sub-total	<u>-</u>	<u>62,356,427</u>	<u>7,433,967</u>	<u>15,572,462</u>	<u>92,478,844</u>	<u>177,841,700</u>
Assigned to:						
General Government	<u>259,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>259,049</u>
Sub-total	<u>259,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>259,049</u>
Unassigned (deficit):	<u>27,232,502</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,598,987)</u>	<u>25,633,515</u>
Total Fund Balances (Deficit)	<u><u>\$ 27,491,551</u></u>	<u><u>\$ 62,356,427</u></u>	<u><u>\$ 7,433,967</u></u>	<u><u>\$ 15,572,462</u></u>	<u><u>\$ 90,879,857</u></u>	<u><u>\$203,734,264</u></u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	
Other capital assets, net of accumulated depreciation	\$ 52,725,518
Total Net Investment in Capital Assets	<u>\$ 52,725,518</u>

H. RESTATEMENT AND ADJUSTMENT OF FUND BALANCES/NET POSITION

Fund balance has been adjusted to accurately report blended component units.

EDIT Project Fund

EDIT Project Fund balance - December 31, 2019 (as reported)	\$ 16,488,830
Add: EDIT interfund loan to Redevelopment Commission	<u>1,780,000</u>
Fund Balance - December 31, 2019 (as adjusted)	<u>\$ 18,268,830</u>

Nonmajor Governmental Funds

Nonmajor Governmental Funds Fund balance - December 31, 2019 (as reported)	\$ 77,548,801
Add: Beginning fund balance of the Redevelopment Authority	2,066,391
Beginning fund balance of the Fairground Building Corporation	762,402
Less: Beginning fund balance of the Redevelopment Commission	<u>(752,592)</u>
Fund Balance - December 31, 2019 (as adjusted)	<u>\$ 79,625,002</u>

Net position has been restated to correct the reporting of debt liabilities and properly report Hendricks County Sewer District as a blended component unit.

Governmental Activities Net Position - December 31, 2019 (as reported)	\$ 399,025,678
Add: Fund balance adjustments noted above	3,856,201
Decrease in debt liability associated with 2013 A and B Bond	<u>475,098</u>
Net Position - December 31, 2019 (as adjusted)	<u>\$ 403,356,977</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

H. RESTATEMENT AND ADJUSTMENT OF FUND BALANCES/NET POSITION (cont.)

Business-Type Activities Net Position - December 31, 2019 (as reported)	\$ -
Add: Beginning Balance of Hendricks County Regional Sewer District	<u>54,192,733</u>
Net Position - December 31, 2019 (as restated)	<u>\$ 54,192,733</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT

HENDRICKS REGIONAL HEALTH

This report contains Hendricks Regional Health (Hospital) which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Patient Accounts Receivable and Net Patient Service Revenue

Patient revenues and the related accounts receivable are recorded at the time services to patients are performed. Hendricks is a provider of services to patients entitled to coverage under Titles XVIII and XIX of the Health Insurance Act (Medicare and Medicaid). Differences between the total program billed charges and the payments received are reflected as deductions from revenue. At year-end, a cost report for hospital-based services is filed with the Medicare program computing reimbursement amounts related to Medicare patients. The difference between computed reimbursement and interim reimbursement is reflected as a receivable from or payable to the third-party programs. These programs have audited the year-end cost report filed with the Medicare program through December 31, 2017 with differences reflected as deductions from revenue in the year the cost report is settled. Amounts for unresolved cost reports for 2018 through 2020 are reflected in estimated third-party settlements on the consolidated balance sheets. During 2020 and 2019, the differences between original estimates and subsequent revisions for the final settlement of cost reports was not significant. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. Although these audits may result in some changes in these amounts, they are not expected to have a material effect on the accompanying consolidated financial statements.

Hendricks has entered into agreements with certain commercial carriers. Reimbursement for services under these agreements includes discounts from established charges and other payment methodologies. Patient charges under these programs, on which no interim payments have been received, are included in patient accounts receivable at the estimated net realizable value of such charges.

Management estimates an allowance for uncollectible patient accounts receivable based on an evaluation of historical losses, current economic conditions, and other factors unique to Hendricks' customer base.

Inventories

Pharmaceutical inventories are valued at the lower of cost or net realizable value with cost being determined on the first-in, first-out (FIFO) method while medical and all other supplies are priced using the last-in, first-out (LIFO) method. Inventories at year-end consist of the following:

	2020	2019
Medical supplies and other	\$ 2,761,020	\$ 2,435,541
Pharmaceutical	<u>645,042</u>	<u>933,060</u>
	\$ 3,406,062	\$ 3,368,601

Assets Whose Use is Limited

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT (cont.)

Assets whose use is limited are stated at fair value in the consolidated financial statements. These assets include investments designated by Hendricks' Board for internal purposes and investments held by trustees and capital improvements. These investments consist primarily of cash and cash equivalents, certificates of deposit, mutual funds and fixed income obligations. Investment income, to the extent not capitalized, is reported as nonoperating income in the consolidated statements of revenues, expenses and changes in net position.

Capital Assets and Depreciation

Capital assets such as property and equipment are stated at cost and include expenditures for new additions and other costs added to existing facilities which exceed Hendricks' capitalization threshold and which substantially increase the useful lives of existing facilities. Maintenance, repairs and minor renewals are expensed as incurred.

Hendricks provides for depreciation of property and equipment using annual rates, which are sufficient to depreciate the cost of depreciable assets over their estimated useful lives using the straight-line method.

The range of useful lives in computing depreciation is as follows:

<u>Description</u>	<u>Range of Useful Lives</u>
Land Improvements	5-25 years
Buildings and fixed equipment	3-50 years
Major moveable equipment	3-30 years

Advertising and Community Relations

Hendricks records advertising and community relations expense in the period incurred. Total expense for advertising and community relations was approximately \$1,706,000 and \$2,114,000 for 2020 and 2019, respectively.

Medical Malpractice

Malpractice insurance coverage is provided under a claims-made policy. Should the claims-made policy be terminated, Hendricks has the option to purchase insurance for claims having occurred during its term but reported subsequently. The Indiana Medical Malpractice Act, IC 34-18 (the Act) provides a maximum recovery of \$1,650,000 for an occurrence of malpractice until June 30, 2019, and \$1,800,000 thereafter. The Act requires Hendricks to maintain medical malpractice liability insurance in the amount of at least \$400,000 per occurrence and \$12,000,000 in the annual aggregate until June 30, 2019. Starting July 1, 2019, the Act requires Hendricks to maintain medical malpractice liability insurance in the amount of at least \$500,000 per occurrence and \$15,000,000 in the annual aggregate. The Act also requires Hendricks to pay a surcharge to the State Patient's Compensation Fund (the Fund). The Fund is used to pay medical malpractice claims in excess of per occurrence and the annual aggregate amounts as noted above, under certain terms and conditions. No accrual for possible losses attributable to incidents that may have occurred but that have not been identified has been made because the amount, if any, is not reasonably estimable. The Fund is on a claims-made basis and as long as this coverage is continuous or

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT (cont.)

replaced with equivalent insurance, claims based on occurrences during its term but reported subsequently will be insured.

Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice claim costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. Based upon Hendricks' claim experience, no such accrual has been made. It is reasonably possible that this estimate could change materially in the near term.

Hendricks is a member in a captive insurance company, Suburban Health Organization Segregated Portfolio Company, LLC, to fund Hendricks' required portion of the professional and physician insurance coverage pursuant to the Act as well as its general liability insurance and excess coverage. This provides protection from liability in an amount not to exceed \$500,000 per incident and aggregate liability protection not to exceed \$15,000,000 per year. In addition, Hendricks maintains a commercial umbrella/excess liability policy with a limit of \$1,000,000 each occurrence, \$1,000,000 completed operations aggregate limit, \$1,000,000 personal and advertising injury, \$100,000 fire damage, and a \$3,000,000 total policy aggregate.

Basis of Accounting/Measurement Focus

The Hospital follows the full accrual basis of accounting and the flow of economic resources measurement focus.

Investments

The Hospital categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Mutual Funds and exchanged traded funds: Valued at the daily closing price as reported by the fund. Mutual funds and exchanged traded funds held by the hospital are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily asset value and to transact at that price. The mutual funds and exchanged traded funds held by the hospital are deemed to be actively traded.
- U.S. Government Obligations: Valued using pricing models maximizing the use of observable inputs for similar securities.
- Fixed Income Obligations: Valued at the closing price reported on the active market on which the individual securities are traded, when available. The fair value of fixed income obligations for which quoted market price is not available are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT (cont.) Investment Type	December 31, 2020			
	Level 1	Level 2	Level 3	Total
Mutual Funds - short term bond	\$ 1,220,339	\$ -	\$ -	\$ 1,220,339
Common Stocks	464,506	-	-	464,506
Mutual Funds - Limited Use	224,501,774	-	-	224,501,774
U.S. Government Obligations	-	670,388	-	670,388
Fixed Income Obligations	-	6,665,000	-	6,665,000
Total	<u>\$ 226,186,619</u>	<u>\$ 7,335,388</u>	<u>\$ -</u>	<u>\$ 233,522,007</u>

Credit risk - Statutes authorize Hendricks to invest in interest bearing deposit accounts, passbook savings accounts, certificates of deposit, money market deposit accounts, mutual funds, pooled fund investments, securities backed by the full faith and credit of the United States Treasury and repurchase agreements. The statutes require that repurchase agreements be fully collateralized by U.S. Government or U.S. Government Agency obligations.

Concentration of credit risk - Hendricks maintains its investments, which at times may exceed federally insured limits. Hendricks has not experienced any losses in such accounts. Hendricks believes that it is not exposed to any significant credit risk on investments.

Hendricks does not have a formal policy for credit and concentration of credit risk for deposits and investments.

See Note I.D.1. for further information on deposit and investment policies.

a. Capital Assets

	Beginning Balance	Transfers	Additions	Deletions	Ending Balance	Useful Lives (Years)
Land	\$ 25,010,345	\$ -	\$ -	\$ 3,885,302	\$ 21,125,043	NA
Buildings and fixed equipment	289,450,169	1,257,016	6,807,251	-	297,514,436	3-50 Years
Major movable equipment	139,607,162	2,906,094	8,057,920	1,197,366	149,373,810	3-30 Years
Land Improvements	9,993,537	-	-	-	9,993,537	5-25 Years
Construction in Progress	4,929,874	(4,163,110)	2,890,375	-	3,657,139	
Less: Accumulated depreciation/ amortization	<u>(200,576,774)</u>	<u>-</u>	<u>(26,990,814)</u>	<u>(1,028,017)</u>	<u>(226,539,571)</u>	
Totals	<u>\$ 268,414,313</u>	<u>\$ -</u>	<u>\$ (9,235,268)</u>	<u>\$ 4,054,651</u>	<u>\$ 255,124,394</u>	

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT (cont.)

b. Long-Term Obligations

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Special Program Refunding 2007A Indiana Taxable Economic Development Revenue Bonds Series 2009	\$ 32,095,000	\$ -	\$ (2,230,000)	\$ 29,865,000	\$ 2,345,000
Indiana Taxable Economic Development Revenue Bonds Series 2016	4,890,000	-	(330,000)	4,560,000	350,000
Indiana Finance Authority Health Facility Revenue Refunding Bonds, Series 2019	2,220,000	-	(115,000)	2,105,000	120,000
Other borrowings	82,270,000	-	(5,445,000)	76,825,000	5,605,000
	<u>3,570,756</u>	<u>-</u>	<u>(1,130,656)</u>	<u>2,440,100</u>	<u>813,062</u>
Totals	<u><u>\$ 125,045,756</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (9,250,656)</u></u>	<u><u>\$ 115,795,100</u></u>	<u><u>\$ 9,233,062</u></u>

Debt service requirements to maturity are as follows:

	Principal	Interest	Totals
2021	\$ 9,233,062	\$ 4,117,928	\$ 13,350,990
2022	9,359,989	3,779,071	13,139,060
2023	9,674,989	3,435,120	13,110,109
2024	9,727,060	3,078,406	12,805,466
2025	9,730,000	2,731,792	12,461,792
2026-2030	46,645,000	8,015,051	54,660,051
2031-2035	12,095,000	2,927,850	15,022,850
2036-2040	<u>9,330,000</u>	<u>754,500</u>	<u>10,084,500</u>
Totals	<u><u>\$ 115,795,100</u></u>	<u><u>\$ 28,839,718</u></u>	<u><u>\$ 144,634,818</u></u>

Direct Borrowings Placements

Hendricks issued Indiana Bond Bank Special Program Refunding Bonds, Series 2007A dated May 24, 2007 in the amount of \$44,915,000. The Series 2007A Bonds mature serially on an annual basis through April 2030 at interest rates ranging from 5.00% to 5.25%. Interest is due semi-annually on April 1 and October 1.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT (cont.)

In 2009, Hendricks issued Indiana Taxable Economic Development Revenue Bonds, Series 2009 in the amount of \$5,000,000. These Series 2009 Bonds bear interest at 5% through February 2030 and are unsecured. Hendricks is also the sole bond holder of the Series 2009 Bonds. In 2016, Hendricks issued Indiana Taxable Economic Development Revenue Bonds, Series 2016 in the amount of \$2,600,000. These Series 2016 Bonds bear interest at 2% through April 2036 and are unsecured. Hendricks is also the sole bond holder of the Series 2016 Bonds.

In 2019, Hendricks borrowed from the Indiana Finance Authority (the Authority), the Health Facility Revenue Refunding Bonds, Series 2019A Bonds for \$43,530,000, Series 2019B Bonds for \$12,835,000, Series 2019C Bonds for \$27,255,000, and Series 2019D Bonds for \$1,500,000 to refinance the existing Series 2009A, Series 2015A Bonds and Series 2015B Bonds. Hendricks, the Authority, Fifth Third Commercial Funding, Inc. (Fifth Third), First Merchants Bank (First Merchants), BMO Harris Investment Company, LLC (BMO Investment), and BMO Harris Bank N.A. (BMO) then entered into Bond Purchase and Loan Agreements (the Agreements). Fifth Third, First Merchants, BMO Investment, and BMO purchased from the Authority all of the Series 2019A, 2019B, 2019C, and 2019D Bonds, respectively, in private placements.

The Agreements run through the maturity dates of the Series 2019A, 2019B, 2019C, and 2019D Bonds which are January 2029, January 2039, January 2034, and January 2020, respectively. The 2019A Bonds bear interest at a fixed rate of 2.92%, the Series 2019B Bonds bear interest at a fixed rate of 4.00%, the Series 2019C Bonds bear interest at a fixed rate of 2.74%, and the Series 2019D Bonds bear interest at a fixed rate of 3.32%. Principal payments for these 2019 bonds are through July 2034. The Series 2019A, 2019B, 2019C, and 2019D Bonds are secured by Hendricks' net revenues.

The Series 2007A, 2019A, 2019B, 2019C, and 2019D Bonds are covered under a Master Trust Indenture and are secured by an interest in the gross revenues of Hendricks. The Series 2007A, 2019A, 2019B, 2019C, and 2019D Bonds require Hendricks to comply with certain financial covenants. As of December 31, 2020 and 2019, Hendricks believed it was in compliance with these financial covenants.

The Series 2009A, Series 2015A and Series 2015B Bonds were defeased with the issuance of the Series 2019 Bonds in January 2019. The loss recognized on the defeasement of these bonds was approximately \$176,000.

Lines of Credit

Hendricks has a line of credit agreement with Fifth Third with a maximum amount of \$24,000,000 to fund working capital. The amount outstanding as of December 31, 2020 and 2019 was \$14,000,000 and \$24,000,000, respectively. The line of credit bears interest at the floating 30 day LIBOR rate plus 100 basis points (1.25% at December 31, 2020) and is secured by Hendricks' net revenues. The line of credit is renewable annually and expires in February 2022.

Hendricks entered into a second line of credit agreement with Fifth Third with a maximum amount of \$25,000,000 in April 2020. There was no balance outstanding as of December 31, 2020. The line of credit bears interest at the floating 30 day LIBOR rate plus 135 basis points (1.49% at December 31, 2020) and is secured by Hendricks' net revenues. The line of credit expired in February 2021 and was not renewed.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

I. COMPONENT UNIT (cont.)

Hendricks entered into a line of credit agreement with BMO Harris Bank with a maximum amount of \$25,000,000 in April 2020. There was no balance outstanding as of December 31, 2020. The line of credit bears interest at the floating 30 day LIBOR rate plus 200 basis points, with a floor of 1% (3.00% at December 31, 2020), and is secured by Hendricks' net revenues. The line of credit expires in April 2021 and is not expected to be renewed.

Under the terms of the lines of credit, Hendricks is required to meet certain financial covenants. Hendricks believes the are in compliance with all covenants as of December 31, 2020 and 2019, respectively.

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Public Employees' Retirement Fund

Plan description. The County participates in the Public Employees' Retirement Fund (PERF), a cost sharing multiple-employer defined benefit plan effective July 1, 2013 based on 35 IAC 21-1-1, 35 IAC 21-1-2 and amended IC 5-10.2-2-11(b). PERF was established to provide retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan, and certain INPRS employees. Political subdivisions mean a county, city, town, township, political body corporate, public school corporation, public library, public utility of a county, city, town, township, and any department of, or associated with, a county, city, town, or township, which department receives revenue independently of, or in addition to, funds obtained from taxation. There are two (2) tiers to the PERF Plan. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the My Choice Retirement Savings Plan for Public Employees (My Choice). Details of the PERF Hybrid Plan are described below.

PERF Hybrid Plan Description. The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10.2, IC 5-10.3, and IC 5-10.5. There are two (2) aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the Public Employees' Hybrid Members Defined Contribution Account (DC Account), formerly known as the Annuity Savings Account (ASA), which that supplements the defined benefit at retirement.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Contributions. Members are required to contribute 3% of their annual covered salary to their defined contribution account. The primary government is required to contribute at an actuarially determined rate; the current rate for calendar year 2019 is 11.20% percent of annual covered payroll. The rate for 2020 is also 11.20%. The contribution requirements of plan members and the primary government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the PERF plan from the County were \$2,166,866 for the calendar year ended December 31, 2020.

Retirement Benefits. The PERF Hybrid Plan retirement benefit consists of the sum of a defined pension benefit provided by employer contributions plus the amount credited to the member's a DC Account. Pension benefits vest after 10 years of creditable service. The vesting period is eight (8) years for certain elected officials. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity, or leave the contributions invested with INPRS. Vested PERF members leaving a covered position, who wait 30 days after termination, may withdraw their DC account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the DC Account. A non-vested member who terminates employment prior to retirement may withdraw his/her DC Account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) different groups. For PERF members who serve as an elected official, the highest one (1) year (total of four (4) consecutive quarters) of annual compensation is used. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100 percent of the benefits as described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Disability and Survivor Benefits. The PERF Hybrid Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

Retirement Benefits – My Choice. Members are required to participate in My Choice. The My Choice DC Account consists of the member's contributions, set by statute at three (3) percent of compensation as defined by IC 5-10.2-3-2 for PERF, plus the interest/earnings or losses credited to the member's account. The employer may elect to make the contributions on behalf of the member. The County has elected to make the contributions on behalf of the member. In addition, under certain conditions, members may elect to make additional voluntary contributions of up to 10 percent of their compensation into their DC Account. A member's contributions and interest credits belong to the member and do not belong to the State or political subdivision.

Rate of Return. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the fiscal year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for Public Employee's Retirement Fund was 2.58 percent.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Net Pension Liability. At December 31, 2020, the County reported a liability of \$10,342,434 for its proportionate share of the net pension liability. The County's proportion of the total was measured on the ratio of the wages reported by employers relative to the collective wages of the plan. This basis of allocation measures the proportionate relationship of an employer to all employers and is consistent with the manner in which contributions to the pension plan are determined. The plan does not have a special funding situation, as there is not a non-employer contributing entity legally responsible for making contributions that are used to provide pension benefits to members of the pension plan. At June 30, 2020 the County's proportion was 0.34242%. The net pension liability for fiscal year 2020 is calculated as set forth in the following table:

	PERF Plan Totals
Net pension liability - beginning December 31, 2019	\$ 11,103,692
Total pension expense	1,083,392
Difference between expected and actual experience	(249,644)
Net difference between projected and actual investment	1,409,988
Change in assumptions	(950,350)
Changed in proportionate share of contributions	(3,448)
Defined benefit plan employer contributions	(2,051,196)
Net pension liability - December 31, 2020	\$ 10,342,434

Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 183,238	\$ 138,860
Changes in assumptions	-	2,154,931
Net differences between projected and actual earnings on pension plan investments	885,145	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	450,589	530
Employer contributions subsequent to the measurement date	1,134,279	-
Totals	\$ 2,653,251	\$ 2,294,321

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

\$1,134,279 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (net)</u>
2021	\$ (802,730)
2022	(233,994)
2023	(114,614)
2024	375,989

Pension Expense. The County recognized pension expense for the following proportionate share of pension expense:

<u>Pension Expense</u>	
Proportionate share of plan pension expense	\$ 832,924
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>250,468</u>
Total	<u>\$ 1,083,392</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Valuation Date:	June 30, 2020
Assets:	June 30, 2019 - Member census data as of June 30, 2019 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2019 and June 30, 2020. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2019 to the June 30, 2020 measurement date.
Liabilities:	
Actuarial Cost Method:	Entry Age Normal (Level percent of payroll)
Experience Study Date	Period of 5 years ended June 30, 2019
Investment Rate of Return	6.75%, net of investment expense, including inflation
Cost of Living Increases	2020-2021 - 13th check Beginning January 1, 2022- 0.40% Beginning January 1, 2034 - 0.50% Beginning January 1, 2039 - 0.60%
Salary increases, including inflation:	2.75% - 8.75% based on service
Inflation	2.25%
Mortality:	
Healthy:	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Disabled:	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Funding policy location	www.in.gov/inprs/files/INPRS_Funding_Policy.pdf

Change in Assumptions. The future salary increase assumption changed from an age-based table ranging from 2.50 percent to 4.25 percent to a service-based table ranging from 2.75 percent to 8.75 percent.

