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May 24, 2023

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, 2021 to December 31, 2021. Per the *Independent Auditors' Report*, the financial statements 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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

As discussed in the *Disclaimer of Opinions on the Business-Type Activities and Hendricks County Regional Sewer District* section of the Independent Auditor's Report, the auditors were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the business-type activities and Hendricks County Regional Sewer District and therefore, do not express opinions on the financial statements of the business-type activities and Hendricks County Regional Sewer District of the County. We refer the reader to the *Matter Giving Rise to Disclaimer of Opinions on the Business-Type Activities and Hendricks County Regional Sewer District* section for more information.

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 10 through 12 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 report.

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

Tammy R. White, CPA
Deputy State Examiner

HENDRICKS COUNTY, INDIANA

Annual Financial Report

December 31, 2021



Katz, Sapper & Miller, LLP
Certified Public Accountants

Hendricks County, Indiana

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Independent Auditor's Report

The Officials of the Hendricks County, Indiana

Report on the Audit of Financial Statements

Disclaimer of Opinions and Unmodified Opinions

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, 2021 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, 2021, 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.

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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Disclaimer of Opinions and Unmodified Opinions

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

Matter Giving Rise to 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, 2021, we were unable to obtain sufficient appropriate audit evidence regarding capital asset balances and activity as of and for the year ended December 31, 2021, related to the Hendricks County Regional Sewer District, a major fund of the County, and the County's business-type activities. Hendricks County Regional Sewer District's financial activities are included in the County's basis financial statements as a major fund of the County's business-type activities. The County's business-type activities represent 8.5%, 11.8%, and 1% of the assets, net position, and revenues, respectively, of the County's primary government.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Because of the matter described in the Basis for Disclaimer of Opinions and Unmodified Opinions section, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for audit opinions on the County's business-type activities and Hendricks County Regional Sewer District. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

We did not audit the financial statements of Hendricks Regional Health, a component unit of the County as described in Note 1, which represents 100% of the assets, net position, and revenues of the major discretely presented component unit. 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, budget/GAAP reconciliation, schedule of 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 - OPEB 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.

Supplementary Information

We were engaged to audit the financial statements of the governmental activities, the business-type activities, the major discretely presented component unit, the aggregate remaining discretely presented component units, each major fund, and the aggregate remaining fund information of the County 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 Matter Giving Rise to Disclaimer of Opinions on the Business-Type Activities and Hendricks County Regional Sewer District 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 3 to the basic financial statements, the net position and fund balance as of December 31, 2020, has been restated to correct a misstatement. Our opinions are 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 May 2, 2023 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Katz, Sapper & Miller, LLP

Indianapolis, Indiana
May 2, 2023

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021

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, 2021. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- > The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$492,782 (net position).
- > The County's total net position, increased by \$20,785 as compared to the adjusted 2020 total net position.
- > As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$197,972 a decrease of \$5,762 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 \$44,235.
- > The County's total bond related debt increased by \$3,356 during the current fiscal year. The net change was the result of the issuance of general obligation bonds in the amount of \$5,575 for the financing of public improvements in the County and tax increment financing bonds issued in the amount of \$6,504 for the gateway project and the I-70 West project.
- > Hendricks County will be receiving an estimated ARPA award in the amount of \$33,289. The first installment of \$16,275 was paid in 2021, the second installment was paid 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 deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 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, 2021

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 17-19 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 and ARP Coronavirus Local Fiscal Rescue 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 20-23 of this report.

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.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021

The basic proprietary fund financial statements can be found on pages 24-26 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 27-28 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 29-89 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 90-111 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 112-162 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 \$492,782 at the close of the most recent fiscal year.

By far the largest portion, \$350,497 (71.12%), 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, 2021

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

Hendricks County, Indiana, Net Position – Primary Government

Hendricks County, Indiana Statement of Net Position

	Primary Government	
	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 265,571	\$ 249,910
Capital assets	<u>413,688</u>	<u>388,755</u>
Total assets	679,259	638,665
Deferred outflows of resources	<u>8,218</u>	<u>6,828</u>
Long-term liabilities	128,992	132,125
Other liabilities	<u>20,380</u>	<u>6,751</u>
Total liabilities	<u>149,372</u>	<u>138,876</u>
Deferred inflows of resources	<u>45,323</u>	<u>34,620</u>
Net investment in capital assets	350,497	347,938
Restricted net position	113,742	177,842
Unrestricted net position	<u>28,543</u>	<u>(53,783)</u>
Total net position	<u>\$ 492,782</u>	<u>\$ 471,997</u>

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

An additional portion of the County's net position, \$113,742 (23.08%), 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, 2021

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

	Primary Government	
	<u>2021</u>	<u>2020</u>
Revenue:		
Program Revenues:		
Charges for service	\$ 10,106	\$ 10,230
Operating grants and contributions	18,847	23,643
Capital grants and contributions	-	
General Revenues:		
Property taxes	30,203	31,974
Income taxes	42,713	30,392
Other taxes	129	-
Other	13,141	22,236
Transfers	-	2
Total Revenues	<u>115,139</u>	<u>122,272</u>
Expenses:		
General government	27,274	32,091
Public safety	22,307	24,963
Highways and streets	27,327	32,771
Health and welfare	7,716	6,273
Culture and recreation	5,083	4,902
Economic development	1,493	3,452
Interest expense	2,709	1,333
Wastewater	445	2,040
Total Expense	<u>94,354</u>	<u>107,825</u>
Change in net position	20,785	14,447
Net position - beginning as previously stated	471,997	399,026
Adjustment to net position	-	58,524
Net position - beginning as adjusted	<u>471,997</u>	<u>457,550</u>
Net position - end of year	<u>\$ 492,782</u>	<u>\$ 471,997</u>

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021

The County's net position, increased by \$20,785 or 4.4% in 2021, over the adjusted net position of 2020. Notable changes in revenues and expenses in 2021 compared to 2020 include the following:

- > Program revenues (charge for services) reported a total amount of \$10,106. The total amount is comprised of general government revenue of \$3,804, public safety revenue of \$3,140, highways and streets revenue of \$366, health and welfare revenue of \$1,751, and culture and recreation revenue of \$100, and Hendricks Regional Sewer District of \$945.
- > Program revenues (operating grants and contributions) reported a total amount of \$18,847. The total amount is comprised of general government revenue of \$2,313, public safety revenue of \$1,010, highway and streets revenue of \$7,865, health and welfare revenue of \$1,732, culture and recreation revenue of \$4,927 and economic development revenue of \$1,000.
- > Property tax revenues in 2021 were \$30,203 and are reported net of circuit breaker tax credits. Income taxes and other taxes reported \$42,713 and \$129, respectively.
- > Other general revenue \$13,141 included local shared revenue of \$8,222, investment income of \$29 and miscellaneous revenue of \$4,890.
- > General government expenses reported a total amount of \$27,274.
- > Public safety expenses reported a total amount of \$22,307.
- > Highway and streets expenses reported a total amount of \$27,327.
- > Health and welfare expenses reported a total amount \$7,716.
- > Culture and recreation expenses reported a total amount \$5,083.
- > Economic development expenses reported a total amount \$1,493.
- > Interest on debt service reported a total amount \$2,709.

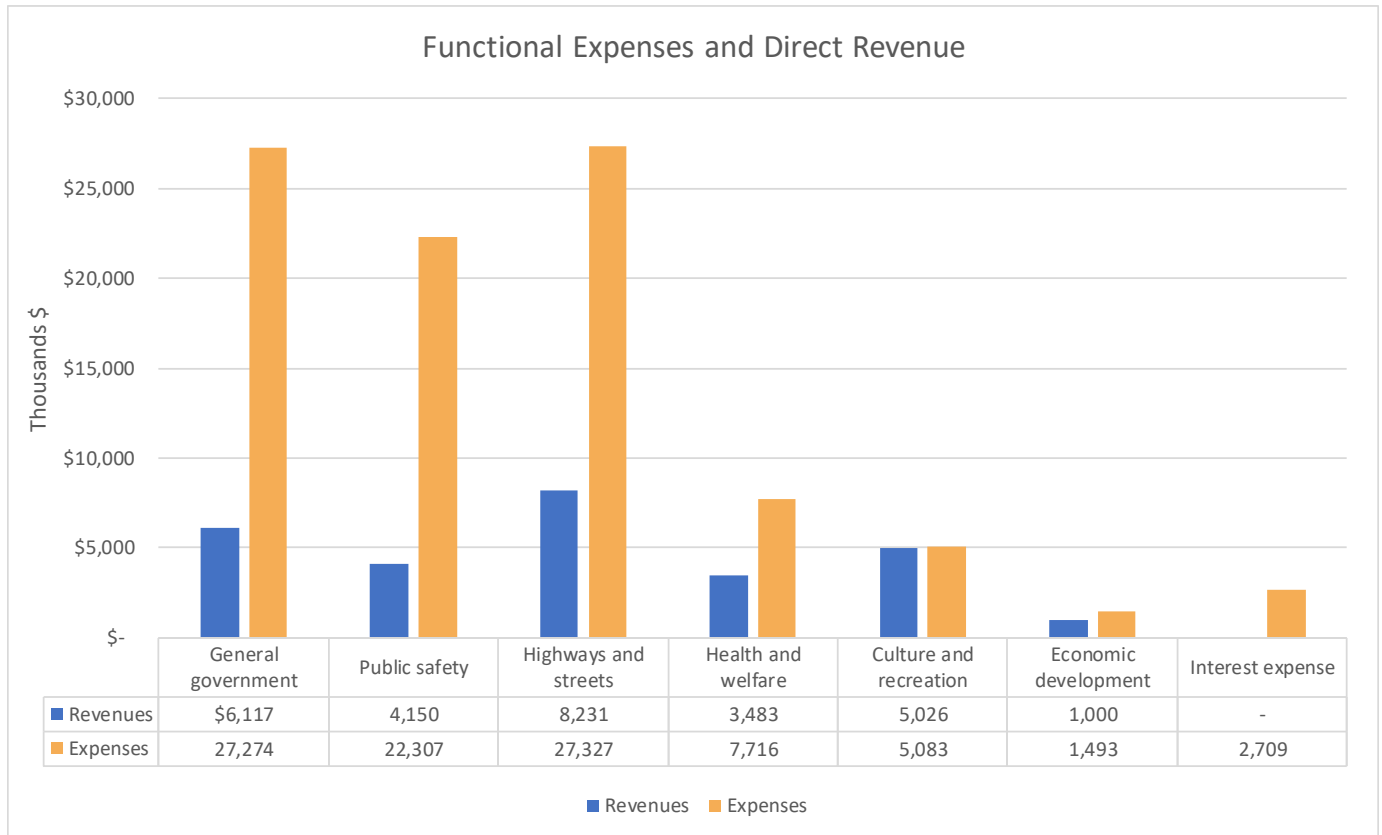
The County's property tax rate, \$0.3163 for 2021 was an increase from the \$0.3027 for 2020, per \$100 of assessed value. The stability of the tax rate is a reflection of stable to growing assessed values and levies remaining within parameters allowed for statewide annual levy growth.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021

Program Revenue and Expenses – Governmental Activities

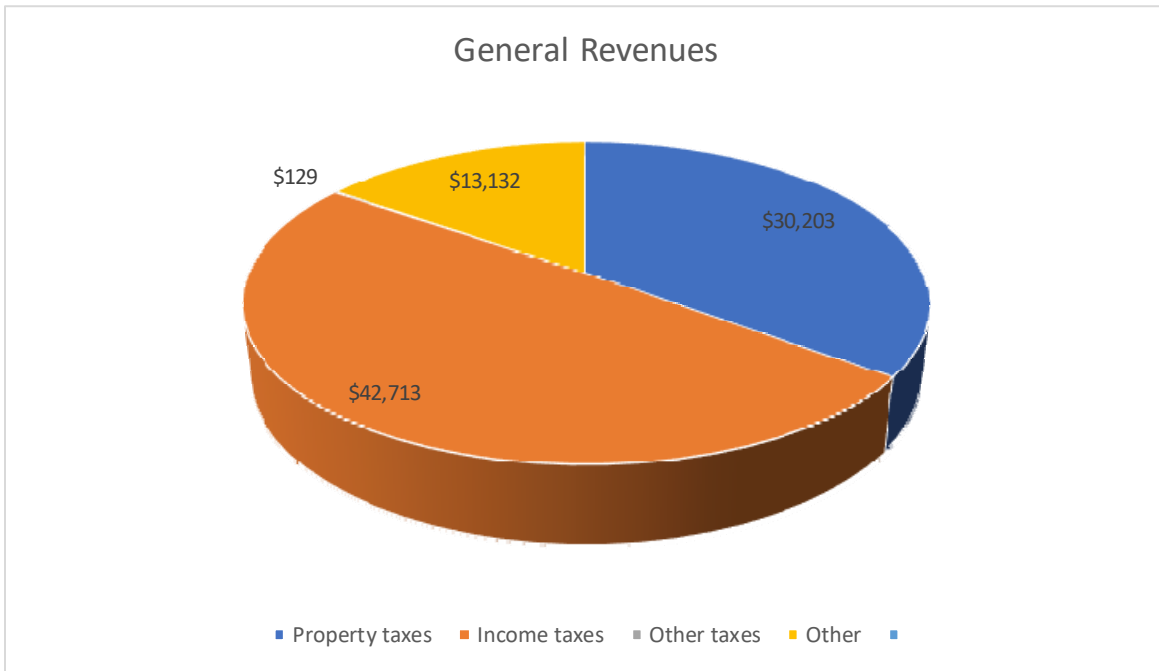
Taxes, as in prior years, were the County's major source of revenue supporting its activities, primarily in the area of public safety, health and welfare and general government. Other sources of revenue consisted primarily of unrestricted investment earnings and miscellaneous revenue. The following graph 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, 2021

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 \$4,950 and capital assets in the amount of \$52,725 for an ending net position of \$57,675.

The Sewer District had expenses in the amount of \$445 and revenues in the amount of \$954, classified as follows: Charges for Services: \$945 and Investment Income: \$9. The Regional Sewer District reported a change in net position in the amount of \$509.

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, 2021

Fund balances are the differences between assets and deferred outflows of resources and liabilities and deferred inflows of resources 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 \$197,972 a decrease of \$5,762 in comparison with the prior year adjusted fund balance. The fund balance has restricted fund balance of \$154,234, assigned balance of \$501, committed balance of \$13,918, and unassigned fund balance of \$29,319. (See page 53)

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 \$29,816 while the total fund balance totaled \$44,235. 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 \$35,912 excluding transfers. Unassigned fund balance represents 83.03% of total general fund expenditures, while total fund balance represents 123.18% of that same amount.

The fund balance of the County general fund had an increase of \$2,728 during the current fiscal year. Key factors in this increase are as follows:

- > Operating revenues exceeded operating expenditures by \$5,726 during 2021.
- > General Fund revenues include net property taxes of \$14,581; income tax of \$19,099; intergovernmental revenues, \$2,954; charges for services, \$740; investment income of \$616; fines and forfeits of \$1,737; and other revenue of \$1,910.
- > Major general fund expenditures include general government, \$20,580; public safety, \$12,902 and health and welfare, \$1,748.

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, 2021, the Sewer District is reporting an unrestricted net position of \$4,950 and net investment in capital assets of \$52,725. Operating expenses exceeded operating revenues by \$500. The Regional Sewer District also had nonoperating revenues in the amount of \$9.

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, 2021

The final General Fund budget had a planned excess of revenues over expenditures of \$4,303 excluding other financing sources (uses). Below is a summary of the key highlights of the budget.

- > The final budgeted revenue, \$39,278, for the general fund comprised of taxes of 33,051, licenses and permits of \$785, intergovernmental of \$1,591, charges for services of \$2,000, fines, forfeitures and fees of \$200 and interest of \$650.
- > The final General Fund budgeted expenditures of \$34,975 were distributed across multiple County departments, comprised of general government \$18,500, public safety of \$14,078, Health and Human Services of \$1,885 and Culture, Recreation and Education of \$512.
- > During the year on a budgetary basis, revenues exceeded expenditures, excluding other financing sources (uses) for the general fund in the amount of \$11,267.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for 2021 amounts to \$360,962 for governmental activities and \$52,725 for business-type activities (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 2021 included construction in progress of \$35,634, machinery and equipment of \$1,049 and Infrastructure of \$4,519.

The following tables display the County's capital assets.

Hendricks County, Indiana, Capital Assets

	Governmental Activities	
	2021	2020
Land	\$ 2,917	\$ 2,917
Construction in progress	45,111	13,996
Buildings	34,181	34,181
Improvements	3,294	3,294
Machinery and equipment	23,385	22,542
Infrastructure	504,023	499,504
 Total Capital Assets	 612,911	 576,434
Accumulated depreciation	(251,949)	(240,404)
 Net capital assets	 \$ 360,962	 \$ 336,030

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021

	Business-Type Activities	
	2021	2020
Infrastructure	\$ 75,474	\$ 75,474
Accumulated depreciation	(22,749)	(22,749)
	<u>\$ 52,725</u>	<u>\$ 52,725</u>
Net capital assets	<u>\$ 52,725</u>	<u>\$ 52,725</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 \$128,992. Of this amount, \$4,416 relates to revenue bond debt.

The remainder of the County's long-term obligations consist of \$14,200 related to TIF Bonds, \$8,132 of general obligation bonds, \$75,879 of lease rental bonds, \$411 of capital lease obligations, \$749 of compensated absences, \$8,399 of net pension liability and \$13,111 of other postemployment benefits. The following table reflects the County's long-term obligations:

Hendricks County, Indiana, Long-Term Obligations

	Governmental Activities	
	2021	2020
Revenue bonds	\$ 4,416	\$ 4,976
General obligation bonds	8,132	2,810
TIF bonds	14,200	10,840
Lease rental bonds	75,879	80,645
	<u>102,627</u>	<u>99,271</u>
Sub-total	<u>102,627</u>	<u>99,271</u>
Capital lease obligations	411	690
Other postemployment benefits	13,111	13,238
Net pension liability	8,399	14,597
Compensated absences	749	651
Matured and unpaid principal	810	570
Matured and unpaid interest	2,885	2,755
Loans payable	-	353
	<u>26,365</u>	<u>32,854</u>
Sub-total	<u>26,365</u>	<u>32,854</u>
Total	<u>128,992</u>	<u>132,125</u>
Less: Current portion	<u>(4,501)</u>	<u>(4,841)</u>
Total long-term obligations	<u>\$ 124,491</u>	<u>\$ 127,284</u>

The County's total long-term obligations decreased by \$2,793 during the current fiscal year.

HENDRICKS COUNTY, INDIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS December 31, 2021

- > Bond debt increased by \$3,356 due to the issuance of new debt in the amount of \$12,079 and normal debt payments in the amount of \$8,424
- > Other postemployment benefits decreased by \$127 as a result of updated actuarial studies performed for the County.
- > Net pension liability for pensions decreased by \$6,198 as a result of updated actuarial studies performed for the County.
- > Obligations associated with loans payable decreased by \$353 as a result of scheduled payments.

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 48-51 in Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budget and Rates

- > The 2022 tax rates for the County decreased from \$.3163 in 2021 to a rate of \$.3121 per \$100 in assessed value. Overall, the County's assessed value increased by \$1,119,297 (10.87%) from \$10,295,832 in 2020 to \$11,415,129 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 2021 budget year, the loss to the County due to the caps is \$2,709 (or 8.32% of the property tax levy). Calendar year 2022 expected losses of revenue due to circuit breaker is \$3,077 (or 8.64% 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 2022 calendar year.

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.