The mortality assumption changed from the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The retirement assumption was updated based on recent experience and was updated from an age- and service-based table to an age based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30 percent are now assumed to commence benefits immediately and 70 percent are assumed to commence benefits at unreduced retirement eligibility. Previously 33 percent of actives were assumed to commence benefits with early retirement while 67 percent were assumed to wait for unreduced retirement eligibility.

The termination assumption was updated based on recent experience. For state members the tables were combined from being split by salary and sex to being one unisex service-based table. For members in political subdivisions earning more than \$20,000, the sex-distinct tables were combined to one unisex service-based table. For members in political subdivisions earning less than \$20,000, the sex-distinct age-based table was maintained and the rates were updated based on experience.

The disability assumption was updated based on recent experience. The marital assumption was updated based on recent experience. 80 percent of male members and 65 percent of female members are assumed to be married or to have a dependent beneficiary. Previously, 75 percent of male members and 60 percent of female members were assumed to be married or to have a dependent beneficiary.

The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

Plan Amendments. There were no changes in the plan provisions during the fiscal year.

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

<u>Global Asset Class</u>	<u>Long-Term Expected Rate of Return (Geometric Basis)</u>	<u>Target Asset Allocation</u>
Public Equity	4.4%	22.0%
Private Markets	7.6	14.0
Fixed Income - Ex Inflation-Linked	1.9	20.0
Fixed Income - Inflation-Linked	0.5	7.0
Commodities	1.6	8.0
Real Estate	5.8	7.0
Absolute Return	2.9	10.0
Risk Parity	5.5	12.0

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Discount rate. The discount rate used to measure the total pension liability was 6.75% as of June 30, 2020 and is equal to the long-term expected return on plan investments.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1% Decrease to Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase to Discount Rate (7.75%)
County's proportionate share of the net pension liability	<u>\$ 16,861,685</u>	<u>\$ 10,342,434</u>	<u>\$ 4,882,032</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued INPRS Comprehensive Annual Financial Report and Actuarial Valuations. These reports can be found at:

https://www.in.gov/inprs/files/2020ActuarialReport_PERF.pdf
https://www.in.gov/inprs/files/INPRSConsolidatedAR_FY20.pdf

Sheriff's Retirement Plan

Plan description. The Hendricks County, Indiana Sheriff Retirement Plan (Plan) is a single-employer defined benefit pension plan established to provide retirement, termination/severance, disability, and survivor benefits for a person employed by the Hendricks County, Indiana Sheriff's Department (Employer) as a County Policeman, Sheriff, or Deputy Sheriff with full police power (Employee), as such terms are used in Indiana Code. Indiana Code 36-8-10-12 grants the authority to the Employer and a trustee to establish and amend the benefit terms to the Plan with approval of the County fiscal body. The Plan was established on January 1, 1974 and is administered by the Committee. The composition of the Committee, according to the Plan legal document, shall be the Sheriff and the Merit Board, (the Merit Board per IC 36-8-10-3, consists of five members, three members appointed by the Sheriff and two members elected by a majority vote of the members of the County police force).

At December 31, 2020, Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	30
Inactive plan members entitled to but not yet receiving benefits	5
Active plan members	56
Total	91

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Benefits Provided. The plan provides that the monthly retirement benefit shall be a pension payable for the member's lifetime equal to two and one-half percent (2 1/2%) of the member's average monthly wage received during the highest paid five (5) calendar years before retirement (such calendar years do not need to be consecutive) plus one dollar (\$1.00); this sum multiplied by the member's years of credited service up to twenty (20) years; plus an additional two percent (2%) of the member's average monthly wage, as outlined above, multiplied by the member's years of credited service in excess of twenty (20) years up to an additional twelve (12) years. Members are eligible to retire as of normal retirement for an unreduced benefit upon attainment of age fifty-three (53) and completion of at least seven (7) years of service for participants hired prior to January 1, 2016.

A reduced early retirement benefit is available to members with at least twenty (20) years of credited service any time after attainment of age forty-five (45) with a reduction factor of five-twelfths percent (5/12%) for each month by which the early retirement date precedes what would have been the normal retirement date.

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

The severance benefit payable to a member prior to completion of ten (10) years of credited service (seven (7) years of credited service for participants hired prior to January 1, 2016) is a lump sum payment of the net amount of contributions (including interest) plus the amount transferred by the member for the purchase of credited service. After completion of ten (10) years of credited service (seven (7) years of credited service for participants hired prior to January 1, 2016), a member may elect to receive either a lump sum, as outlined above, or a monthly benefit equal to the amount earned under the normal retirement benefit formula, using credited service as of his date of severance, with payment commencing on the member's normal retirement date.

If a member separates employment due to disability, he shall receive a lump sum payment of the net amount of contributions (including interest) plus the amount transferred by the member or the purchase of credited service.

In the event a married or unmarried member who has not yet completed ten (10) years of credited service (seven (7) years of credited service for participants hired prior to January 1, 2016) dies prior to the commencement of any benefit from the Plan, the designated beneficiary shall be entitled to receive a death benefit which shall be a lump sum equal to his net amount of contributions (including interest) and a plus the amount transferred by the member for the purchase of credited service.

In the event an unmarried member who has completed ten (10) years of credited service (seven (7) years of credited service for participants hired prior to January 1, 2016) dies prior to the commencement of any benefit from the Plan, the designated beneficiary shall be entitled to a lump sum equal to the net amount of contributions (including interest) and a monthly death benefit of two hundred forty (240) monthly payments that would have been payable to the member if he had severed employment on the date of death and elected a life annuity with two hundred forty (240) guaranteed payments payable at his normal retirement date.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

In the event a married member who has completed ten (10) years of credited service (seven (7) years of credited service for participants hired prior to January 1, 2016), dies prior to the commencement of any benefit from the plan, the surviving spouse shall be entitled to a lump sum equal to the net amount of contributions (including interest) and a monthly survivor annuity commencing on the date specified by the spouse, but not earlier than the member's early retirement date nor later than the member's normal retirement date, in the amount that would have been payable had the member severed employment and commenced receipt of his retirement benefits in the form of an actuarial equivalent one hundred percent (100%) joint and survivor annuity on the date elected by the surviving spouse.

A member who retired as of an early, normal, or late retirement date (including member who have actually retired through the DROP), who have attained age fifty-five (55) as of July 1 of the calendar year in which benefits are increased, and who is in pay status as of the last day of the preceding calendar year shall be eligible for a cost of living adjustment applied until the earlier of the member's death or attainment of age sixty-five (65). The cost of living adjustment shall be a percentage increase in the eligible retiree's monthly benefit equal to the percentage increase, if any, in the average of the Consumer Price Index prepared by the United States Department of Labor for the first three (3) months of the payment calendar year over the average for the same three (3) months of the preceding calendar year. However, the annual percentage increase shall not exceed two percent (2%).

Contributions. The Employer intends to contribute to the Plan each year such amounts as may be required to operate the Plan on a sound actuarial basis. The minimum annual contribution by the department must be sufficient, as determined by the pension engineers, to prevent deterioration in the actuarial status of the trust fund during the year. According to IC 36-8-10-12(e), if the department fails to make minimum contributions for three (3) successive years, the pension trust terminates and the trust fund shall be liquidated. For the year ending December 31, 2020, the mandatory member contribution rate (per the Plan's legal document) was 3.00% of annual pay and the actuarially determined Employer's contribution rate was 26.9% of annual payroll, \$1,001,203 of which was contributed by the County.

Investment policy. The pension plan's policy regarding the allocation of invested assets is established and may be amended by the Committee (per Plan legal document) by a majority vote of its members. It is the policy of the Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over the short time spans. The Committee revised the asset allocation policy on August 22, 2012:

Asset Class	Target Asset Allocation %
Equities	50%
Fixed income	40%
Non-traditional assets	10%

Rate of Return. For the year ended December 31, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan expense was 14.98 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Deferred Retirement Option Program. The Deferred Retirement Option Program (DROP) for the Plan was established on July 1, 2006 pursuant to the Plan's legal document and is governed by the Employer and a trustee. Members of the Plan that are eligible to retire with an unreduced benefit may elect to accumulate a DROP benefit while continuing to work. At the time of their election, the member executes an irrevocable election to retire on a DROP retirement date and remain in active service, but the member does not contribute to the fund during the DROP period.

A member who has attained age fifty-three (53) and completed at least ten (10) years of service (age fifty (50) and completed at least seven (7) years of service for participants hired prior to January 1, 2016) may irrevocably elect to enter the DROP for a period not longer than five (5) years and shall not extend beyond the date the member is credited with thirty-two (32) years of service. From the date the member enters the DROP, he will not be credited with any additional years of service. The member's DROP frozen benefit will be equal to the monthly pension benefit calculated under the standard benefit formula based upon the member's salary and years of credited service as of the DROP entry date. Upon actual severance of employment by retirement at any time after the DROP entry date, the member will receive their DROP benefit accumulation in the available form/option elected by the member in addition to the DROP frozen benefit to be paid as a monthly annuity. As of December 31, 2020, the balance of the amounts held by the plan pursuant to the DROP is \$516,535.

Net Pension Liability

The components of the net pension liability of the Plan at December 31, 2020 were as follows:

Total pension liability	\$ 21,621,401
Plan fiduciary net position	<u>(17,418,766)</u>
Plan's net pension liability	<u>\$ 4,202,635</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>80.56%</u>

Pension Expense of the Plan. Pension expense of \$1,023,516 was recognized for fiscal year ending December 31, 2020.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Significant Actuarial Assumptions. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Measurement Date	December 31, 2020
Valuation Date	
Assets	December 31, 2020
Liabilities	December 31, 2020, Actual member census data as of December 31, 2020 was used in the valuation
Inflation Rate	3.00% per annum
Future Salary increases	4.00% per annum, (3.00% for inflation and 1.00% for seniority)
Investment Rate of Return	6.75%, net of pension plan investment expenses, including inflation
Cost of Living	Not applicable
Mortality Assumption	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables)

Discount Rate. The discount rate used to measure the total pension liability was 6.75% as of December 31, 2020 and is equal to the long-term expected return on plan investments. The projected cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with IC 38-8-10-12(e) to prevent the deterioration in the actuarial status of the trust. The future contribution assumption was based upon review of recent employer contribution history compared to the corresponding actuarially determined contributions.

Based on this assumption, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability of the plan, calculated using the discount rate of 6.75 percent, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1% Decrease to Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase to Discount Rate (7.75%)
Total pension liability	\$ 24,364,911	\$ 21,621,401	\$ 19,356,169
Plan fiduciary net position	(17,418,766)	(17,418,766)	(17,418,766)
Totals	\$ 6,946,145	\$ 4,202,635	\$ 1,937,403

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Initial Amortization Period	Initial Balance	Annual Recognition	December 31 Balance
Differences between expected and actual experience				
Base for year ending 12-31-2020	5.650	\$ (115,263)	\$ (20,401)	\$ (94,862)
Base for year ending 12-31-2019	5.840	415,435	71,136	273,163
Base for year ending 12-31-2018	5.480	554,767	101,235	251,062
Base for year ending 12-31-2017	5.189	104,715	20,180	23,995
Base for year ending 12-31-2016	5.013	3,314	661	9
Change in assumptions				
Base for year ending 12-31-2020	5.650	(30,656)	(5,426)	(25,230)
Base for year ending 12-31-2019	5.840	367,088	62,858	241,372
Base for year ending 12-31-2018	5.480	(47,248)	(8,622)	(21,382)
Base for year ending 12-31-2017	5.189	173,264	33,391	39,700
Base for year ending 12-31-2016	5.013	(132,447)	(26,421)	(342)
Differences between projected and actual earnings				
Base for year ending 12-31-2020	5.000	(1,285,552)	(257,110)	(1,028,442)
Base for year ending 12-31-2019	5.000	(1,417,933)	(283,587)	(850,759)
Base for year ending 12-31-2018	5.000	1,711,825	342,365	684,730
Base for year ending 12-31-2017	5.000	(661,734)	(132,347)	(132,346)
Base for year ending 12-31-2016	5.000	931,607	<u>186,323</u>	<u>-</u>
Totals			<u>\$ 84,235</u>	<u>\$ (639,332)</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

There are not any employer contributions subsequent to the measurement date.

The balances as of December 31, 2020 of the deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (net)</u>
2021	\$ (76,660)
2022	12,572
2023	(388,074)
2024	(170,386)
2025	(16,784)

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Amortization Periods. The changes in total pension liability due to liability experience losses/(gains) and changes in assumptions for the most current year have been amortized over 5.65 years, the average remaining service of all members with any liability in the plan as of January 1, 2020. The change in net pension liability due to investment losses/(gains) has been amortized over 5.000 years as prescribed.

Assumption changes. The changes in assumptions for base year ending December 31, 2020 reflect the change from the use of the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables). The changes in assumptions for base year ending December 31, 2019 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables). The changes in assumptions for base year ending December 31, 2018 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables). The changes in assumptions for base year ending December 31, 2017 reflect the change from the use of the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables). The changes in assumptions for base year ending December 31, 2016 reflect the change from the use of the RP-2014 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2015 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables).

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Sheriff's Benefit Plan

Plan description. The Hendricks County, Indiana Sheriff Benefit Plan (Plan) is a single-employer defined benefit pension plan established to provide disability, death, and survivor/dependent benefits for a person employed by the Hendricks County, Indiana Sheriff's Department (Employer) as a County Policeman, Sheriff, or Deputy Sheriff with full police power (Employee), as such terms are used in Indiana Code. Indiana Code 36-8-10 Sections 14, 15, 16, and 17 grant the authority to the Employer and trustee to establish and amend the benefit terms to the Plan with the approval of the County fiscal body. The Plan was established on January 1, 1972 and is administered by the Committee. The composition of the Committee, according to the Plans legal document, shall be the Sheriff and the Merit Board (the Merit Board, per IC 36-8-10-3, consist of five members, three members appointed by the Sheriff and two members elected by the majority vote of the members of County police force).

At December 31, 2020, Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	2
Inactive plan members entitled to but not yet receiving benefits	21
Active plan members	<u>56</u>
Total	<u><u>79</u></u>

If an eligible member becomes disabled, the benefit payable prior to age sixty-five (65) shall be determined in accordance with the contract issued by the insurance company provided for the member by the Plan. A member receiving an insurance benefit who attains his sixty-fifth (65th) birthday, whereupon the benefit provided under the insurance contract terminates, shall be entitled to a monthly benefit from the Plan for life in the amount of the monthly benefit to which the member would have been entitled under the Retirement Plan had he remained in service until his normal retirement date and continued to earn a salary at the same rate that was in effect as of the date the disability commenced.

Each eligible member shall be insured by a life insurance contract in the face amount of fifty thousand dollars (\$50,000), with a matching amount of accidental death insurance. The purchase and maintenance of the insurance contract is provided by the Plan.

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

In addition to the surviving spouse's death benefit, a monthly benefit shall be payable on behalf of each dependent child under the age of eighteen (18) years of such deceased member in an amount equal to thirty dollars (\$30) per month. The dependent child's monthly benefit will cease upon the earlier of the child's eighteenth (18th) birthday or date of death.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Contributions. The Employer intends to contribute to the Plan each year such amounts as may be required to operate the Plan on a sound actuarial basis. The minimum annual contribution by the County must be sufficient, as determined by the pension engineers, to prevent deterioration in the actuarial status of the trust fund during the year. According to IC 36-8-10-12(e), if the County fails to make minimum contributions for three (3) successive years, the pension trust terminates and the trust fund shall be liquidated. For the year ending December 31, 2020, the actuarially determined Employer's contribution rate was 3.10% of annual payroll, \$110,633 of which was contributed by the County.

Investment policy. The pension plan's policy regarding the allocation of invested assets is established and may be amended by the Committee (per the Plans legal document) by a majority vote of its members. It is the policy of the Committee to pursue an investment strategy that reduces risk. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over the short time spans. The Committee's revised the asset allocation policy on August 22, 2012:

<u>Asset Class</u>	<u>Target Asset Allocation %</u>
Equities	50%
Fixed income	40%
Non-traditional assets	10%

Net Pension Liability

The components of the net pension liability of the Plan at December 31, 2020 were as follows:

Total pension liability	\$ 1,118,653
Plan fiduciary net position	<u>(1,066,435)</u>
Plan's net pension liability	<u>\$ 52,218</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>95.33%</u>

Pension Expense of the Plan. Pension expense of \$76,481 was recognized for fiscal year ending December 31, 2020.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Significant Actuarial Assumptions. Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Measurement Date	December 31, 2020
Valuation Date	
Assets	December 31, 2020
Liabilities	December 31, 2020, Actual member census data as of December 31, 2020 was used in the valuation
Inflation Rate	3.00% per annum
Future Salary increases	4.00% per annum, (3.00% for inflation and 1.00% for seniority)
Investment Rate of Return	6.75%, net of pension plan investment expenses, including inflation
Cost of Living	Not Applicable
Mortality Assumption	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables)

Discount Rate. The discount rate used to measure the total pension liability was 6.75% as of December 31, 2020 and is equal to the long-term expected return on plan investments. The projected cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with IC 38-8-10-12(e) to prevent the deterioration in the actuarial status of the trust. The future contribution assumption was based upon review of recent employer contribution history compared to the corresponding actuarially determined contributions.

Based on this assumption, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following presents the net pension liability of the plan, calculated using the discount rate of 6.75 percent, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1% Decrease to Discount Rate (5.75%)	Current Discount Rate (6.75%)	1% Increase to Discount Rate (7.75%)
Total pension liability	\$ 1,271,590	\$ 1,118,653	\$ 994,600
Plan fiduciary net position	<u>(1,066,435)</u>	<u>(1,066,435)</u>	<u>(1,066,435)</u>
Totals	<u>\$ 205,155</u>	<u>\$ 52,218</u>	<u>\$ (71,835)</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Initial Amortization Period	Initial Balance	Annual Recognition	December 31 Balance
Differences between expected and actual experience				
Base for year ending 12-31-2020	6.519	\$ (108,002)	\$ (16,567)	\$ (91,435)
Base for year ending 12-31-2019	6.750	(39,941)	(5,917)	(28,107)
Base for year ending 12-31-2018	6.419	13,833	2,155	7,368
Base for year ending 12-31-2017	6.324	263,903	41,730	96,983
Base for year ending 12-31-2016	6.065	(3,975)	(655)	(700)
Base for year ending 12-31-2015	5.865	(23,347)	(3,442)	-
Base for year ending 12-31-2014	6.848	(47,275)	(5,857)	-
Change in assumptions				
Base for year ending 12-31-2020	6.519	(2,646)	(406)	(2,240)
Base for year ending 12-31-2019	6.750	(24,683)	(3,657)	(17,369)
Base for year ending 12-31-2018	6.419	(1,086)	(169)	(579)
Base for year ending 12-31-2017	6.324	4,198	664	1,542
Base for year ending 12-31-2016	6.065	(3,510)	(579)	(615)
Base for year ending 12-31-2015	5.865	(5,283)	(778)	-
Base for year ending 12-31-2014	6.848	18,796	2,326	-
Net difference between projected and actual earnings				
Base for year ending 12-31-2020	5.000	(86,423)	(17,285)	(69,138)
Base for year ending 12-31-2019	5.000	(91,712)	(18,342)	(55,028)
Base for year ending 12-31-2018	5.000	108,234	21,647	43,293
Base for year ending 12-31-2017	5.000	(49,446)	(9,889)	(9,890)
Base for year ending 12-31-2016	5.000	39,129	7,825	-
Totals			<u>\$ (7,196)</u>	<u>\$ (125,915)</u>

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

There is not any employer contributions to the plan subsequent to the measurement date.

The balances as of December 31, 2020 of the deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (net)</u>
2021	\$ (7,271)
2022	3,771
2023	(46,453)
2024	(42,999)
2025	(24,153)
Thereafter	(8,810)

Amortization Periods. The changes in total pension liability due to liability experience losses/(gains) and changes in assumptions for the most current year have been amortized over 6.519 years, the average remaining service of all members with any liability in the plan as of January 1, 2020. The change in net pension liability due to investment losses/(gains) has been amortized over 5 years as prescribed.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Assumption changes. The changes in assumptions for base year ending December 31, 2020 reflect the change from the use of the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables). The changes in assumptions for base year ending December 31, 2019 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables). The changes in assumptions for base year ending December 31, 2018 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables). The changes in assumptions for base year ending December 31, 2017 reflect the change from the use of the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables). The changes in assumptions for base year ending December 31, 2016 reflect the change from the use of the RP-2014 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2015 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables). The changes in assumptions for base year ending December 31, 2015 reflect the change from the use of the RP-2014 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2014 (separate employee & annuitant tables and male & female tables) and a 4.50% salary scale (3.50% inflation and 1.00% merit increases) to the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2015 (separate employee & annuitant tables and male & female tables) and a 4.00% salary scale (3.00% inflation and 1.00% merit increases). The changes in assumptions for base year ending December 31, 2014 reflect the change from the use of IRS Combined Mortality Tables for Small Plans (separate male and female tables) as prescribed for use in corporate valuations to the RP-2014 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2014 (separate employee & annuitant tables and male & female tables).

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Statement of Fiduciary Net Position			
Assets	Sheriff's Pension Trust	Sheriff's Retirement Plan	Sheriff's Benefit Plan
Cash and cash equivalents	\$ 92,763	\$ 923,038	\$ 59,923
Receivables:			
Employer contributions	-	-	-
Employee contributions	-	14,250	-
Accrued interest and dividends	-	72,762	5,399
Accounts	12,401	404,232	34,218
Investments at fair value:			
Fixed income securities	-	5,024,475	380,852
Domestic and foreign equities	-	11,386,250	620,261
Other	-	-	-
Total assets	105,164	17,825,007	1,100,653
Liabilities			
Payable - net benefits due and unpaid/(overpaid)	-	-	-
Transfers out of trust	-	-	-
Due to broker(s) for unsettled trades	-	406,241	34,218
Total liabilities	-	406,241	34,218
Net position restricted for pensions	\$ 105,164	\$ 17,418,766	\$ 1,066,435

Statement of Changes in Fiduciary Net Position			
Additions	Sheriff's Pension Trust	Sheriff's Retirement Plan	Sheriff's Benefit Plan
Contributions:			
Employer contributions	\$ 221,490	\$ 1,001,203	\$ 110,633
Employee contributions	-	116,326	-
Investment income:			
Interest	-	514,704	32,362
Net increase in fair value of assets	-	1,847,576	119,517
Less investment expense, other than securities lending	-	(68,727)	(4,179)
Miscellaneous	-	-	-
Total additions	221,490	3,411,082	258,333
Deductions			
Benefit payments (includes refunds of EE contributions)	-	653,105	64,336
Administrative expense	-	45,799	22,427
Transfers out of trust	-	-	-
Other trust activities	282,079	-	30
Total deductions	282,079	698,904	86,793
Change in fiduciary net position	(60,589)	2,712,178	171,540
Net position, beginning	165,753	14,706,588	894,895
Net position, ending	\$ 105,164	\$ 17,418,766	\$ 1,066,435

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Statement of Changes in Fiduciary Net Pension Liabilities (Assets)		
	Sheriff's Retirement Plan	Sheriff's Benefit Plan
Service costs	\$ 622,493	\$ 42,901
Interest	1,395,316	79,596
Difference between expected and actual experience	(115,263)	(108,002)
Change in assumptions	(30,656)	(2,646)
Benefit payments	(653,105)	(64,336)
Net change in total pension liability	1,218,785	(52,487)
Total pension liability - beginning	20,402,616	1,171,140
Total pension liability - ending	\$ 21,621,401	\$ 1,118,653
Net pension liability (asset) - ending	\$ 4,202,635	\$ 52,218

B. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Self Insurance

The primary government has chosen to establish a risk financing fund for risk associated with medical benefits to employees, retirees and dependents. The risk financing fund is accounted for in the self insurance funds, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$300,000 per year. Settled claims resulting from risk did not exceed commercial insurance coverage for the past 3 years. Amounts paid into the fund by all participating funds are available to pay claims, reserves, and administrative costs of the program. Interfund premiums are based primarily upon the percentage of each fund's current payroll as it relates to the total payroll and are reported as quasi-external interfund transactions.

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

All funds of the County participate in the risk management program. Amounts payable to the Internal Service funds are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Self Insurance (cont.)

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The County does not allocate overhead costs or other nonincremental costs to the claims liability.

Claims Liability

	<u>Current Year</u>	<u>Prior Year</u>
Unpaid claims - beginning of year	\$ 803,676	\$ 821,292
Current year claims and changes in estimates	8,343,607	7,689,572
Claim payments	<u>8,572,257</u>	<u>7,707,188</u>
Unpaid claims - end of year	<u>\$ 575,026</u>	<u>\$ 803,676</u>

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the County is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the County attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The County has active construction projects as of December 31, 2020. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

The County has the following encumbrances outstanding at year end expected to be honored upon performance by the vendor:

General Fund	\$	259,049
Cumulative Bridge		5,515,349
EDIT Project Fund		4,000,064
Nonmajor funds		196,111

D. OTHER POSTEMPLOYMENT BENEFITS

GENERAL INFORMATION ABOUT THE OPEB PLAN

Plan description. The County administers a single-employer defined benefit healthcare plan. The plan provides health insurance benefits for eligible retirees and their spouses through the County's group health insurance plan, which covers both active and retired members. At December 31, 2020, there were 473 plan members. All employees are eligible for early retiree health coverage until Medicare eligibility upon reaching the age of 55, as long as they have 20 years of service with a public employer, 10 years of which must have been completed immediately preceding the retirement date, and have 15 years of participation in the retirement plan of which the employee is a member. Retirees who were hired on or after January 1, 2015 are required to pay full cost of coverage for the insurance. Retirees who hired prior to January 1, 2015 are required to contribution monthly rates as determined by the County. The retiree contributions effective January 1, 2019 was 33% of the total monthly premiums. The County pays the difference between the retiree contribution and the full monthly premium. There is no post Medicare liability for retirees. Effective January 1, 2018, retirees are no longer eligible to remain on the County's health plan upon reaching age 65.

Employees covered by benefit terms. At December 31, 2020, the following employees were covered by the benefit terms:

Retiree Plan Members	20
Active plan members	<u>415</u>
Total	<u><u>435</u></u>

TOTAL OPEB LIABILITY

The County's total OPEB liability of \$13,237,659 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	December 31, 2020
Valuation Date	December 31, 2020; Liabilities as of January 1, 2020 are based on January 1, 2019 projected to January 1, 2020
Discount Rate	2.12% as of December 31, 2020 and 3.26% as of January 1, 2020
Inflation	2.25% per year
Payroll Growth	2.75% plus merit increases
Healthcare cost trend rates	8.0% in 2021 trending down to 4.5% in 2028
Retirees' share of benefit-related costs	Retiree Contributions are assumed to increase according to health care trend rates.

The discount rate was based on 20 year municipal bond indices.

Mortality Rates. General Actives and Retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2020

Police/Fire Actives and Retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2020

Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020

The actuarial assumptions used in the December 31, 2020 valuation were not based on an experience study. An experience study had not been conducted as of the time of the valuation.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

CHANGES IN THE TOTAL OPEB LIABILITY

	Total OPEB Liability
Balances at December 31, 2019	\$ 11,014,301
Changes for the year:	
Service cost	304,608
Interest	363,501
Differences between expected and actual experience	(172,512)
Changes in assumptions or other inputs	2,067,607
Benefit payments	(339,846)
Net changes	2,223,358
Balances at December 31, 2020	\$ 13,237,659

Changes of assumptions and other inputs reflect a change in the discount rate from 3.26% as of December 31, 2019 to 2.12% as of December 31, 2020.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12 percent) or 1-percentage-point higher (3.12 percent) than the current discount rate:

	1% Decrease (1.12%)	Discount Rate (2.12%)	1% Increase (3.12%)
Net OPEB liability	\$ 14,615,524	\$ 13,237,659	\$ 12,022,380

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (9.0 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease (7.0% Decreasing to 3.5%)	Trend Rates (8.0% Decreasing to 4.5%)	1% Increase (9.0% Decreasing to 5.5%)
Total OPEB liability	\$ 11,874,890	\$ 13,237,659	\$ 14,823,566

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2020, the County recognized OPEB expense of \$1,028,766. At December 31, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 296,769
Changes of assumptions or other inputs	2,370,783	-
Total	\$ 2,370,783	\$ 296,769

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:

2021	\$ 360,657
2022	360,657
2023	360,657
2024	360,657
2025	360,653
Thereafter	270,733

E. SUBSEQUENT EVENTS

American Rescue Plan

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of local government to mitigate the fiscal effects stemming from the public health emergency. Hendricks County estimated award is \$33,288,924 which will be used to combat the negative effects of the public health emergency in the local economy. The County will receive 50% of the funds in 2021, with the remaining expected a year later. The funds are to cover costs incurred by December 31, 2024.

Supplemental Income Tax ("LIT") Distribution

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

E. SUBSEQUENT EVENTS (cont.)

Indiana Code Citation IC 6-3.6-9-15 requires the State Budget Agency to provide the amount of supplemental distributions for qualifying counties to the Department of Local Government Finance before May 2nd. The supplemental distribution is disbursed to counties that have a balance in the County trust account exceeding fifteen percent (15%) of the certified distribution to be made to the County in the year of determination. Hendricks County receipted their supplemental LIT distribution on May 24, 2021 in the amount of \$3,211,328.

Bond Issuance

The County issued general obligation bonds on November 2, 2021, in the amount of \$5,575,000. The bonds will payable through 2026.

F. TAX ABATEMENT

Under the state statute, IC 6-1.1-12.1 the County provides tax abatements for rehabilitation or redevelopment of real property in economic revitalization areas. Economic revitalization area (ERA) means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of, normal development and occupancy because of lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The tax abatements under this statute are for real property tax and personal property tax.

Real Property Tax Abatements (I.C. 6-1.1-12.1)

The abatements are obtained through application by the property owner, approval by the County Council, and a signed agreement between the parties. The agreement is usually for a ten-year period in which the County is willing to forgo tax revenues (real property tax) and the property owner promises to take specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. Each year of the agreement's time frame the property owner must verify that they have met the commitments set forth in the agreement. The County must also agree that the commitments have been met. The County then allows the percentage of reduction to be applied to the eligible assessed value.

Tax Abatements – Personal Property Tax (I.C. 6-1.1-12.1)

The County Council approves the tax abatements for personal property tax. Once approval is granted the taxpayer must file forms with the County Assessor each year of the abatement. The forms used, depending on the type of property, are 103-ERA, State form 52503; CF-1/PP, State form 51765; SB-1/PP, State form 51764; and form 103-EL, State form 52515 that accompanies the ERA. After the forms are filed, the County Assessor calculated the minimum value ratio (MVR) which is the Total True Tax Value, from Schedule A divided by 30% of Adjusted Cost, from Schedule A. The adjusted cost is multiplied by the True Tax Value percentage for the property pool by year of purchase of the asset, then times the MVR. Each year of the agreement's time frame the property owner must verify that they have met the commitments set forth in the agreement. The County must also agree that the commitments have been met. The County then allows the reduction in personal property tax to be applied.

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

F. TAX ABATEMENT (cont.)

Vacant Building Abatement (I.C. 6-1.1-12.1-4.8)

Up to a two-year real property tax abatement is available to a company, according to local qualifications, based on occupying a building that has been vacant for more than a year. The building must be used for commercial or industrial purposes and be located in a designated Economic Revitalization Area, as designated by the Council. Prior approval of the Council must occur before occupying the facility and the Council determines the time period for the abatement. All of these programs are designed to spur job creation and retention, grow the income and property tax base, support the redevelopment of areas experiencing a cessation of growth, attract and retain businesses in targeted industries, and assist distressed businesses, among other objectives. Minimum eligibility criteria for such abatements vary by program, as noted above, but generally require that an investment in real or personal property be projected to increase assessed value, create or retain jobs and/or promote economic revitalization. In return for such abatements, the County generally commits to permit, zoning and job training assistance. Included in each abatement agreement are provisions specifying certain damages, among which may include a clawback of some or all of the taxes previously abated. If a company ceases operations or announces the cessation of operations at the facility for which the abatement was granted, termination of the abatement agreement is warranted and 100% clawback is required. Other clawbacks are calculated based on the highest level of non-compliance among the measured categories for that project.

Impact of Abatements on Revenues

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

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

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

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

HENDRICKS COUNTY, INDIANA

NOTES TO FINANCIAL STATEMENTS December 31, 2020

NOTE IV - OTHER INFORMATION (cont.)

F. TAX ABATEMENT (cont.)

The estimated gross amount, on a cash basis by which the Hendricks County's property tax revenues (payable 2020 taxes) were reduced as a result of the aforementioned County abatement programs, totaled \$1,436,134. The abatements for Hendricks County included abatements for the following programs:

Real land abatement	\$ 1,209,152
Personal property abatements	<u>226,982</u>
Total	<u>\$ 1,436,134</u>

While Hendricks County has calculated the potential impact of existing tax abatements on its property tax revenues for 2020 to approximate \$1,436,134 the actual extent of lost revenues is something less than this amount and cannot be reasonably determined due to the application of circuit breaker credits.

G. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

- Statement No. 87, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription - Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

HENDRICKS COUNTY, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - NON- GAAP
GENERAL FUND
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 32,077,125	\$ 32,077,125	\$ 30,590,694	\$ (1,486,431)
Intergovernmental	1,838,000	1,694,780	4,692,088	2,997,308
Licenses and Permits	660,000	660,000	-	(660,000)
Charges for Services	1,700,000	1,700,000	726,713	(973,287)
Fines, Forfeitures and Fees	500,000	500,000	1,400,821	900,821
Interest	2,000,000	2,000,000	1,881,540	(118,460)
Miscellaneous	-	-	7,628,865	7,628,865
Total Revenues	38,775,125	38,631,905	46,920,721	8,288,816
Expenditures:				
General Government:				
Clerk				
Personal Services	787,774	787,774	756,059	31,715
Supplies	5,000	5,000	1,755	3,245
Other Services and Charges	31,000	22,000	6,761	15,239
Other Disbursements	-	-	150	(150)
Personal Services	554,736	554,736	499,074	55,662
Supplies	6,000	8,000	18,230	(10,230)
Other Services and Charges	776,225	150,482	384,467	(233,985)
Other Disbursements	-	-	5,214,008	(5,214,008)
Treasurer				
Personal Services	311,317	311,317	302,476	8,841
Supplies	3,000	3,000	1,053	1,947
Other Services and Charges	55,700	55,700	54,660	1,040
Other Disbursements	-	-	5,932	(5,932)
Surveyor				
Personal Services	414,562	414,562	371,730	42,832
Supplies	17,000	17,000	5,716	11,284
Other Services and Charges	195,000	268,830	192,666	76,164
Assessor				
Personal Services	495,238	495,238	457,771	37,467
Supplies	7,000	6,392	6,212	180
Other Services and Charges	144,000	122,050	99,820	22,230
Cooperative Extension Service				
Personal Services	175,782	185,132	176,225	8,907
Supplies	14,040	14,040	11,024	3,016
Other Services and Charges	141,354	142,243	131,522	10,721
Personal Services	9,240,185	11,490,185	11,221,168	269,017
Supplies	750	750	441	309
Other Services and Charges	882,946	881,063	881,094	(31)
PTABOA BOARD				
Supplies	600	600	-	600
Other Services and Charges	7,300	7,300	662	6,638
Commissioners				
Personal Services	311,731	311,731	289,634	22,097
Supplies	26,500	26,500	17,362	9,138
Other Services and Charges	1,285,492	1,293,868	1,188,657	105,211
Capital Outlays	242,400	242,400	132,067	110,333
Other Disbursements	-	-	25	(25)
Planning and Zoning				
Personal Services	678,337	678,337	592,455	85,882
Supplies	17,000	17,000	11,517	5,483
Other Services and Charges	83,500	91,167	80,816	10,351
Election				
Personal Services	177,241	177,241	172,788	4,453
Supplies	12,500	12,500	11,001	1,499
Other Services and Charges	47,100	36,100	29,390	6,710

See notes to required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - NON- GAAP
GENERAL FUND
For the Year Ended December 31, 2020

Computer Center				
Personal Services	\$ 433,436	\$ 433,436	\$ 367,055	\$ 66,381
Supplies	66,250	66,250	61,146	5,104
Other Services and Charges	1,286,500	1,286,500	1,234,616	51,884
Court Systems				
Personal Services	1,609,916	1,609,916	1,522,660	87,256
Supplies	37,000	37,477	31,565	5,912
Other Services and Charges	494,500	478,100	278,990	199,110
Capital Outlays	2,500	4,000	-	4,000
Engineer				
Personal Services	98,945	93,945	90,731	3,214
Supplies	9,950	9,994	5,902	4,092
Other Services and Charges	117,600	17,600	7,403	10,197
Human Relations/Resources				
Personal Services	89,872	89,872	89,473	399
Supplies	9,550	9,550	7,144	2,406
Other Services and Charges	63,100	63,100	45,837	17,263
Building Maintenance				
Personal Services	432,803	432,803	404,154	28,649
Supplies	61,100	61,100	44,040	17,060
Other Services and Charges	61,800	62,100	57,043	5,057
Weights and Measures				
Personal Services	34,260	34,260	18,596	15,664
Supplies	1,500	1,500	618	882
Other Services and Charges	9,500	9,500	210	9,290
Superior Court 3				
Personal Services	31,970	31,970	16,849	15,121
Supplies	3,000	3,000	32	2,968
Other Services and Charges	25,000	25,000	1,350	23,650
Capital Outlays	2,000	2,000	-	2,000
Total General Government	22,130,362	23,693,211	27,611,802	(3,918,591)
Public Safety:				
Sheriff				
Personal Services	5,218,263	5,218,263	5,007,901	210,362
Supplies	414,200	399,561	330,826	68,735
Other Services and Charges	124,200	123,700	94,420	29,280
Other Disbursements	-	-	1,945	(1,945)
Prosecuting Attorney				
Personal Services	1,421,181	1,361,860	1,345,581	16,279
Supplies	6,000	6,000	3,180	2,820
Other Services and Charges	29,750	29,750	11,842	17,908
Other Disbursements	-	-	61	(61)
Public Defender				
Personal Services	246,273	249,352	249,350	2
Supplies	3,250	3,250	2,415	835
Other Services and Charges	1,579,200	1,576,121	1,463,646	112,475
Capital Outlays	3,000	3,000	96	2,904
Adult Probation				
Personal Services	1,157,526	1,157,526	1,116,501	41,025
Public Safety				
Personal Services	84,295	84,295	64,620	19,675
Supplies	8,000	8,000	2,641	5,359
Other Services and Charges	15,150	4,150	9,518	(5,368)
Capital Outlays	15,600	15,500	7,682	7,818
Work Release				
Personal Services	40,484	40,484	36,818	3,666
Supplies	-	-	101,105	(101,105)
Other Services and Charges	300,000	156,376	156,376	-
Jail				
Personal Services	2,949,668	2,949,668	2,689,952	259,716
Supplies	560,412	587,821	564,467	23,354
Other Services and Charges	815,491	808,393	794,184	14,209
Total Public Safety	14,991,943	14,783,070	14,055,127	727,943

See notes to required supplementary information.