Hendricks County, Indiana

Statement of Net Position

December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Hendricks Regional Health	Nonmajor Component Units
Assets					
Current assets:					
Cash and cash equivalents	\$ 128,938,446	\$ 4,949,630	\$ 133,888,076	\$ 33,582,122	\$ 5,365,241
Investments	75,090,555	-	75,090,555	65,028,683	-
Receivables:					
Accounts	525,397	-	525,397	71,431,665	-
Interest	214,713	-	214,713	-	-
Taxes	43,632,116	-	43,632,116	-	-
Intergovernmental	3,023,043	-	3,023,043	-	-
Inventories	-	-	-	4,477,382	-
Prepays	187,491	-	187,491	-	-
Current portion of assets whose use is limited	-	-	-	9,712,713	-
Other current assets	-	-	-	35,087,226	-
Restricted assets:					
Cash and cash equivalents	5,688,720	-	5,688,720	-	-
Investments	3,275,710	-	3,275,710	-	-
Net pension asset	44,758	-	44,758	11,432,532	-
Assets limited as to use					
Noncurrent assets	-	-	-	320,411,196	-
Other assets	-	-	-	644,434	-
Capital assets:					
Land and construction in progress	48,028,365	-	48,028,365	22,849,486	180,000
Other capital assets, net of depreciation	312,933,818	52,725,518	365,659,336	223,967,492	1,596,147
Total assets	621,583,132	57,675,148	679,258,280	798,624,931	7,141,388
Deferred Outflows of Resources					
Deferred amount on refunding of debt	499,566	-	499,566	971,312	-
Pension related	5,762,283	-	5,762,283	12,544,164	77,717
OPEB related	1,955,701	-	1,955,701	-	-
Total deferred outflows of resources	8,217,550	-	8,217,550	13,515,476	77,717

See notes to financial statements

Hendricks County, Indiana

Statement of Net Position

December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Hendricks Regional Health	Nonmajor Component Units
Liabilities					
Accounts payable	\$ 1,971,239	\$ -	\$ 1,971,239	\$ 48,149,075	\$ 12,950
Accrued payroll and withholdings payable	573,386	-	573,386	12,045,398	-
Accrued interest payable	1,188,484	-	1,188,484	1,464,572	-
Claims payable	426,364	-	426,364	-	-
Unearned revenue	16,220,409	-	16,220,409	-	-
Estimated third party settlement	-	-	-	1,266,635	-
Medicare accelerated and advance payments	-	-	-	12,392,776	-
Other current payables	-	-	-	83,003,660	-
Line of credit	-	-	-	11,000,000	-
Noncurrent liabilities:					
Due within one year:					
Capital lease obligations	273,424	-	273,424	-	14,340
Revenue bonds	545,000	-	545,000	-	-
General obligation bonds	1,080,000	-	1,080,000	-	-
TIF bonds	340,000	-	340,000	-	-
Lease rental bonds	2,185,000	-	2,185,000	-	-
Matured but unpaid interest - TIF Bonds	77,500	-	77,500	-	-
Other	-	-	-	9,712,713	-
Due in more than one year:					
Capital lease obligations	137,678	-	137,678	-	-
Revenue bonds (net of discounts, premiums)	3,870,652	-	3,870,652	-	-
General obligation bonds (net of discounts, premiums)	7,052,375	-	7,052,375	-	3,000,000
TIF bonds (net of discounts, premiums)	13,860,138	-	13,860,138	-	-
Lease rental bonds (net of discounts, premiums)	73,693,888	-	73,693,888	-	-
Compensated absences	748,616	-	748,616	-	-
Loans	-	-	-	-	445,000
Other long-term payables	-	-	-	100,274,335	-
Matured but unpaid interest, TIF Bonds	2,807,000	-	2,807,000	-	-
Matured but unpaid, principal, TIF Bonds	810,000	-	810,000	-	-
Other long-term payables:					
Net pension liability	8,399,165	-	8,399,165	-	136,717
Total OPEB liability	13,111,471	-	13,111,471	-	-
Total liabilities	149,371,789	-	149,371,789	279,309,164	3,609,007
Deferred Inflows of Resources					
Pension related	9,575,824	-	9,575,824	14,065,881	226,861
OPEB related	593,413	-	593,413	-	-
Unavailable revenue	35,153,329	-	35,153,329	-	-
Total deferred inflows of resources	45,322,566	-	45,322,566	14,065,881	226,861
Net Position					
Net investment in capital assets	297,771,298	52,725,518	350,496,816	136,829,930	-
Net position, restricted for:					
General government	13,133,512	-	13,133,512	-	-
Public safety	9,049,960	-	9,049,960	-	-
Highways and streets	13,972,146	-	13,972,146	-	-
Economic development	17,819,670	-	17,819,670	-	-
Health and welfare	3,407,135	-	3,407,135	-	3,007,050
Culture and recreation	2,668,475	-	2,668,475	-	813,837
Capital projects	40,494,226	-	40,494,226	-	-
Debt service	7,747,888	-	7,747,888	-	-
Property reassessment	1,287,223	-	1,287,223	-	-
Drainage maintenance	4,100,338	-	4,100,338	-	-
Pension	44,758	-	44,758	-	-
Donor restricted	16,750	-	16,750	-	-
Held by trustee	-	-	-	14,960,053	-
Non-expendable	-	-	-	984,821	-
Net position, unrestricted	23,592,948	4,949,630	28,542,578	365,990,558	(437,650)
Total net position	\$ 435,106,327	\$ 57,675,148	\$ 492,781,475	\$ 518,765,362	\$ 3,383,237

See notes to financial statements

Hendricks County, Indiana

Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position			Component Unit	
		Charges for Services	Operating Grants and Contributions	Primary Government		Total Primary Government	Hendricks Regional Health	Nonmajor Component Units
				Governmental Activities	Business-Type Activities			
Primary Government								
Governmental activities:								
General government	\$ 27,273,853	\$ 3,803,901	2,313,166	\$ (21,156,786)	\$ -	\$ (21,156,786)	\$ -	\$ -
Public safety	22,307,414	3,139,478	1,010,385	(18,157,551)	-	(18,157,551)	-	-
Highways and streets	27,327,251	366,422	7,864,939	(19,095,890)	-	(19,095,890)	-	-
Economic development	1,493,012	-	1,000,000	(493,012)	-	(493,012)	-	-
Health and welfare	7,716,057	1,750,776	1,732,069	(4,233,212)	-	(4,233,212)	-	-
Culture and recreation	5,082,914	99,667	4,926,710	(56,537)	-	(56,537)	-	-
Interest on long-term debt	2,708,903	-	-	(2,708,903)	-	(2,708,903)	-	-
Total primary government	93,909,404	9,160,244	18,847,269	(65,901,891)	-	(65,901,891)	-	-
Business-type activities								
Hendricks County Regional Sewer District	445,576	945,449	-	-	499,873	499,873	-	-
Total business-type activities	445,576	945,449	-	-	499,873	499,873	-	-
Component Units								
Hendricks Regional Health	789,399,985	808,758,886	19,874,669	-	-	-	39,233,570	-
Other	3,195,410	744,412	125,328	-	-	-	-	(2,325,670)
Total component units	792,595,395	809,503,298	19,999,997	-	-	-	39,233,570	(2,325,670)
General Revenues								
Taxes:								
Property taxes	-	-	-	30,202,953	-	30,202,953	-	1,616,706
Income taxes	-	-	-	42,713,125	-	42,713,125	-	678,797
Other taxes	-	-	-	129,194	-	129,194	-	142,153
Local shared revenue	-	-	-	8,222,143	-	8,222,143	-	-
Other:								
Donations	-	-	-	-	-	-	-	47,017
Investment income	19,990	-	-	19,990	9,205	29,195	22,963,658	8,969
Miscellaneous	4,889,925	-	-	4,889,925	-	4,889,925	-	4,547
Total general revenues	-	-	-	86,177,330	9,205	86,186,535	22,963,658	2,498,189
Change in net position	-	-	-	20,275,439	509,078	20,784,517	62,197,228	172,519
Net Position, Beginning as Previously Stated				414,830,888	57,166,070	471,996,958	456,568,134	13,619,377
Adjustment to net position (See Note 3)				-	-	-	-	(10,408,659)
Net Position, Beginning as Adjusted				414,830,888	57,166,070	471,996,958	456,568,134	3,210,718
Net Position, Ending				\$ 435,106,327	\$ 57,675,148	\$ 492,781,475	\$ 518,765,362	\$ 3,383,237

See notes to financial statements

Hendricks County, Indiana

Balance Sheet - Governmental Funds

December 31, 2021

	<u>County General</u>	<u>Jail Building Corporation</u>	<u>ARP Coronavirus Local Fiscal Rescue</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets					
Cash and cash equivalents	\$ 20,466,370	\$ 33,717,853	\$ 8,002,788	\$ 64,294,319	\$ 126,481,330
Investments	21,080,525	-	8,267,641	45,742,389	75,090,555
Receivables:					
Taxes	22,152,733	-	-	21,479,383	43,632,116
Interest	203,626	-	4,220	6,867	214,713
Accounts	98,610	-	-	426,787	525,397
Intergovernmental	1,237,440	-	-	1,785,603	3,023,043
Restricted:					
Cash and cash equivalents	-	-	-	5,688,720	5,688,720
Investments	-	-	-	3,275,710	3,275,710
Interfund receivable:					
Interfund receivables	5,892	-	-	2,326,929	2,332,821
	<u>5,892</u>	<u>-</u>	<u>-</u>	<u>2,326,929</u>	<u>2,332,821</u>
Total assets	<u>\$ 65,245,196</u>	<u>\$ 33,717,853</u>	<u>\$ 16,274,649</u>	<u>\$ 145,026,707</u>	<u>\$ 260,264,405</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 543,105	\$ -	\$ 54,241	\$ 1,302,738	\$ 1,900,084
Accrued payroll and withholdings payable	421,696	-	-	139,310	561,006
Interfund payable:					
Interfund payable	-	-	-	2,332,821	2,332,821
Unearned revenue	-	-	16,220,408	-	16,220,408
	<u>-</u>	<u>-</u>	<u>16,220,408</u>	<u>-</u>	<u>16,220,408</u>
Total liabilities	<u>964,801</u>	<u>-</u>	<u>16,274,649</u>	<u>3,774,869</u>	<u>21,014,319</u>
Deferred Inflows of Resources					
Unavailable revenue	<u>20,045,178</u>	<u>-</u>	<u>-</u>	<u>21,232,815</u>	<u>41,277,993</u>
Total deferred inflows of resources	<u>20,045,178</u>	<u>-</u>	<u>-</u>	<u>21,232,815</u>	<u>41,277,993</u>
Fund Balances					
Restricted	-	33,717,853	-	120,515,658	154,233,511
Committed	13,918,362	-	-	-	13,918,362
Assigned	500,762	-	-	-	500,762
Unassigned (deficit)	29,816,093	-	-	(496,635)	29,319,458
	<u>44,235,217</u>	<u>33,717,853</u>	<u>-</u>	<u>120,019,023</u>	<u>197,972,093</u>
Total fund balances	<u>44,235,217</u>	<u>33,717,853</u>	<u>-</u>	<u>120,019,023</u>	<u>197,972,093</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 65,245,196</u>	<u>\$ 33,717,853</u>	<u>\$ 16,274,649</u>	<u>\$ 145,026,707</u>	<u>\$ 260,264,405</u>

See notes to financial statements

Hendricks County, IndianaReconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2021**Fund Balance - Governmental Funds** \$ 197,972,093

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	\$ 48,028,365	
Other capital assets, net of depreciation	<u>312,933,818</u>	360,962,183

Prepays are not current financial resources and, therefore, are not reported in the funds.		187,490
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Pension asset and liabilities are not paid from current financial resources and, therefore, is not shown in the funds.

Net pension asset	44,758	
OPEB liability	(13,111,471)	
Net pension liability	<u>(8,399,165)</u>	(21,465,878)

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		499,566
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Deferred outflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the statement of net position		5,762,283
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Deferred outflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the statement of net position		1,955,701
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Deferred inflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the statement of net position		(9,575,824)
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Deferred inflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the statement of net position		(593,413)
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Unavailable revenues are not available to pay current liabilities and, therefore, are not reported as liabilities in the Statement of Net Position.		6,124,664
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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		1,947,217
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Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(748,616)
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Accrued interest on bonds payable is not due and payable in the current period and, therefore, is not reported in the funds.		(1,188,484)
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Long-term liabilities, including capital leases, are not due and payable in the current period and, therefore, are not reported in the funds.		(411,102)
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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	(8,132,375)	
Tax increment financing bonds	(14,200,138)	
Lease rental bonds	(75,878,888)	
Matured and unpaid TIF principal and interest	(3,694,500)	
Revenue bonds	<u>(4,415,652)</u>	<u>(106,321,553)</u>

Net Position of Governmental Activities \$ 435,106,327

See notes to financial statements

Hendricks County, IndianaStatement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2021

	County General	Jail Building Corporation	ARP Coronavirus Local Fiscal Rescue	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes:					
Property	\$ 14,581,315	\$ -	\$ -	\$ 19,117,998	\$ 33,699,313
Income	19,099,391	-	-	17,489,070	36,588,461
Other	-	-	-	129,194	129,194
Licenses and permits	-	-	-	114,296	114,296
Intergovernmental	2,953,955	-	320,049	23,795,408	27,069,412
Charges for services	740,229	-	-	4,828,753	5,568,982
Fines and forfeits	1,737,274	-	-	1,739,692	3,476,966
Investment earnings	615,856	-	41,256	(637,122)	19,990
Other:					
Miscellaneous	1,909,579	-	-	2,980,346	4,889,925
Total revenues	41,637,599	-	361,305	69,557,635	111,556,539
Expenditures					
Current:					
General government	20,579,906	-	292,358	3,339,261	24,211,525
Public safety	12,901,997	209,250	-	9,346,474	22,457,721
Economic development	-	-	-	1,493,012	1,493,012
Highways and streets	-	-	-	17,737,626	17,737,626
Health and welfare	1,747,585	-	-	6,126,722	7,874,307
Culture and recreation	465,608	-	-	4,614,970	5,080,578
Debt service:					
Principal	-	-	-	7,100,529	7,100,529
Interest	-	1,005,637	-	871,762	1,877,399
Capital lease	-	-	-	278,464	278,464
Bond issue costs	-	-	-	322,195	322,195
Capital outlay:					
General government	216,423	-	68,947	3,162,699	3,448,069
Public safety	-	27,423,687	-	2,426,693	29,850,380
Highways and streets	-	-	-	3,339,908	3,339,908
Health and welfare	-	-	-	44,626	44,626
Total expenditures	35,911,519	28,638,574	361,305	60,204,941	125,116,339
Excess (deficiency) of revenues over (under) expenditures	5,726,080	(28,638,574)	-	9,352,694	(13,559,800)
Other Financing Sources (Uses)					
Bond proceeds	-	-	-	12,079,117	12,079,117
Premium on bonds issued	-	-	-	155,265	155,265
Payments on refunded debt	-	-	-	(1,436,753)	(1,436,753)
Transfers in	1,495	-	-	6,507,178	6,508,673
Transfers out	(3,000,000)	-	-	(6,508,673)	(9,508,673)
Total other financing sources and uses	(2,998,505)	-	-	10,796,134	7,797,629
Net change in fund balances	2,727,575	(28,638,574)	-	20,148,828	(5,762,171)
Fund Balances, Beginning as reported	27,491,551	62,356,427	-	113,886,286	203,734,264
Adjustment to fund balances (See Note 3)	14,016,091	-	-	(14,016,091)	-
Fund Balances, Beginning as restated	41,507,642	62,356,427	-	99,870,195	203,734,264
Fund Balances, Ending	\$ 44,235,217	\$ 33,717,853	\$ -	\$ 120,019,023	\$ 197,972,093

See notes to financial statements

Hendricks County, Indiana

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2021

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) \$ (5,762,171)

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
in the current period:

Capital outlays	36,682,983
Loss on capital disposal of assets	(22,830)
Depreciation expense	(11,727,706)

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:

Principal payments	\$ 8,537,282
Amortization of bond discount/premium and loss on refunding	454,280
Par amount of bonds issued	(12,079,117)
Bond Premium	(155,265)
Matured unpaid interest	(129,102)
Principal paid on capital lease	278,464
	<u>(3,093,458)</u>

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

Deferred inflows, pensions	(5,581,062)
Deferred inflows, OPEB	(296,644)
Unavailable revenue	2,628,304

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

Deferred outflows of resources, pensions	2,173,838
Deferred outflows of resources, OPEB	(415,082)
Amortization of deferred amount on refunding's	(369,434)

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. (97,512)

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. (15,537)

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. (787,246)

Pension assets are considered revenues of the general government and,
therefore, are not reported as current revenues in the funds. 44,758

Pension obligations are considered expenses of the general government and,
therefore, are not reported as current expenditures in the funds. 6,198,122

OPEB liability reported in the Statement of Activities does not require the use of current
resources and, therefore, are not reported as expenditures in governmental funds. 126,188

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. 589,928

Change in Net Position of Governmental Activities (Statement of Activities) \$ 20,275,439

Hendricks County, Indiana

Statement of Net Position - Proprietary Fund

December 31, 2021

	Business-Type Activities - Enterprise Funds	Governmental Activities
	Hendricks County	Internal Service Funds
	Regional Sewer District	Funds
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,949,630	\$ 2,457,116
Capital assets:		
Other capital assets, net of depreciation	<u>52,725,518</u>	<u>-</u>
Total assets	<u>57,675,148</u>	<u>2,457,116</u>
Liabilities		
Current liabilities		
Accounts payable	-	71,155
Accrued payroll and withholdings payable	-	12,380
Claims payable	<u>-</u>	<u>426,364</u>
Total current liabilities	<u>-</u>	<u>509,899</u>
Total liabilities	<u>-</u>	<u>509,899</u>
Net Position		
Net investment in capital assets	52,725,518	-
Unrestricted	<u>4,949,630</u>	<u>1,947,217</u>
Total net position	<u>\$ 57,675,148</u>	<u>\$ 1,947,217</u>

See notes to financial statements

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund

Year Ended December 31, 2021

	Hendricks County Regional Sewer District	Internal Service Funds
Operating Revenues		
Charges for services	\$ 945,449	\$ -
Miscellaneous	<u>-</u>	<u>6,767,006</u>
Total operating revenues	<u>945,449</u>	<u>6,767,006</u>
Operating Expenses		
Source of supply:		
Operation and maintenance	164,123	-
Collection system:		
Salaries and wages and employee pensions and benefits	60,524	-
Professional services	220,853	-
Administrative and general:		
Other	76	-
General government	<u>-</u>	<u>9,177,078</u>
Total operating expenses	<u>445,576</u>	<u>9,177,078</u>
Operating income (loss)	<u>499,873</u>	<u>(2,410,072)</u>
Nonoperating Revenues (Expenses)		
Interest and investment revenue	9,205	-
Transfers in	<u>-</u>	<u>3,000,000</u>
Total nonoperating revenues (expenses)	<u>9,205</u>	<u>3,000,000</u>
Change in net position	509,078	589,928
Total Net Position, Beginning	<u>57,166,070</u>	<u>1,357,289</u>
Total Net Position, Ending	<u>\$ 57,675,148</u>	<u>\$ 1,947,217</u>

See notes to financial statements

Hendricks County, Indiana

Statement of Cash Flows - Proprietary Fund

Year Ended December 31, 2021

	Hendricks County Regional Sewer District	Internal Service Funds
Cash Flows From Operating Activities		
Receipts from customers and users	\$ 945,449	\$ -
Receipts from interfund services provided	-	6,798,126
Payments to suppliers	(385,052)	-
Payments to employees	(60,524)	-
Payments for interfund services used	-	(9,247,280)
	<u>499,873</u>	<u>(2,449,154)</u>
Net cash provided (used) by operating activities		
	<u>499,873</u>	<u>(2,449,154)</u>
Cash Flows From Capital and Related Financing Activities		
Transfers from other funds	-	3,000,000
	<u>-</u>	<u>3,000,000</u>
Net cash provided by investing activities		
	<u>-</u>	<u>3,000,000</u>
Cash Flows From Investing Activities		
Interest received	9,205	-
	<u>9,205</u>	<u>-</u>
Net cash provided by investing activities		
	<u>9,205</u>	<u>-</u>
Net increase in cash and cash equivalents	509,078	550,846
Cash and Cash Equivalents, January 1	<u>4,440,552</u>	<u>1,906,270</u>
Cash and Cash Equivalents, December 31	<u>\$ 4,949,630</u>	<u>\$ 2,457,116</u>
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:		
Operating income (loss)	\$ 499,873	\$ (2,410,072)
Adjustments to reconcile operating income (loss) to net cash provided by (used by) operating activities:		
Decrease in assets:		
Accounts receivable	-	31,120
Increase (decrease) in liabilities:		
Accounts payable	-	71,155
Claims payable	-	(148,662)
Accrued payroll and withholdings payable	-	7,305
	<u>-</u>	<u>7,305</u>
Total adjustments	<u>-</u>	<u>(39,082)</u>
Net cash provided (used) by operating activities	<u>\$ 499,873</u>	<u>\$ (2,449,154)</u>

See notes to financial statements

Hendricks County, Indiana

Statement of Fiduciary Net Position - Fiduciary Funds

December 31, 2021

	Pension Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 550,516	\$ 28,198,894
Receivables:		
Taxes	-	241,994,293
Employee contributions	4,820	
Accrued interest and dividends	265,265	
Accounts	7,933	14,642
Intergovernmental	-	3,145,855
Total receivables	<u>278,018</u>	<u>245,154,790</u>
Investments at fair value:		
Fixed income securities	5,345,021	-
Domestic and foreign equities	15,254,003	-
Total investments	<u>20,599,024</u>	<u>-</u>
Total assets	<u>\$ 21,427,558</u>	<u>\$ 273,353,684</u>
Liabilities		
Due to broker for unsettled trades	\$ 14,484	\$ -
Accounts payable	-	48,137,577
Total liabilities	<u>14,484</u>	<u>48,137,577</u>
Deferred Inflows		
Uncollected taxes	-	221,568,823
Net position, restricted for:		
Pension benefits	21,413,074	-
Individuals, organizations, and other governments	-	3,647,284
Total liabilities and deferred inflows	<u>\$ 21,413,074</u>	<u>\$ 3,647,284</u>

See notes to financial statements

Hendricks County, Indiana

Statement of Changes in Fiduciary Net Position - Fiduciary Funds

Year Ended December 31, 2021

	Pension Trust Funds	Custodial Funds
Additions		
Contributions:		
Employer contributions	\$ 1,412,390	\$ -
Employee contributions	<u>113,455</u>	<u>-</u>
Total contributions	<u>1,525,845</u>	<u>-</u>
Investment income:		
Interest	1,275,949	-
Net increase in fair value of investments	1,514,482	-
Less investment expense, other than securities lending	<u>(90,471)</u>	<u>-</u>
Total investment income	<u>2,699,960</u>	<u>-</u>
Property taxes collected for other governments	-	135,298,181
Collections for other governments	-	370
Miscellaneous	<u>-</u>	<u>21,635,395</u>
Total additions	<u>4,225,805</u>	<u>156,933,946</u>
Deductions		
Benefit payments (including refunds of employee contributions)	1,217,656	-
Other trust activities	121,853	32,421,451
Administrative expenses	63,587	
Taxes distributed to other governments	<u>-</u>	<u>126,385,874</u>
Total deductions	<u>1,403,096</u>	<u>158,807,325</u>
Change in fiduciary net position	2,822,709	(1,873,379)
Net Position, Beginning as previously stated	18,590,365	-
Adjustment to net position (See Note 3)	<u>-</u>	<u>5,520,663</u>
Net Position, Beginning as Adjusted	<u>18,590,365</u>	<u>5,520,663</u>
Net Position, Ending	<u>\$ 21,413,074</u>	<u>\$ 3,647,284</u>

See notes to financial statements

Hendricks County

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December 31, 2021

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Hendricks County

Notes to Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies

Hendricks County (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, (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).

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

Notes to Financial Statements
December 31, 2021

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. These amounts were not updated in 2021.

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. 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

Notes to Financial Statements
December 31, 2021

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. 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.

Government-Wide and Fund 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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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.
- 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.

ARP Coronavirus Local Fiscal Rescue - used to account for American Rescue Recovery funds received.

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

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.

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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.

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.

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

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.

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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.

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 3 for further information.

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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.

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.

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

Notes to Financial Statements
December 31, 2021

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

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, 2021, are determined on the basis of current salary rates and include salary related payments.

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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.

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 2021.

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.