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - NON- GAAP
GENERAL FUND
For the Year Ended December 31, 2020

Health and Human Services:				
Coroner				
Personal Services	\$ 155,921	\$ 173,921	\$ 173,005	\$ 916
Supplies	12,100	10,600	8,300	2,300
Other Services and Charges	209,032	192,032	185,472	6,560
Veterans Service				
Personal Services	89,509	89,509	76,709	12,800
Other Services and Charges	2,450	2,450	1,347	1,103
Capital Outlays	3,000	3,000	360	2,640
Drainage Board				
Personal Services	25,000	25,000	10,620	14,380
Supplies	2,500	2,500	780	1,720
Other Services and Charges	53,500	53,500	5,489	48,011
Cypress Manor				
IV-D Program (Child Support)				
Personal Services	346,942	343,942	341,744	2,198
Supplies	1,500	1,500	1,457	43
Other Services and Charges	11,200	11,200	5,152	6,048
Soil & Water				
Personal Services	80,278	81,589	80,668	921
Supplies	1,000	1,000	997	3
Other Services and Charges	15,262	15,262	12,704	2,558
Clean Water				
Personal Services	131,981	131,981	130,182	1,799
Supplies	6,000	6,000	621	5,379
Other Services and Charges	123,000	123,000	120,347	2,653
Animal Shelter				
Personal Services	515,114	515,114	445,658	69,456
Supplies	29,500	29,500	26,131	3,369
Other Services and Charges	33,000	33,000	6,608	26,392
Total Health and Human Services	<u>1,847,789</u>	<u>1,845,600</u>	<u>1,634,351</u>	<u>211,249</u>
Culture, Recreation and Education				
Parks & Recreation				
Personal Services	363,166	363,166	345,892	17,274
Supplies	49,000	49,000	47,601	1,399
Other Services and Charges	94,300	94,300	93,436	864
Capital Outlays	5,000	5,000	5,000	-
Total Culture, Recreation and Education	<u>511,466</u>	<u>511,466</u>	<u>491,929</u>	<u>19,537</u>
Total Expenditures	<u>39,481,560</u>	<u>40,833,347</u>	<u>43,793,209</u>	<u>(2,959,862)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(706,435)</u>	<u>(2,201,442)</u>	<u>3,127,512</u>	<u>11,248,678</u>
Net Change in Fund Balances	(706,435)	(2,201,442)	3,127,512	5,328,954
Fund Balance - Beginning	<u>20,072,895</u>	<u>20,072,895</u>	<u>20,072,895</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 19,366,460</u>	<u>\$ 17,871,453</u>	<u>\$ 23,200,407</u>	<u>\$ 5,328,954</u>

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGET/GAAP RECONCILIATION
 GENERAL FUND
 For the Year Ended December 31, 2020

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

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

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

	General
Net changes in fund balances (budgetary basis)	\$ 3,127,512
Adjustments	
To adjust revenues for accruals	14,922,419
To adjust expenditures for accruals	(13,548,623)
Net change in fund balance (GAAP basis)	\$ 4,501,308

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE NET PENSION LIABILITY AND RELATED RATIOS
 Last 10 Years*
 INPRS (PERF)

<u>Year Ended**</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</u>
<u>County:</u>					
June 30, 2020	0.34242%	\$ 10,342,434	\$ 18,486,085	55.95%	81.40%
June 30, 2019	0.33596%	11,103,692	17,503,660	63.44%	80.10%
June 30, 2018	0.32476%	11,032,244	16,571,014	66.58%	78.90%
June 30, 2017	0.31786%	14,181,462	15,769,580	89.93%	72.70%
June 30, 2016	0.30910%	14,028,332	14,813,982	94.70%	71.20%
June 30, 2015	0.30123%	12,268,803	14,428,259	85.03%	73.30%
June 30, 2014	0.28462%	7,479,629	13,895,940	53.83%	81.10%
June 30, 2013	0.28354%	9,711,469	13,613,478	71.34%	74.30%

Notes to schedule:

*Information presented for the years information is available

** The data provided in the schedule is based as of the measurement date of INPRS (PERF) net pension liability

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 Last 10 Years*
 INPRS (PERF)

Year Ending**	Statutorily Required Contribution Percentage	Actual Employer Contributions	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
December 31, 2020	11.20%	\$ 2,166,866	\$ 19,347,018	11.20%
December 31, 2019	11.20%	2,024,575	18,076,563	11.20%
December 31, 2018	11.20%	1,895,426	16,923,446	11.20%
December 31, 2017	11.20%	1,773,286	15,832,911	11.20%

*Information presented for the years information is available

** The data provided in the schedule is based as of the measurement date of INPRS (PERF) net pension liability

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS Last 10 Years*

Sheriff's Retirement Plan	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability							
Service cost	\$ 622,493	\$ 553,335	\$ 473,675	\$ 466,005	\$ 444,590	\$ 440,478	\$ 448,877
Interest	1,395,316	1,259,548	1,152,065	1,086,143	1,046,358	984,675	942,445
Change in plan provision	-	-	53,918	-	-	-	-
Differences between expected and actual experience	(115,263)	415,435	554,767	104,715	3,314	129,980	(270,041)
Changes in assumptions	(30,656)	367,088	(47,248)	173,264	(132,447)	(111,599)	71,307
Benefit payments	(653,105)	(653,292)	(699,583)	(1,052,099)	(488,616)	(587,227)	(524,706)
Net change in total pension liability	<u>1,218,785</u>	<u>1,942,114</u>	<u>1,487,594</u>	<u>778,028</u>	<u>873,199</u>	<u>856,307</u>	<u>667,882</u>
Total pension liability - beginning of year	<u>20,402,616</u>	<u>18,460,502</u>	<u>16,972,908</u>	<u>16,194,880</u>	<u>15,321,681</u>	<u>14,465,374</u>	<u>13,797,492</u>
Total pension liability - end of year (1)	<u>\$ 21,621,401</u>	<u>\$ 20,402,616</u>	<u>\$ 18,460,502</u>	<u>\$ 16,972,908</u>	<u>\$ 16,194,880</u>	<u>\$ 15,321,681</u>	<u>\$ 14,465,374</u>
Plan fiduciary net position							
County contributions	\$ 1,001,203	\$ 897,649	\$ 850,254	\$ 821,045	\$ 816,894	\$ 757,841	\$ 665,009
Employee contributions	116,326	108,920	-	-	-	-	-
Net transfers into (out of) trust	-	(11,431)	-	-	-	-	(10,698)
Net investment income	2,293,553	2,248,999	(839,716)	1,439,633	(144,455)	(13,373)	298,381
Benefit payments	(653,105)	(653,292)	(699,583)	(1,052,099)	(488,616)	(587,227)	(524,706)
Administrative expenses	(45,799)	(35,809)	(20,393)	(18,785)	(16,908)	(16,506)	(19,157)
Other	-	11,431	-	-	-	-	9,990
Net change in plan fiduciary net position	<u>2,712,178</u>	<u>2,566,467</u>	<u>(709,438)</u>	<u>1,189,794</u>	<u>166,915</u>	<u>140,735</u>	<u>418,819</u>
Plan fiduciary net position - beginning of year	<u>14,706,588</u>	<u>12,140,121</u>	<u>12,849,559</u>	<u>11,659,765</u>	<u>11,492,850</u>	<u>11,352,115</u>	<u>10,933,296</u>
Plan fiduciary net position - end of year (2)	<u>\$ 17,418,766</u>	<u>\$ 14,706,588</u>	<u>\$ 12,140,121</u>	<u>\$ 12,849,559</u>	<u>\$ 11,659,765</u>	<u>\$ 11,492,850</u>	<u>\$ 11,352,115</u>
Net pension liability (asset) - end of year (1) - (2)	<u>\$ 4,202,635</u>	<u>\$ 5,696,028</u>	<u>\$ 6,320,381</u>	<u>\$ 4,123,349</u>	<u>\$ 4,535,115</u>	<u>\$ 3,828,831</u>	<u>\$ 3,113,259</u>
Plan fiduciary net position as a percentage of the total pension liability	80.56%	72.08%	65.76%	75.71%	72.00%	75.01%	78.48%
Covered payroll	\$ 3,869,769	\$ 3,913,483	\$ 3,533,988	\$ 2,835,264	\$ 2,767,054	\$ 2,611,255	\$ 2,424,182
County's net pension liability as a percentage of covered payroll	108.60%	145.55%	178.85%	145.43%	163.90%	146.63%	128.43%

Notes to schedule:

*Information presented for the years information is available

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS
 Last 10 Years*

Sheriff's Benefit Plan	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability							
Service cost	\$ 42,901	\$ 39,101	\$ 31,155	\$ 31,529	\$ 27,756	\$ 26,525	\$ 31,918
Interest	79,596	80,004	75,568	55,067	52,672	52,003	51,445
Differences between expected and actual experience	(108,002)	(39,941)	13,833	263,903	(3,975)	(23,347)	(47,275)
Changes in assumptions	(2,646)	(24,683)	(1,086)	4,198	(3,510)	(5,283)	18,796
Benefit payments	(64,336)	(64,336)	(58,558)	(41,225)	(41,225)	(41,225)	(41,225)
Net change in Total Pension Liability	(52,487)	(9,855)	60,912	313,472	31,718	8,673	13,659
Total pension liability - beginning of year	<u>1,171,140</u>	<u>1,180,995</u>	<u>1,120,083</u>	<u>806,611</u>	<u>774,893</u>	<u>766,220</u>	<u>752,561</u>
Total pension liability - end of year (1)	<u>\$ 1,118,653</u>	<u>\$ 1,171,140</u>	<u>\$ 1,180,995</u>	<u>\$ 1,120,083</u>	<u>\$ 806,611</u>	<u>\$ 774,893</u>	<u>\$ 766,220</u>
Plan fiduciary net position							
County contributions	\$ 110,633	\$ 97,411	\$ 48,007	\$ 49,220	\$ 58,160	\$ 68,578	\$ 64,227
Net transfers into (out of) trust	-	-	-	-	-	-	708
Net investment income	147,700	142,101	(54,333)	98,180	9,687	(4,729)	23,824
Benefit payments	(64,336)	(64,336)	(58,558)	(41,225)	(41,225)	(41,225)	(41,225)
Administrative expenses	(22,427)	(19,224)	(644)	(41,967)	(562)	(41,156)	(23,186)
Other	(30)	(125)	-	-	-	-	-
Net change in plan fiduciary net position	171,540	155,827	(65,528)	64,208	26,060	(18,532)	24,348
Plan fiduciary net position - beginning of year	<u>894,895</u>	<u>739,068</u>	<u>804,596</u>	<u>740,388</u>	<u>714,328</u>	<u>732,860</u>	<u>708,512</u>
Plan fiduciary net position - end of year (2)	<u>\$ 1,066,435</u>	<u>\$ 894,895</u>	<u>\$ 739,068</u>	<u>\$ 804,596</u>	<u>\$ 740,388</u>	<u>\$ 714,328</u>	<u>\$ 732,860</u>
Net pension liability (asset) - end of year (1) - (2)	<u>\$ 52,218</u>	<u>\$ 276,245</u>	<u>\$ 441,927</u>	<u>\$ 315,487</u>	<u>\$ 66,223</u>	<u>\$ 60,565</u>	<u>\$ 33,360</u>
Plan fiduciary net position as a percentage of the total pension liability	95.33%	76.41%	62.58%	71.83%	91.79%	92.18%	95.65%
Covered payroll	\$ 3,869,769	\$ 3,913,483	\$ 3,533,988	\$ 2,835,264	\$ 2,767,054	\$ 2,611,255	\$ 2,424,182
County's net pension liability (asset) as a percentage of covered payroll	1.35%	7.06%	12.51%	11.13%	2.39%	2.32%	1.38%

Notes to schedule:

*Information presented for the years information is available

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS
Last 10 Years

Sheriff's Retirement Plan	<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>	<u>2011</u>
Actuarially determined contribution**	\$ 950,113	\$ 853,971	\$ 808,007	\$ 776,938	\$ 774,608	\$ 757,841	\$ 665,009	\$ 627,709	\$ 616,123	\$ 625,483
Contributions in relation to the actuarially determined contribution	<u>1,001,203</u>	<u>897,649</u>	<u>850,254</u>	<u>821,045</u>	<u>816,894</u>	<u>757,841</u>	<u>665,009</u>	<u>627,709</u>	<u>616,123</u>	<u>620,483</u>
Contribution deficiency (excess)	\$ (51,090)	\$ (43,678)	\$ (42,247)	\$ (44,107)	\$ (42,286)	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Covered payroll**	\$ 3,913,483	\$ 3,533,988	\$ 2,835,264	\$ 2,767,054	\$ 2,611,255	\$ 2,424,182	\$ 2,478,286	\$ 2,425,021	\$ 2,349,854	\$ 2,308,268
Contributions as a percentage of covered payroll	25.58%	25.40%	29.99%	29.67%	31.28%	31.26%	26.83%	25.88%	26.22%	26.88%

Notes to schedule:

Valuation date:

**Actuarially determined contributions rates are calculated as of January 1, two years prior to the end of the fiscal year in which contributions are required.

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

Actuarial cost method	Frozen initial liability
Amortization method	Level percentage of payroll, open
Remaining amortization period	26 Years
Asset valuation method	5-Year Asset Smoothing limited to 80% and 120% of market value
Inflation	3.00%
Salary increases	4.00% average, including inflation
Investment rate of return	6.75%
Retirement age	The later of age 53 and 10 years of service (age 50 and 7 years of service for participants hired prior to January 1, 2016) or one year from the valuation date
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2018 (separate annuitant tables and male & female tables)

Other information:

None

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF COUNTY CONTRIBUTIONS
 Last 10 years

Sheriff's Benefit Plan	<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>	<u>2011</u>
Actuarially determined contribution**	\$ 110,633	\$ 97,411	\$ 48,007	\$ 49,220	\$ 58,160	\$ 68,578	\$ 64,227	\$ 74,217	\$ 88,647	\$ 96,947
Contributions in relation to the actuarially determined contribution	<u>110,633</u>	<u>97,411</u>	<u>48,007</u>	<u>49,220</u>	<u>58,160</u>	<u>68,578</u>	<u>64,227</u>	<u>74,217</u>	<u>88,647</u>	<u>96,947</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll**	\$ 3,913,483	\$ 3,533,988	\$ 2,835,264	\$ 2,767,054	\$ 2,611,255	\$ 2,424,182	\$ 2,478,286	\$ 2,425,021	\$ 2,349,854	\$ 2,308,268
Contributions as a percentage of covered payroll	2.83%	2.76%	1.69%	1.78%	2.23%	2.83%	2.59%	3.06%	3.77%	4.20%

Notes to schedule:

Valuation date:

**Actuarially determined contributions rates are calculated as of January 1, two years prior to the end of the fiscal year in which contributions are reported

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

Actuarial cost method	Aggregate
Amortization method	Not Applicable
Remaining amortization period	Not Applicable
Asset valuation method	5-Year Asset Smoothing limited to 80% and 120% of market value
Inflation	3.00%
Salary increases	4.00% average, including inflation
Investment rate of return	6.75%
Retirement age	The later of age 53 and 10 years of service (age 50 and 7 years of service for participants hired prior to January 1, 2016) or one year from the valuation date
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2018 (separate employee & annuitant tables and male & female tables)

Other information:

None

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF INVESTMENT RETURNS Last 10 Fiscal Years

Sheriff's Retirement Plan	<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>	<u>2011</u>
Annual money-weighted rate of return	14.98%	17.77%	-6.51%	12.46%	-1.21%	-0.19%	2.82%	13.40%	5.10%	-4.20%

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENT RETURNS

Last 10 Fiscal Years*

Sheriff's Benefit Plan	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Annual money-weighted rate of return	15.27%	18.47%	-6.66%	13.11%	1.22%	-0.76%	3.75%	23.50%

*Schedule presented for the years information available.

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN NET OPEB LIABILITY Last 10 Years*

NET OPEB LIABILITY	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 304,608	\$ 252,961	\$ 1,489,402
Interest	363,501	415,278	1,581,598
Differences between expected and actual experience	(172,512)	(208,462)	(10,004,027)
Changes in assumptions	2,067,607	837,968	(853,106)
Benefit payments	<u>(339,846)</u>	<u>(266,468)</u>	<u>(799,416)</u>
Net change in total pension liability	2,223,358	1,031,277	(34,900,607)
Total pension liability - beginning of year	<u>11,014,301</u>	<u>9,983,024</u>	<u>44,883,631</u>
Total pension liability - end of year (1)	<u>\$ 13,237,659</u>	<u>\$ 11,014,301</u>	<u>\$ 9,983,024</u>
Plan fiduciary net position			
Contributions	\$ 339,846	\$ 266,468	\$ 799,416
Benefit payments	<u>(339,846)</u>	<u>(266,468)</u>	<u>(799,416)</u>
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning of year	-	-	-
Plan fiduciary net position - end of year (2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total OPEB liability (asset) - end of year (1) - (2)	<u>\$ 13,237,659</u>	<u>\$ 11,014,301</u>	<u>\$ 9,983,024</u>

Notes to schedule:

*Information presented for the years information is available

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF NET OPEB LIABILITY Last 10 Years*

	2020	2019	2018
1. Total OPEB liability	\$ 13,237,659	\$ 11,014,301	\$ 9,983,024
2. Plan fiduciary net position	-	-	-
3. Total OPEB liability	<u>\$ 13,237,659</u>	<u>\$ 11,014,301</u>	<u>\$ 9,983,024</u>
4. Plan fiduciary net position as a percentage of total OPEB liability = (2) / (1)	-	-	-
5. Covered payroll	\$ 24,125,631	\$ 22,859,302	Not Provided
6. Total OPEB liability as a percentage of covered payroll = (3) / (5)	54.87%	48.18%	NA

Notes to schedule:

* Information presented for the years information is available

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB Last 10 Years

	2020	2019
OPEB contributions		
Contributions**	\$ 339,846	\$ 266,468
Actual employer contributions	339,846	266,468
Contribution deficiency (excess)	\$ -	\$ -
Covered payroll**	\$ 24,125,631	\$ 22,859,302
Contributions as a percentage of covered payroll	1.41%	1.17%

Notes to schedule:

Valuation date: For fiscal year ended December 31, 2020

**This is a pay as you go plan, assumed to be the same as the contributions

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

Actuarial cost method	Entry Age Normal Level % of Salary
Amortization method	Not Applicable
Remaining amortization period	Not Applicable
Asset valuation method	Not Applicable
Healthcare cost trend rates	Medical costs were trended at 8.0% in the first year trended down to 4.5% over eight years
Inflation	2.25%
Retirement age	Age 55
Mortality	General retirees; SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019 Police retirees; SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational use Scale MP-2020

Other information:
None

See notes to required supplementary information.

HENDRICKS COUNTY, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

I. Budgets and Budgetary Accounting

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

On or before August 31, the County auditor submits to the County council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the County council to obtain taxpayer comments. In September of each year, the County council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the County receives approval of the Indiana Department of Local Government Finance.

Indiana law restricts the County's maximum tax levy, with certain adjustments and exceptions. If the advertised budget, for funds for which property taxes are levied or for which highway use taxes are received, exceeds the spending and tax limits of the state control laws, an excess levy may be granted by the Indiana Department of Local Government Finance.

The legal level of budgetary control is by object or department within the fund for the General fund, and by object within the fund for all other budgeted funds. The County's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the County Council. Any revisions to the appropriations for any fund or any department of the General fund must be approved by the County Council and, in some instances, by the Indiana Department of Local Government Finance.

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

Major funds:

General, Cumulative Bridge

Special revenue funds:

Rainy Day, 2015 Reassessment, Highway, Local Road & Street, Health, Drain Improvement, COIT Special Distribution, County Wheel Tax, Continuing Education, Emergency Telephone System, Economic Dev Income Tax CEDIT, Food and Beverage, Auditor's Plat Book, Clerk's Perpetuation, Recorder's Perpetuation, Tax Increment Replacement, Surveyor's Perpetuation, Clerks IV-D Incentive, Pre Trial Diversions, Law Enforcement, Prosecutor's Special Fees, Sup Alternative Dispute Res, Assessor's Disclosure, Supplemental Public Defender's, Probation User Fees, Juvenile Probation fees, Substance Abuse Task Force, Home Detention, Soil and Water Grant, Identification Security, Problem Solving Court, Jury Pay, Prosecutor IV-D Incentive, Sex and Violent Offender Admin, Wheel Sur/Tax County Portion, Title IV-D Incentive, SR 267 Relinquish

Debt service funds:

Debt Payment, Bond #2, Bond #3, Loan and Interest Payment

HENDRICKS COUNTY, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

(Continued)

Capital project funds:

County Major Bridge, Cumulative Capital Development, TIF Guilford/Heartland, TIF
Pittsboro/Steel Dynamics, TIF 70 West Commerce Park, Park Board Innkeepers Share, TIF
Westpoint/Lauth, TIF 70/39 Commerce, TIF Ronald Reagan North

Proprietary funds:

Self Insurance

II. Financial Reporting – Pension Plans

PERF Plan:

Actuarial cost method	Entry age normal (level percent of payroll)
Experience study date	Period of 5 years ended June 30, 2019
Investment rate of return	6.75%, net of investment expense, including inflation
Asset valuation method	Fair market value adjusted for a 5-year phase-in of asset gains and losses
Inflation	2.25%
Salary increases	2.50% to 4.25% based on age
Mortality	Pubs 2010 Public Retirement Plans Mortality Table with fully generational improvements using SOA scale MP-2019

Change in Assumptions. The future salary increase assumption changed from an age-based table ranging from 2.50 percent to 4.25 percent to a service-based table ranging from 2.75 percent to 8.75 percent.

The mortality assumption changed from the RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables projected on a fully generational basis using the future mortality improvement scale inherent in the mortality projection included in the Social Security Administration's 2014 Trustee Report to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The retirement assumption was updated based on recent experience and was updated from an age- and service-based table to an age based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30 percent are now assumed to commence benefits immediately and 70 percent are assumed to commence benefits at unreduced retirement eligibility. Previously 33 percent of actives were assumed to commence benefits with early retirement while 67 percent were assumed to wait for unreduced retirement eligibility.

The termination assumption was updated based on recent experience. For state members the tables were combined from being split by salary and sex to being one unisex service-based table. For members in political subdivisions earning more than \$20,000, the sex-distinct tables were combined to one unisex service-based table. For members in political subdivisions earning less than \$20,000, the sex-distinct age-based table was maintained and the rates were updated based on experience.

HENDRICKS COUNTY, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

(Continued)

The disability assumption was updated based on recent experience study. The marital assumption was updated based on recent experience. 80 percent of male members and 65 percent of female members are assumed to be married or to have a dependent beneficiary. Previously, 75 percent of male members and 60 percent of female members were assumed to be married or to have a dependent beneficiary.

The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

Plan Amendments. There were no changes in the plan provisions during the fiscal year.

Sheriff Retirement and Benefit Plans

The changes in assumptions for base year ending December 31, 2020 reflect the change from the use of the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables).

The following changes in assumptions were made for the Sheriff's Retirement and Sheriff's Benefit plan for the base year ending December 31, 2019. The changes in assumptions for base year ending December 31, 2019 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables).

The changes in assumptions for base year ending December 31, 2018 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee & annuitant tables and male & female tables).

The changes in assumptions for base year ending December 31, 2017 reflect the change from the use of the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee & annuitant tables and male & female tables).

HENDRICKS COUNTY, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

(Continued)

The changes in assumptions for base year ending December 31, 2016 reflect the change from the use of the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2015 (separate employee & annuitant tables and male & female tables) to the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables).

The changes in assumptions for base year ending December 31, 2015 reflect the change from the use of the 2015 IRS Combined Mortality Tables for Small Plans (separate male and female tables) as prescribed for use in corporate valuations and a 4.50 percent salary scale (3.50 percent inflation and 1.00 percent merit increases) to the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2015 (separate employee & annuitant tables and male & female tables) and a 4.00 percent salary scale (3.00 percent inflation and 1.00 percent merit increases).

The changes in assumptions for base year ending December 31, 2014 reflect the change from the use of 2014 IRS Combined Mortality Tables for Small Plans (separate male and female tables) as prescribed for use in corporate valuations to the 2015 IRS Combined Mortality Tables for Small Plans (separate male and female tables) as prescribed for use in corporate valuations.

Sheriff Retirement Plan:

Actuarial cost method	Frozen initial liability
Amortization method	Level percentage of payroll, open
Remaining amortization period	26 years
Asset valuation method	5-Year Asset Smoothing, limited to 80% and 120% of market value
Inflation	3.00%
Salary increases	4.00% average, including inflation
Investment rate of return	6.75%
Retirement age	The later of age 53 and 10 years of service (age 50 and 7 years of service for participants hired prior to January 1, 2016) or one year from the valuation date
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2018 (separate employee & annuitant tables and male & female tables).

HENDRICKS COUNTY, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020

(Continued)

Sheriff Benefit Plan:

Actuarial cost method	Aggregate
Amortization method	Not Applicable
Remaining amortization period	Not Applicable
Asset valuation method	5-Year Asset Smoothing, limited to 80% and 120% of market value
Inflation	3.00%
Salary increases	4.00% average, including inflation
Investment rate of return	6.75%
Retirement age	The later of age 53 and 10 years of service (age 50 and 7 years of service for participants hired prior to January 1, 2016), or one year from the valuation date.
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2018 (separate employee & annuitant tables and male & female tables.

III. OPEB Plan

Cost method	Entry Age Normal Level % of Salary
Amortization method	Not Applicable
Assumptions	
Discount rate	3.26% as of January 1, 2020; 2.12% as of December 31, 2020
Discount rate basis	S & P municipal bond 20 year high grade rate index
Inflation rate	2.25% per annum
Investment rate of return	No applicable since the plan is not currently prefunded
Disability	None
Mortality	SOA Pub-2010 General, Public Safety, and Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2020
Health Coverage rate	Active employees with current coverage hired prior to January 1, 2015: 70% Active employees with current coverage hired/on after January 1, 2015: 40% Inactive employees with current coverage: 100%

HENDRICKS COUNTY, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2020
(Continued)

Retirement Rates

Merit Deputies		
Age	<20 YOS	20+YOS
50-59	5%	25%
60-61	20%	25%
62	40%	60%
63-64	30%	40%
65-66	50%	50%
67+	100%	100%

General Employees		
Age	Regular Retirement	Rule of 85
55-59	5%	25%
60-61	20%	25%
62	40%	60%
63-64	30%	40%
65-66	50%	50%
67+	100%	100%

Turnover

Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rates represent the probability of termination in the next 12 months. The termination rates are based on standard actuarial termination table adjusted for County's historical termination experience. Sample annual turnover rates are shown below:

<u>Age</u>	<u>Rate</u>
25	15.4%
30	14.4%
35	12.6%
40	10.3%
45	8.0%
50	5.1%
55	1.9%
60	0.2%
65+	0.0%

Spouse 50% of male employees and 35% of female employees are assumed to be married at retirement. Husbands are assumed to be three years older than wives.

HENDRICKS COUNTY, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2020
(Continued)

Per Capita Costs Annual per capita costs were calculated based on the County’s monthly premium rates effective on January 1, 2020 on an expected claims basis actuarially increased using health index factors and current enrollment. The costs are assumed to increase with health care trend rates. Annual per capita costs for the plan are as shown below:

Age	Encore Network	HRH Network
<55	\$11,700	\$11,500
55-59	\$14,600	\$14,300
60-64	\$18,900	\$18,500

Health Care Trend Rates

<u>FYE</u>	<u>Medical/Rx</u>
2021	8.00%
2022	7.50%
2023	7.00%
2024	6.50%
2025	6.00%
2026	5.50%
2027	5.00%
2028+	4.50%

OTHER SUPPLEMENTARY INFORMATION

HENDRICKS COUNTY, INDIANA

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

December 31, 2020

	Special Revenue	Debt Service	Capital Projects	Totals
Assets				
Cash and cash equivalents	\$ 34,483,064	\$ -	\$ 14,581,506	\$ 49,064,570
Investments	22,631,116	-	9,981,909	32,613,025
Receivables				
Taxes	2,377,067	2,306,913	7,119,540	11,803,520
Interest	-	-	701	701
Accounts	838,874	12,345	27	851,246
Intergovernmental	1,204,097	-	-	1,204,097
Interfund	-	-	886,025	886,025
Restricted assets:				
Cash and cash equivalents	-	7,252,571	-	7,252,571
Investments	-	3,043,662	-	3,043,662
Total assets	61,534,218	12,615,491	32,569,708	106,719,417
Liabilities, deferred inflows of resources, and fund balances				
Liabilities				
Accounts payable	892,932	-	1,474,530	2,367,462
Accrued payroll and withholdings payable	98,417	-	1,562	99,979
Interfund payable	2,542,559	-	-	2,542,559
Total liabilities	3,533,908	-	1,476,092	5,010,000
Deferred inflows of resources:				
Unavailable revenue	1,915,584	2,118,893	6,795,083	10,829,560
Fund balances				
Restricted	57,683,713	10,496,598	24,298,533	92,478,844
Unassigned	(1,598,987)	-	-	(1,598,987)
Total fund balances	56,084,726	10,496,598	24,298,533	90,879,857
Total liabilities, deferred inflows of resources, and fund balances	\$ 61,534,218	\$ 12,615,491	\$ 32,569,708	\$ 106,719,417

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

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS**

For The Year Ended December 31, 2020

	Special Revenue	Debt Service	Capital Projects	Totals
Revenues				
Taxes				
Property	\$ 2,115,267	\$ 5,571,235	\$ 6,401,166	\$ 14,087,668
Income	-	-	10,414,761	10,414,761
Other	2,874,376	1,303,185	1,336,092	5,513,653
Licenses and permits	163,125	-	-	163,125
Intergovernmental	21,177,173	224,856	456,086	21,858,115
Charges for services	5,086,969	-	63,428	5,150,397
Fines and forfeits	1,426,039	-	-	1,426,039
Investment income	434,401	65,176	203,868	703,445
Other	2,317,756	37,069	187,794	2,542,619
Total revenues	35,595,106	7,201,521	19,063,195	61,859,822
Expenditures				
Current				
General government	2,821,995	1,079,400	1,488,665	5,390,060
Public safety	8,863,035	-	314,318	9,177,353
Highways and streets	8,175,696	1,684,453	1,662,263	11,522,412
Health and welfare	4,640,940	-	1,000	4,641,940
Culture and recreation	3,703,123	-	692,768	4,395,891
Economic development	1,004,832	-	-	1,004,832
Debt service				
Principal	835,504	2,735,020	360,000	3,930,524
Interest	299,099	577,550	26,488	903,137
Bond issuance costs	-	-	80,000	80,000
Capital outlay				
General government	9,957	-	4,051,737	4,061,694
Public safety	543,930	-	6,862,660	7,406,590
Highways and streets	1,514,419	-	3,733	1,518,152
Total expenditures	32,412,530	6,076,423	15,543,632	54,032,585
Excess of revenues over expenditures	3,182,576	1,125,098	3,519,563	7,827,237
Other financing sources (uses)				
Bond proceeds	-	-	4,596,021	4,596,021
Transfers in	6,599,358	2,747,719	-	9,347,077
Transfers out	(6,918,403)	(2,747,719)	(849,358)	(10,515,480)
Total other financing sources and uses	(319,045)	-	3,746,663	3,427,618
Net change in fund balances	2,863,531	1,125,098	7,266,226	11,254,855
Fund balances - beginning as previously stated	53,973,787	6,542,707	17,032,307	77,548,801
Adjustment to fund balances	(752,592)	2,828,793	-	2,076,201
Fund balances - beginning as adjusted	53,221,195	9,371,500	17,032,307	79,625,002
Fund balances - ending	\$ 56,084,726	\$ 10,496,598	\$ 24,298,533	\$ 90,879,857

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

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Surveyor's Cornerstone Perpetual	Recorder's Records Perpetuation	Jail Commissary	Convention and Tourism Supplemental CAR	Redevelopment Commission	SR267 Relinquish
Assets						
Cash and cash equivalents	\$ 185,942	\$ 722,302	\$ 154,846	\$ 1,080,474	\$ 57,547	\$ 1,242,988
Investments	125,456	496,368	103,637	741,825	-	856,371
Receivables						
Taxes	-	-	-	-	-	-
Accounts	-	133,299	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Interfund	-	-	-	-	-	-
Total assets	<u>311,398</u>	<u>1,351,969</u>	<u>258,483</u>	<u>1,822,299</u>	<u>57,547</u>	<u>2,099,359</u>
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	7,108	-	-	-	-	-
Accrued payroll and withholdings payable	156	5,787	-	-	-	-
Interfund payable	-	-	-	-	1,656,534	-
Total liabilities	<u>7,264</u>	<u>5,787</u>	<u>-</u>	<u>-</u>	<u>1,656,534</u>	<u>-</u>
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	-
Fund balances						
Restricted	304,134	1,346,182	258,483	1,822,299	-	2,099,359
Unassigned	-	-	-	-	(1,598,987)	-
Total fund balances	<u>304,134</u>	<u>1,346,182</u>	<u>258,483</u>	<u>1,822,299</u>	<u>(1,598,987)</u>	<u>2,099,359</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 311,398</u>	<u>\$ 1,351,969</u>	<u>\$ 258,483</u>	<u>\$ 1,822,299</u>	<u>\$ 57,547</u>	<u>\$ 2,099,359</u>

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Project ATTEND	TIR Hend Co Redev Portion	Home Detention Fees	Planning Comm Advertising Fees	Subdivision Inspection	Building Inspection Fees	Bond Forfeitures
Assets							
Cash and cash equivalents	\$ 8,400	\$ -	\$ 256,951	\$ 21,421	\$ 202,807	\$ 151,371	\$ 37,081
Investments	-	-	180,003	-	136,365	103,637	-
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	52,922	-	2,500	50	-
Intergovernmental	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-
Total assets	8,400	-	489,876	21,421	341,672	255,058	37,081
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	-	-	16,324	-	-
Accrued payroll and withholdings payable	-	-	3,263	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	-	-	3,263	-	16,324	-	-
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	8,400	-	486,613	21,421	325,348	255,058	37,081
Unassigned	-	-	-	-	-	-	-
Total fund balances	8,400	-	486,613	21,421	325,348	255,058	37,081
Total liabilities, deferred inflows of resources, and fund balances	\$ 8,400	\$ -	\$ 489,876	\$ 21,421	\$ 341,672	\$ 255,058	\$ 37,081

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Comm						
	Innkeepers Tax County's 1.5%	Corrections Proj Income	Auditors Plat Book Fund	Reassessment 2015	Forfeiture Disbursement	Child Health & Other Services	Animal Shelter
Assets							
Cash and cash equivalents	\$ -	\$ 134,827	\$ 182,236	\$ 771,599	\$ 7,812	\$ 93,776	\$ 28,814
Investments	-	92,728	125,456	534,550	-	60,001	-
Receivables							
Taxes	-	-	-	588,484	-	-	-
Accounts	-	16,629	2,100	21,446	4,069	11,982	130
Intergovernmental	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-
Total assets	<u>-</u>	<u>244,184</u>	<u>309,792</u>	<u>1,916,079</u>	<u>11,881</u>	<u>165,759</u>	<u>28,944</u>
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	2,855	-	-	-	-	3,596
Accrued payroll and withholdings payable	-	2,232	392	5,433	-	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>5,087</u>	<u>392</u>	<u>5,433</u>	<u>-</u>	<u>-</u>	<u>3,596</u>
Deferred inflows of resources:							
Unavailable revenue	-	-	-	533,695	-	-	-
Fund balances							
Restricted	-	239,097	309,400	1,376,951	11,881	165,759	25,348
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>239,097</u>	<u>309,400</u>	<u>1,376,951</u>	<u>11,881</u>	<u>165,759</u>	<u>25,348</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 244,184</u>	<u>\$ 309,792</u>	<u>\$ 1,916,079</u>	<u>\$ 11,881</u>	<u>\$ 165,759</u>	<u>\$ 28,944</u>

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Statewide 911	Local Health Dept Trust	MVH Restricted	Motor Vehicle Highway	Park Nonreverting Operating	Rainy Day	Identification Security Cty
Assets							
Cash and cash equivalents	\$ 3,342,515	\$ 92,407	\$ 382,210	\$ 866,511	\$ 39,565	\$ 8,305,130	\$ 112,259
Investments	2,301,839	-	267,275	600,005	-	5,710,961	76,364
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	283,900	-	-	52,882	392	-	7,916
Intergovernmental	-	27,883	218,885	218,885	-	-	-
Interfund	-	-	-	-	-	-	-
Total assets	5,928,254	120,290	868,370	1,738,283	39,957	14,016,091	196,539
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	2,323	45,165	239	-	-
Accrued payroll and withholdings payable	-	878	-	27,359	-	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	-	878	2,323	72,524	239	-	-
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	5,928,254	119,412	866,047	1,665,759	39,718	14,016,091	196,539
Unassigned	-	-	-	-	-	-	-
Total fund balances	5,928,254	119,412	866,047	1,665,759	39,718	14,016,091	196,539
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,928,254	\$ 120,290	\$ 868,370	\$ 1,738,283	\$ 39,957	\$ 14,016,091	\$ 196,539

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Emergency Planning Com	Food & Beverage (County)	Health	GIS Database Fees	Local Health Maintenance	Local Road and Street	Assessor's Disclosure Fees
Assets							
Cash and cash equivalents	\$ 47,906	\$ 4,243,819	\$ 650,066	\$ 5,139	\$ 182,766	\$ 1,081,775	\$ 98,238
Investments	-	2,918,208	447,277	-	125,456	747,280	-
Receivables							
Taxes	-	333,104	1,455,479	-	-	-	-
Accounts	-	-	73,720	-	-	-	94
Intergovernmental	-	-	-	-	36,336	159,566	-
Interfund	-	-	-	-	-	-	-
Total assets	47,906	7,495,131	2,626,542	5,139	344,558	1,988,621	98,332
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	131,667	2,683	-	-	92,960	-
Accrued payroll and withholdings payable	-	-	15,373	-	1,421	-	249
Interfund payable	-	-	-	-	-	-	-
Total liabilities	-	131,667	18,056	-	1,421	92,960	249
Deferred inflows of resources:							
Unavailable revenue	-	-	1,381,889	-	-	-	-
Fund balances							
Restricted	47,906	7,363,464	1,226,597	5,139	343,137	1,895,661	98,083
Unassigned	-	-	-	-	-	-	-
Total fund balances	47,906	7,363,464	1,226,597	5,139	343,137	1,895,661	98,083
Total liabilities, deferred inflows of resources, and fund balances	\$ 47,906	\$ 7,495,131	\$ 2,626,542	\$ 5,139	\$ 344,558	\$ 1,988,621	\$ 98,332

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HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Campaign		Clerk's Records	Direct Seller	Regional Sewer	Community	County Copy
	Finance	Child Advocacy	Perpetuation	Fees	Wage & Benefit	Transitions	Paper
	Enforcement					Program	
Assets							
Cash and cash equivalents	\$ 1,575	\$ 1,495	\$ 112,685	\$ 250	\$ -	\$ 3,784	\$ -
Investments	-	-	76,364	-	-	-	-
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	50	-	3,890	-	42,382	-	-
Intergovernmental	-	-	-	-	-	1,675	-
Interfund	-	-	-	-	-	-	-
Total assets	<u>1,625</u>	<u>1,495</u>	<u>192,939</u>	<u>250</u>	<u>42,382</u>	<u>5,459</u>	<u>-</u>
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	7,790	-	-	-	-
Accrued payroll and withholdings payable	-	-	-	-	745	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>7,790</u>	<u>-</u>	<u>745</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	1,625	1,495	185,149	250	41,637	5,459	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>1,625</u>	<u>1,495</u>	<u>185,149</u>	<u>250</u>	<u>41,637</u>	<u>5,459</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,625</u>	<u>\$ 1,495</u>	<u>\$ 192,939</u>	<u>\$ 250</u>	<u>\$ 42,382</u>	<u>\$ 5,459</u>	<u>\$ -</u>

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Engineers Copy Fees	Treasurer's Technology	Vending Revenue	Accident Report	Guardian Ad- Litem User Fee	CASA	Auditor Ineligible Deduction
Assets							
Cash and cash equivalents	\$ 15,832	\$ 7,388	\$ 6,872	\$ 10,816	\$ 7,858	\$ 90,620	\$ 2,777
Investments	-	-	-	-	-	-	-
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	52	600	-	947	-	35,000	-
Intergovernmental	-	-	-	-	-	32,632	-
Interfund	-	-	-	-	-	-	-
Total assets	<u>15,884</u>	<u>7,988</u>	<u>6,872</u>	<u>11,763</u>	<u>7,858</u>	<u>158,252</u>	<u>2,777</u>
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Accrued payroll and withholdings payable	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	15,884	7,988	6,872	11,763	7,858	158,252	2,777
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>15,884</u>	<u>7,988</u>	<u>6,872</u>	<u>11,763</u>	<u>7,858</u>	<u>158,252</u>	<u>2,777</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,884</u>	<u>\$ 7,988</u>	<u>\$ 6,872</u>	<u>\$ 11,763</u>	<u>\$ 7,858</u>	<u>\$ 158,252</u>	<u>\$ 2,777</u>

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Elected Official Training	Prosecutor - Forfeiture	Development Grants	Drain Maintenance	Health and Welfare Grants	Public Safety Funds	Public Safety Grants
Assets							
Cash and cash equivalents	\$ 102,504	\$ 38,107	\$ 52	\$ 2,810,245	\$ 152,091	\$ 942,474	\$ 227,599
Investments	70,910	-	-	1,930,927	81,819	398,185	49,091
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	7,916	7,942	2,500	450	-	47,319	1,451
Intergovernmental	-	-	-	-	47,358	147,994	57,954
Interfund	-	-	-	-	-	-	-
Total assets	181,330	46,049	2,552	4,741,622	281,268	1,535,972	336,095
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	60	-	-	268,700	308	16,430	8,494
Accrued payroll and withholdings payable	-	-	89	-	4,624	19,688	5,055
Interfund payable	-	-	-	886,025	-	-	-
Total liabilities	60	-	89	1,154,725	4,932	36,118	13,549
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	181,270	46,049	2,463	3,586,897	276,336	1,499,854	322,546
Unassigned	-	-	-	-	-	-	-
Total fund balances	181,270	46,049	2,463	3,586,897	276,336	1,499,854	322,546
Total liabilities, deferred inflows of resources, and fund balances	\$ 181,330	\$ 46,049	\$ 2,552	\$ 4,741,622	\$ 281,268	\$ 1,535,972	\$ 336,095

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	CARES Grant Funds	Title IV-D Grants	Probation Funds	LOIT Special Distribution	Jurismonitor	Ad Probation User Fee	Juvenile Probation Fees
Assets							
Cash and cash equivalents	\$ -	\$ 213,941	\$ -	\$ 3,574,465	\$ 11,730	\$ 321,492	\$ 42,314
Investments	-	98,183	-	2,454,568	-	218,184	-
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	17,970	1,196
Intergovernmental	203,126	19,402	-	-	-	-	-
Interfund	-	-	-	-	-	-	-
Total assets	<u>203,126</u>	<u>331,526</u>	<u>-</u>	<u>6,029,033</u>	<u>11,730</u>	<u>557,646</u>	<u>43,510</u>
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	203,126	-	-	-	-	438	-
Accrued payroll and withholdings payable	-	1,049	-	-	-	2,557	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>203,126</u>	<u>1,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,995</u>	<u>-</u>
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	-	330,477	-	6,029,033	11,730	554,651	43,510
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>330,477</u>	<u>-</u>	<u>6,029,033</u>	<u>11,730</u>	<u>554,651</u>	<u>43,510</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 203,126</u>	<u>\$ 331,526</u>	<u>\$ -</u>	<u>\$ 6,029,033</u>	<u>\$ 11,730</u>	<u>\$ 557,646</u>	<u>\$ 43,510</u>