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.
- 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.

Hendricks County

Notes to Financial Statements
December 31, 2021

- 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.

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 3 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.

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.

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

Unearned Revenue

The County is reporting unearned revenue for funds received but not yet obligated for a particular purpose.

2. Stewardship, Compliance and Accountability

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.

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.

Deficit Balances

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

As of December 31, 2021, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Redevelopment Commission	\$ 495,766	Interfund payable
Regional Sewer Wage & Benefit	869	Accrued Payroll

Hendricks County

Notes to Financial Statements
December 31, 2021

3. Detailed Notes on All Funds

Deposits and Investments

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

	<u>Carrying Value</u>	<u>Bank and Investment Balances</u>	<u>Associated Risks</u>
Deposits	\$ 163,369,061	\$ 167,301,729	None
U.S. agencies	23,018,835	23,018,835	Credit Risk, Custodial Credit Risk, Interest Rate Risk,
Mutual funds, other than bonds	5,345,021	5,345,021	Credit Risk, Interest Rate Risk,
Certificates of deposit	33,893,041	33,893,041	Credit Risk, Interest Rate Risk
Equity securities	15,254,003	15,254,003	Custodial Credit Risk
Money market accounts	4,956,095	5,206,877	Custodial Credit Risk
State and local bonds	20,720,682	20,720,682	Credit Risk, Custodial Credit Risk, Interest Rate Risk,
U.S. Treasuries	733,707	733,707	Custodial Credit Risk, Interest Rate Risk
Petty cash	<u>1,050</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$ 267,291,495</u>	<u>\$ 271,473,895</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 208,978,631		
Restricted cash and investments	8,964,430		
Per statement of net position - fiduciary funds:			
Pension Trust Funds	21,149,540		
Custodial Funds	<u>28,198,894</u>		
Total deposits and investments	<u>\$ 267,291,495</u>		

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 or the Public 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

Notes to Financial Statements
December 31, 2021

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, U.S. Agencies, and U.S. Treasuries: 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.

	December 31, 2021			
Investment Type	Level 1	Level 2	Level 3	Total
Certificates of Deposit	\$ -	\$ 33,893,041	\$ -	\$ 33,893,041
Equity Securities	15,254,003	-	-	15,254,003
Mutual Funds	5,345,021	-	-	5,345,021
State and Local Bonds	-	20,720,682	-	20,720,682
U.S. Agencies	-	23,018,835	-	23,018,835
U.S. Treasuries	-	733,707	-	733,707
Total	<u>\$ 20,599,024</u>	<u>\$ 78,366,265</u>	<u>\$ -</u>	<u>\$ 98,965,289</u>

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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

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, 2021, the County's investments were rated as follows:

<u>S&P Rating</u>	<u>State and Local Bonds</u>	<u>US Agencies</u>
A	\$ 1,125,765	\$ -
A-	877,525	-
A+	1,007,213	-
AA	4,366,667	-
AA-	358,417	-
AA+	11,083,046	18,324,572
AAA	508,535	-
Unrated	<u>1,393,514</u>	<u>4,694,263</u>
Total investments	<u>\$ 20,720,682</u>	<u>\$ 23,018,835</u>

<u>Moody's Ratings</u>	<u>State and Local Bonds</u>	<u>US Agencies</u>
A1	\$ 225,092	\$ -
Aa1	1,040,893	-
Aa2	1,319,804	-
Aa3	107,079	-
Aaa	1,791,693	18,324,572
Baa2	101,336	-
Unrated	<u>16,134,785</u>	<u>4,694,263</u>
Total investments	<u>\$ 20,720,682</u>	<u>\$ 23,018,835</u>

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

As of December 31, 2021, the County's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)	
		Less than 1 Year	1-5 Years
State and Local Bonds	\$ 20,720,682	\$ 45,995	\$ 20,674,687
U.S. Agencies	23,018,835	-	23,018,835
US Treasuries	733,707	-	733,707
Total	<u>\$ 44,473,224</u>	<u>\$ 45,995</u>	<u>\$ 44,427,229</u>

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

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:

	Unearned	Unavailable
Taxes receivable	\$ -	\$ 41,277,993
ARPA money received, not expended	16,220,408	-
Total unavailable revenue for governmental funds	<u>\$ 16,220,408</u>	<u>\$ 41,277,993</u>

Capital Assets

Capital asset activity for the year ended December 31, 2021, 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	13,996,030	35,634,306	4,518,790	45,111,546
Total capital assets not being depreciated	<u>16,912,849</u>	<u>35,634,306</u>	<u>4,518,790</u>	<u>48,028,365</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	22,542,407	1,048,651	206,244	23,384,814
Infrastructure	499,503,863	4,518,817	-	504,022,680
Total capital assets being depreciated	<u>559,521,487</u>	<u>5,567,468</u>	<u>206,244</u>	<u>564,882,711</u>
Total capital assets	<u>576,434,336</u>	<u>41,201,774</u>	<u>4,725,034</u>	<u>612,911,076</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Buildings	\$ (15,639,008)	\$ (664,567)	\$ -	\$ (16,303,575)
Improvements other than buildings	(534,037)	(64,341)	-	(598,378)
Machinery and Equipment	(17,329,305)	(2,132,786)	183,415	(19,278,676)
Infrastructure	<u>(206,902,252)</u>	<u>(8,866,012)</u>	<u>-</u>	<u>(215,768,264)</u>
Total accumulated depreciation	<u>(240,404,602)</u>	<u>(11,727,706)</u>	<u>183,415</u>	<u>(251,948,893)</u>
Net capital assets being depreciated	<u>319,116,885</u>	<u>(6,160,238)</u>	<u>22,829</u>	<u>312,933,818</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 336,029,734</u>	<u>\$ 29,474,068</u>	<u>\$ 4,541,619</u>	<u>\$ 360,962,183</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General Government	\$ 1,118,051
Public Safety	1,193,717
Highways and Streets	9,374,874
Health and Welfare	12,593
Culture and Recreation	<u>28,471</u>

Total governmental activities depreciation expense \$ 11,727,706

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets being depreciated:				
Infrastructure	\$ 75,474,088	\$ -	\$ -	\$ 75,474,088
Total capital assets being depreciated	<u>75,474,088</u>	<u>-</u>	<u>-</u>	<u>75,474,088</u>
Less accumulated depreciation for:				
Infrastructure	<u>(22,748,570)</u>	<u>-</u>	<u>-</u>	<u>(22,748,570)</u>
Total accumulated depreciation	<u>(22,748,570)</u>	<u>-</u>	<u>-</u>	<u>(22,748,570)</u>
Net capital assets being depreciated	<u>52,725,518</u>	<u>-</u>	<u>-</u>	<u>52,725,518</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 52,725,518</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,725,518</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 5,892
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>2,326,929</u>
Total, fund financial statements		2,332,821
Less fund eliminations		<u>(2,332,821)</u>
Total internal balances, government-wide statement of net position		<u>\$ -</u>

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	\$ 3,000,000	Insurance claims
General fund	Nonmajor funds	1,495	Transfer from Child Advocacy Fund
Nonmajor funds	Nonmajor funds	<u>6,507,178</u>	To support operations and debt service
Total, fund financial statements		\$ 9,508,673	
Less government-wide eliminations		<u>(9,508,673)</u>	
Total transfers, government-wide statement of activities		<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

Notes to Financial Statements
December 31, 2021

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation bonds	\$ 2,810,000	\$ 5,575,000	\$ 400,000	\$ 7,985,000	\$ 1,080,000
Revenue bonds	4,975,000	-	560,000	4,415,000	545,000
Tax increment financing bonds	10,840,420	6,504,117	3,144,399	14,200,138	340,000
Lease Rental Bonds	76,215,000	-	4,320,000	71,895,000	2,185,000
Notes or loans payable	352,882	-	352,882	-	-
(Discounts)/premiums	4,430,929	155,265	454,279	4,131,915	-
Subtotal	<u>99,624,231</u>	<u>12,234,382</u>	<u>9,231,560</u>	<u>102,627,053</u>	<u>4,150,000</u>
Other liabilities:					
Vested compensated absences	651,104	97,512	-	748,616	-
Capital leases	689,566	-	278,464	411,102	273,424
Other postemployment benefits	13,237,659	655,769	781,957	13,111,471	-
Net pension obligation	14,597,287	3,447,325	9,645,447	8,399,165	-
Matured and unpaid principal	570,000	240,000	-	810,000	-
Matured and unpaid interest	2,755,398	129,102	-	2,884,500	77,500
Total other liabilities	<u>32,501,014</u>	<u>4,569,708</u>	<u>10,705,868</u>	<u>26,364,854</u>	<u>350,924</u>
Total governmental activities long-term liabilities	<u>\$ 132,125,245</u>	<u>\$ 16,804,090</u>	<u>\$ 19,937,428</u>	<u>\$ 128,991,907</u>	<u>\$ 4,500,924</u>

As of December 31, 2021, 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 because the entire amount of the bond had not been drawn down.

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

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
General Obligation Refunding Bonds of 2016	12/15/2016	12/31/2026	2.50%	\$ 3,660,000	\$ 2,410,000
General Obligation Bonds, Series 2021	11/16/2021	01/15/2026	2.00%	5,575,000	<u>5,575,000</u>
Total governmental activities, general obligation debt					<u>\$ 7,985,000</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

Debt service requirements to maturity are as follows:

<u>Years</u>	Governmental Activities General Obligation Bonds	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,080,000	\$ 131,649
2023	1,820,000	138,476
2024	1,870,000	99,476
2025	1,945,000	59,288
2026	1,270,000	17,425
Totals	<u>\$ 7,985,000</u>	<u>\$ 446,314</u>

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 12% of net revenues. The total principal and interest remaining to be paid on the bonds is \$586,450. Principal and interest paid for the current year and total customer net revenues were \$287,200 and \$2,510,219, 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 30% of net revenues. The total principal and interest remaining to be paid on the bonds is \$4,301,052. Principal and interest paid for the current year and total customer net revenues were \$400,071 and \$2,510,219, respectively.

Revenue debt payable at December 31, 2021, 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, 2021</u>
2012 Ref Transportation Bonds	03/29/2012	08/01/2023	2%-3%	\$ 2,740,000	\$ 565,000
2017 Ref Transportation Bonds	03/30/2017	02/01/2029	2.58%	5,180,000	<u>3,850,000</u>
Total governmental activities, revenue debt					<u>\$ 4,415,000</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 545,000	\$ 112,385
2023	545,000	97,277
2024	575,000	82,045
2025	585,000	67,209
2026	595,000	52,052
2027-2031	<u>1,570,000</u>	<u>61,534</u>
Total	<u>\$ 4,415,000</u>	<u>\$ 472,502</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 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 \$3,821,200. There was not any principal and interest paid for the current year and total customer net revenues was \$0. 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 \$16,540,468. The County paid total principal and interest in 2021 in the amount of \$196,806. Total revenues for the TIF district in 2021 were \$0.

The County has pledged future TIF revenues, net of operating expenses to repay Hendricks County, Indiana Taxable Economic Development Revenue Bonds, Series 2021 (I-70 West, LLC Project), which was issued for the design and construction of public infrastructure directly serving and benefiting the 70 West Commerce Park Economic Development area, the redemptions of the Series 2013A and Series 2013B bonds, which were originally issued to finance and refinance a portion of the designed and construction of certain public infrastructure and paying off an outstanding 2010 reimbursement obligation of the Hendricks County Redevelopment Commission. The bonds are payable solely from TIF revenues and are payable through 2039. 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 \$29,701,187. The County did not pay any principal and interest payments in 2021 and there was not any revenues generated for the TIF area.

Hendricks County

Notes to Financial Statements
December 31, 2021

Tax Increment Financing Bonds at December 31, 2021, consist of the following:

Governmental Activities

<u>Tax Increment Financing Bonds</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
2008 TIF Bonds Economic Development Revenue Bonds, Series 2020 (Gateway Park Project)	09/02/2008	02/01/2028	6.00%	\$ 3,910,000	\$ 3,100,000
Taxable Economic Development Revenue Bonds, Series 2021	12/23/2020	08/01/2045	6.50%	7,500,000	6,923,318
	08/12/2021	02/01/2039	4.50%	20,580,000	<u>4,176,820</u>
Total governmental activities tax increment financing bonds					<u>\$ 14,200,138</u>

*At December 31, 2021, the County had not drawn the full available balance for the 2020 and 2021 bond issuances. The remaining balance is anticipated to be drawn during 2022. The maturity schedule below is based on the outstanding balance at December 31, 2021.

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Tax Increment Financing Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 340,000	\$ 872,806
2023	1,425,000	1,123,424
2024	985,000	1,308,325
2025	955,000	1,440,750
2026	1,140,000	1,387,050
2027-2031	2,431,820	3,595,974
2032-2036	1,650,000	2,239,575
2037-2041	2,610,000	1,542,450
2042-2045	<u>2,663,318</u>	<u>493,025</u>
Total	<u>\$ 14,200,138</u>	<u>\$ 14,003,379</u>

Lease Rental Bonds

Lease Rental Bonds at December 31, 2021, consist of the following:

Governmental Activities

<u>Lease Rental Bonds</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
2012 Ref. Bonds (Fairgrounds)	04/12/2012	01/15/2028	2% to 4%	\$ 18,180,000	\$ 8,350,000
2016 Econ. Development Bonds (Convention Center) Building Facilities Corporation Lease Rental Bonds, Series 2020	11/17/2016	08/15/2036	2.80%	6,215,000	5,270,000
	12/09/2020	02/15/1940	2% to 4%	58,275,000	<u>58,275,000</u>
Total governmental activities lease rental bonds					<u>\$ 71,895,000</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Bond Anticipation Notes</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,185,000	\$ 2,002,944
2023	2,250,000	1,935,171
2024	4,205,000	1,846,848
2025	4,365,000	1,691,891
2026	4,520,000	1,530,595
2027-2031	19,855,000	5,350,196
2032-2036	20,445,000	2,622,175
2037-2040	<u>14,070,000</u>	<u>568,400</u>
Total	<u>\$ 71,895,000</u>	<u>\$ 17,548,220</u>

Capital Leases

Refer to Note Lease Disclosures below.

Current Refunding

On August 12, 2021, the County issued \$20,580,000 of Taxable Economic Development Revenue Bonds, Series 2021 with a coupon rate of 4.50% to refund \$631,461 of outstanding Taxable Economic Development Refunding Revenue Bonds, Series 2013 A with a coupon rate of 5.5%, \$805,292 of outstanding Taxable Economic Development Refunding Revenue Bonds, Series 2013 B with a coupon rate of 4.0%, and \$532,532 of outstanding amounts from the 2013 Reimbursement Agreement between the County and the Hendricks County Redevelopment Commission. The net proceeds were used to prepay the outstanding debt, pay construction costs and pay issuance costs.

The cash flow requirements on the 2021 refunding bonds are not currently known as the entire amount of the bond had not been drawn as of December 31, 2021. As a result, it is not yet known if the current refunding resulted in an economic gain or loss (difference between the present values of the debt service payments on the old and new debt).

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 \$527,984, with accumulated depreciation in the amount of \$513,511, for a total book value of \$14,673, which are included in capital assets in the governmental activities. Future minimum lease payments under these capital leases as of December 31, 2021 are as follows for the Primary Government:

<u>Years</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 273,424	\$ 12,812	\$ 286,236
2023	133,728	5,873	139,601
2024	<u>3,950</u>	<u>893</u>	<u>4,843</u>
Total	<u>\$ 411,102</u>	<u>\$ 19,578</u>	<u>\$ 430,680</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

Net Position/Fund Balances

Net position reported on the government wide statement of net position at December 31, 2021, includes the following:

Governmental Activities

Net investment in capital assets:

Land and construction in progress	\$ 48,028,365
Other capital assets, net of accumulated depreciation	312,933,818
Less long-term debt outstanding	(102,627,053)
Plus unspent capital related debt proceeds	39,347,704
Plus unamortized deferral of loss on bond refunding	499,566
Less capital lease debt outstanding	<u>(411,102)</u>
Total net investment in capital assets	<u>\$ 297,771,298</u>

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2021, include the following:

	<u>General Fund</u>	<u>Jail Holding Corporation</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Fund Balances				
Restricted for:				
Highways and streets	\$ -	\$ -	\$ 13,972,146	\$ 13,972,146
Public safety	-	33,717,853	9,049,960	42,767,813
Culture and recreation	-	-	2,668,475	2,668,475
Health and Human Services	-	-	3,407,135	3,407,135
Economic development	-	-	17,819,670	17,819,670
Debt service	-	-	8,936,372	8,936,372
Capital projects	-	-	46,124,077	46,124,077
General government	-	-	13,133,512	13,133,512
Property reassessment	-	-	1,287,223	1,287,223
Donor restricted	-	-	16,750	16,750
Drainage maintenance	-	-	4,100,338	4,100,338
Subtotal	<u>-</u>	<u>33,717,853</u>	<u>120,515,658</u>	<u>154,233,511</u>
Committed to:				
General government	<u>13,918,362</u>	<u>-</u>	<u>-</u>	<u>13,918,362</u>
Assigned to:				
General government	<u>500,762</u>	<u>-</u>	<u>-</u>	<u>500,762</u>
Unassigned (deficit)	<u>29,816,093</u>	<u>-</u>	<u>(496,635)</u>	<u>29,319,458</u>
Total fund balances (deficit)	<u>\$ 44,235,217</u>	<u>\$ 33,717,853</u>	<u>\$ 120,019,023</u>	<u>\$ 197,972,093</u>

Business-Type Activities

Net Investment in Capital Assets

Other capital assets, net of accumulated depreciation	<u>\$ 52,725,518</u>
Total net investment in capital assets	<u>\$ 52,725,518</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

Restatement and Adjustment of Fund Balances/Net Position

Fund balance has been adjusted to accurately report the Rainy Day Fund Balance with the General Fund.

General Fund

General Fund balance, December 31, 2020 (as reported)	\$ 27,491,551
Add Rainy Day Fund balance	<u>14,016,091</u>
Fund balance, December 31, 2020 (as restated)	<u>\$ 41,507,642</u>

Nonmajor Governmental Funds

Nonmajor Governmental Funds Fund balance, December 31, 2020 (as reported)	\$ 113,886,286
Less beginning fund balance of the Rainy Day Fund	<u>(14,016,091)</u>
Fund balance, December 31, 2020 (as restated)	<u>\$ 99,870,195</u>

Net position has been restated to correct the reporting of debt liabilities and component unit capital asset information.

Custodial Fund net position, December 31, 2020 (as reported)	\$ -
Add Custodial Fund balance	<u>5,520,663</u>
Net position, December 31, 2020 (as adjusted)	<u>\$ 5,520,663</u>
Component Units net position, December 31, 2020 (as reported)	\$ 13,619,377
Add adjustment for change in capital asset reporting	<u>(10,408,659)</u>
Net position, December 31, 2020 (as restated)	<u>\$ 3,210,718</u>

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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 2021 are reflected in estimated third-party settlements on the consolidated balance sheets. During 2021, 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 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:

	<u>2021</u>
Medical supplies and other	\$ 3,830,392
Pharmaceutical	<u>646,990</u>
	<u>\$ 4,477,382</u>

Assets Whose Use is Limited

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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 \$1,921,000 for 2021.

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 \$1,800,000. 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 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.

Hendricks County

Notes to Financial Statements
December 31, 2021

Component Units

The accompanying financial statements of Hendricks includes the accounts of its blended component units, Hendricks Regional Health Foundation, Inc. (the Foundation), a separate not-for-profit entity organized to support the operations of Hendricks, Hendricks Ambulatory Management Company, LLC (HAMCO), a separate limited liability company entity, HRH Health Services Corporation (HRH Health Services) and HRH Real Estate Holding Company (HRH Real Estate).

HAMCO was formed to manage Hendricks' outpatient surgery center. As the sole Class B member of HAMCO, Hendricks maintains controlling interest in voting rights. Hendricks also maintains substantial participation in the operations of HAMCO in addition to an economic interest in HAMCO's financial position. HRH Health Services and HRH Real Estate are not-for-profit corporations with Hendricks as the sole corporate member.

All significant transactions between the entities have been eliminated for financial reporting purposes. Separate financial statements related to the individual component units can be obtained by contacting Hendricks' management.

Basis of Accounting/Measurement Focus

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

Fiduciary Funds

Following Hendricks' financial statements are separate financial statements for fiduciary funds. Fiduciary funds are excluded from Hendricks' financial statements as these assets are held in trust capacity for the various associates and cannot be used to support Hendricks' programs. These funds include the Hendricks Regional Health Employees' Retirement Plan.

Deposits and Investments

Deposits with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Hospital or by the Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

Investments are carried at fair market value except for certificates of deposits which are carried at contract value. Net realized gains and losses on security transactions are determined on the specific identification cost basis. Funded depreciation investments consist of cash equivalents, mutual funds and U.S. Government and fixed income obligations.

As of December 31, 2021, Hendricks had the following investments and maturities, all of which were held in Hendricks' name by custodial bank that are agents of Hendricks:

December 31, 2021					
Investment Maturities (in years)					
Investment Type	Carrying Amount	Less than 1	1-5	6-10	More than 10
Mutual funds	\$ 304,610,327	\$ 304,610,327	\$ -	\$ -	\$ -
Common Stocks	1,354,082	1,354,082	-	-	-
Fixed Income Obligations	<u>6,195,000</u>	<u>490,000</u>	<u>2,840,000</u>	<u>2,330,000</u>	<u>535,000</u>
Total	<u>\$ 312,159,409</u>	<u>\$ 306,454,409</u>	<u>\$ 2,840,000</u>	<u>\$ 2,330,000</u>	<u>\$ 535,000</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

Hendricks 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:** Valued at the daily closing price as reported by the fund. Mutual 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.
- **Common Stocks:** Valued based on the closing price reported on the active market on which the individual securities are traded.
- **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.