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Theft Class	Alternative Dispute Res	Hunt Palmer Fund/Park Donation	New Animal Shelter Donations	Sheriff Donations	Gibbs/Sodalís	Local Cum Jail
Assets							
Cash and cash equivalents	\$ 10,216	\$ 77,243	\$ 129	\$ 16,588	\$ 1,225	\$ 116,557	\$ 401,932
Investments	-	54,546	-	-	-	81,819	272,730
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	64	4,814	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-
Total assets	10,280	136,603	129	16,588	1,225	198,376	674,662
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	-	-	-	-	-
Accrued payroll and withholdings payable	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	10,280	136,603	129	16,588	1,225	198,376	674,662
Unassigned	-	-	-	-	-	-	-
Total fund balances	10,280	136,603	129	16,588	1,225	198,376	674,662
Total liabilities, deferred inflows of resources, and fund balances	\$ 10,280	\$ 136,603	\$ 129	\$ 16,588	\$ 1,225	\$ 198,376	\$ 674,662

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Victims Asst Donations	Drainage Bd Application Fees	Survey Plot Plan	97.047 Pre- Disaster Mitigation	20.526 LINK Capital	93.788 Opioid STR	IN Court Reform Grant -REIMB
Assets							
Cash and cash equivalents	\$ 162	\$ 132,544	\$ 30,600	\$ 6,522	\$ -	\$ 60,000	\$ -
Investments	-	92,728	-	-	-	-	-
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	300	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Interfund	-	-	-	-	-	-	-
Total assets	162	225,272	30,900	6,522	-	60,000	-
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	2,000	2,348	-	-	-
Accrued payroll and withholdings payable	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	-	-	2,000	2,348	-	-	-
Deferred inflows of resources:							
Unavailable revenue	-	-	-	-	-	-	-
Fund balances							
Restricted	162	225,272	28,900	4,174	-	60,000	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	162	225,272	28,900	4,174	-	60,000	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 162	\$ 225,272	\$ 30,900	\$ 6,522	\$ -	\$ 60,000	\$ -

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2020

	Probation Community Correction	RALI (Rx Abuse Leadership Init	Youth Assistance Program	IPEP Safety Pros	Transportation Grants	Totals
Assets						
Cash and cash equivalents	\$ 63,427	\$ -	\$ 75,453	\$ -	\$ -	\$ 34,483,064
Investments	-	-	-	-	-	22,631,116
Receivables						
Taxes	-	-	-	-	-	2,377,067
Accounts	-	-	-	-	-	838,874
Intergovernmental	32,401	-	-	-	-	1,204,097
Interfund	-	-	-	-	-	-
Total assets	<u>95,828</u>	<u>-</u>	<u>75,453</u>	<u>-</u>	<u>-</u>	<u>61,534,218</u>
Liabilities, deferred inflows of resources, and fund balances						
Liabilities						
Accounts payable	78,318	-	-	-	-	892,932
Accrued payroll and withholdings payable	2,067	-	-	-	-	98,417
Interfund payable	-	-	-	-	-	2,542,559
Total liabilities	<u>80,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,533,908</u>
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	1,915,584
Fund balances						
Restricted	15,443	-	75,453	-	-	57,683,713
Unassigned	-	-	-	-	-	(1,598,987)
Total fund balances	<u>15,443</u>	<u>-</u>	<u>75,453</u>	<u>-</u>	<u>-</u>	<u>56,084,726</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 95,828</u>	<u>\$ -</u>	<u>\$ 75,453</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,534,218</u>

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Surveyor's Cornerstone Perpetual	Recorder's Records Perpetuation	Jail Commissary	Convention and Tourism - Supplemental CAR	Redevelopment Commission	SR267 Relinquish
Revenues						
Taxes						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-
Other	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	2,722,549	-	-
Charges for services	-	782,293	-	-	-	-
Fines and forfeits	179,460	-	-	-	-	-
Investment income	2,393	9,468	1,977	14,150	2,710	16,335
Other	-	-	520,007	-	-	-
Total revenues	181,853	791,761	521,984	2,736,699	2,710	16,335
Expenditures						
Current						
General government	67,458	489,197	-	-	-	-
Public safety	-	-	448,592	-	-	-
Highways and streets	-	-	-	-	-	33,179
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	-	-	3,202,263	-	-
Economic development	-	-	-	-	1,000,000	-
Debt service						
Principal	-	-	-	275,000	560,504	-
Interest	-	-	-	161,140	137,959	-
Capital outlay:						
General government	9,957	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total expenditures	77,415	489,197	448,592	3,638,403	1,698,463	33,179
Excess (deficiency) of revenues over (under) expenditures	104,438	302,564	73,392	(901,704)	(1,695,753)	(16,844)
Other financing sources (uses)						
Transfers in	-	-	-	-	849,358	-
Transfers out	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	849,358	-
Net change in fund balances	104,438	302,564	73,392	(901,704)	(846,395)	(16,844)
Fund balances - beginning as previously stated	199,696	1,043,618	185,091	2,724,003	-	2,116,203
Adjustment to fund balances (See Note III.H)	-	-	-	-	(752,592)	-
Fund balances - beginning as adjusted	199,696	1,043,618	185,091	2,724,003	(752,592)	2,116,203
Fund balances - ending	\$ 304,134	\$ 1,346,182	\$ 258,483	\$ 1,822,299	\$ (1,598,987)	\$ 2,099,359

Continued on next page

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Project ATTEND	TIR Hend Co Redev Portion	Home Detention Fees	Planning Comm Advertising Fees	Subdivision Inspection	Building Inspection Fees	Bond Forfeitures
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	330	158,288	3,728	-
Intergovernmental	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Investment income	-	-	3,435	-	2,601	1,976	-
Other	18,500	-	379,719	-	-	-	-
Total revenues	18,500	-	383,154	330	160,889	5,704	-
Expenditures							
Current							
General government	-	-	-	1,402	78,144	-	-
Public safety	14,000	-	237,378	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	53,960	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total expenditures	14,000	-	291,338	1,402	78,144	-	-
Excess (deficiency) of revenues over (under) expenditures	4,500	-	91,816	(1,072)	82,745	5,704	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	-	-	-
Net change in fund balances	4,500	-	91,816	(1,072)	82,745	5,704	-
Fund balances - beginning as previously stated	3,900	-	394,797	22,493	242,603	249,354	37,081
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	3,900	-	394,797	22,493	242,603	249,354	37,081
Fund balances - ending	\$ 8,400	\$ -	\$ 486,613	\$ 21,421	\$ 325,348	\$ 255,058	\$ 37,081

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Comm						
	Innkeepers Tax County's 1.5%	Corrections Proj Income	Auditors Plat Book Fund	Reassessment 2015	Forfeiture Disbursement	Child Health & Other Services	Animal Shelter
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ 899,865	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	14,174	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	92,856	-	-	-
Charges for services	-	256,676	101,210	-	-	105,737	-
Fines and forfeits	-	-	-	-	1,099	-	31,500
Investment income	-	1,769	2,393	10,197	-	1,145	-
Other	368,582	2,070	490	64,437	7,091	5,060	1,299
Total revenues	368,582	260,515	104,093	1,081,529	8,190	111,942	32,799
Expenditures							
Current							
General government	-	-	25,763	547,482	-	-	-
Public safety	-	511,321	-	-	-	-	50,346
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	90,518	-
Culture and recreation	368,582	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	1,220	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total expenditures	368,582	512,541	25,763	547,482	-	90,518	50,346
Excess (deficiency) of revenues over (under) expenditures	-	(252,026)	78,330	534,047	8,190	21,424	(17,547)
Other financing sources (uses)							
Transfers in	-	500,000	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources/(uses)	-	500,000	-	-	-	-	-
Net change in fund balances	-	247,974	78,330	534,047	8,190	21,424	(17,547)
Fund balances - beginning as previously stated	-	(8,877)	231,070	842,904	3,691	144,335	42,895
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	-	(8,877)	231,070	842,904	3,691	144,335	42,895
Fund balances - ending	\$ -	\$ 239,097	\$ 309,400	\$ 1,376,951	\$ 11,881	\$ 165,759	\$ 25,348

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Statewide 911	Local Health Dept Trust	MVH Restricted	Motor Vehicle Highway	Park Nonreverting Operating	Rainy Day	Identification Security Cty
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	52,210	2,856,881	2,856,881	-	-	-
Charges for services	2,049,323	-	-	257,189	7,627	-	44,025
Fines and forfeits	-	-	-	-	-	-	-
Investment income	43,908	-	5,098	11,445	-	108,937	1,457
Other	141,950	-	-	296,946	1,166	-	-
Total revenues	2,235,181	52,210	2,861,979	3,422,461	8,793	108,937	45,482
Expenditures							
Current							
General government	-	-	-	-	-	-	53,957
Public safety	3,219,893	-	-	-	-	-	-
Highways and streets	-	-	1,995,932	3,654,715	-	-	-
Health and welfare	-	75,001	-	-	-	-	-
Culture and recreation	-	-	-	-	29,093	-	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	396,074	-	-	-	-	-	-
Highways and streets	-	-	-	5,094	-	-	-
Total expenditures	3,615,967	75,001	1,995,932	3,659,809	29,093	-	53,957
Excess (deficiency) of revenues over (under) expenditures	(1,380,786)	(22,791)	866,047	(237,348)	(20,300)	108,937	(8,475)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	4,000,000	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	-	4,000,000	-
Net change in fund balances	(1,380,786)	(22,791)	866,047	(237,348)	(20,300)	4,108,937	(8,475)
Fund balances - beginning as previously stated	7,309,040	142,203	-	1,903,107	60,018	9,907,154	205,014
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	7,309,040	142,203	-	1,903,107	60,018	9,907,154	205,014
Fund balances - ending	\$ 5,928,254	\$ 119,412	\$ 866,047	\$ 1,665,759	\$ 39,718	\$ 14,016,091	\$ 196,539

Continued on next page

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Emergency Planning Com	Food & Beverage (County)	Health	GIS Database Fees	Local Health Maintenance	Local Road and Street	Assessor's Disclosure Fees
Revenues							
Taxes							
Property	\$ -	\$ -	\$ 1,215,402	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	2,834,629	25,573	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	124,718	-	76,675	2,016,861	-
Charges for services	-	-	-	-	-	1,088	-
Fines and forfeits	-	-	419,865	-	-	-	26,525
Investment income	-	55,665	8,532	-	2,393	14,254	-
Other	11,857	110,351	19,367	730	96	-	-
Total revenues	11,857	3,000,645	1,813,457	730	79,164	2,032,203	26,525
Expenditures							
Current							
General government	-	1,371,815	-	-	-	-	14,938
Public safety	186	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	818,626	-
Health and welfare	-	-	1,423,501	-	67,213	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	819,531	-	-	-	689,794	-
Total expenditures	186	2,191,346	1,423,501	-	67,213	1,508,420	14,938
Excess (deficiency) of revenues over (under) expenditures	11,671	809,299	389,956	730	11,951	523,783	11,587
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	(1,500,000)	-	-	-	-	-
Total other financing sources/(uses)	-	(1,500,000)	-	-	-	-	-
Net change in fund balances	11,671	(690,701)	389,956	730	11,951	523,783	11,587
Fund balances - beginning as previously stated	36,235	8,054,165	836,641	4,409	331,186	1,371,878	86,496
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	36,235	8,054,165	836,641	4,409	331,186	1,371,878	86,496
Fund balances - ending	\$ 47,906	\$ 7,363,464	\$ 1,226,597	\$ 5,139	\$ 343,137	\$ 1,895,661	\$ 98,083

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Campaign Finance Enforcement	Child Advocacy	Clerk's Records Perpetuation	Direct Seller Fees	Regional Sewer Wage & Benefit	Community Transitions Program	County Copy Paper
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	1,682	-	-	7,150	-
Charges for services	-	-	44,263	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Investment income	-	-	1,457	-	-	-	-
Other	750	-	-	-	85,362	-	-
Total revenues	750	-	47,402	-	85,362	7,150	-
Expenditures							
Current							
General government	-	-	47,416	-	41,522	-	-
Public safety	-	-	-	-	-	5,016	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total expenditures	-	-	47,416	-	41,522	5,016	-
Excess (deficiency) of revenues over (under) expenditures	750	-	(14)	-	43,840	2,134	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	-	-	-
Net change in fund balances	750	-	(14)	-	43,840	2,134	-
Fund balances - beginning as previously stated	875	1,495	185,163	250	(2,203)	3,325	-
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	875	1,495	185,163	250	(2,203)	3,325	-
Fund balances - ending	\$ 1,625	\$ 1,495	\$ 185,149	\$ 250	\$ 41,637	\$ 5,459	\$ -

Continued on next page

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Engineers Copy Fees	Treasurer's Technology	Vending Revenue	Accident Report	Guardian Ad- Litem User Fee	CASA	Auditor Ineligible Deduction
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	67,478	-
Charges for services	-	-	-	10,539	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-
Other	2,019	1,200	-	900	-	35,938	-
Total revenues	2,019	1,200	-	11,439	-	103,416	-
Expenditures							
Current							
General government	-	1,294	-	-	-	-	-
Public safety	-	-	-	9,455	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	64,408	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total expenditures	-	1,294	-	9,455	-	64,408	-
Excess (deficiency) of revenues over (under) expenditures	2,019	(94)	-	1,984	-	39,008	-
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	-	-	-
Net change in fund balances	2,019	(94)	-	1,984	-	39,008	-
Fund balances - beginning as previously stated	13,865	8,082	6,872	9,779	7,858	119,244	2,777
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	13,865	8,082	6,872	9,779	7,858	119,244	2,777
Fund balances - ending	\$ 15,884	\$ 7,988	\$ 6,872	\$ 11,763	\$ 7,858	\$ 158,252	\$ 2,777

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Elected Official Training	Prosecutor - Forfeiture	Development Grants	Drain Maintenance	Health and Welfare Grants	Public Safety Funds	Public Safety Grants
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	779	-
Intergovernmental	78	-	1,673,244	-	364,279	817,594	569,729
Charges for services	44,025	-	-	1,210,501	871	101,802	-
Fines and forfeits	-	1,512	-	-	-	354,532	-
Investment income	1,353	-	-	36,833	1,561	7,595	936
Other	80	20,998	5,000	-	1,853	79,481	63,570
Total revenues	45,536	22,510	1,678,244	1,247,334	368,564	1,361,783	634,235
Expenditures							
Current							
General government	6,407	-	-	-	-	-	20
Public safety	-	-	-	-	-	1,304,163	464,775
Highways and streets	-	-	1,673,244	-	-	-	-
Health and welfare	-	-	-	1,227,610	414,001	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	4,832	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	44,069	4,703
Highways and streets	-	-	-	-	-	-	-
Total expenditures	6,407	-	1,678,076	1,227,610	414,001	1,348,232	469,498
Excess (deficiency) of revenues over (under) expenditures	39,129	22,510	168	19,724	(45,437)	13,551	164,737
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	-	-	-
Net change in fund balances	39,129	22,510	168	19,724	(45,437)	13,551	164,737
Fund balances - beginning as previously stated	142,141	23,539	2,295	3,567,173	321,773	1,486,303	157,809
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	142,141	23,539	2,295	3,567,173	321,773	1,486,303	157,809
Fund balances - ending	\$ 181,270	\$ 46,049	\$ 2,463	\$ 3,586,897	\$ 276,336	\$ 1,499,854	\$ 322,546

Continued on next page

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	CARES Grant		Probation Funds	LOIT Special		Ad Probation	Juvenile
	Funds	Title IV-D Grants		Distribution	Jurisdiction	User Fee	Probation Fees
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	5,716,747	115,237	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	315,553	11,202
Investment income	-	1,873	-	46,821	-	4,162	-
Other	-	-	-	-	-	722	-
Total revenues	5,716,747	117,110	-	46,821	-	320,437	11,202
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	190,984	7,942
Highways and streets	-	-	-	-	-	-	-
Health and welfare	298,344	70,680	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	19,904	-
Highways and streets	-	-	-	-	-	-	-
Total expenditures	298,344	70,680	-	-	-	210,888	7,942
Excess (deficiency) of revenues over (under) expenditures	5,418,403	46,430	-	46,821	-	109,549	3,260
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	-
Transfers out	(5,418,403)	-	-	-	-	-	-
Total other financing sources/(uses)	(5,418,403)	-	-	-	-	-	-
Net change in fund balances	-	46,430	-	46,821	-	109,549	3,260
Fund balances - beginning as previously stated	-	284,047	-	5,982,212	11,730	445,102	40,250
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	-	284,047	-	5,982,212	11,730	445,102	40,250
Fund balances - ending	\$ -	\$ 330,477	\$ -	\$ 6,029,033	\$ 11,730	\$ 554,651	\$ 43,510

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Theft Class	Alternative Dispute Res	Hunt Palmer Fund/Park Donation	New Animal Shelter Donations	Sheriff Donations	Gibbs/Sodalis	Local Cum Jail
Revenues							
Taxes							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	5,177	-	-	-	-	-
Charges for services	-	69,800	-	-	-	-	-
Fines and forfeits	3,341	-	-	-	-	-	-
Investment income	-	1,040	-	-	-	1,561	5,202
Other	-	-	-	-	-	-	-
Total revenues	3,341	76,017	-	-	-	1,561	5,202
Expenditures							
Current							
General government	-	73,080	-	-	-	-	-
Public safety	1,425	-	-	-	-	-	2,011,840
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	103,185	-
Economic development	-	-	-	-	-	-	-
Debt service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Total expenditures	1,425	73,080	-	-	-	103,185	2,011,840
Excess (deficiency) of revenues over (under) expenditures	1,916	2,937	-	-	-	(101,624)	(2,006,638)
Other financing sources (uses)							
Transfers in	-	-	-	-	-	-	1,250,000
Transfers out	-	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	-	-	1,250,000
Net change in fund balances	1,916	2,937	-	-	-	(101,624)	(756,638)
Fund balances - beginning as previously stated	8,364	133,666	129	16,588	1,225	300,000	1,431,300
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-	-
Fund balances - beginning as adjusted	8,364	133,666	129	16,588	1,225	300,000	1,431,300
Fund balances - ending	\$ 10,280	\$ 136,603	\$ 129	\$ 16,588	\$ 1,225	\$ 198,376	\$ 674,662

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Victims Asst Donations	Drainage Bd Application Fees	97.047 Pre- Disaster Mitigation	20.526 LINK Capital	93.788 Opioid STR	IN Court Reform Grant -REIMB
Revenues						
Taxes						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-
Other	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	3,800	11,151	57,890	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	54,250	27,200	-	-	-
Investment income	-	1,769	-	-	-	-
Other	100	-	-	-	-	-
Total revenues	100	56,019	31,000	11,151	57,890	-
Expenditures						
Current						
General government	-	-	2,100	-	-	-
Public safety	938	-	-	13,499	57,890	-
Highways and streets	-	-	-	-	-	-
Health and welfare	-	125,936	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Total expenditures	938	125,936	2,100	13,499	57,890	-
Excess (deficiency) of revenues over (under) expenditures	(838)	(69,917)	28,900	(2,348)	-	-
Other financing sources (uses)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources/(uses)	-	-	-	-	-	-
Net change in fund balances	(838)	(69,917)	28,900	(2,348)	-	-
Fund balances - beginning as previously stated	1,000	295,189	-	6,522	-	60,000
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	-
Fund balances - beginning as adjusted	1,000	295,189	-	6,522	60,000	-
Fund balances - ending	\$ 162	\$ 225,272	\$ 28,900	\$ 4,174	\$ 60,000	\$ -

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR SPECIAL REVENUE FUNDS**

For The Year Ended December 31, 2020

	Probation Community Correction	RALI (Rx Abuse Leadership Init	Youth Assistance Program	IPEP Safety Pros	Transportation Grants	Totals
Revenues						
Taxes						
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,115,267
Income	-	-	-	-	-	-
Other	-	-	-	-	-	2,874,376
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	163,125
Intergovernmental	166,053	-	-	20,000	780,253	21,177,173
Charges for services	-	-	-	-	-	5,086,969
Fines and forfeits	-	-	-	-	-	1,426,039
Investment income	-	-	-	-	-	434,401
Other	65	-	70,000	-	-	2,317,756
Total revenues	166,118	-	70,000	20,000	780,253	35,595,106
Expenditures						
Current						
General government	-	-	-	-	-	2,821,995
Public safety	266,443	-	46,949	-	-	8,863,035
Highways and streets	-	-	-	-	-	8,175,696
Health and welfare	-	3,475	-	-	780,253	4,640,940
Culture and recreation	-	-	-	-	-	3,703,123
Economic development	-	-	-	-	-	1,004,832
Debt service						
Principal	-	-	-	-	-	835,504
Interest	-	-	-	-	-	299,099
Capital outlay:						
General government	-	-	-	-	-	9,957
Public safety	-	-	-	24,000	-	543,930
Highways and streets	-	-	-	-	-	1,514,419
Total expenditures	266,443	3,475	46,949	24,000	780,253	32,412,530
Excess (deficiency) of revenues over (under) expenditures	(100,325)	(3,475)	23,051	(4,000)	-	3,182,576
Other financing sources (uses)						
Transfers in	-	-	-	-	-	6,599,358
Transfers out	-	-	-	-	-	(6,918,403)
Total other financing sources/(uses)	-	-	-	-	-	(319,045)
Net change in fund balances	(100,325)	(3,475)	23,051	(4,000)	-	2,863,531
Fund balances - beginning as previously stated	115,768	3,475	52,402	4,000	-	53,973,787
Adjustment to fund balances (See Note III.H)	-	-	-	-	-	(752,592)
Fund balances - beginning as adjusted	115,768	3,475	52,402	4,000	-	53,221,195
Fund balances - ending	\$ 15,443	\$ -	\$ 75,453	\$ -	\$ -	\$ 56,084,726

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS

December 31, 2020

	TIF Collection- Pittsboro	GO Bond - E911	Fairground Lease	Bank Loan - E911	Work Release GOB
Assets					
Restricted cash and cash equivalents	\$ 1,584,816	\$ 3,653	\$ 399,552	\$ 42,829	\$ 132,603
Restricted investments	1,085,464	-	278,184	-	92,728
Receivables					
Taxes	-	17,189	1,461,830	310,524	462,027
Accounts	-	-	-	-	-
Total assets	<u>2,670,280</u>	<u>20,842</u>	<u>2,139,566</u>	<u>353,353</u>	<u>687,358</u>
Deferred inflows of resources:					
Unavailable revenue	-	-	1,388,240	292,261	438,392
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,388,240</u>	<u>292,261</u>	<u>438,392</u>
Fund balances					
Restricted for Debt services	<u>2,670,280</u>	<u>20,842</u>	<u>751,326</u>	<u>61,092</u>	<u>248,966</u>
Total fund balances	<u>2,670,280</u>	<u>20,842</u>	<u>751,326</u>	<u>61,092</u>	<u>248,966</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,670,280</u>	<u>\$ 20,842</u>	<u>\$ 2,139,566</u>	<u>\$ 353,353</u>	<u>\$ 687,358</u>

Continued on next page

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS

December 31, 2020

	Wheel & Excise Tax Co Portion	Trans Rev Bond Reserve 2009	Redevelopment Authority	Fairground Building Corporation	Trans Rev Bond Reserve 2012	Totals
Assets						
Restricted cash and cash equivalents	\$ 1,833,726	\$ 309,329	\$ 2,014,598	\$ 769,826	\$ 161,639	\$ 7,252,571
Restricted investments	1,260,011	212,729	-	-	114,546	3,043,662
Receivables						
Taxes	55,343	-	-	-	-	2,306,913
Accounts	12,345	-	-	-	-	12,345
Total assets	3,161,425	522,058	2,014,598	769,826	276,185	12,615,491
Deferred inflows of resources:						
Unavailable revenue	-	-	-	-	-	2,118,893
Total deferred inflows of resources	-	-	-	-	-	2,118,893
Fund balances						
Restricted for Debt services	3,161,425	522,058	2,014,598	769,826	276,185	10,496,598
Total fund balances	3,161,425	522,058	2,014,598	769,826	276,185	10,496,598
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,161,425	\$ 522,058	\$ 2,014,598	\$ 769,826	\$ 276,185	\$ 12,615,491

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR DEBT SERVICE FUNDS**

For The Year Ended December 31, 2020

	TIF Collection- Pittsboro	GO Bond - E911	Fairground Lease	Bank Loan - E911	Work Release GOB
Revenues					
Taxes					
Property	\$ 3,216,015	\$ 305,170	\$ 1,307,954	\$ 323,714	\$ 418,382
Other	-	2,028	11,373	2,876	1,790
Intergovernmental	-	29,131	124,718	30,952	40,055
Investment income	20,705	-	5,306	-	1,769
Other	-	-	-	-	-
Total revenues	<u>3,236,720</u>	<u>336,329</u>	<u>1,449,351</u>	<u>357,542</u>	<u>461,996</u>
Expenditures					
Current					
General government	-	750	-	-	-
Highway and streets	1,684,453	-	-	-	-
Debt service					
Principal	-	370,000	-	345,020	380,000
Interest	-	9,400	-	12,181	77,375
Total expenditures	<u>1,684,453</u>	<u>380,150</u>	<u>-</u>	<u>357,201</u>	<u>457,375</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,552,267</u>	<u>(43,821)</u>	<u>1,449,351</u>	<u>341</u>	<u>4,621</u>
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	<u>(1,020,000)</u>	<u>-</u>	<u>(1,444,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources/(uses)	<u>(1,020,000)</u>	<u>-</u>	<u>(1,444,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	532,267	(43,821)	5,351	341	4,621
Fund balances - beginning as previously stated	2,138,013	64,663	745,975	60,751	244,345
Adjustment to fund balances (See Note III.H)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - beginning as adjusted	<u>2,138,013</u>	<u>64,663</u>	<u>745,975</u>	<u>60,751</u>	<u>244,345</u>
Fund balances - ending	<u>\$ 2,670,280</u>	<u>\$ 20,842</u>	<u>\$ 751,326</u>	<u>\$ 61,092</u>	<u>\$ 248,966</u>

Continued on next page

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE -
NONMAJOR DEBT SERVICE FUNDS**

For The Year Ended December 31, 2020

	Wheel & Excise Tax Co Portion	Trans Rev Bond Reserve 2009	Redevelopment Authority	Fairground Building Corporation	Trans Rev Bond Reserve 2012	Totals
Revenues						
Taxes						
Property	\$ -		\$ -	\$ -	\$ -	\$ 5,571,235
Other	1,285,118	-	-	-	-	1,303,185
Intergovernmental	-	-	-	-	-	224,856
Investment income	24,034	4,058	6,307	812	2,185	65,176
Other	37,069	-	-	-	-	37,069
Total revenues	1,346,221	4,058	6,307	812	2,185	7,201,521
Expenditures						
Current						
General government	550	-	1,078,100	-	-	1,079,400
Highway and streets	-	-	-	-	-	1,684,453
Debt service						
Principal	285,000	-	-	1,100,000	255,000	2,735,020
Interest	112,487	-	-	337,388	28,719	577,550
Total expenditures	398,037	-	1,078,100	1,437,388	283,719	6,076,423
Excess (deficiency) of revenues over (under) expenditures	948,184	4,058	(1,071,793)	(1,436,576)	(281,534)	1,125,098
Other financing sources (uses)						
Transfers in	-	-	1,020,000	1,444,000	283,719	2,747,719
Transfers out	(283,719)	-	-	-	-	(2,747,719)
Total other financing sources/(uses)	(283,719)	-	1,020,000	1,444,000	283,719	-
Net change in fund balances	664,465	4,058	(51,793)	7,424	2,185	1,125,098
Fund balances - beginning as previously stated	2,496,960	518,000	-	-	274,000	6,542,707
Adjustment to fund balances (See Note III.H)	-	-	2,066,391	762,402	-	2,828,793
Fund balances - beginning as adjusted	2,496,960	518,000	2,066,391	762,402	274,000	9,371,500
Fund balances - ending	\$ 3,161,425	\$ 522,058	\$ 2,014,598	\$ 769,826	\$ 276,185	\$ 10,496,598

HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2020

	General Drain Improvement	Major Bridge	Park Nonreverting Capital	Cumulative Capital Development	Correctional Facility	TIF Collection- Guilford/Heart	TIF Collect- Westpoint
Assets							
Cash and cash equivalents	\$ 1,050,101	\$ 3,122,977	\$ 318,867	\$ 4,038,660	\$ 3,017,684	\$ 1,644,791	\$ 12,257
Investments	720,007	2,149,110	218,184	2,781,844	2,072,746	1,134,556	-
Receivables							
Taxes	475,318	3,236,964	-	3,351,915	-	-	-
Interest	701	-	-	-	-	-	-
Accounts	-	-	-	27	-	-	-
Interfund receivable	886,025	-	-	-	-	-	-
Total assets	3,132,152	8,509,051	537,051	10,172,446	5,090,430	2,779,347	12,257
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	-	20,719	1,439,934	-	7,257
Accrued payroll and withholdings payable	-	-	-	-	-	-	-
Total liabilities	-	-	-	20,719	1,439,934	-	7,257
Deferred inflow of resources:							
Unavailable revenue	447,923	3,173,580	-	3,173,580	-	-	-
Fund balances							
Restricted for							
Capital projects	2,684,229	5,335,471	537,051	6,978,147	3,650,496	2,779,347	5,000
Total fund balances	2,684,229	5,335,471	537,051	6,978,147	3,650,496	2,779,347	5,000
Total liabilities, deferred inflow of resources, and fund balances	\$ 3,132,152	\$ 8,509,051	\$ 537,051	\$ 10,172,446	\$ 5,090,430	\$ 2,779,347	\$ 12,257

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HENDRICKS COUNTY, INDIANA
COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2020

	TIF Collect - 70 West	Exit 59 Lauth Reimbursement	TIF Collections- 70/39 Commerce	TIF Heartland Bond Reserve '15	TIF Collect- Hendricks Gateway	Capital Project Funds	Totals
Assets							
Cash and cash equivalents	\$ 254,500	\$ -	\$ 49,415	\$ 170,138	\$ 210,886	\$ 691,230	\$ 14,581,506
Investments	174,547	-	-	114,546	141,819	474,550	9,981,909
Receivables							
Taxes	-	-	-	-	-	55,343	7,119,540
Interest	-	-	-	-	-	-	701
Accounts	-	-	-	-	-	-	27
Interfund receivable	-	-	-	-	-	-	886,025
Total assets	429,047	-	49,415	284,684	352,705	1,221,123	32,569,708
Liabilities, deferred inflows of resources, and fund balances							
Liabilities							
Accounts payable	-	-	-	-	-	6,620	1,474,530
Accrued payroll and withholdings payable	-	-	-	-	-	1,562	1,562
Total liabilities	-	-	-	-	-	8,182	1,476,092
Deferred inflow of resources:							
Unavailable revenue	-	-	-	-	-	-	6,795,083
Fund balances							
Restricted for							
Capital projects	429,047	-	49,415	284,684	352,705	1,212,941	24,298,533
Total fund balances	429,047	-	49,415	284,684	352,705	1,212,941	24,298,533
Total liabilities, deferred inflow of resources, and fund balances	\$ 429,047	\$ -	\$ 49,415	\$ 284,684	\$ 352,705	\$ 1,221,123	\$ 32,569,708

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECT FUNDS

December 31, 2020

	General Drain Improvement	Major Bridge	Park Nonreverting Capital	Cumulative Capital Development	Correctional Facility	TIF Collection- Guilford/Heart	TIF Collect- Westpoint
Revenues							
Taxes							
Property	\$ 453,134	\$ 1,035,904	\$ -	\$ 2,914,820	\$ -	\$ 1,086,013	\$ 18,622
Income	-	-	-	-	10,414,761	-	-
Other	10,194	10,751	-	30,028	-	-	-
Intergovernmental	46,429	107,421	-	302,236	-	-	-
Charges for services	37,006	-	26,422	-	-	-	-
Investment income	27,196	40,994	4,162	53,064	39,538	21,642	-
Other	-	-	-	3,503	-	-	-
Total revenues	573,959	1,195,070	30,584	3,303,651	10,454,299	1,107,655	18,622
Expenditures							
Current							
General government	-	-	-	1,195,265	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	4,974	58,831
Health and welfare	1,000	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt Service							
Principal	-	-	-	-	-	360,000	-
Interest	-	-	-	-	-	26,488	-
Bond issuance costs	-	-	-	-	-	-	-
Capital outlay							
General government	-	-	-	4,116	-	-	-
Public safety	-	-	-	58,857	6,803,803	-	-
Highways and streets	-	-	-	3,733	-	-	-
Total expenditures	1,000	-	-	1,261,971	6,803,803	391,462	58,831
Excess (deficiency) of revenues over (under) expenditures	572,959	1,195,070	30,584	2,041,680	3,650,496	716,193	(40,209)
Other financing sources (uses)							
Bond proceeds	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources and (uses)	-	-	-	-	-	-	-
Net change in fund balances	572,959	1,195,070	30,584	2,041,680	3,650,496	716,193	(40,209)
Fund balances - beginning	2,111,270	4,140,401	506,467	4,936,467	-	2,063,154	45,209
Fund balances - ending	\$ 2,684,229	\$ 5,335,471	\$ 537,051	\$ 6,978,147	\$ 3,650,496	\$ 2,779,347	\$ 5,000

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HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECT FUNDS

December 31, 2020

	TIF Collect - 70 West	Exit 59 Lauth Reimbursement	TIF Collections- 70/39 Commerce	TIF Heartland Bond Reserve '15	TIF Collect- Hendricks Gateway	Capital Project Funds	Totals
Revenues							
Taxes							
Property	\$ 868,270	\$ -	\$ 24,403	\$ -	\$ -	\$ -	\$ 6,401,166
Income	-	-	-	-	-	-	10,414,761
Other	-	-	-	-	-	1,285,119	1,336,092
Intergovernmental	-	-	-	-	-	-	456,086
Charges for services	-	-	-	-	-	-	63,428
Investment income	3,330	-	-	2,184	2,705	9,053	203,868
Other	-	-	-	-	-	184,291	187,794
Total revenues	871,600	-	24,403	2,184	2,705	1,478,463	19,063,195
Expenditures							
Current							
General government	-	-	-	-	293,400	-	1,488,665
Public safety	-	-	-	-	-	314,318	314,318
Highways and streets	4,029	102,685	3,155	-	-	1,488,589	1,662,263
Health and welfare	-	-	-	-	-	-	1,000
Culture and recreation	-	-	-	-	-	692,768	692,768
Debt Service							
Principal	-	-	-	-	-	-	360,000
Interest	-	-	-	-	-	-	26,488
Bond issuance costs	-	-	-	-	80,000	-	80,000
Capital outlay							
General government	-	-	-	-	4,047,621	-	4,051,737
Public safety	-	-	-	-	-	-	6,862,660
Highways and streets	-	-	-	-	-	-	3,733
Total expenditures	4,029	102,685	3,155	-	4,421,021	2,495,675	15,543,632
Excess (deficiency) of revenues over (under) expenditures	867,571	(102,685)	21,248	2,184	(4,418,316)	(1,017,212)	3,519,563
Other financing sources (uses)							
Bond proceeds	-	-	-	-	4,596,021	-	4,596,021
Transfers out	(849,358)	-	-	-	-	-	(849,358)
Total other financing sources and (uses)	(849,358)	-	-	-	4,596,021	-	3,746,663
Net change in fund balances	18,213	(102,685)	21,248	2,184	177,705	(1,017,212)	7,266,226
Fund balances - beginning	410,834	102,685	28,167	282,500	175,000	2,230,153	17,032,307
Fund balances - ending	\$ 429,047	\$ -	\$ 49,415	\$ 284,684	\$ 352,705	\$ 1,212,941	\$ 24,298,533

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
December 31, 2020

	Sheriff's Pension Trust	Sheriff Retirement Plan	Sheriff Benefit Plan	Total Funds
Assets				
Cash and cash equivalents	\$ 92,763	\$ 923,038	\$ 59,923	\$ 1,075,724
Receivables				
Employer contributions	-	-	-	-
Employee contributions	-	14,250	-	14,250
Accrued interest and dividends	-	72,762	5,399	78,161
Accounts	12,401	404,232	34,218	450,851
Total receivables	<u>12,401</u>	<u>491,244</u>	<u>39,617</u>	<u>543,262</u>
Investments at fair value				
Fixed income securities	-	5,024,475	380,852	5,405,327
Domestic and foreign equities	-	11,386,250	620,261	12,006,511
Total investments	<u>-</u>	<u>16,410,725</u>	<u>1,001,113</u>	<u>17,411,838</u>
Total assets	<u>105,164</u>	<u>17,825,007</u>	<u>1,100,653</u>	<u>19,030,824</u>
Liabilities				
Due to broker(s) for unsettled trades	-	406,241	34,218	440,459
Total liabilities	<u>-</u>	<u>406,241</u>	<u>34,218</u>	<u>440,459</u>
Net position restricted for pensions	<u>\$ 105,164</u>	<u>\$ 17,418,766</u>	<u>\$ 1,066,435</u>	<u>\$ 18,590,365</u>

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
For The Year Ended December 31, 2020

	Sheriff's Pension Trust	Sheriff Retirement Plan	Sheriff Benefit Plan	Total Funds
Additions				
Contributions				
Employer contributions	\$ 221,490	\$ 1,001,203	\$ 110,633	\$ 1,333,326
Employee contributions	-	116,326	-	116,326
Total contributions	221,490	1,117,529	110,633	1,449,652
Investment income				
Interest and dividends	-	514,704	32,362	547,066
Net increase (decrease) in fair value of investments	-	1,847,576	119,517	1,967,093
Less investment expense, other than securities lending	-	(68,727)	(4,179)	(72,906)
Total investment income	-	2,293,553	147,700	2,441,253
Total additions	221,490	3,411,082	258,333	3,890,905
Deductions				
Benefit payments (including refunds of employee contributions)	-	653,105	64,336	717,441
Administrative expense	-	45,799	22,427	68,226
Transfers out of trust	-	-	-	-
Other trust activities	282,079	-	30	282,109
Total deductions	282,079	698,904	86,793	1,067,776
Change in fiduciary net position	(60,589)	2,712,178	171,540	2,823,129
Net position, beginning	165,753	14,706,588	894,895	15,767,236
Net position, ending	\$ 105,164	\$ 17,418,766	\$ 1,066,435	\$ 18,590,365

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUNDS

December 31, 2020

	After Settlement Collections	Sheriff Inmate Trust	Clerk Trust	Auditor FSA/HSA	Surplus Property Tax
Assets					
Cash and cash equivalents	\$ 6,899,875	\$ 28,515	\$ 4,848,766	\$ 553,947	\$ 1,124,430
Receivables					
Taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Total receivables	-	-	-	-	-
Total assets	<u>6,899,875</u>	<u>28,515</u>	<u>4,848,766</u>	<u>553,947</u>	<u>1,124,430</u>
Liabilities					
Accounts payable and other liabilities	6,899,875	28,515	4,848,766	553,947	1,104,620
Trust payable	-	-	-	-	19,810
Total liabilities	<u>6,899,875</u>	<u>28,515</u>	<u>4,848,766</u>	<u>553,947</u>	<u>1,124,430</u>
Net position restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUNDS

December 31, 2020

	Convention and Tourism	Omitted Property Audits	Settlement	City and Town Court Costs	Clearing To Be Determined
Assets					
Cash and cash equivalents	\$ 121,847	\$ 107,255	\$ -	\$ 9,777	\$ -
Receivables					
Taxes	200,635	-	217,506,774	-	-
Accounts	-	-	-	1,625	2,531
Total receivables	<u>200,635</u>	<u>-</u>	<u>217,506,774</u>	<u>1,625</u>	<u>2,531</u>
Total assets	<u>322,482</u>	<u>107,255</u>	<u>217,506,774</u>	<u>11,402</u>	<u>2,531</u>
Liabilities					
Accounts payable and other liabilities	322,482	107,255	217,506,774	11,402	2,531
Trust payable	-	-	-	-	-
Total liabilities	<u>322,482</u>	<u>107,255</u>	<u>217,506,774</u>	<u>11,402</u>	<u>2,531</u>
Net position restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUNDS

December 31, 2020

	Partnership for Water Quality	Economic Dev Service	Bid Deposits and Bonds Holding	Tax Sale Redemption	Tax Sale Surplus
Assets					
Cash and cash equivalents	\$ 59,874	\$ 46,850	\$ 85,406	\$ -	\$ 56,788
Receivables					
Taxes	-	-	-	-	-
Accounts	8,000	-	-	-	-
Total receivables	8,000	-	-	-	-
Total assets	67,874	46,850	85,406	-	56,788
Liabilities					
Accounts payable and other liabilities	67,874	46,850	85,406	-	56,788
Trust payable	-	-	-	-	-
Total liabilities	67,874	46,850	85,406	-	56,788
Net position restricted for individuals, organizations and other governments	\$ -	\$ -	\$ -	\$ -	\$ -

Continued on next page

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF FIDUCIARY NET POSITION -
CUSTODIAL FUNDS

December 31, 2020

	Agency Fines and Fees	Agency LIT Funds	Agency Tax Funds	Total Custodial Funds
Assets				
Cash and cash equivalents	\$ 76,331	\$ 6,974,826	\$ -	\$ 20,994,487
Receivables				
Taxes	-	15,326,766	594,276	233,628,451
Accounts	33,082	-	-	45,238
Total receivables	33,082	15,326,766	594,276	233,673,689
Total assets	109,413	22,301,592	594,276	254,668,176
Liabilities				
Accounts payable and other liabilities	109,367	22,301,592	594,276	254,648,320
Trust payable	46	-	-	19,856
Total liabilities	109,413	22,301,592	594,276	254,668,176
Net position restricted for individuals, organizations and other governments	\$ -	\$ -	\$ -	\$ -