Investment Type	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Mutual Funds - short term bond	\$ 1,382,671	\$ -	\$ -	\$ 1,382,671
Common Stocks	1,354,082	-	-	1,354,082
Mutual Funds - Limited Use	303,227,656	-	-	303,227,656
Fixed Income Obligations	-	6,195,000	-	6,195,000
Total	<u>\$ 305,964,409</u>	<u>\$ 6,195,000</u>	<u>\$ -</u>	<u>\$ 312,159,409</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 above for further information on deposit and investment policies.

Hendricks County

Notes to Financial Statements
December 31, 2021

a. Capital Assets

	<u>Beginning Balance</u>	<u>Transfers</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Useful Lives (Years)</u>
Land	\$ 21,125,043	\$ 64,490	\$ 337,104	\$ 301,744	\$ 21,224,893	NA
Buildings and fixed equipment	297,514,436	73,481	3,892,349	651,845	300,828,421	3-50 Years
Major movable equipment	149,374,002	3,445,809	12,408,334	1,208,904	164,019,241	3-30 Years
Land Improvements	9,993,345	-	168,289	-	10,161,634	5-25 Years
Construction in Progress	3,657,139	(3,583,780)	1,551,234	-	1,624,593	
Less: Accumulated depreciation/amortization	<u>(226,539,571)</u>	<u>-</u>	<u>(25,943,782)</u>	<u>(1,441,549)</u>	<u>(251,041,804)</u>	
Total	<u>\$ 255,124,394</u>	<u>\$ -</u>	<u>\$ (7,586,472)</u>	<u>\$ 720,944</u>	<u>\$ 246,816,978</u>	

Significant outstanding commitments on capital assets as of December 31, 2021 were \$6,038,000, primarily related to facility remodels, buildouts and expansions.

b. Long-Term Obligations

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Special Program Refunding 2007A	\$ 29,865,000	\$ -	\$ (2,345,000)	\$ 27,520,000	\$ 2,470,000
Indiana Taxable Economic Development Revenue Bonds Series 2009	4,560,000	-	(350,000)	4,210,000	370,000
Indiana Taxable Economic Development Revenue Bonds Series 2016	2,105,000	-	(120,000)	1,985,000	120,000
Indiana Finance Authority Health Facility Revenue Refunding Bonds, Series 2019	76,825,000	-	(5,605,000)	71,220,000	5,765,000
Other borrowings	<u>2,440,100</u>	<u>2,254,484</u>	<u>(1,450,381)</u>	<u>3,244,203</u>	<u>987,713</u>
Total	<u>\$ 115,795,100</u>	<u>\$ 2,254,484</u>	<u>\$ (9,870,381)</u>	<u>\$ 108,179,203</u>	<u>\$ 9,712,713</u>
Umamortized bond premium	<u>\$ 2,026,978</u>			<u>\$ 1,807,845</u>	
Total	<u>\$ 117,822,078</u>			<u>\$ 109,987,048</u>	

Hendricks County

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Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 9,712,713	\$ 3,826,432	\$ 13,539,145
2023	10,027,713	3,468,372	13,496,085
2024	10,205,644	3,097,550	13,303,194
2025	10,163,133	2,735,841	12,898,974
2026	10,090,000	2,359,631	12,449,631
2027-2031	38,840,000	6,367,128	45,207,128
2032-2036	12,405,000	2,561,243	14,966,243
2037-2041	<u>6,735,000</u>	<u>409,400</u>	<u>7,144,400</u>
Total	<u>\$ 108,179,203</u>	<u>\$ 24,825,597</u>	<u>\$ 133,004,800</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.

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 2019c 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, 2021, Hendricks believed it was in compliance with these financial covenants.

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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, 2021 was \$11,000,000. The line of credit bears interest at the Secured Overnight Financing Rate plus 105 basis points (1.025% at December 31, 2021) and is secured by Hendricks' net revenues. The line of credit is renewable annually and expires in July 2023.

Hendricks entered into a second line of credit agreement with Fifth Third with a maximum amount of \$25,000,000 in April 2020. The line of credit bore interest at the floating 30 day LIBOR rate plus 135 basis points (1.49% at December 31, 2020) and was secured by Hendricks' net revenues. The line of credit expired in February 2021 and was not renewed.

Hendricks entered into a line of credit agreement with BMO Harris Bank with a maximum amount of \$25,000,000 in April 2020. The line of credit bore interest at the floating 30 day LIBOR rate plus 200 basis points, with a floor of 100 basis points (3.00% at December 31, 2020), and was secured by Hendricks' net revenues. The line of credit expired in April 2021 and was not renewed.

Under the terms of the lines of credit, Hendricks is required to meet certain financial covenants. Hendricks believes they are in compliance with all covenants as of December 31, 2021.

Rental Expense

Hendricks has leases expiring at various times through 2025. Leases that do not meet the criteria for capitalization are classified as operating leases with related rentals charged to operating as incurred. Total rent expense, including cancelable and non-cancelable leases, for 2021 was \$3,066,000.

Minimum future payments on non-cancelable leases for the years following December 31, 2021 are:

Years Ending December 31,	
2022	\$ 193,364
2023	137,157
2024	94,074
2025	21,614
2026	<u>8,489</u>
Total	<u>\$ 454,698</u>

Rent expense for facilities and equipment under the long-term care leases was approximately \$34,069,000 for 2021. Annual rent expense through 2026 is scheduled to approximate \$35,000,000 under these leases.

Hendricks County

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Defined Benefit Plan

Plan Description

Hendricks has a defined benefit pension plan (the Plan) as authorized by IC 16-22-3-11. The Plan is a single employer plan which provides retirement, disability and death benefits to plan members and beneficiaries. The Plan was established by written agreement by the Board of Trustees. Nyhart is the actuary and third party administrator of the Plan. National Bank of Indianapolis is the custodian of the Plan's assets. In 2013, Hendricks froze benefits to a majority of plan participants whose benefits were fully vested at that time and began offering retirement benefits to employees through a tax deferred annuity plan. Participants who meet certain age and service requirements continue to accrue benefits under the Plan. For more information on the Plan, participants should contact the Administrative Offices (ATTN: Vice President of Finance/CFO), at PO Box 409, Danville, IN, 46122.

Benefits Provided

The Plan principally provides retirement benefits. For those participants who continue to accrue benefits, the following summarizes benefits available:

Participants are fully vested after 7 years of service. Employee normal retirement date is the first day of the month coincident with or following age 65. The early retirement date for vested employee members can occur once an employee has attained age 55 with 5 years of service. A participant's monthly normal retirement benefit is the total of 0.45% final average compensation plus 0.45% of final average compensation in excess of \$833. This total is multiplied by years of benefit service. No benefits accrue for years ending before age 25. A participant's early retirement benefit is reduced by approximately 5% for each year prior to the participant's normal retirement date. The late retirement benefit is the greater of 1) average monthly earnings and benefit service determined as of the normal retirement date or 2) average monthly earnings and benefit service determined as of the late retirement date.

For participants who have terminated their employment, vested benefits are generally distributable at their time of termination in a lump sum.

Funding Policy

The contribution requirements of plan members are established by the written agreement between Hendricks Board of Trustees and the plan administrator. Plan members' contributions are not required by the plan agreement. Hendricks is required to contribute at an actuarially determined rate. Contributions of \$1,438,000 were required in 2021. Hendricks also elected to contribute an additional \$1,162,000 to the plan in 2021.

Employees Covered by Benefit Terms

As of December 31, 2021, the following employees were covered by the benefit terms of the Plan:

	<u>2021</u>
Active plan members, including terminated but vested participants	620
Inactive plan members and beneficiaries receiving benefits	425
Inactive plan members entitled to but not yet receiving benefits	<u>251</u>
Total	<u><u>1,296</u></u>

Hendricks County

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Contributions

The annual required contributions for 2021 and estimated liabilities as of January 1, 2021 were determined as part of the actuarial valuations using the Entry Age Normal cost method.

Net Pension Asset

The total pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021.

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00%
Salary increases	3.00%
Investment rate of return	5.50%

Mortality rates were based on the Social Security Administration's assumptions to RP-2014 Sex Distinct Mortality with generational improvements beginning in 2006 based on the Social Security Administration's assumptions. During 2019, the mortality assumption has been updated from the RP-2014 Sex Distinct Mortality Table with generational improvements based on assumptions developed from the 2018 Social Security Trustees Report to the PubG-2010 Sex Distinct Mortality Table with generational improvements beginning in 2010 based on improvement scale MP-2020. This results in an increase in the total pension liability.

The actuarial value of assets was based on market value of assets.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation %</u>	<u>Long Term Expected Real Rate of Return</u>
Fixed income funds	35%	1.60%
Equity funds	65%	6.25%
	<u>100%</u>	

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Discount Rate

The discount rate used to measure the total pension liability was 5.50% for 2021. The projection of cash flows used to determine the discount rate assumed that Hendricks' contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension (Asset) Liability

The following presents the net pension (asset) liability of Hendricks, calculated using the discount rate of 5.50%, as well as what Hendricks' net pension (asset) liability would be if it were calculated using a discount rate that is 1% lower (4.50%) or 1% higher (6.50%) than the current rate:

	1% Decrease to Discount Rate (4.50%)	Current Discount Rate (5.50%)	1% Increase to Discount Rate (6.50%)
County's proportionate share of the net pension liability	\$ (424,276)	\$ (11,432,532)	\$ (20,584,001)

Detailed information about the pension plan's fiduciary net position is available in a separately issued actuarial valuation report.

Changes in the Net Pension (Asset) Liability

The changes in the net pension (asset) liability during 2021 were as follows:

	Statement of Changes in Fiduciary Net Pension Liabilities (Assets)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension (Asset) Liability (a-b)
Balance, December 31, 2020	\$ 82,512,406	\$ 87,330,976	\$ (4,818,570)
Service costs	434,685	-	434,685
Interest	4,462,431	-	4,462,431
Changes of benefit terms	239,119	-	239,119
Difference between expected and actual experience	1,136,482	-	1,136,482
Change in assumptions	575,819	-	575,819
Contributions, employer	-	2,600,000	-
Benefit payments	(3,623,982)	(3,623,982)	-
Net investment income	-	11,051,242	(11,051,242)
Administrative expenses	-	(214,942)	214,942
Other	-	26,198	(26,198)
	<u>3,224,554</u>	<u>9,838,516</u>	<u>(6,613,962)</u>
Net change in total pension liability			
Balance, December 31, 2021	<u>\$ 85,736,960</u>	<u>\$ 97,169,492</u>	<u>\$ (11,432,532)</u>

Hendricks County

Notes to Financial Statements
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For 2021, Hendricks recognized pension expense of approximately \$221,000. As of December 31, 2021, Hendricks reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Balance, December 31, 2020	\$ 16,887,940	\$ (14,174,701)
Differences between expected and actual experience	1,136,482	-
Amortization of expected versus actual	(560,936)	246,749
Changes in assumptions	575,820	-
Amortization of changes in assumptions	(3,626,970)	60,433
Net differences between projected and actual earnings on pension plan investments	-	(6,257,032)
Amortization of projected versus actual earnings on plan investments	<u>(1,868,172)</u>	<u>6,058,670</u>
Balance, December 31, 2021	<u>12,544,164</u>	<u>\$ (14,065,881)</u>
Deferred outflows - loss on bond refunding	<u>971,312</u>	
Balance, December 31, 2021	<u>\$ 13,515,476</u>	

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

Years Ending December 31,	
2022	\$ 814,574
2023	(1,216,799)
2024	131,916
2025	<u>(1,251,408)</u>
Total	<u>\$ (1,521,717)</u>

Tax Deferred Annuity Plan and Other Benefit Plans

Plan Description

Hendricks has a tax deferred annuity plan as authorized by IC 16-22-3-11. The plan provides retirement, disability and death benefits to plan members and beneficiaries. The plan was established by a written agreement by the Board of Trustees, generally to replace the defined benefit pension plan. Great West Life & Annuity Insurance Company is the third party administrator for the plan. Wells Fargo Bank, NA is the custodian of the plan's assets.

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Hendricks also offers non-qualified 457(b) benefit plans to certain eligible employees. For more information on the plans, participants should contact the Administrative Offices (ATTN: Vice President of Finance/CFO), at PO Box 409, Danville, IN, 46122.

Funding Policy

The contribution requirements of plan members are established by the written agreement between the Board of Trustees and the plan administrator. Plan members may elect to contribute to the plan. Hendricks will contribute to each plan members' elective deferrals a matching amount up to a maximum percentage of each participant's annual compensation, to be determined at the discretion of the Board of Trustees. In 2021, the discretionary match was 50% of the plan member's deferral up to 10% of the eligible compensation. Hendricks can also elect to make discretionary employer contributions. Hendricks' contributions to the plans for 2021 was approximately \$5,139,000.

4. Other Information

Employees' Retirement System

The County participates in the Public Employees' Retirement Fund (PERF). Additionally, they have a Sheriff's Retirement Plan and Sheriff's Benefit Plan. The information for these funds is summarized below:

	<u>Net Pension Liability(Asset)</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
PERF	\$ 4,568,228	\$ 3,962,533	\$ 7,087,059
Sheriff's Retirement Plan	3,830,937	1,677,091	2,205,254
Sheriff's Benefit Plan	<u>(44,758)</u>	<u>122,659</u>	<u>283,511</u>
Total	<u>\$ 8,354,407</u>	<u>\$ 5,762,283</u>	<u>\$ 9,575,824</u>

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.

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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 2020 is 11.20% of annual covered payroll. The rate for 2021 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 \$2,163,362 for the calendar year ended December 31, 2021.

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 nonvested 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.

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% of the pension benefit component. This annual pension benefit is equal to 1.1% 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% 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% 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%. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84%) to age 50 being 44%.

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

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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)% 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% 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, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for Public Employee's Retirement Fund was 25.46%.

Net Pension Liability. At December 31, 2021, the County reported a liability of \$4,568,228 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 nonemployer contributing entity legally responsible for making contributions that are used to provide pension benefits to members of the pension plan. At June 30, 2021 the County's proportion was 0.34717%. The net pension liability for fiscal year 2021 is calculated as set forth in the following table:

	PERF Plan Total
Net pension liability, beginning December 31, 2020	\$ 10,342,434
Total pension expense	(129,270)
Difference between expected and actual experience	20,655
Net difference between projected and actual investment	(6,816,572)
Change in assumptions	3,426,670
Changed in proportionate share of contributions	(156,567)
Defined benefit plan employer contributions	<u>(2,119,122)</u>
Net pension liability, December 31, 2021	<u>\$ 4,568,228</u>

Hendricks County

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Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 156,247	\$ 91,214
Changes in assumptions	2,297,849	1,026,110
Net differences between projected and actual earnings on pension plan investments	-	5,931,427
Changes in proportion and differences between employer contributions and proportionate share of contributions	331,800	38,308
Employer contributions subsequent to the measurement date	<u>1,176,637</u>	<u>-</u>
Total	<u>\$ 3,962,533</u>	<u>\$ 7,087,059</u>

\$1,176,637 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, 2022. 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>Years ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (1,064,020)
2023	(941,524)
2024	(600,132)
2025	(1,695,487)

Amortization Period. Liability and assumption changes are amortized over the expected future working lifetime of all members, whereas the investment experience is amortized over five years.

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	\$ (394,410)
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>265,140</u>
Total	<u>\$ (129,270)</u>

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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:	
Assets	June 30, 2021
Liabilities	June 30, 2020 - Member census data as of June 30, 2020 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2020 and June 30, 2021. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date.
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	6.25%, net of investment expense, including inflation
Cost of Living Increases	Beginning January 1, 2024 - 0.40% Beginning January 1, 2034 - 0.50% Beginning January 1, 2039 - 0.60%
Salary increases, including inflation	2.65% - 8.65%
Inflation	2.00%
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 Interest Rate / Investment Return assumption changed from 6.75% to 6.25%.
- The inflation assumption changed from 2.25% to 2.00%.
- The Future Salary Scale assumption changed from 2.75% - 8.75% to 2.65% - 8.65%.

Changes in Actuarial Methods

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

Plan Amendments

HEA 1001-2021 granted a 1% COLA effective January 1, 2022.

Hendricks County

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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.

Global Asset Class	Long-Term Expected Rate of Return (Geometric Basis)	Target Asset Allocation
Public Equity	3.6%	20.0%
Private Markets	7.3	15.0
Fixed Income, Ex Inflation-Linked	1.5	20.0
Fixed Income, Inflation-Linked	(0.3)	15.0
Commodities	0.8	10.0
Real Estate	4.2	10.0
Absolute Return	2.5	5.0
Risk Parity	4.4	20.0
Leverage Offset	(1.4)	(15.0)

Discount Rate

The discount rate used to measure the total pension liability was 6.25% as of June 30, 2021 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 6.25%, 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 (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease to Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase to Discount Rate (7.25%)
County's proportionate share of the net pension liability	\$ 11,947,920	\$ 4,568,228	\$ (1,587,411)

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/2021ActuarialReport_PERF.pdf
https://www.in.gov/inprs/files/INPRSConsolidatedAR_FY21.pdf

Hendricks County

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Sheriff's Retirement Plan

Plan Description. The Hendricks County 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 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, 2021, Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	33
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>56</u>
Total	<u>93</u>

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.

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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.

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, 2021, 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 31.38% of annual payroll, \$1,209,187 of which was contributed by the County.

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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 in May 2019:

<u>Asset Class</u>	<u>Target Asset Allocation %</u>
Equities	60%
Fixed income	27%
Nontraditional assets	10%
Cash and equivalents	3%

Rate of Return. For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan expense was 14.27%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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, 2021, the balance of the amounts held by the plan pursuant to the DROP is \$35,686.

Net Pension Liability

The components of the net pension liability of the Plan at December 31, 2021 were as follows:

Total pension liability	\$ 23,937,430
Plan fiduciary net position	<u>(20,106,493)</u>
Plan's net pension liability	<u>\$ 3,830,937</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>84.00%</u>

Pension Expense of the Plan. Pension expense of \$726,320 was recognized for fiscal year ending December 31, 2021.

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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, 2021
Valuation Date	
Assets	December 31, 2021
Liabilities	December 31, 2021, Actual member census data as of December 31, 2021 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	6.25%, 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-2021 (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 6.25% as of December 31, 2021 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 6.25%, 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 (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	<u>1% Decrease to Discount Rate (5.25%)</u>	<u>Current Discount Rate (6.25%)</u>	<u>1% Increase to Discount Rate (7.25%)</u>
Total pension liability	\$ 27,124,610	\$ 23,937,430	\$ 21,321,282
Plan fiduciary net position	<u>(20,106,493)</u>	<u>(20,106,493)</u>	<u>(20,106,493)</u>
Total	<u>\$ 7,018,117</u>	<u>\$ 3,830,937</u>	<u>\$ 1,214,789</u>

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Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 360,969	\$ 74,461
Changes in assumptions	1,316,122	32,564
Net differences between projected and actual earnings on pension plan investments	<u>-</u>	<u>2,098,229</u>
Total	<u>\$ 1,677,091</u>	<u>\$ 2,205,254</u>

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

The balances as of December 31, 2021 of the deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Years ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (5,919)
2023	(406,565)
2024	(188,877)
2025	(35,273)
2026	108,471

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 5.422 years, the average remaining service of all members with any liability in the plan as of January 1, 2021. The change in net pension liability due to investment losses/(gains) has been amortized over 5.000 years as prescribed.

Hendricks County

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Assumption Changes. The changes in assumptions for base year ending December 31, 2021 reflect the change from the use of 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) and a discount rate of 6.75% to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor and disabled retiree tables and male & female tables) and a discount rate of 6.50%. 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).

Sheriff's Benefit Plan

Plan Description. The Hendricks County 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 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, 2021, 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	22
Active plan members	<u>56</u>
Total	<u><u>80</u></u>

Hendricks County

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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.

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, 2021, the actuarially determined Employer's contribution rate was 2.90% of annual payroll, \$111,913 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 in May 2019:

<u>Asset Class</u>	<u>Target Asset Allocation %</u>
Equities	60%
Fixed income	27%
Nontraditional assets	10%
Cash and Equivalents	3%

Hendricks County

Notes to Financial Statements
December 31, 2021

Net Pension Liability (asset)

The components of the net pension liability (asset) of the Plan at December 31, 2021 were as follows:

Total pension liability	\$ 1,187,192
Plan fiduciary net position	<u>(1,231,950)</u>
Plan's net pension liability (asset)	<u>\$ (44,758)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>103.77%</u>

Pension Expense of the Plan. Pension expense of \$49,874 was recognized for fiscal year ending December 31, 2021.

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, 2021
Valuation Date	
Assets	December 31, 2021
Liabilities	December 31, 2021, Actual member census data as of December 31, 2021 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	6.25%, 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-2021 (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 6.25% as of December 31, 2021 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.

Hendricks County

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Sensitivity of the County's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability of the plan, calculated using the discount rate of 6.25%, 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 (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease to Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase to Discount Rate (7.25%)
Total pension liability	\$ 1,357,657	\$ 1,187,192	\$ 1,049,718
Plan fiduciary net position	<u>(1,231,950)</u>	<u>(1,231,950)</u>	<u>(1,231,950)</u>
Total	<u>\$ 125,707</u>	<u>\$ (44,758)</u>	<u>\$ (182,232)</u>

Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2021, 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	\$ 60,466	\$ 145,434
Changes in assumptions	62,193	15,992
Net differences between projected and actual earnings on pension plan investments	<u>-</u>	<u>122,085</u>
Total	<u>\$ 122,659</u>	<u>\$ 283,511</u>

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

The balances as of December 31, 2021 of the deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Years ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2022	\$ (7,552)
2023	(57,776)
2024	(54,322)
2025	(35,476)
2026	(6,335)
Thereafter	609

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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 6.245 years, the average remaining service of all members with any liability in the plan as of January 1, 2021. The change in net pension liability due to investment losses/(gains) has been amortized over 5 years as prescribed.

Assumption Changes. The changes in assumptions for base year ending December 31, 2021 reflect the change from the use of 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) and a discount rate of 6.75% to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor and disabled retiree tables and male & female tables) and a discount rate of 6.50%. 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).