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
CUSTODIAL FUNDS**

For the Year Ended December 31, 2020

	After Settlement Collections	Sheriff Inmate Trust	Clerk Trust	Auditor FSA/HSA	Surplus Property Tax
Additions					
Taxes collected for other governments	\$ -	\$ -	\$ -	\$ -	\$ 850,684
Miscellaneous	6,899,875	520,124	12,639,974	951,442	-
Total additions	<u>6,899,875</u>	<u>520,124</u>	<u>12,639,974</u>	<u>951,442</u>	<u>850,684</u>
Deductions					
Taxes distributed to other governments	-	-	-	-	-
Other trust activities	6,899,875	520,124	12,639,974	951,442	850,684
Transfers to other funds	-	-	-	-	-
Total deductions	<u>6,899,875</u>	<u>520,124</u>	<u>12,639,974</u>	<u>951,442</u>	<u>850,684</u>
Change in fiduciary net position	-	-	-	-	-
Net position, beginning	-	-	-	-	-
Net position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
CUSTODIAL FUNDS**

For the Year Ended December 31, 2020

	Convention and Tourism	Omitted Property Audits	Settlement	City and Town Court Costs	Clearing To Be Determined
Additions					
Taxes collected for other governments	\$ 1,628,085	\$ -	\$ 477,839,513	\$ -	\$ -
Miscellaneous	260,254	123,045	-	18,178	27,043
Total additions	<u>1,888,339</u>	<u>123,045</u>	<u>477,839,513</u>	<u>18,178</u>	<u>27,043</u>
Deductions					
Taxes distributed to other governments	-	-	477,839,513	-	-
Other trust activities	1,888,339	123,045	-	18,178	27,043
Transfers to other funds	-	-	-	-	-
Total deductions	<u>1,888,339</u>	<u>123,045</u>	<u>477,839,513</u>	<u>18,178</u>	<u>27,043</u>
Change in fiduciary net position	-	-	-	-	-
Net position, beginning	-	-	-	-	-
Net position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
CUSTODIAL FUNDS**

For the Year Ended December 31, 2020

	Partnership for Water Quality	Economic Dev Service	Bid Deposits and Bonds Holding	Tax Sale Redemption	Tax Sale Surplus
Additions					
Taxes collected for other governments	\$ -	\$ -	\$ -	\$ 76,119	\$ -
Miscellaneous	24,000	69,650	7,000	-	-
Total additions	24,000	69,650	7,000	76,119	-
Deductions					
Taxes distributed to other governments	-	-	-	-	-
Other trust activities	24,000	69,650	7,000	74,281	-
Transfers to other funds	-	-	-	1,838	-
Total deductions	24,000	69,650	7,000	76,119	-
Change in fiduciary net position	-	-	-	-	-
Net position, beginning	-	-	-	-	-
Net position, ending	\$ -	\$ -	\$ -	\$ -	\$ -

Continued on next page

HENDRICKS COUNTY, INDIANA

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
CUSTODIAL FUNDS**

For the Year Ended December 31, 2020

	Agency Fines and Fees	Agency LIT Funds	Agency Tax Funds	Total Custodial Funds
Additions				
Taxes collected for other governments	\$ 861,621	\$ 67,035,998	\$ 6,412,793	\$ 554,704,813
Miscellaneous	<u>1,207,184</u>	<u>15,326,766</u>	<u>-</u>	<u>38,074,535</u>
Total additions	<u>2,068,805</u>	<u>82,362,764</u>	<u>6,412,793</u>	<u>592,779,348</u>
Deductions				
Taxes distributed to other governments	861,622	73,947,148	6,412,793	559,061,076
Other trust activities	1,207,183	8,415,616	-	33,716,434
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,838</u>
Total deductions	<u>2,068,805</u>	<u>82,362,764</u>	<u>6,412,793</u>	<u>592,779,348</u>
Change in fiduciary net position	-	-	-	-
Net position, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF COMPONENT UNITS STATEMENT OF NET POSITION December 31, 2020

	Component Units			Totals
	Hendricks County Solid Waste District	Avon- Washington Township Public Library	Coatesville- Clay Township Public Library	
Assets				
Cash and cash equivalents	\$ 3,038,705	\$ 1,606,667	\$ 575,696	\$ 5,221,068
Capital assets				
Land and construction in progress	-	140,500	-	140,500
Other capital assets, net of depreciation	<u>69,433</u>	<u>12,070,259</u>	<u>525,310</u>	<u>12,665,002</u>
Total assets	<u>3,108,138</u>	<u>13,817,426</u>	<u>1,101,006</u>	<u>18,026,570</u>
Deferred outflows of resources:				
Pension Related	-	37,862	2,226	40,088
Total deferred outflow of resources	<u>-</u>	<u>37,862</u>	<u>2,226</u>	<u>40,088</u>
Liabilities				
Accounts payable	-	18,577	-	18,577
Noncurrent liabilities				
Due within one year				
General obligation bonds	-	-	-	-
Loans payable	-	-	120,000	120,000
Revenue bonds	-	529,675	-	529,675
Capital lease obligations	14,400	-	-	14,400
Compensated absences	-	-	-	-
Due in more than one year:				
Loans payable	-	-	445,000	445,000
Revenue bonds (net of discounts, premiums)	-	2,900,325	-	2,900,325
Net pension liability	<u>-</u>	<u>308,382</u>	<u>20,841</u>	<u>329,223</u>
Total liabilities	<u>14,400</u>	<u>3,756,959</u>	<u>585,841</u>	<u>4,357,200</u>
Deferred inflows of resources:				
Pension related	-	79,533	10,548	90,081
Total deferred inflow of resources	<u>-</u>	<u>79,533</u>	<u>10,548</u>	<u>90,081</u>
Net Position				
Net investment in capital assets	-	8,780,759	525,310	9,306,069
Net position - restricted for				
Health and welfare	3,093,738	-	-	3,093,738
Culture and recreation	<u>-</u>	<u>1,238,037</u>	<u>(18,467)</u>	<u>1,219,570</u>
Total net position	<u>\$ 3,093,738</u>	<u>\$ 10,018,796</u>	<u>\$ 506,843</u>	<u>\$ 13,619,377</u>

HENDRICKS COUNTY, INDIANA

COMBINING STATEMENT OF COMPONENT UNITS
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2020

Functions/programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Totals
	Expenses	Charges for Services	Operating Grants and Contributions	Component Units			
				Hendricks County Solid Waste District	Avon-Washington Township Public Library	Coatesville-Clay Township Public Library	
Component units							
Hendricks County Solid Waste District	\$ 786,793	\$ 774,019	\$ -	\$ (12,774)	\$ -	\$ -	\$ (12,774)
Avon-Washington Township Public Library	2,560,592	11,474	85,690	-	(2,463,428)	-	(2,463,428)
Coatesville-Clay Township Public Library	155,141	1,310	2,937	-	-	(150,894)	(150,894)
Total component units	<u>3,502,526</u>	<u>786,803</u>	<u>88,627</u>	<u>(12,774)</u>	<u>(2,463,428)</u>	<u>(150,894)</u>	<u>(2,627,096)</u>
General revenues							
Taxes:							
Property taxes				-	1,354,367	180,248	1,534,615
Income taxes				-	605,790	103,679	709,469
Other taxes				-	116,285	24,772	141,057
Investment income				55,744	1,247	38	57,029
Donations				-	26,829	200	27,029
Miscellaneous				111	131,101	348	131,560
Gain on disposal of assets				-	760	-	760
Total general revenues and transfers				<u>55,855</u>	<u>2,236,379</u>	<u>309,285</u>	<u>2,601,519</u>
Change in net position				43,081	(227,049)	158,391	(25,577)
Net position - beginning of year				<u>3,050,657</u>	<u>10,245,845</u>	<u>348,452</u>	<u>13,644,954</u>
Net position- end of year				<u>\$ 3,093,738</u>	<u>\$ 10,018,796</u>	<u>\$ 506,843</u>	<u>\$ 13,619,377</u>

HENDRICKS COUNTY, INDIANA

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

December 31, 2020



Katz, Sapper & Miller, LLP
Certified Public Accountants

HENDRICKS COUNTY, INDIANA

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*Independent Auditors' 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*

The Officials of Hendricks County, Indiana

We have audited, in accordance in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information of Hendricks County, Indiana (County) as of and for the year ended December 31, 2020, and the related notes to the financial statements. We were engaged to audit the business-type activities and Hendricks County Regional Sewer District of the County as of and for the year ended December 31, 2020, and the related notes to the financial statements. These financial statements collectively comprise the County's basic financial statements and have issued our report thereon dated July 13, 2022. Our report disclaims opinions on the financial statements of the business-type activities and Hendricks County Regional Sewer District of the County because we were unable to obtain sufficient appropriate audit evidence regarding capital asset balances and activity. Our report includes a reference to other auditors who audited the financial statements of Hendricks Regional Health, a component unit of the County, as described in our report on the County'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.

Internal Control over Financial Reporting

In connection with our engagement to audit of the financial statements of the County, we considered the County'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weakness or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002, that we consider to be material weaknesses.

Compliance and Other Matters

In connection with our engagement to audit of the financial statements of the County, 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*.

County's Response to Findings

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

Purpose of this Report

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

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
July 13, 2022

*Independent Auditors' Report on Compliance for Each Major
Federal Program Required by the Uniform Guidance
and on Internal Control Over Compliance*

The Officials of Hendricks County, Indiana

Report on Compliance for Each Major Federal Program

We have audited Hendricks County, Indiana's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2020. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of Hendricks Regional Health, a component unit of the County, and its expenditures of federal awards, if any, are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2020. Our engagement to perform an audit, described below, did not include the operations of Hendricks Regional Health because other auditors were engaged to perform the audit of the financial statements of Hendricks Regional Health and would have been engaged to perform an audit of compliance, had one been requested.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information of Hendricks County, Indiana (County) as of and for the year ended December 31, 2020, and the related notes to the financial statement. We were engaged to audit the business-type activities and Hendricks County Regional Sewer District of the County as of and for the year ended December 31, 2020, and the related notes to the financial statements. These financial statements collectively comprise the County's basic financial statements. We issued our report thereon dated July 13, 2022, which contained unmodified opinions on the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information of Hendricks County, Indiana (County) as of and for the year ended December 31, 2020, and the related notes to the financial statements and disclaims opinions on the financial statements of the business-type activities and Hendricks County Regional Sewer District of the County because we were unable to obtain sufficient appropriate audit evidence regarding capital asset balances and activity. We were engaged for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Because our report disclaims opinion on the financial statements of the business-type activities and Hendricks County Regional Sewer District of the County, it is inappropriate to and we do not express an opinion on the schedule of federal awards.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
July 13, 2022

HENDRICKS COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2020

	Federal Assistance Listing Number	Pass-through Entity Identifying Number(s)	Federal Expenditures
U.S DEPARTMENT OF THE TREASURY			
Passed through Indiana Finance Authority: COVID-19 - Coronavirus Relief Fund	21.019	Coronavirus Relief Fund Reimbursement Request #32.01	\$ 5,418,403
Direct Program: Equitable Sharing	21.016		<u>2,076</u>
			<u>5,420,479</u>
ELECTION ASSISTANCE COMMISSION			
Passed through Indiana Secretary of State: COVID-19 - HAVA Election Security Grants	90.404	2020 CARES Act Grant Award	<u>46,820</u>
			<u>46,820</u>
U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Indiana Department of Health: Public Health Emergency Preparedness Cooperative Agreement PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.069	43944 and 35400	63,195
	93.539	35797	51,897
	93.074	13781	15,313
Passed through Indiana Department of Child Services: Child Support Enforcement	93.563	2019/2020	427,733
National Association of County and City Health Officials: Medical Reserve Corps Small Grant Program	93.008	MRC 18-1193	<u>4,323</u>
			<u>562,461</u>
U.S DEPARTMENT OF TRANSPORTATION			
Passed through Indiana Department of Transportation: Highway Planning and Construction Cluster: Highway Planning and Construction Federal Transit Cluster: Busses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.205	A249-20-LG200129	102,855
	20.526	A249-20-G200038 A249-19-G180384	57,890
Formula Grants for Rural Areas and Tribal Transit Program	20.509	A249-20-G190098	<u>381,557</u>
			<u>542,302</u>
U.S DEPARTMENT OF JUSTICE			
Direct Programs: State Criminal Alien Assistance Program Equitable Sharing Program COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.606		15,140
	16.922		4,665
	16.034		95,218
Passed through Indiana Department of Justice: Violence Against Women Formula Grants Crime Victim Assistance	16.588	15VA5450 EDS #D3-17 14453	52,443
	16.575	32055 and 48950	<u>80,884</u>
			<u>248,350</u>
U.S DEPARTMENT OF HOMELAND SECURITY			
Passed through Indiana Department of Homeland Security: BRIC: Building Resilient Infrastructure and Communities	97.047	30289	11,151
			<u>11,151</u>
			<u>\$ 6,831,563</u>

See accompanying notes to schedule of expenditures of federal awards.

HENDRICKS COUNTY, INDIANA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Hendricks County, Indiana (the County). The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR), *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County it is not intended to and does not present the financial position, changes in net position/fund balance, or cash flows of the County. In addition, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or federal award guidance, when such cost principles are not applicable to the specific federal award. Cost principles contained in the Uniform Guidance do not apply to the Coronavirus Relief Fund. Under the cost principles contained in the Uniform Guidance and federal award guidance, certain types of expenditures are not allowed or are limited as to reimbursement. When federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

Subrecipients: The County provided no funds to subrecipients in 2020.

NOTE 2 - INDIRECT COST RATE

The County has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

HENDRICKS COUNTY, INDIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2020

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified opinions on the governmental activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund except for Hendricks County Regional Sewer District, and the aggregate remaining fund information and disclaimers of opinion on the business-type activities and Hendricks County Regional Sewer District.

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? yes no

Identification of major programs:

Federal Assistance Number	Agency	Title
21.019	U.S Department of Treasury	Coronavirus Relief Fund

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

Auditee qualified as low-risk auditee? yes no

HENDRICKS COUNTY, INDIANA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED) Year Ended December 31, 2020

Financial Statement Findings

2020-001 Material Weakness – Financial Reporting

Criteria: Internal controls over financial reporting should be in place that provide reasonable assurance that the financial statements are free of material misstatement. Internal controls over financial reporting should be designed to either prevent or detect and correct misstatements on a timely basis and maintained to ensure they are operating as designed.

Condition and Context: At year-end, the County completes a financial statement preparation process. During the financial statement preparation process, management will review subsequent cash disbursements for accruals, compute estimates for compensated absences payable as of year-end date, and update records to reflect capital asset and debt services activity. The financial statement preparation process did not appropriately identify all subsequent cash disbursements for accruals, did not include limits set by the County in the computation of compensated absences payable, did not identify all capital assets purchased, and did not accurately record the debt service activity.

Cause and Effect: The deficiency noted above resulted in undetected material misstatements to accruals, capital assets, and debt. Similar misstatements could occur and materially impact the County's presentation of financial position, results from operations, and cash flows.

Recommendations: We recommend the County review the year-end financial statement preparation process and determine what appropriate procedures and review processes are necessary to prevent or detect misstatements. The County should give specific attention to receivables, accruals, capital assets and debt as these balances are generally material to the financial statements and can be significantly impacted in preparing financial statement in conformity with generally accepted accounting principles.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the recommendation and plans to have the corrective action implemented for the 2021 financial statement preparation process. The County has worked with their third party consultants to establish better procedures for providing them with the needed data and has implemented additional review procedures to alleviate errors in financial reporting. The County and the consultants plan to continue to work together to improve on the process.

2020-002 Material Weakness – Record Maintenance

Criteria: Records should be maintained in order to provide sufficient and appropriate evidence to support the amounts recorded in the basic financial statements.

Condition and Context: At year-end, the County lacked sufficient records to support the amounts recorded for capital assets of the Hendricks County Regional Sewer District.

Cause and Effect: Due to the deficiency, activity and balances related to capital assets could not be substantiated. The deficiency resulted in a disclaimer of opinion in the auditors' report on the business-type activities and Hendricks County Regional Sewer District as of and for the year ended December 31, 2020.

2020-002 Material Weakness – Record Maintenance (Continued)

Recommendations: We recommend the County review its record maintenance policies to establish appropriate guidelines for record maintenance, particularly as relates to amounts which are considered material to the basic financial statements.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the recommendation and plans to have the corrective implemented for the 2021 financial statement preparation process. The 2020 reporting period was the first year the Regional Sewer District was required to report capital assets. Management and the County are currently implementing procedures to determine appropriate historical values for existing assets and have implemented procedures to ensure proper tracking of asset additions and deletions going forward.

Federal Award Findings and Questioned Costs

None

HENDRICKS COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2020

FINANCIAL STATEMENT FINDINGS

2019-001 (Repeat Finding of 2018-001, 2017-001, and 2016-001)

Condition: The County had not established internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the County's Schedule of Expenditures of Federal Awards (SEFA). The County failed to properly review the federal grant information prepared and submitted in Gateway.

Due to the lack of controls, the SEFA presented for audit included the following errors:

1. The Highway Planning and Construction grant expenditures were understated by \$95,510.
2. The Temporary Assistance for Needy Families grant was included in error, which overstated federal expenditures by \$171,885.
3. The Child Support Enforcement grant expenditures were understated by \$411,820.
4. Two additional grants had individually immaterial errors that resulted in misstatements of expenditures of \$79,184, in total, including amounts passed through to subrecipients.
5. Other errors included incorrect program names, pass-through entities, and identifying numbers.

Audit adjustments were proposed, accepted by the County, and made to the SEFA presented in the prior year.

Recommendation: Description of Corrective Action Plan: In our effort to avoid any errors or weaknesses, the Grant Administrator will obtain all documentation connected with the grant. Should the documents not be identified properly or not identified at all, the Grant Administrator will reach out to the appropriate federal agency or the pass-through entity to obtain the CFDA number or other identifying number. The Grant Administrator, Financial Administrator or the Auditor will reach out to the State Board of Accounts for further guidance, if necessary.

The Grant Administrator and Financial Administrator will review the data prior to input into the Gateway system. The Grant Administrator will input the SEFA information into the Gateway system and the Financial Administrator and Auditor will review before the information is submitted.

Status: Corrective action was taken as recommended. Internal control processes and Gateway submissions were reviewed for the period under audit, no similar findings were noted.



Hendricks County Auditor

Nancy L. Marsh
355 S Washington St #202
Danville, IN 46122-1759
317-745-9300
(Fax) 317-745-9389

July 12, 2022

CORRECTIVE ACTION PLAN
Year Ended December 31, 2020

STATE BOARD OF ACCOUNTS

Hendricks County, Indiana respectively submits the following corrective action plan for the year ended December 31, 2020.

Name and address of independent public accounting firm: **Katz, Sapper & Miller, LLP**
800 East 96th Street, Suite 500
Indianapolis, IN 46240

Audit Period: Year Ended December 31, 2020

The finding from the schedule of findings and questioned costs for the year ended December 31, 2020, is discussed below. The finding is numbered consistently with the number assigned in the Schedule.

FINANCIAL STATEMENT FINDING

2020-001 Material Weakness - Financial Reporting

Recommendations: The auditor recommended the County review the year-end financial statement preparation process and determine what appropriate procedures and review processes that are necessary to prevent or detect misstatements. The County should give specific attention to receivables, accruals, capital assets and debt as these balances are generally material to the financial statements and can be significantly impacted in preparing financial statement in conformity with general accepted accounting principles.

Planned Corrective Action: We agree with the recommendation and plan to have the corrective implemented for the 2021 compilation process. Our consultant has worked with the County to establish better procedures for providing them with the needed data and has implemented additional review procedures to alleviate errors in financial reporting. We will continue to work with our consultants to continue to improve on our processes.

If the State Board of Accounts has questions regarding this plan, please call Nancy Marsh, Hendricks County Auditor at 317-745-9315.

Respectfully,

A handwritten signature in blue ink that reads "Nancy L. Marsh".

Nancy L. Marsh
Hendricks County Auditor



Hendricks County Auditor

Nancy L. Marsh
355 S Washington St #202
Danville, IN 46122-1759
317-745-9300
(Fax) 317-745-9389

July 12, 2022

CORRECTIVE ACTION PLAN
Year Ended December 31, 2020

STATE BOARD OF ACCOUNTS

Hendricks County, Indiana respectfully submits the following corrective action plan for the year ended December 31, 2020.

Name and address of independent public accounting firm: **Katz, Sapper & Miller, LLP**
800 East 96th Street, Suite 500
Indianapolis, IN 46240

Audit Period: Year Ended December 31, 2020

The finding from the schedule of findings and questioned costs for the year ended December 31, 2020, is discussed below. The finding is numbered consistently with the number assigned in the Schedule.

FINANCIAL STATEMENT FINDING

2020-002 Material Weakness - Record Maintenance

Recommendations: The auditor recommended the County review its record maintenance policies to establish appropriate guidelines for record maintenance, particularly as it related to amounts which are considered material to the basic financial statements.

Planned Corrective Action: We agree with the recommendation and plan to have the corrective implemented for the 2021 compilation process. The 2020 reporting period was the first year the Regional Sewer District was required to report capital assets. We are currently implementing procedures to determine appropriate historical values for existing assets and have implemented procedures to ensure proper tracking of asset additions and deletions going forward.

If the State Board of Accounts has questions regarding this plan, please call Nancy Marsh, Hendricks County Auditor at 317-745-9315.

Respectfully,

Nancy L. Marsh
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Hendricks County Auditor