Statement of Fiduciary Net Position

	<u>Sheriff's Pension Trust</u>	<u>Sheriff's Retirement Plan</u>	<u>Sheriff's Benefit Plan</u>
Assets			
Cash and cash equivalents	\$ 66,698	\$ 388,519	\$ 95,299
Receivables:			
Employee contributions	-	4,820	-
Accrued interest and dividends	-	249,568	15,697
Accounts	7,933	-	-
Investments at fair value:			
Fixed income securities	-	5,061,215	283,806
Domestic and foreign equities	-	14,416,043	837,960
Total assets	<u>74,631</u>	<u>20,120,165</u>	<u>1,232,762</u>

Hendricks County

Notes to Financial Statements
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Statement of Fiduciary Net Position

	Sheriff's Pension Trust	Sheriff's Retirement Plan	Sheriff's Benefit Plan
Liabilities			
Due to broker(s) for unsettled trades	-	13,672	812
Total liabilities	-	13,672	812
Net position restricted for pensions	<u>\$ 74,631</u>	<u>\$ 20,106,493</u>	<u>\$ 1,231,950</u>

Statement of Changes in Fiduciary Net Position

	Sheriff's Pension Trust	Sheriff's Retirement Plan	Sheriff's Benefit Plan
Additions			
Contributions:			
Employer contributions	\$ 91,290	\$ 1,209,187	\$ 111,913
Employee contributions	-	113,455	-
Investment income:			
Interest	-	1,204,684	71,265
Net increase in fair value of assets	-	1,438,985	75,497
Less investment expense, other than securities lending	-	(85,550)	(4,921)
Total additions	<u>91,290</u>	<u>3,880,761</u>	<u>253,754</u>
Deductions			
Benefit payments (includes refunds of EE contributions)	-	1,153,320	64,336
Administrative expense	-	39,714	23,873
Other trust activities	121,823	-	30
Total deductions	<u>121,823</u>	<u>1,193,034</u>	<u>88,239</u>
Change in fiduciary net position	(30,533)	2,687,727	165,515
Net Position, Beginning	<u>105,164</u>	<u>17,418,766</u>	<u>1,066,435</u>
Net Position, Ending	<u>\$ 74,631</u>	<u>\$ 20,106,493</u>	<u>\$ 1,231,950</u>

Statement of Changes in Fiduciary Net Pension Liabilities (Assets)

	Sheriff's Retirement Plan	Sheriff's Benefit Plan
Service costs	\$ 616,807	\$ 41,460
Interest	1,458,911	75,956
Difference between expected and actual experience	6,498	(57,546)
Change in assumptions	1,387,133	73,005
Benefit payments	<u>(1,153,320)</u>	<u>(64,336)</u>
Net change in total pension liability	2,316,029	68,539
Total pension liability, beginning	<u>21,621,401</u>	<u>1,118,653</u>
Total pension liability, ending	<u>\$ 23,937,430</u>	<u>\$ 1,187,192</u>
Net pension liability (asset), ending	<u>\$ 3,830,937</u>	<u>\$ (44,758)</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

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.

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	\$ 575,026	\$ 803,676
Current year claims and changes in estimates	9,028,416	8,343,607
Claim payments	<u>9,177,078</u>	<u>8,572,257</u>
Unpaid claims, ending	<u>\$ 426,364</u>	<u>\$ 575,026</u>

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.

Hendricks County

Notes to Financial Statements
December 31, 2021

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, 2021. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

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

General Fund	\$ 500,762
ARP Coronavirus Local Fiscal Rescue	60,000
Nonmajor funds	12,370,469

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, 2021, 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, 2021, the following employees were covered by the benefit terms:

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

Total OPEB Liability

The County's total OPEB liability of \$13,111,471 was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

Hendricks County

Notes to Financial Statements
December 31, 2021

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2021 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, 2021
Valuation Date	December 31, 2021; Liabilities as of January 1, 2021 are based on January 1, 2021, with no adjustments.
Discount Rate	2.12% as of January 1, 2021 and 2.25% as of December 31, 2021
Inflation	2.25% per year
Payroll Growth	2.75% plus merit increases
Healthcare cost trend rates	7.5% in 2022 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, 2021 valuation were not based on an experience study. An experience study had not been conducted as of the time of the valuation.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2020	<u>\$ 13,237,659</u>
Changes for the year:	
Service cost	371,188
Interest	284,581
Differences between expected and actual experience	(249,257)
Changes in assumptions or other inputs	(160,323)
Benefit payments	<u>(372,377)</u>
Net changes	<u>(126,188)</u>
Balances at December 31, 2021	<u><u>\$ 13,111,471</u></u>

Hendricks County

Notes to Financial Statements
December 31, 2021

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 (1.25%) or 1-percentage-point higher (3.25%) than the current discount rate:

	<u>1% Decrease (1.25%)</u>	<u>Discount Rate (2.25%)</u>	<u>1% Increase (3.25%)</u>
Net OPEB liability	\$ 14,413,380	\$ 13,111,471	\$ 11,960,507

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 (6.5% decreasing to 3.5%) or 1-percentage-point higher (8.5% decreasing to 5.5%) than the current healthcare cost trend rates:

	<u>Healthcare Cost</u>		
	<u>1% Decrease (6.5% Decreasing to 3.5%)</u>	<u>Trend Rates (7.5% Decreasing to 4.5%)</u>	<u>1% Increase (8.5% Decreasing to 5.5%)</u>
Total OPEB liability	\$ 11,715,994	\$ 13,111,471	\$ 14,737,620

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

For the year ended December 31, 2021, the County recognized OPEB expense of \$957,915. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 455,993
Changes of assumptions or other inputs	1,955,701	137,420
Total	<u>\$ 1,955,701</u>	<u>\$ 593,413</u>

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

Years ending December 31:	
2022	\$ 302,146
2023	302,146
2024	302,146
2025	302,142
2026	212,222
Thereafter	(58,514)

Hendricks County

Notes to Financial Statements
December 31, 2021

Subsequent Events

Bond Issuance

The County issued bonds in the amount of \$7,930,000 on April 22, 2022 for the purpose of refinancing the First Mortgage Bonds, Series 2004. Payments on the bond will be made through 2028.

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

Notes to Financial Statements
December 31, 2021

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 noncompliance 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.

The estimated gross amount, on a cash basis by which the Hendricks County's property tax revenues (payable 2021 taxes) were reduced as a result of the aforementioned County abatement programs, totaled \$1,910,132. The abatements for Hendricks County included abatements for the following programs:

Real land abatement	\$ 1,521,110
Personal property abatements	<u>389,022</u>
Total	<u>\$ 1,910,132</u>

Hendricks County

Notes to Financial Statements
December 31, 2021

While Hendricks County has calculated the potential impact of existing tax abatements on its property tax revenues for 2021 to approximate \$1,910,132 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.

Effect of New Accounting Standards on Current-Period Financial Statements

- Statement No. 87, *Leases*
- 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*
- Statement No. 100, *Accounting Changes and Error Corrections*
- Statement No. 101, *Compensated Absences*

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 Budgetary Basis
 General Fund
 Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 16,432,149	\$ 16,432,149	\$ 14,963,956	\$ (1,468,193)
Income	15,500,000	16,619,096	19,004,160	2,385,064
Intergovernmental	1,864,000	1,591,351	3,498,954	1,907,603
Licenses and permits	785,000	785,000	-	(785,000)
Fines, forfeitures, and fees	200,000	200,000	1,829,134	1,629,134
Charges for services	2,000,000	2,000,000	1,394,149	(605,851)
Interest	650,000	650,000	983,719	333,719
Miscellaneous	1,000,000	1,000,000	1,245,439	245,439
Total revenues	38,431,149	39,277,596	42,919,511	3,641,915
Expenditures				
General government:				
Clerk:				
Personal services	784,605	784,605	743,908	40,697
Supplies	3,000	3,000	2,172	828
Other services and charges	19,000	19,000	8,259	10,741
Other disbursements	-	-	6,977	(6,977)
Auditor:				
Personal services	539,138	539,138	522,672	16,466
Supplies	6,000	6,000	6,000	-
Other services and charges	1,675,600	1,889,921	155,527	1,734,394
Other disbursements	-	-	1,268,512	(1,268,512)
Treasurer:				
Personal services	310,918	310,918	303,118	7,800
Supplies	3,000	3,000	2,843	157
Other services and charges	55,825	55,825	49,141	6,684
Other disbursements	-	-	41,747	(41,747)
Recorder:				
Other disbursements	-	-	100	(100)
Surveyor:				
Personal services	413,957	416,493	394,590	21,903
Supplies	17,000	16,876	14,829	2,047
Other services and charges	216,700	309,942	210,418	99,524
Assessor:				
Personal services	501,978	501,978	466,743	35,235
Supplies	6,500	7,108	3,371	3,737
Other services and charges	136,000	101,634	97,211	4,423
Extension agent:				
Personal services	176,133	176,133	160,470	15,663
Supplies	14,040	14,040	11,048	2,992
Other services and charges	142,243	142,243	128,136	14,107
Planning and building:				
Personal services	665,623	665,623	575,656	89,967
Supplies	15,250	15,250	12,848	2,402
Other services and charges	91,300	91,300	70,459	20,841

See notes to required supplementary information

Hendricks County, Indiana

Required Supplementary Information

Budgetary Comparison Schedule - Non-GAAP Budgetary Basis

General Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Commissioners:				
Personal services	\$ 302,373	\$ 302,373	\$ 284,526	\$ 17,847
Supplies	26,500	26,500	18,063	8,437
Other services and charges	1,263,264	1,391,273	1,213,139	178,134
Capital outlays	242,400	242,400	129,906	112,494
Facilities Maintenances:				
Personal services	432,696	432,696	414,690	18,006
Supplies	61,100	61,100	47,460	13,640
Other services and charges	61,800	61,800	57,211	4,589
Engineer:				
Personal services	178,062	178,062	170,978	7,084
Supplies	9,900	10,333	5,487	4,846
Other services and charges	18,700	104,895	91,126	13,769
Weights and measures:				
Personal services	34,460	34,460	27,334	7,126
Supplies	1,500	1,500	524	976
Other services and charges	9,500	9,500	1,223	8,277
Election:				
Personal services	163,744	163,744	141,657	22,087
Supplies	6,500	6,500	2,411	4,089
Other services and charges	7,000	7,000	635	6,365
Computer center:				
Personal services	438,291	438,291	365,224	73,067
Supplies	65,500	58,423	57,242	1,181
Other services and charges	1,284,500	847,255	877,035	(29,780)
Capital outlays	10,500	10,550	-	10,550
Human resources:				
Personal services	89,379	89,379	87,513	1,866
Supplies	9,550	9,550	7,154	2,396
Other services and charges	63,100	63,100	47,138	15,962
County council:				
Personal services	4,730,904	4,730,904	4,463,468	267,436
Supplies	750	750	166	584
Other services and charges	918,701	918,701	911,021	7,680
Superior court 3:				
Personal services	33,465	27,465	15,824	11,641
Supplies	3,000	3,000	1,029	1,971
Other services and charges	25,000	31,000	11,448	19,552
Capital outlays	2,000	2,000	150	1,850
Court administration:				
Personal services	1,576,758	1,613,188	1,517,679	95,509
Supplies	37,000	37,000	26,079	10,921
Other services and charges	494,500	401,950	326,438	75,512
Capital outlays	2,500	105,050	76,448	28,602
PTABOA board:				
Supplies	600	600	-	600
Other services and charges	7,300	7,300	-	7,300
Total general government	18,406,607	18,499,619	16,654,181	1,845,438

See notes to required supplementary information

Hendricks County, Indiana

Required Supplementary Information
 Budgetary Comparison Schedule - Non-GAAP Budgetary Basis
 General Fund
 Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Public safety:				
Sheriff:				
Personal services	\$ 5,140,148	\$ 5,140,760	\$ 4,943,925	\$ 196,835
Supplies	413,200	442,839	440,180	2,659
Other services and charges	148,200	148,200	133,080	15,120
Prosecutor:				
Personal services	1,343,400	1,343,400	1,314,169	29,231
Supplies	5,000	5,000	4,751	249
Other services and charges	24,000	24,000	17,499	6,501
Jail:				
Personal services	2,976,780	2,976,780	2,602,822	373,958
Supplies	135,000	135,000	130,643	4,357
Other services and charges	153,900	170,998	151,328	19,670
Other disbursements	-	-	270	(270)
Emergency management:				
Personal services	82,456	87,456	78,661	8,795
Supplies	8,000	8,000	4,893	3,107
Other services and charges	21,250	23,250	16,266	6,984
Probation:				
Personal services	1,156,234	1,184,135	1,101,212	82,923
Work release facility:				
Personal services	41,049	66,049	45,092	20,957
Supplies	-	150,000	97,233	52,767
Other services and charges	300,000	275,000	1,089	273,911
Public defender office:				
Personal services	244,859	247,176	247,160	16
Supplies	3,250	3,750	2,833	917
Other services and charges	1,649,500	1,646,683	1,497,248	149,435
Total public safety	13,846,226	14,078,476	12,830,354	1,248,122
Health and human services:				
Coroner:				
Personal services	159,926	190,426	187,719	2,707
Supplies	11,600	11,600	7,654	3,946
Other services and charges	209,032	216,682	215,416	1,266
Drainage board:				
Personal services	20,000	20,000	9,900	10,100
Supplies	3,000	3,000	715	2,285
Other services and charges	33,500	33,500	12,082	21,418
Veterans services:				
Personal services	94,870	124,165	89,981	34,184
Other services and charges	2,750	2,750	948	1,802
Animal shelter:				
Personal services	508,196	508,196	448,816	59,380
Supplies	29,500	29,500	27,452	2,048
Other services and charges	33,000	33,000	4,794	28,206

See notes to required supplementary information

Hendricks County, Indiana

Required Supplementary Information

Budgetary Comparison Schedule - Non-GAAP Budgetary Basis

General Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Soil and water:				
Personal services	\$ 77,483	\$ 77,483	\$ 73,386	\$ 4,097
Supplies	1,000	1,000	1,000	-
Other services and charges	15,262	15,262	15,262	-
Clean water/regional sewer:				
Personal services	130,803	133,773	131,209	2,564
Supplies	4,000	4,000	-	4,000
Other services and charges	122,000	119,030	113,697	5,333
Child support:				
Personal services	344,801	349,032	346,780	2,252
Supplies	1,500	1,500	1,475	25
Other services and charges	11,000	11,000	8,166	2,834
Total health and human services	<u>1,813,223</u>	<u>1,884,899</u>	<u>1,696,452</u>	<u>188,447</u>
Culture, recreation and education:				
Park and recreation:				
Personal services	363,215	363,215	352,594	10,621
Supplies	49,000	49,193	49,193	-
Other services and charges	94,300	94,107	64,904	29,203
Capital outlays	5,000	5,000	5,000	-
Total culture, recreation and education	<u>511,515</u>	<u>511,515</u>	<u>471,691</u>	<u>39,824</u>
Total expenditures	<u>34,577,571</u>	<u>34,974,509</u>	<u>31,652,678</u>	<u>3,321,831</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,853,578</u>	<u>4,303,087</u>	<u>11,266,833</u>	<u>320,084</u>
Other Financing Sources (Uses)				
Transfers in	-	-	1,495	1,495
Transfers out	<u>(6,944,000)</u>	<u>(6,944,000)</u>	<u>(6,944,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(6,944,000)</u>	<u>(6,944,000)</u>	<u>(6,942,505)</u>	<u>1,495</u>
Net change in fund balances	(3,090,422)	(2,640,913)	4,324,328	6,965,241
Fund Balances, Beginning	<u>23,200,407</u>	<u>23,200,407</u>	<u>23,200,407</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 20,109,985</u>	<u>\$ 20,559,494</u>	<u>\$ 27,524,735</u>	<u>\$ 6,965,241</u>

See notes to required supplementary information

Hendricks County, Indiana

Required Supplementary Information

Budget/GAAP Reconciliation

General Fund

Year Ended December 31, 2021

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

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

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

	<u>General</u>
Net changes in fund balances (budgetary basis)	\$ 4,324,328
Adjustments	
To adjust revenues for accruals	(1,212,035)
To adjust expenditures for accruals	<u>(384,717)</u>
Net change in fund balances (GAAP basis)	<u><u>\$ 2,727,575</u></u>

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, 2021	0.34717%	\$ 4,568,228	\$ 19,141,206	23.87%	92.50%
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

Hendricks County, Indiana

Schedules of Required Supplementary Information

Schedule of Employer Contributions

Last 10 Years*

<u>Year Ending**</u>	<u>Statutorily Required Contribution Percentage</u>	<u>Actual Employer Contributions</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2021	11.20%	\$ 2,163,362	\$ 19,315,732	11.20%
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>2021</u>	<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	\$ 616,807	\$ 622,493	\$ 553,335	\$ 473,675	\$ 466,005	\$ 444,590	\$ 440,478	\$ 448,877
Interest	1,458,911	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	6,498	(115,263)	415,435	554,767	104,715	3,314	129,980	(270,041)
Changes in assumptions	1,387,133	(30,656)	367,088	(47,248)	173,264	(132,447)	(111,599)	71,307
Benefit payments	<u>(1,153,320)</u>	<u>(653,105)</u>	<u>(653,292)</u>	<u>(699,583)</u>	<u>(1,052,099)</u>	<u>(488,616)</u>	<u>(587,227)</u>	<u>(524,706)</u>
Net change in total pension liability	2,316,029	1,218,785	1,942,114	1,487,594	778,028	873,199	856,307	667,882
Total Pension Liability, Beginning	<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>	<u>13,797,492</u>
Total Pension Liability, Ending (1)	<u>\$ 23,937,430</u>	<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	\$ 1,209,187	\$ 1,001,203	\$ 897,649	\$ 850,254	\$ 821,045	\$ 816,894	\$ 757,841	\$ 665,009
Employee contributions	113,455	116,326	108,920	-	-	-	-	-
Net transfers into (out of) trust	-	-	(11,431)	-	-	-	-	(10,698)
Net investment income	2,558,119	2,293,553	2,248,999	(839,716)	1,439,633	(144,455)	(13,373)	298,381
Benefit payments	(1,153,320)	(653,105)	(653,292)	(699,583)	(1,052,099)	(488,616)	(587,227)	(524,706)
Administrative expenses	(39,714)	(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	2,687,727	2,712,178	2,566,467	(709,438)	1,189,794	166,915	140,735	418,819
Plan Fiduciary Net Position, Beginning	<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>	<u>10,933,296</u>
Plan Fiduciary Net Position, Ending (2)	<u>\$ 20,106,493</u>	<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), ending (1) - (2)	<u>\$ 3,830,937</u>	<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	84.00%	80.56%	72.08%	65.76%	75.71%	72.00%	75.01%	78.48%
Covered payroll	\$ 3,852,941	\$ 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	99.43%	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>2021</u>	<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	\$ 41,460	\$ 42,901	\$ 39,101	\$ 31,155	\$ 31,529	\$ 27,756	\$ 26,525	\$ 31,918
Interest	75,956	79,596	80,004	75,568	55,067	52,672	52,003	51,445
Differences between expected and actual experience	(57,546)	(108,002)	(39,941)	13,833	263,903	(3,975)	(23,347)	(47,275)
Changes in assumptions	73,005	(2,646)	(24,683)	(1,086)	4,198	(3,510)	(5,283)	18,796
Benefit payments	(64,336)	(64,336)	(64,336)	(58,558)	(41,225)	(41,225)	(41,225)	(41,225)
Net change in total pension liability	68,539	(52,487)	(9,855)	60,912	313,472	31,718	8,673	13,659
Total Pension Liability, Beginning	<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>	<u>752,561</u>
Total Pension Liability, Ending (1)	<u>\$ 1,187,192</u>	<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	\$ 111,913	\$ 110,633	\$ 97,411	\$ 48,007	\$ 49,220	\$ 58,160	\$ 68,578	\$ 64,227
Net transfers into (out of) trust	-	-	-	-	-	-	-	708
Net investment income	141,840	147,700	142,101	(54,333)	98,180	9,687	(4,729)	23,824
Benefit payments	(64,336)	(64,336)	(64,336)	(58,558)	(41,225)	(41,225)	(41,225)	(41,225)
Administrative expenses	(23,872)	(22,427)	(19,224)	(644)	(41,967)	(562)	(41,156)	(23,186)
Other	(30)	(30)	(125)	-	-	-	-	-
Net change in plan fiduciary net position	165,515	171,540	155,827	(65,528)	64,208	26,060	(18,532)	24,348
Plan fiduciary net position, beginning	<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>	<u>708,512</u>
Plan fiduciary net position, ending (2)	<u>\$ 1,231,950</u>	<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), ending (1) - (2)	<u>\$ (44,758)</u>	<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	103.77%	95.33%	76.41%	62.58%	71.83%	91.79%	92.18%	95.65%
Covered payroll	\$ 3,852,941	\$ 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	-1.16%	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	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution**	\$ 1,154,859	\$ 950,113	\$ 853,971	\$ 808,007	\$ 776,938	\$ 774,608	\$ 757,841	\$ 665,009	\$ 627,709	\$ 616,123
Contributions in relation to the actuarially determined contribution	<u>1,209,187</u>	<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>
Contribution deficiency (excess)	<u>\$ (54,328)</u>	<u>\$ (51,090)</u>	<u>\$ (43,678)</u>	<u>\$ (42,247)</u>	<u>\$ (44,107)</u>	<u>\$ (42,286)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll**	\$ 3,852,941	\$ 3,869,769	\$ 3,913,483	\$ 3,533,988	\$ 2,835,264	\$ 2,767,054	\$ 2,611,255	\$ 2,424,182	\$ 2,478,286	\$ 2,425,021
Contributions as a percentage of covered payroll	31.38%	25.87%	22.94%	24.06%	28.96%	29.52%	29.02%	27.43%	25.33%	25.41%

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	Entry Age Normal Cost
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 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	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)

Other information:

None

Hendricks County, Indiana

Schedules of Required Supplementary Information

Schedule of County Contributions

Last 10 Years

Sheriff's Benefit Plan	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution**	\$ 111,913	\$ 110,633	\$ 97,411	\$ 48,007	\$ 49,220	\$ 58,160	\$ 68,578	\$ 64,227	\$ 74,217	\$ 88,647
Contributions in relation to the actuarially determined contribution	<u>111,913</u>	<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>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll**	\$ 3,852,941	\$ 3,869,769	\$ 3,913,483	\$ 3,533,988	\$ 2,835,264	\$ 2,767,054	\$ 2,611,255	\$ 2,424,182	\$ 2,478,286	\$ 2,425,021
Contributions as a percentage of covered payroll	2.90%	2.86%	2.49%	1.36%	1.74%	2.10%	2.63%	2.65%	2.99%	3.66%

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	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)

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	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Annual money-weighted rate of return	14.27%	14.98%	17.77%	-6.51%	12.46%	-1.21%	-0.19%	2.82%	13.40%	5.10%

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	2021	2020	2019	2018	2017	2016	2015	2014	2013
Annual money-weighted rate of return	13.02%	15.27%	18.47%	-6.66%	13.11%	1.22%	-0.76%	3.75%	23.50%

*Schedule presented for the years information available.

Hendricks County, Indiana

Schedules of Required Supplementary Information

Schedule of Changes in Net OPEB Liability

Last 10 Years*

Net OPEB Liability	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 371,188	\$ 304,608	\$ 252,961	\$ 1,489,402
Interest	284,581	363,501	415,278	1,581,598
Differences between expected and actual experience	(249,257)	(172,512)	(208,462)	(10,004,027)
Changes in assumptions	(160,323)	2,067,607	837,968	(853,106)
Benefit payments	<u>(372,377)</u>	<u>(339,846)</u>	<u>(266,468)</u>	<u>(799,416)</u>
Net change in total pension liability	(126,188)	2,223,358	1,031,277	(34,900,607)
Total pension liability, beginning	<u>13,237,659</u>	<u>11,014,301</u>	<u>9,983,024</u>	<u>44,883,631</u>
Total pension liability, ending (1)	<u>\$ 13,111,471</u>	<u>\$ 13,237,659</u>	<u>\$ 11,014,301</u>	<u>\$ 9,983,024</u>
Plan fiduciary net position				
Contributions	\$ 372,377	\$ 339,846	\$ 266,468	\$ 799,416
Benefit payments	<u>(372,377)</u>	<u>(339,846)</u>	<u>(266,468)</u>	<u>(799,416)</u>
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position, ending (2)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total OPEB liability (asset, ending (1) - (2))	<u>\$ 13,111,471</u>	<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

Hendricks County, Indiana

Schedules of Required Supplementary Information

Schedule of Net OPEB Liability

Last 10 Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
1. Total OPEB liability	\$ 13,111,471	\$ 13,237,659	\$ 11,014,301	\$ 9,983,024
2. Plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3. Total OPEB liability	<u>\$ 13,111,471</u>	<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	\$ 24,049,317	\$ 24,125,631	\$ 22,859,302	Not Provided
6. Total OPEB liability as a percentage of covered payroll = (3) / (5)	54.52%	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

	<u>2021</u>	<u>2020</u>	<u>2019</u>
OPEB contributions			
Contributions**	\$ 372,377	\$ 339,846	\$ 266,468
Actual employer contributions	<u>372,377</u>	<u>339,846</u>	<u>266,468</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll**	\$ 24,049,317	\$ 24,125,631	\$ 22,859,302
Contributions as a percentage of covered payroll	1.55%	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 7.5% 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

Hendricks County, Indiana

Notes to Required Supplementary Information
December 31, 2021

1. 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

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, 2021

Capital Project Funds

County Major Bridge, Cumulative 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

2. 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	6.25%, 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	2.65%
Salary increases	2.65% to 8.65% 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 2.75% - 8.75% to 2.65% - 8.65%. The interest rate/investment return assumption changed from 6.75 percent to 6.25 percent. The inflation assumption changed from 2.25 percent to 2.00 percent.

Plan Amendments: HEA 1001-2021 granted a 1% COLA effective January 1, 2022

Sheriff Retirement and Benefit Plans

The changes in assumptions for base year ending December 31, 2021 reflect the change from the use of 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) and a discount rate of 6.75% to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) and a discount rate of 6.25%.

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).

Hendricks County, Indiana

Notes to Required Supplementary Information
December 31, 2021

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).

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.

Hendricks County, Indiana

Notes to Required Supplementary Information

December 31, 2021

Sheriff Retirement Plan:

Actuarial cost method	Entry Age Normal Cost
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 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	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables)

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	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor, and disabled retire tables and male & female tables)

3. OPEB Plan

Cost method	Entry Age Normal Level % of Salary
Amortization method	Not Applicable
Assumptions	
Discount rate	2.12% as of January 1, 2021; 2.25% as of December 31, 2021
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, 2021

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:

Age	Rate
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, 2021

Per capita costs Annual per capita costs were calculated based on the County's monthly premium rates effective on January 1, 2021 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>
2022	7.50%
2023	7.00%
2024	6.50%
2025	6.00%
2026	5.50%
2027	5.00%
2028+	4.50%

SUPPLEMENTARY INFORMATION

Hendricks County, Indiana

Combining Balance Sheet - Nonmajor Governmental Funds

December 31, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$ 40,158,485	\$ -	\$ 24,135,834	\$ 64,294,319
Investments	24,285,705	-	21,456,684	45,742,389
Receivables:				
Taxes	5,345,131	3,440,645	12,693,607	21,479,383
Interest	-	-	6,867	6,867
Accounts	426,787	-	-	426,787
Intergovernmental	1,186,697	118,811	480,095	1,785,603
Restricted:				
Cash and cash equivalents	-	5,688,720	-	5,688,720
Investments	-	3,275,710	-	3,275,710
Interfund receivable:				
Interfund receivables	<u>1,000,000</u>	<u>-</u>	<u>1,326,929</u>	<u>2,326,929</u>
Total assets	<u>\$ 72,402,805</u>	<u>\$ 12,523,886</u>	<u>\$ 60,100,016</u>	<u>\$ 145,026,707</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 485,982	\$ 28,058	\$ 788,698	\$ 1,302,738
Accrued payroll and withholdings payable	125,771	-	13,539	139,310
Interfund payable:				
Interfund payable	<u>2,332,821</u>	<u>-</u>	<u>-</u>	<u>2,332,821</u>
Total liabilities	<u>2,944,574</u>	<u>28,058</u>	<u>802,237</u>	<u>3,774,869</u>
Deferred Inflows of Resources				
Unavailable revenue	<u>4,499,657</u>	<u>3,559,456</u>	<u>13,173,702</u>	<u>21,232,815</u>
Total deferred inflows of resources	<u>4,499,657</u>	<u>3,559,456</u>	<u>13,173,702</u>	<u>21,232,815</u>
Fund Balances				
Restricted	65,455,209	8,936,372	46,124,077	120,515,658
Unassigned	<u>(496,635)</u>	<u>-</u>	<u>-</u>	<u>(496,635)</u>
Total fund balances	<u>64,958,574</u>	<u>8,936,372</u>	<u>46,124,077</u>	<u>120,019,023</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 72,402,805</u>	<u>\$ 12,523,886</u>	<u>\$ 60,100,016</u>	<u>\$ 145,026,707</u>

Hendricks County, Indiana

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds
 Year Ended December 31, 2021

	Special Revenue	Debt Service	Capital Projects	Total
Revenues				
Taxes:				
Property	\$ 1,840,138	\$ 5,346,824	\$ 11,931,036	\$ 19,117,998
Income	6,388,667	-	11,100,403	17,489,070
Other	129,194	-	-	129,194
Licenses and permits	114,296	-	-	114,296
Intergovernmental	20,434,531	1,310,631	2,050,246	23,795,408
Charges for services	4,713,391	-	115,362	4,828,753
Fines and forfeits	1,739,692	-	-	1,739,692
Investment earnings	(404,973)	(52,806)	(179,343)	(637,122)
Other:				
Miscellaneous	2,672,788	12,540	295,018	2,980,346
Total revenues	<u>37,627,724</u>	<u>6,617,189</u>	<u>25,312,722</u>	<u>69,557,635</u>
Expenditures				
Current:				
General government	2,316,446	44,479	978,336	3,339,261
Public safety	8,194,182	17,189	1,135,103	9,346,474
Economic development	1,491,502	1,510	-	1,493,012
Highways and streets	8,078,087	1,040,502	8,619,037	17,737,626
Health and welfare	4,621,397	-	1,505,325	6,126,722
Culture and recreation	4,219,044	-	395,926	4,614,970
Debt service:				
Principal	1,017,646	5,352,883	730,000	7,100,529
Interest	261,381	542,546	67,835	871,762
Capital lease	278,464	-	-	278,464
Bond issue costs	-	-	322,195	322,195
Capital outlay:				
General government	408,812	-	2,753,887	3,162,699
Public safety	183,212	-	2,243,481	2,426,693
Highways and streets	1,141,497	1,178,306	1,020,105	3,339,908
Health and welfare	44,626	-	-	44,626
Total expenditures	<u>32,256,296</u>	<u>8,177,415</u>	<u>19,771,230</u>	<u>60,204,941</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,371,428</u>	<u>(1,560,226)</u>	<u>5,541,492</u>	<u>9,352,694</u>
Other Financing Sources (Uses)				
Bond proceeds	-	-	12,079,117	12,079,117
Bond premium	-	-	155,265	155,265
Payments on refunded debt	-	-	(1,436,753)	(1,436,753)
Transfers in	3,845,167	2,661,956	55	6,507,178
Transfers out	(1,899,118)	(2,661,956)	(1,947,599)	(6,508,673)
Total other financing sources and uses	<u>1,946,049</u>	<u>-</u>	<u>8,850,085</u>	<u>10,796,134</u>
Net change in fund balances	<u>7,317,477</u>	<u>(1,560,226)</u>	<u>14,391,577</u>	<u>20,148,828</u>
Fund Balances, Beginning as reported	71,657,188	10,496,598	31,732,500	113,886,286
Adjustment to fund balances (See Note 3)	<u>(14,016,091)</u>	<u>-</u>	<u>-</u>	<u>(14,016,091)</u>
Fund Balances, Beginning as restated	<u>57,641,097</u>	<u>10,496,598</u>	<u>31,732,500</u>	<u>99,870,195</u>
Fund Balances, Ending	<u>\$ 64,958,574</u>	<u>\$ 8,936,372</u>	<u>\$ 46,124,077</u>	<u>\$ 120,019,023</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	Planning Comm						
	Home Detention	Advertising	Subdivision	Building	Bond	Innkeepers Tax	
Project ATTEND	Fees	Fees	Inspection	Inspection Fees	Forfeitures	County's 1.5%	
Assets							
Cash and cash equivalents	\$ 8,400	\$ 437,050	\$ 19,068	\$ 319,525	\$ 259,913	\$ 37,081	\$ -
Investments	-	-	-	-	-	-	-
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts	-	37,141	-	11,500	284	-	-
Intergovernmental	-	-	-	-	-	-	-
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 8,400</u>	<u>\$ 474,191</u>	<u>\$ 19,068</u>	<u>\$ 331,025</u>	<u>\$ 260,197</u>	<u>\$ 37,081</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ 16,859	\$ 188	\$ 9,225	\$ -	\$ -	\$ -
Accrued payroll and withholdings payable	-	3,944	-	-	-	-	-
Interfund payable:							
Interfund payable	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>20,803</u>	<u>188</u>	<u>9,225</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	8,400	453,388	18,880	321,800	260,197	37,081	-
Unassigned (deficit)	-	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>8,400</u>	<u>453,388</u>	<u>18,880</u>	<u>321,800</u>	<u>260,197</u>	<u>37,081</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,400</u>	<u>\$ 474,191</u>	<u>\$ 19,068</u>	<u>\$ 331,025</u>	<u>\$ 260,197</u>	<u>\$ 37,081</u>	<u>\$ -</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	Comm						
	Corrections	Auditors Plat	Reassessment		Forfeiture	Child Health &	
	Proj Income	Book Fund	2015	Reassessment	Disbursement	Other Services	Animal Shelter
Assets							
Cash and cash equivalents	\$ 7,384	\$ 373,791	\$ -	\$ 633,579	\$ 41,175	\$ 186,468	\$ 8,882
Investments	-	-	-	650,440	-	-	-
Receivables:							
Taxes	-	-	818,560	-	-	-	-
Accounts	24,613	1,270	-	-	-	6,025	10
Intergovernmental	-	-	41,840	-	-	-	-
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
Total assets	<u>\$ 31,997</u>	<u>\$ 375,061</u>	<u>\$ 860,400</u>	<u>\$ 1,284,019</u>	<u>\$ 41,175</u>	<u>\$ 192,493</u>	<u>\$ 8,892</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 10,002	\$ -	\$ -	\$ -	\$ -	\$ 1,702	\$ 3,389
Accrued payroll and withholdings payable	3,796	423	4,828	2,691	-	-	-
Interfund payable:							
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>13,798</u>	<u>423</u>	<u>4,828</u>	<u>2,691</u>	<u>-</u>	<u>1,702</u>	<u>3,389</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	849,677	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>849,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	18,199	374,638	5,895	1,281,328	41,175	190,791	5,503
Unassigned (deficit)	-	-	-	-	-	-	-
Total fund balances	<u>18,199</u>	<u>374,638</u>	<u>5,895</u>	<u>1,281,328</u>	<u>41,175</u>	<u>190,791</u>	<u>5,503</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,997</u>	<u>\$ 375,061</u>	<u>\$ 860,400</u>	<u>\$ 1,284,019</u>	<u>\$ 41,175</u>	<u>\$ 192,493</u>	<u>\$ 8,892</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	Statewide 911	Local Health Dept Trust	MVH Restricted	Motor Vehicle Highway	Park Nonreverting Operating	Rainy Day	Identification Security Cty
Assets							
Cash and cash equivalents	\$ 2,178,421	\$ 70,822	\$ 737,316	\$ 902,649	\$ 31,549	\$ -	\$ 170,211
Investments	2,249,112	-	767,989	940,395	-	-	-
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts	141,950	-	-	4,958	602	-	3,224
Intergovernmental	-	31,789	264,317	264,317	-	-	-
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
Total assets	<u>\$ 4,569,483</u>	<u>\$ 102,611</u>	<u>\$ 1,769,622</u>	<u>\$ 2,112,319</u>	<u>\$ 32,151</u>	<u>\$ -</u>	<u>\$ 173,435</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ 6,144	\$ 111,661	\$ -	\$ -	\$ -
Accrued payroll and withholdings payable	-	1,217	-	33,351	-	-	-
Interfund payable:							
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>1,217</u>	<u>6,144</u>	<u>145,012</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	4,569,483	101,394	1,763,478	1,967,307	32,151	-	173,435
Unassigned (deficit)	-	-	-	-	-	-	-
Total fund balances	<u>4,569,483</u>	<u>101,394</u>	<u>1,763,478</u>	<u>1,967,307</u>	<u>32,151</u>	<u>-</u>	<u>173,435</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,569,483</u>	<u>\$ 102,611</u>	<u>\$ 1,769,622</u>	<u>\$ 2,112,319</u>	<u>\$ 32,151</u>	<u>\$ -</u>	<u>\$ 173,435</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	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	\$ 54,259	\$ 4,624,036	\$ 894,699	\$ 5,168	\$ 310,087	\$ 1,025,193	\$ 123,287
Investments	-	4,788,179	932,559	-	-	1,065,781	-
Receivables:							
Taxes	-	-	2,042,239	-	-	-	-
Accounts	-	-	41,288	-	-	-	300
Intergovernmental	-	-	77,591	-	-	185,684	-
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
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Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	Campaign		Clerk's Records	Direct Seller	Regional Sewer	Community
	Finance		Perpetuation	Fees	Wage & Benefit	Transitions
	Enforcement	Child Advocacy				Program
Assets						
Cash and cash equivalents	\$ 1,663	\$ 1,446	\$ 226,186	\$ 250	\$ -	\$ 12,359
Investments	-	-	-	-	-	-
Receivables:						
Taxes	-	-	-	-	-	-
Accounts	-	-	3,705	-	-	-
Intergovernmental	-	-	-	-	-	92,287
Interfund receivable:						
Interfund receivables	-	-	-	-	-	-
Total assets	<u>\$ 1,663</u>	<u>\$ 1,446</u>	<u>\$ 229,891</u>	<u>\$ 250</u>	<u>\$ -</u>	<u>\$ 104,646</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ -	\$ 8,135	\$ -	\$ -	\$ -
Accrued payroll and withholdings payable	-	-	-	-	869	-
Interfund payable:						
Interfund payable	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>8,135</u>	<u>-</u>	<u>869</u>	<u>-</u>
Deferred Inflows of Resources						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Restricted	1,663	1,446	221,756	250	-	104,646
Unassigned (deficit)	-	-	-	-	(869)	-
Total fund balances	<u>1,663</u>	<u>1,446</u>	<u>221,756</u>	<u>250</u>	<u>(869)</u>	<u>104,646</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,663</u>	<u>\$ 1,446</u>	<u>\$ 229,891</u>	<u>\$ 250</u>	<u>\$ -</u>	<u>\$ 104,646</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	<u>Engineers Copy Fees</u>	<u>Treasurer's Technology</u>	<u>Vending Revenue</u>	<u>Accident Report</u>	<u>Guardian Ad- Litem User Fee</u>	<u>CASA</u>	<u>Auditor Ineligible Deduction</u>
Assets							
Cash and cash equivalents	\$ 16,829	\$ 8,388	\$ 6,872	\$ 20,558	\$ 7,858	\$ 126,514	\$ 2,777
Investments	-	-	-	-	-	-	-
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	675	-	-	-
Intergovernmental	-	-	-	-	-	13,101	-
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
Total assets	<u>\$ 16,829</u>	<u>\$ 8,388</u>	<u>\$ 6,872</u>	<u>\$ 21,233</u>	<u>\$ 7,858</u>	<u>\$ 139,615</u>	<u>\$ 2,777</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ 1,476	\$ -	\$ 1,625	\$ -	\$ -	\$ -
Accrued payroll and withholdings payable	-	-	-	-	-	-	-
Interfund payable:							
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>1,476</u>	<u>-</u>	<u>1,625</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	16,829	6,912	6,872	19,608	7,858	139,615	2,777
Unassigned (deficit)	-	-	-	-	-	-	-
Total fund balances	<u>16,829</u>	<u>6,912</u>	<u>6,872</u>	<u>19,608</u>	<u>7,858</u>	<u>139,615</u>	<u>2,777</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 16,829</u>	<u>\$ 8,388</u>	<u>\$ 6,872</u>	<u>\$ 21,233</u>	<u>\$ 7,858</u>	<u>\$ 139,615</u>	<u>\$ 2,777</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	Elected Official Training	Prosecutor - Forfeiture	Development Grants	Drain Maintenance	Health and Welfare Grants	Public Safety Funds	Public Safety Grants
Assets							
Cash and cash equivalents	\$ 212,545	\$ 31,639	\$ 1,686	\$ 5,429,921	\$ 179,639	\$ 1,472,808	\$ 164,013
Investments	-	-	-	-	-	-	-
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts	3,224	-	-	-	15,000	28,026	-
Intergovernmental	-	-	-	-	31,418	790	61,456
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
Total assets	<u>\$ 215,769</u>	<u>\$ 31,639</u>	<u>\$ 1,686</u>	<u>\$ 5,429,921</u>	<u>\$ 226,057</u>	<u>\$ 1,501,624</u>	<u>\$ 225,469</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 40	\$ -	\$ -	\$ 2,654	\$ 7,794	\$ 9,440	\$ 3,981
Accrued payroll and withholdings payable	-	-	104	-	5,438	21,416	6,475
Interfund payable:							
Interfund payable	-	-	-	1,326,929	-	-	-
Total liabilities	<u>40</u>	<u>-</u>	<u>104</u>	<u>1,329,583</u>	<u>13,232</u>	<u>30,856</u>	<u>10,456</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	215,729	31,639	1,582	4,100,338	212,825	1,470,768	215,013
Unassigned (deficit)	-	-	-	-	-	-	-
Total fund balances	<u>215,729</u>	<u>31,639</u>	<u>1,582</u>	<u>4,100,338</u>	<u>212,825</u>	<u>1,470,768</u>	<u>215,013</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 215,769</u>	<u>\$ 31,639</u>	<u>\$ 1,686</u>	<u>\$ 5,429,921</u>	<u>\$ 226,057</u>	<u>\$ 1,501,624</u>	<u>\$ 225,469</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	CARES Grant Funds	Title IV-D Grants	LOIT Special Distribution	Jurismonitor	Ad Probation User Fee	Juvenile Probation Fees	Theft Class
Assets							
Cash and cash equivalents	\$ 32,505	\$ 318,109	\$ 2,946,417	\$ 11,730	\$ 615,915	\$ 32,147	\$ 12,965
Investments	-	-	3,040,611	-	-	-	-
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	24,129	559	136
Intergovernmental	-	19,281	-	-	-	-	-
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
Total assets	<u>\$ 32,505</u>	<u>\$ 337,390</u>	<u>\$ 5,987,028</u>	<u>\$ 11,730</u>	<u>\$ 640,044</u>	<u>\$ 32,706</u>	<u>\$ 13,101</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 5,998	\$ -	\$ -
Accrued payroll and withholdings payable	-	2,044	-	-	2,967	-	-
Interfund payable:							
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>2,044</u>	<u>-</u>	<u>-</u>	<u>8,965</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	32,505	335,346	5,987,028	11,730	631,079	32,706	13,101
Unassigned (deficit)	-	-	-	-	-	-	-
Total fund balances	<u>32,505</u>	<u>335,346</u>	<u>5,987,028</u>	<u>11,730</u>	<u>631,079</u>	<u>32,706</u>	<u>13,101</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 32,505</u>	<u>\$ 337,390</u>	<u>\$ 5,987,028</u>	<u>\$ 11,730</u>	<u>\$ 640,044</u>	<u>\$ 32,706</u>	<u>\$ 13,101</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	Drainage Bd Application Fees	Survey Plot Plan	97.047 Pre- Disaster Mitigation	20.526 LINK Capital	93.788 Opioid STR	Probation Community Correction	Youth Assistance Program
Assets							
Cash and cash equivalents	\$ 137,119	\$ 50,356	\$ -	\$ -	\$ 60,000	\$ 11,126	\$ 77,534
Investments	-	-	-	-	-	-	-
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts	-	200	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	85,000
Interfund receivable:							
Interfund receivables	-	-	-	-	-	-	-
Total assets	<u>\$ 137,119</u>	<u>\$ 50,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 11,126</u>	<u>\$ 162,534</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll and withholdings payable	-	-	-	-	-	2,431	2,190
Interfund payable:							
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,431</u>	<u>2,190</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	137,119	50,556	-	-	60,000	8,695	160,344
Unassigned (deficit)	-	-	-	-	-	-	-
Total fund balances	<u>137,119</u>	<u>50,556</u>	<u>-</u>	<u>-</u>	<u>60,000</u>	<u>8,695</u>	<u>160,344</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 137,119</u>	<u>\$ 50,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,000</u>	<u>\$ 11,126</u>	<u>\$ 162,534</u>

Hendricks County, Indiana

Combining Balance Sheet - Special Revenue Funds

December 31, 2021

	Bridge - Inspection	Immunization COOP Agreement	Immunization & Vaccine for Child COVID	Transportation Grants	Total
Assets					
Cash and cash equivalents	\$ 7,483	\$ 28,441	\$ -	\$ -	\$ 40,158,485
Investments	-	-	-	-	24,285,705
Receivables:					
Taxes	-	-	-	-	5,345,131
Accounts	-	-	-	-	426,787
Intergovernmental	-	-	17,826	-	1,186,697
Interfund receivable:					
Interfund receivables	-	-	-	-	1,000,000
	<u>7,483</u>	<u>28,441</u>	<u>17,826</u>	<u>-</u>	<u>72,402,805</u>
Total assets	<u>\$ 7,483</u>	<u>\$ 28,441</u>	<u>\$ 17,826</u>	<u>\$ -</u>	<u>\$ 72,402,805</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 77	\$ 3,184	\$ -	\$ 485,982
Accrued payroll and withholdings payable	-	-	2,433	-	125,771
Interfund payable:					
Interfund payable	-	-	5,892	-	2,332,821
	<u>-</u>	<u>77</u>	<u>11,509</u>	<u>-</u>	<u>2,944,574</u>
Total liabilities	<u>-</u>	<u>77</u>	<u>11,509</u>	<u>-</u>	<u>2,944,574</u>
Deferred Inflows of Resources					
Unavailable revenue	-	-	-	-	4,499,657
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,499,657</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,499,657</u>
Fund Balances					
Restricted	7,483	28,364	6,317	-	65,455,209
Unassigned (deficit)	-	-	-	-	(496,635)
	<u>7,483</u>	<u>28,364</u>	<u>6,317</u>	<u>-</u>	<u>64,958,574</u>
Total fund balances	<u>7,483</u>	<u>28,364</u>	<u>6,317</u>	<u>-</u>	<u>64,958,574</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,483</u>	<u>\$ 28,441</u>	<u>\$ 17,826</u>	<u>\$ -</u>	<u>\$ 72,402,805</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Surveyor's Cornerstone Perpetual	EDIT Project Fund	Recorder's Records Perpetuation	Jail Commissary
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	6,388,667	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	681,394	-
Fines and forfeits	234,355	-	-	-
Investment earnings	(2,393)	(107,848)	(8,314)	(1,977)
Other:				
Miscellaneous	-	47,838	-	705,181
Total revenues	<u>231,962</u>	<u>6,328,657</u>	<u>673,080</u>	<u>703,204</u>
Expenditures				
Current:				
General government	76,371	70,630	542,527	-
Public safety	-	1,199,277	-	676,944
Economic development	-	1,485,020	-	-
Highways and streets	-	860,979	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	58,572	-	-
Capital outlay:				
General government	259	408,553	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>76,630</u>	<u>4,083,031</u>	<u>542,527</u>	<u>676,944</u>
Excess (deficiency) of revenues over (under) expenditures	<u>155,332</u>	<u>2,245,626</u>	<u>130,553</u>	<u>26,260</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	155,332	2,245,626	130,553	26,260
Fund Balances, Beginning as Reported	304,134	15,572,462	1,346,182	258,483
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>304,134</u>	<u>15,572,462</u>	<u>1,346,182</u>	<u>258,483</u>
Fund Balances (Deficit), Ending	<u>\$ 459,466</u>	<u>\$ 17,818,088</u>	<u>\$ 1,476,735</u>	<u>\$ 284,743</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Convention and Tourism -			
	Supplemental CAR	Redevelopment Commission	SR267 Relinquish	Project ATTEND
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	4,926,710	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	(14,150)	-	(14,721)	-
Other:				
Miscellaneous	-	-	-	14,000
Total revenues	<u>4,912,560</u>	<u>-</u>	<u>(14,721)</u>	<u>14,000</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	14,000
Economic development	-	1,851	-	-
Highways and streets	-	-	73,320	-
Health and welfare	-	-	-	-
Culture and recreation	3,662,035	-	-	-
Debt service:				
Principal	280,000	737,646	-	-
Interest	156,500	104,881	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>4,098,535</u>	<u>844,378</u>	<u>73,320</u>	<u>14,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>814,025</u>	<u>(844,378)</u>	<u>(88,041)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	1,947,599	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>1,947,599</u>	<u>-</u>	<u>-</u>
Net change in fund balances	814,025	1,103,221	(88,041)	-
Fund Balances, Beginning as Reported	1,822,299	(1,598,987)	2,099,359	8,400
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>1,822,299</u>	<u>(1,598,987)</u>	<u>2,099,359</u>	<u>8,400</u>
Fund Balances (Deficit), Ending	<u>\$ 2,636,324</u>	<u>\$ (495,766)</u>	<u>\$ 2,011,318</u>	<u>\$ 8,400</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Home Detention Fees</u>	<u>Planning Comm Advertising Fees</u>	<u>Subdivision Inspection</u>	<u>Building Inspection Fees</u>
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	220	106,960	7,116
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	(3,434)	-	(2,601)	(1,977)
Other:				
Miscellaneous	299,233	-	-	-
	<u>295,799</u>	<u>220</u>	<u>104,359</u>	<u>5,139</u>
Total revenues				
Expenditures				
Current:				
General government	-	2,761	107,907	-
Public safety	217,771	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	111,253	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
	<u>329,024</u>	<u>2,761</u>	<u>107,907</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(33,225)</u>	<u>(2,541)</u>	<u>(3,548)</u>	<u>5,139</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses				
Net change in fund balances	(33,225)	(2,541)	(3,548)	5,139
Fund Balances, Beginning as Reported	486,613	21,421	325,348	255,058
Adjustment to fund balances (See Note 3)	-	-	-	-
	<u>486,613</u>	<u>21,421</u>	<u>325,348</u>	<u>255,058</u>
Fund Balances (Deficit), Beginning as Restated				
	<u>486,613</u>	<u>21,421</u>	<u>325,348</u>	<u>255,058</u>
Fund Balances (Deficit), Ending	<u>\$ 453,388</u>	<u>\$ 18,880</u>	<u>\$ 321,800</u>	<u>\$ 260,197</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Bond Forfeitures	Innkeepers Tax County's 1.5%	Comm Corrections Proj Income	Auditors Plat Book Fund
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	296,626	101,701
Fines and forfeits	-	-	1,415	-
Investment earnings	-	-	(1,769)	(2,393)
Other:				
Miscellaneous	-	538,081	-	-
Total revenues	-	538,081	296,272	99,308
Expenditures				
Current:				
General government	-	-	-	34,070
Public safety	-	-	517,170	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	538,081	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	-	538,081	517,170	34,070
Excess (deficiency) of revenues over (under) expenditures	-	-	(220,898)	65,238
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	-	-	(220,898)	65,238
Fund Balances, Beginning as Reported	37,081	-	239,097	309,400
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	37,081	-	239,097	309,400
Fund Balances (Deficit), Ending	\$ 37,081	\$ -	\$ 18,199	\$ 374,638

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Reassessment 2015	Reassessment	Forfeiture Disbursement	Child Health & Other Services
Revenues				
Taxes:				
Property	\$ 504,726	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	20,654	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	106,256
Investment earnings	(10,197)	1,030	-	(1,145)
Other:				
Miscellaneous	11,445	-	29,629	180,560
Total revenues	<u>526,628</u>	<u>1,030</u>	<u>29,629</u>	<u>285,671</u>
Expenditures				
Current:				
General government	116	617,270	335	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	260,639
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>116</u>	<u>617,270</u>	<u>335</u>	<u>260,639</u>
Excess (deficiency) of revenues over (under) expenditures	<u>526,512</u>	<u>(616,240)</u>	<u>29,294</u>	<u>25,032</u>
Other Financing Sources (Uses)				
Transfers in	-	1,897,568	-	-
Transfers out	(1,897,568)	-	-	-
Total other financing sources and uses	<u>(1,897,568)</u>	<u>1,897,568</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,371,056)	1,281,328	29,294	25,032
Fund Balances, Beginning as Reported	1,376,951	-	11,881	165,759
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>1,376,951</u>	<u>-</u>	<u>11,881</u>	<u>165,759</u>
Fund Balances (Deficit), Ending	<u>\$ 5,895</u>	<u>\$ 1,281,328</u>	<u>\$ 41,175</u>	<u>\$ 190,791</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Animal Shelter</u>	<u>Statewide 911</u>	<u>Local Health Dept Trust</u>	<u>MVH Restricted</u>
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	60,120	2,968,612
Charges for services	-	1,839,061	-	-
Fines and forfeits	31,209	-	-	-
Investment earnings	-	(40,346)	-	(3,882)
Other:				
Miscellaneous	-	84,810	-	-
	<u>31,209</u>	<u>1,883,525</u>	<u>60,120</u>	<u>2,964,730</u>
Total revenues				
Expenditures				
Current:				
General government	-	-	-	-
Public safety	51,054	3,022,404	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	2,067,299
Health and welfare	-	-	78,138	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	219,892	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
	<u>51,054</u>	<u>3,242,296</u>	<u>78,138</u>	<u>2,067,299</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(19,845)</u>	<u>(1,358,771)</u>	<u>(18,018)</u>	<u>897,431</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses				
Net change in fund balances	(19,845)	(1,358,771)	(18,018)	897,431
Fund Balances, Beginning as Reported	25,348	5,928,254	119,412	866,047
Adjustment to fund balances (See Note 3)	-	-	-	-
	<u>25,348</u>	<u>5,928,254</u>	<u>119,412</u>	<u>866,047</u>
Fund Balances (Deficit), Beginning as Restated				
	<u>25,348</u>	<u>5,928,254</u>	<u>119,412</u>	<u>866,047</u>
Fund Balances (Deficit), Ending	<u>\$ 5,503</u>	<u>\$ 4,569,483</u>	<u>\$ 101,394</u>	<u>\$ 1,763,478</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Motor Vehicle Highway	Park Nonreverting Operating	Rainy Day	Identification Security Cty
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	2,968,612	2,749	-	-
Charges for services	366,422	8,612	-	38,977
Fines and forfeits	-	-	-	-
Investment earnings	(9,956)	-	-	(1,457)
Other:				
Miscellaneous	133,815	-	-	-
Total revenues	<u>3,458,893</u>	<u>11,361</u>	<u>-</u>	<u>37,520</u>
Expenditures				
Current:				
General government	-	-	-	60,624
Public safety	-	-	-	-
Economic development	-	-	-	-
Highways and streets	3,145,345	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	18,928	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	12,000	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>3,157,345</u>	<u>18,928</u>	<u>-</u>	<u>60,624</u>
Excess (deficiency) of revenues over (under) expenditures	<u>301,548</u>	<u>(7,567)</u>	<u>-</u>	<u>(23,104)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	301,548	(7,567)	-	(23,104)
Fund Balances, Beginning as Reported	1,665,759	39,718	14,016,091	196,539
Adjustment to fund balances (See Note 3)	-	-	(14,016,091)	-
Fund Balances (Deficit), Beginning as Restated	<u>1,665,759</u>	<u>39,718</u>	<u>-</u>	<u>196,539</u>
Fund Balances (Deficit), Ending	<u>\$ 1,967,307</u>	<u>\$ 32,151</u>	<u>\$ -</u>	<u>\$ 173,435</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Emergency Planning Com	Food & Beverage (County)	Health	GIS Database Fees
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ 1,335,412	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	2,804,713	93,263	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	465,762	-
Investment earnings	-	(48,082)	(7,055)	-
Other:				
Miscellaneous	10,809	119,304	186,076	29
Total revenues	<u>10,809</u>	<u>2,875,935</u>	<u>2,073,458</u>	<u>29</u>
Expenditures				
Current:				
General government	-	642,512	-	-
Public safety	4,456	-	-	-
Economic development	-	-	-	-
Highways and streets	-	25,000	-	-
Health and welfare	-	-	1,452,641	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	308,672	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>4,456</u>	<u>976,184</u>	<u>1,452,641</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,353</u>	<u>1,899,751</u>	<u>620,817</u>	<u>29</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	6,353	1,899,751	620,817	29
Fund Balances, Beginning as Reported	47,906	7,363,464	1,226,597	5,139
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>47,906</u>	<u>7,363,464</u>	<u>1,226,597</u>	<u>5,139</u>
Fund Balances (Deficit), Ending	<u>\$ 54,259</u>	<u>\$ 9,263,215</u>	<u>\$ 1,847,414</u>	<u>\$ 5,168</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Local Health Maintenance</u>	<u>Local Road and Street</u>	<u>Assessor's Disclosure Fees</u>	<u>Campaign Finance Enforcement</u>
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	36,336	2,072,960	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	43,895	-
Investment earnings	(2,393)	(12,566)	-	-
Other:				
Miscellaneous	-	-	300	125
Total revenues	<u>33,943</u>	<u>2,060,394</u>	<u>44,195</u>	<u>125</u>
Expenditures				
Current:				
General government	-	-	18,919	87
Public safety	-	-	-	-
Economic development	-	-	-	-
Highways and streets	-	901,144	-	-
Health and welfare	69,493	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	820,825	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>69,493</u>	<u>1,721,969</u>	<u>18,919</u>	<u>87</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,550)</u>	<u>338,425</u>	<u>25,276</u>	<u>38</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(35,550)</u>	<u>338,425</u>	<u>25,276</u>	<u>38</u>
Fund Balances, Beginning as Reported	343,137	1,895,661	98,083	1,625
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>343,137</u>	<u>1,895,661</u>	<u>98,083</u>	<u>1,625</u>
Fund Balances (Deficit), Ending	<u>\$ 307,587</u>	<u>\$ 2,234,086</u>	<u>\$ 123,359</u>	<u>\$ 1,663</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Child Advocacy</u>	<u>Clerk's Records Perpetuation</u>	<u>Direct Seller Fees</u>	<u>Regional Sewer Wage & Benefit</u>
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	294	-	-
Charges for services	1,446	47,139	-	-
Fines and forfeits	-	-	-	-
Investment earnings	-	(1,457)	-	-
Other:				
Miscellaneous	-	-	-	-
Total revenues	<u>1,446</u>	<u>45,976</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
General government	-	9,369	-	42,506
Public safety	-	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>-</u>	<u>9,369</u>	<u>-</u>	<u>42,506</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,446</u>	<u>36,607</u>	<u>-</u>	<u>(42,506)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(1,495)	-	-	-
Total other financing sources and uses	<u>(1,495)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(49)	36,607	-	(42,506)
Fund Balances, Beginning as Reported	1,495	185,149	250	41,637
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>1,495</u>	<u>185,149</u>	<u>250</u>	<u>41,637</u>
Fund Balances (Deficit), Ending	<u>\$ 1,446</u>	<u>\$ 221,756</u>	<u>\$ 250</u>	<u>\$ (869)</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Community Transitions Program	Engineers Copy Fees	Treasurer's Technology	Vending Revenue
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	101,712	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	-	-	-	-
Other:				
Miscellaneous	-	945	400	-
Total revenues	101,712	945	400	-
Expenditures				
Current:				
General government	-	-	1,476	-
Public safety	2,525	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	2,525	-	1,476	-
Excess (deficiency) of revenues over (under) expenditures	99,187	945	(1,076)	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	99,187	945	(1,076)	-
Fund Balances, Beginning as Reported	5,459	15,884	7,988	6,872
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	5,459	15,884	7,988	6,872
Fund Balances (Deficit), Ending	\$ 104,646	\$ 16,829	\$ 6,912	\$ 6,872

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Accident Report</u>	<u>Guardian Ad- Litem User Fee</u>	<u>CASA</u>
Revenues			
Taxes:			
Property	\$ -	\$ -	\$ -
Income	-	-	-
Other	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	-	72,956
Charges for services	9,470	-	-
Fines and forfeits	-	-	-
Investment earnings	-	-	-
Other:			
Miscellaneous	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>9,470</u>	<u>-</u>	<u>72,956</u>
Expenditures			
Current:			
General government	-	-	-
Public safety	1,625	-	-
Economic development	-	-	-
Highways and streets	-	-	-
Health and welfare	-	-	91,593
Culture and recreation	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Capital lease	-	-	-
Capital outlay:			
General government	-	-	-
Public safety	-	-	-
Highways and streets	-	-	-
Health and welfare	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,625</u>	<u>-</u>	<u>91,593</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,845</u>	<u>-</u>	<u>(18,637)</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	7,845	-	(18,637)
Fund Balances, Beginning as Reported	11,763	7,858	158,252
Adjustment to fund balances (See Note 3)	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit), Beginning as Restated	<u>11,763</u>	<u>7,858</u>	<u>158,252</u>
Fund Balances (Deficit), Ending	<u>\$ 19,608</u>	<u>\$ 7,858</u>	<u>\$ 139,615</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Auditor Ineligible Deduction</u>	<u>Elected Official Training</u>	<u>Prosecutor - Forfeiture</u>	<u>Development Grants</u>
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	1,000,000
Charges for services	-	38,977	-	-
Fines and forfeits	-	-	-	-
Investment earnings	-	(1,353)	-	-
Other:				
Miscellaneous	-	451	30,591	3,750
	<u>-</u>	<u>38,075</u>	<u>30,591</u>	<u>1,003,750</u>
Total revenues	<u>-</u>	<u>38,075</u>	<u>30,591</u>	<u>1,003,750</u>
Expenditures				
Current:				
General government	-	3,616	-	-
Public safety	-	-	45,001	-
Economic development	-	-	-	4,631
Highways and streets	-	-	-	1,000,000
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
	<u>-</u>	<u>3,616</u>	<u>45,001</u>	<u>1,004,631</u>
Total expenditures	<u>-</u>	<u>3,616</u>	<u>45,001</u>	<u>1,004,631</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>34,459</u>	<u>(14,410)</u>	<u>(881)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	34,459	(14,410)	(881)
Fund Balances, Beginning as Reported	2,777	181,270	46,049	2,463
Adjustment to fund balances (See Note 3)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit), Beginning as Restated	<u>2,777</u>	<u>181,270</u>	<u>46,049</u>	<u>2,463</u>
Fund Balances (Deficit), Ending	<u>\$ 2,777</u>	<u>\$ 215,729</u>	<u>\$ 31,639</u>	<u>\$ 1,582</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Drain Maintenance</u>	<u>Health and Welfare Grants</u>	<u>Public Safety Funds</u>	<u>Public Safety Grants</u>
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	129,194	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	533,617	805,375	363,644
Charges for services	1,188,422	380	93,764	-
Fines and forfeits	-	-	338,268	-
Investment earnings	(36,833)	(1,561)	(7,595)	(936)
Other:				
Miscellaneous	38,170	398	74,747	3,756
Total revenues	<u>1,318,953</u>	<u>532,834</u>	<u>1,304,559</u>	<u>366,464</u>
Expenditures				
Current:				
General government	-	-	-	3,750
Public safety	-	4,939	1,284,511	460,247
Economic development	-	-	-	-
Highways and streets	-	-	-	5,000
Health and welfare	805,457	591,406	-	5,000
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	49,134	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>805,457</u>	<u>596,345</u>	<u>1,333,645</u>	<u>473,997</u>
Excess (deficiency) of revenues over (under) expenditures	<u>513,496</u>	<u>(63,511)</u>	<u>(29,086)</u>	<u>(107,533)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(55)	-	-	-
Total other financing sources and uses	<u>(55)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	513,441	(63,511)	(29,086)	(107,533)
Fund Balances, Beginning as Reported	3,586,897	276,336	1,499,854	322,546
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>3,586,897</u>	<u>276,336</u>	<u>1,499,854</u>	<u>322,546</u>
Fund Balances (Deficit), Ending	<u>\$ 4,100,338</u>	<u>\$ 212,825</u>	<u>\$ 1,470,768</u>	<u>\$ 215,013</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	CARES Grant		LOIT Special	
	Funds	Title IV-D Grants	Distribution	Jurismonitor
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	183,878	95,850	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	-	(1,873)	(42,005)	-
Other:				
Miscellaneous	-	-	-	-
Total revenues	183,878	93,977	(42,005)	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	106,747	89,108	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	44,626	-	-	-
Total expenditures	151,373	89,108	-	-
Excess (deficiency) of revenues over (under) expenditures	32,505	4,869	(42,005)	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	32,505	4,869	(42,005)	-
Fund Balances, Beginning as Reported	-	330,477	6,029,033	11,730
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	-	330,477	6,029,033	11,730
Fund Balances (Deficit), Ending	\$ 32,505	\$ 335,346	\$ 5,987,028	\$ 11,730

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Ad Probation User Fee	Juvenile Probation Fees	Theft Class	Alternative Dispute Res
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	304,033	8,910	2,821	82,568
Investment earnings	(4,162)	-	-	(1,040)
Other:				
Miscellaneous	3,345	-	-	-
Total revenues	<u>303,216</u>	<u>8,910</u>	<u>2,821</u>	<u>81,528</u>
Expenditures				
Current:				
General government	-	-	-	72,731
Public safety	203,963	19,714	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	22,825	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>226,788</u>	<u>19,714</u>	<u>-</u>	<u>72,731</u>
Excess (deficiency) of revenues over (under) expenditures	<u>76,428</u>	<u>(10,804)</u>	<u>2,821</u>	<u>8,797</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	76,428	(10,804)	2,821	8,797
Fund Balances, Beginning as Reported	554,651	43,510	10,280	136,603
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>554,651</u>	<u>43,510</u>	<u>10,280</u>	<u>136,603</u>
Fund Balances (Deficit), Ending	<u>\$ 631,079</u>	<u>\$ 32,706</u>	<u>\$ 13,101</u>	<u>\$ 145,400</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Hunt Palmer Fund/Park Donation	New Animal Shelter Donations	Sheriff Donations	Gibbs/Sodalis
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	-	-	-	(1,561)
Other:				
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,561)</u>
Expenditures				
Current:				
General government	-	-	1,225	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	129	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>129</u>	<u>-</u>	<u>1,225</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(129)</u>	<u>-</u>	<u>(1,225)</u>	<u>(1,561)</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(129)</u>	<u>-</u>	<u>(1,225)</u>	<u>(1,561)</u>
Fund Balances, Beginning as Reported	129	16,588	1,225	198,376
Adjustment to fund balances (See Note 3)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit), Beginning as Restated	<u>129</u>	<u>16,588</u>	<u>1,225</u>	<u>198,376</u>
Fund Balances (Deficit), Ending	<u>\$ -</u>	<u>\$ 16,588</u>	<u>\$ -</u>	<u>\$ 196,815</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	<u>Local Cum Jail</u>	<u>Victims Asst Donations</u>	<u>Drainage Bd Application Fees</u>	<u>Survey Plot Plan</u>
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	3,100
Charges for services	-	-	-	1,000
Fines and forfeits	-	-	95,000	25,200
Investment earnings	(5,202)	-	(1,769)	-
Other:				
Miscellaneous	-	-	-	-
Total revenues	<u>(5,202)</u>	<u>-</u>	<u>93,231</u>	<u>29,300</u>
Expenditures				
Current:				
General government	-	-	-	7,644
Public safety	-	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	181,384	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>181,384</u>	<u>7,644</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,202)</u>	<u>-</u>	<u>(88,153)</u>	<u>21,656</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(5,202)</u>	<u>-</u>	<u>(88,153)</u>	<u>21,656</u>
Fund Balances, Beginning as Reported	<u>674,662</u>	<u>162</u>	<u>225,272</u>	<u>28,900</u>
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>674,662</u>	<u>162</u>	<u>225,272</u>	<u>28,900</u>
Fund Balances (Deficit), Ending	<u>\$ 669,460</u>	<u>\$ 162</u>	<u>\$ 137,119</u>	<u>\$ 50,556</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	97.047 Pre- Disaster Mitigation	20.526 LINK Capital	93.788 Opioid STR	Probation Community Correction
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	3,717	221,830	-	162,003
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	-	-	-	-
Other:				
Miscellaneous	-	-	-	-
Total revenues	3,717	221,830	-	162,003
Expenditures				
Current:				
General government	-	-	-	-
Public safety	7,891	221,830	-	168,751
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	7,891	221,830	-	168,751
Excess (deficiency) of revenues over (under) expenditures	(4,174)	-	-	(6,748)
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balances	(4,174)	-	-	(6,748)
Fund Balances, Beginning as Reported	4,174	-	60,000	15,443
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	4,174	-	60,000	15,443
Fund Balances (Deficit), Ending	\$ -	\$ -	\$ 60,000	\$ 8,695

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Youth Assistance Program	Bridge - Inspection	Immunization COOP Agreement	Immunization & Vaccine for Child COVID
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-
Other	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	7,483	48,495	39,740
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Investment earnings	-	-	-	-
Other:				
Miscellaneous	155,000	-	-	-
Total revenues	<u>155,000</u>	<u>7,483</u>	<u>48,495</u>	<u>39,740</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	70,109	-	-	-
Economic development	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	20,131	33,423
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital lease	-	-	-	-
Capital outlay:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Total expenditures	<u>70,109</u>	<u>-</u>	<u>20,131</u>	<u>33,423</u>
Excess (deficiency) of revenues over (under) expenditures	<u>84,891</u>	<u>7,483</u>	<u>28,364</u>	<u>6,317</u>
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	84,891	7,483	28,364	6,317
Fund Balances, Beginning as Reported	75,453	-	-	-
Adjustment to fund balances (See Note 3)	-	-	-	-
Fund Balances (Deficit), Beginning as Restated	<u>75,453</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit), Ending	<u>\$ 160,344</u>	<u>\$ 7,483</u>	<u>\$ 28,364</u>	<u>\$ 6,317</u>

Hendricks County, IndianaStatement of Revenues, Expenses and Changes in
Fund Net Position - Special Revenue Funds
Year Ended December 31, 2021

	Transportation	
	Grants	Total
Revenues		
Taxes:		
Property	\$ -	\$ 1,840,138
Income	-	6,388,667
Other	-	129,194
Licenses and permits	-	114,296
Intergovernmental	836,108	20,434,531
Charges for services	-	4,713,391
Fines and forfeits	-	1,739,692
Investment earnings	-	(404,973)
Other:		
Miscellaneous	-	2,672,788
	<u>836,108</u>	<u>37,627,724</u>
Total revenues	<u>836,108</u>	<u>37,627,724</u>
Expenditures		
Current:		
General government	-	2,316,446
Public safety	-	8,194,182
Economic development	-	1,491,502
Highways and streets	-	8,078,087
Health and welfare	836,108	4,621,397
Culture and recreation	-	4,219,044
Debt service:		
Principal	-	1,017,646
Interest	-	261,381
Capital lease	-	278,464
Capital outlay:		
General government	-	408,812
Public safety	-	183,212
Highways and streets	-	1,141,497
Health and welfare	-	44,626
	<u>836,108</u>	<u>32,256,296</u>
Total expenditures	<u>836,108</u>	<u>32,256,296</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>5,371,428</u>
Other Financing Sources (Uses)		
Transfers in	-	3,845,167
Transfers out	-	(1,899,118)
	<u>-</u>	<u>1,946,049</u>
Total other financing sources and uses	<u>-</u>	<u>1,946,049</u>
Net change in fund balances	-	7,317,477
Fund Balances, Beginning as Reported	-	71,657,188
Adjustment to fund balances (See Note 3)	-	(14,016,091)
	<u>-</u>	<u>57,641,097</u>
Fund Balances (Deficit), Beginning as Restated	<u>-</u>	<u>57,641,097</u>
Fund Balances (Deficit), Ending	<u>\$ -</u>	<u>\$ 64,958,574</u>

Hendricks County, Indiana

Combining Balance Sheet - Debt Service Funds
December 31, 2021

	TIF Collection- Pittsboro	GO Bond - E911	Fairground Lease	Bank Loan - E911	Work Release GOB	Wheel & Excise Tax Co Portion	Trans Rev Bond Reserve 2009	Redevelopment Authority	Fairground Building Corporation	Trans Rev Bond Reserve 2012	Total
Assets											
Receivables:											
Taxes	\$ -	\$ -	\$ 1,392,037	\$ 1,577,396	\$ 471,212	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,440,645
Intergovernmental	-	-	47,686	54,960	16,165	-	-	-	-	-	118,811
Restricted:											
Cash and cash equivalents	1,387,751	3,653	724,965	737	230,452	1,774,638	518,000	-	774,524	274,000	5,688,720
Investments	1,441,939	-	-	-	-	1,833,771	-	-	-	-	3,275,710
Interfund receivable:											
Interfund receivables	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 2,829,690	\$ 3,653	\$ 2,164,688	\$ 1,633,093	\$ 717,829	\$ 3,608,409	\$ 518,000	\$ -	\$ 774,524	\$ 274,000	\$ 12,523,886
Liabilities, Deferred Inflows of Resources, and Fund Balances											
Liabilities											
Accounts payable	\$ 28,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,058
Total liabilities	28,058	-	-	-	-	-	-	-	-	-	28,058
Deferred inflows of resources											
Unavailable revenue	-	-	1,439,723	1,632,356	487,377	-	-	-	-	-	3,559,456
Total deferred inflows of resources	-	-	1,439,723	1,632,356	487,377	-	-	-	-	-	3,559,456
Fund Balances											
Restricted	2,801,632	3,653	724,965	737	230,452	3,608,409	518,000	-	774,524	274,000	8,936,372
Total fund balances	2,801,632	3,653	724,965	737	230,452	3,608,409	518,000	-	774,524	274,000	8,936,372
Total liabilities, deferred inflows of resources and fund balances	\$ 2,829,690	\$ 3,653	\$ 2,164,688	\$ 1,633,093	\$ 717,829	\$ 3,608,409	\$ 518,000	\$ -	\$ 774,524	\$ 274,000	\$ 12,523,886

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in Fund Balances - Debt Service Funds
 Year Ended December 31, 2021

	TIF Collection- Pittsboro	GO Bond - E911	Fairground Lease	Bank Loan - E911	Work Release GOB	Wheel & Excise Tax Co Portion	Trans Rev Bond Reserve 2009	Redevelopment Authority	Fairground Building Corporation	Trans Rev Bond Reserve 2012	Total
Revenues											
Taxes:											
Property	\$ 3,297,328	\$ -	\$ 1,342,949	\$ 281,205	\$ 425,342	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,346,824
Intergovernmental	-	-	81,996	15,648	25,663	1,187,324	-	-	-	-	1,310,631
Investment earnings	(18,412)	-	(5,306)	-	(1,769)	(21,130)	(4,058)	44	10	(2,185)	(52,806)
Other:											
Miscellaneous	-	-	-	-	-	12,540	-	-	-	-	12,540
Total revenues	3,278,916	-	1,419,639	296,853	449,236	1,178,734	(4,058)	44	10	(2,185)	6,617,189
Expenditures											
Current:											
General government	-	-	-	-	-	44,479	-	-	-	-	44,479
Public safety	-	17,189	-	-	-	-	-	-	-	-	17,189
Economic development	-	-	-	-	-	-	-	1,510	-	-	1,510
Highways and streets	1,040,502	-	-	-	-	-	-	-	-	-	1,040,502
Debt service:											
Principal	-	-	-	352,883	400,000	295,000	-	2,900,000	1,140,000	265,000	5,352,883
Interest	-	-	-	4,325	67,750	105,071	-	41,888	301,312	22,200	542,546
Capital outlay:											
Highways and streets	1,178,306	-	-	-	-	-	-	-	-	-	1,178,306
Total expenditures	2,218,808	17,189	-	357,208	467,750	444,550	-	2,943,398	1,441,312	287,200	8,177,415
Excess (deficiency) of revenues over (under) expenditures	1,060,108	(17,189)	1,419,639	(60,355)	(18,514)	734,184	(4,058)	(2,943,354)	(1,441,302)	(289,385)	(1,560,226)
Other Financing Sources (Uses)											
Transfers in	-	-	-	-	-	-	-	928,756	1,446,000	287,200	2,661,956
Transfers out	(928,756)	-	(1,446,000)	-	-	(287,200)	-	-	-	-	(2,661,956)
Total other financing sources and uses	(928,756)	-	(1,446,000)	-	-	(287,200)	-	928,756	1,446,000	287,200	-
Net change in fund balances	131,352	(17,189)	(26,361)	(60,355)	(18,514)	446,984	(4,058)	(2,014,598)	4,698	(2,185)	(1,560,226)
Fund Balances, Beginning	2,670,280	20,842	751,326	61,092	248,966	3,161,425	522,058	2,014,598	769,826	276,185	10,496,598
Fund Balances, Ending	\$ 2,801,632	\$ 3,653	\$ 724,965	\$ 737	\$ 230,452	\$ 3,608,409	\$ 518,000	\$ -	\$ 774,524	\$ 274,000	\$ 8,936,372

Hendricks County, Indiana

Combining Balance Sheet - Capital Projects Funds

December 31, 2021

	General Drain Improvement	Major Bridge	Park Nonreverting Capital	Cumulative Capital Development	Correctional Facility	TIF Collection- Guilford/Heart	TIF Collect- Westpoint	TIF Collect - 70 West
Assets								
Cash and cash equivalents	\$ 893,423	\$ 4,261,673	\$ 623,944	\$ 4,224,597	\$ 5,699,781	\$ 827,333	\$ 495	\$ 451,878
Investments	916,885	4,412,021	-	4,365,001	5,885,307	-	-	-
Receivables:								
Taxes	764,251	3,559,566	-	3,559,566	-	-	-	-
Interest	1,029	-	-	-	-	-	-	-
Intergovernmental	29,097	134,572	-	134,572	-	-	-	-
Interfund receivable:								
Interfund receivables	1,326,929	-	-	-	-	-	-	-
Total assets	\$ 3,931,614	\$ 12,367,832	\$ 623,944	\$ 12,283,736	\$ 11,585,088	\$ 827,333	\$ 495	\$ 451,878
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ -	\$ 6,577	\$ -	\$ 53,124	\$ 160,967	\$ 900	\$ -	\$ -
Accrued payroll and withholdings payable	-	-	-	-	-	-	-	-
Total liabilities	-	6,577	-	53,124	160,967	900	-	-
Deferred Inflows of Resources								
Unavailable revenue	793,348	3,694,138	-	3,694,138	-	-	-	-
Total deferred inflows of resources	793,348	3,694,138	-	3,694,138	-	-	-	-
Fund Balances								
Restricted	3,138,266	8,667,117	623,944	8,536,474	11,424,121	826,433	495	451,878
Total fund balances	3,138,266	8,667,117	623,944	8,536,474	11,424,121	826,433	495	451,878
Total liabilities, deferred inflows of resources and fund balances	\$ 3,931,614	\$ 12,367,832	\$ 623,944	\$ 12,283,736	\$ 11,585,088	\$ 827,333	\$ 495	\$ 451,878

Hendricks County, Indiana

Combining Balance Sheet - Capital Projects Funds

December 31, 2021

	Cumulative Bridge	TIF Collections- 70/39 Commerce	TIF Heartland Bond Reserve '15	TIF Collect- Hendricks Gateway	TIF - Collections	2021 GO Bond Proceeds	Capital Project Funds	Total
Assets								
Cash and cash equivalents	\$ 2,923,281	\$ 93,137	\$ -	\$ 350,000	\$ 118	\$ 2,768,040	\$ 1,018,134	\$ 24,135,834
Investments	3,017,101	-	-	-	-	2,860,369	-	21,456,684
Receivables:								
Taxes	4,810,224	-	-	-	-	-	-	12,693,607
Interest	4,396	-	-	-	-	1,442	-	6,867
Intergovernmental	181,854	-	-	-	-	-	-	480,095
Interfund receivable:								
Interfund receivables	-	-	-	-	-	-	-	1,326,929
Total assets	\$ 10,936,856	\$ 93,137	\$ -	\$ 350,000	\$ 118	\$ 5,629,851	\$ 1,018,134	\$ 60,100,016
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ 558,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,349	\$ 788,698
Accrued payroll and withholdings payable	11,332	-	-	-	-	-	2,207	13,539
Total liabilities	570,113	-	-	-	-	-	10,556	802,237
Deferred Inflows of Resources								
Unavailable revenue	4,992,078	-	-	-	-	-	-	13,173,702
Total deferred inflows of resources	4,992,078	-	-	-	-	-	-	13,173,702
Fund Balances								
Restricted	5,374,665	93,137	-	350,000	118	5,629,851	1,007,578	46,124,077
Total fund balances	5,374,665	93,137	-	350,000	118	5,629,851	1,007,578	46,124,077
Total liabilities, deferred inflows of resources and fund balances	\$ 10,936,856	\$ 93,137	\$ -	\$ 350,000	\$ 118	\$ 5,629,851	\$ 1,018,134	\$ 60,100,016

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Balance - Capital Projects Funds
Year Ended December 31, 2021

	General Drain Improvement	Major Bridge	Park Nonreverting Capital	Cumulative Capital Development	Correctional Facility	TIF Collection- Guilford/Heart	TIF Collect- Westpoint	TIF Collect - 70 West
Revenues								
Taxes:								
Property	\$ 431,409	\$ 3,111,786	\$ -	\$ 3,063,816	\$ -	\$ 11,388	\$ 61,341	\$ 992,426
Income	-	-	-	-	11,100,403	-	-	-
Intergovernmental	28,166	275,726	-	208,745	-	-	-	-
Charges for services	24,307	-	91,055	-	-	-	-	-
Investment earnings	(5,719)	(34,007)	(4,162)	(46,151)	(30,217)	(21,642)	-	(3,330)
Other:	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	704	25,274	-	-	-
Total revenues	<u>478,163</u>	<u>3,353,505</u>	<u>86,893</u>	<u>3,227,114</u>	<u>11,095,460</u>	<u>(10,254)</u>	<u>61,341</u>	<u>989,096</u>
Expenditures								
Current:								
General government	-	-	-	978,336	-	-	-	-
Public safety	-	-	-	-	1,078,354	-	-	-
Highways and streets	-	21,859	-	-	-	9,582	4,505	1,531,423
Health and welfare	24,181	-	-	-	-	1,481,144	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	447,500	-	-
Interest	-	-	-	-	-	4,434	61,341	2,060
Bond issue costs	-	-	-	-	-	-	-	225,250
Capital outlay:								
General government	-	-	-	426,590	-	-	-	-
Public safety	-	-	-	-	2,243,481	-	-	-
Highways and streets	-	-	-	263,861	-	-	-	-
Total expenditures	<u>24,181</u>	<u>21,859</u>	<u>-</u>	<u>1,668,787</u>	<u>3,321,835</u>	<u>1,942,660</u>	<u>65,846</u>	<u>1,758,733</u>
Excess (deficiency) of revenues over (under) expenditures	<u>453,982</u>	<u>3,331,646</u>	<u>86,893</u>	<u>1,558,327</u>	<u>7,773,625</u>	<u>(1,952,914)</u>	<u>(4,505)</u>	<u>(769,637)</u>
Other Financing Sources (Uses)								
Bond proceeds	-	-	-	-	-	-	-	4,176,820
Premium on bond issued	-	-	-	-	-	-	-	-
Payments on refunded debt	-	-	-	-	-	-	-	(1,436,753)
Transfers in	55	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	(1,947,599)
Total other financing sources and uses	<u>55</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>792,468</u>
Net change in fund balances	454,037	3,331,646	86,893	1,558,327	7,773,625	(1,952,914)	(4,505)	22,831
Fund Balances, Beginning	<u>2,684,229</u>	<u>5,335,471</u>	<u>537,051</u>	<u>6,978,147</u>	<u>3,650,496</u>	<u>2,779,347</u>	<u>5,000</u>	<u>429,047</u>
Fund Balances, Ending	<u>\$ 3,138,266</u>	<u>\$ 8,667,117</u>	<u>\$ 623,944</u>	<u>\$ 8,536,474</u>	<u>\$ 11,424,121</u>	<u>\$ 826,433</u>	<u>\$ 495</u>	<u>\$ 451,878</u>

Hendricks County, Indiana

Statement of Revenues, Expenses and Changes in
Fund Balance - Capital Projects Funds
Year Ended December 31, 2021

	Cumulative Bridge	TIF Collections- 70/39 Commerce	TIF Heartland Bond Reserve '15	TIF Collect- Hendricks Gateway	TIF - Collections	2021 GO Bond Proceeds	Capital Project Funds	Total
Revenues								
Taxes:								
Property Income	\$ 4,164,878	\$ 93,874	\$ -	\$ -	\$ 118	\$ -	\$ -	\$ 11,931,036
Intergovernmental	350,285	-	-	-	-	-	1,187,324	2,050,246
Charges for services	-	-	-	-	-	-	-	115,362
Investment earnings	(26,705)	-	(2,184)	(2,705)	-	6,531	(9,052)	(179,343)
Other:	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	269,040	295,018
Total revenues	4,488,458	93,874	(2,184)	(2,705)	118	6,531	1,447,312	25,312,722
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	978,336
Public safety	-	-	-	-	-	-	56,749	1,135,103
Highways and streets	5,791,516	50,152	-	-	-	10,000	1,200,000	8,619,037
Health and welfare	-	-	-	-	-	-	-	1,505,325
Culture and recreation	-	-	-	-	-	-	395,926	395,926
Debt service:								
Principal	-	-	282,500	-	-	-	-	730,000
Interest	-	-	-	-	-	-	-	67,835
Bond issue costs	-	-	-	-	-	96,945	-	322,195
Capital outlay:								
General government	-	-	-	2,327,297	-	-	-	2,753,887
Public safety	-	-	-	-	-	-	-	2,243,481
Highways and streets	756,244	-	-	-	-	-	-	1,020,105
Total expenditures	6,547,760	50,152	282,500	2,327,297	-	106,945	1,652,675	19,771,230
Excess (deficiency) of revenues over (under) expenditures	(2,059,302)	43,722	(284,684)	(2,330,002)	118	(100,414)	(205,363)	5,541,492
Other Financing Sources (Uses)								
Bond proceeds	-	-	-	2,327,297	-	5,575,000	-	12,079,117
Premium on bond issued	-	-	-	-	-	155,265	-	155,265
Payments on refunded debt	-	-	-	-	-	-	-	(1,436,753)
Transfers in	-	-	-	-	-	-	-	55
Transfers out	-	-	-	-	-	-	-	(1,947,599)
Total other financing sources and uses	-	-	-	2,327,297	-	5,730,265	-	8,850,085
Net change in fund balances	(2,059,302)	43,722	(284,684)	(2,705)	118	5,629,851	(205,363)	14,391,577
Fund Balances, Beginning	7,433,967	49,415	284,684	352,705	-	-	1,212,941	31,732,500
Fund Balances, Ending	\$ 5,374,665	\$ 93,137	\$ -	\$ 350,000	\$ 118	\$ 5,629,851	\$ 1,007,578	\$ 46,124,077

Hendricks County, Indiana

Combining Statement of Fiduciary Net Position - Pension Trust Funds

December 31, 2021

	<u>Sheriff Pension Trust</u>	<u>Sheriff Retirement Plan</u>	<u>Sheriff Benefit Plan</u>	<u>Total Pension Trust Funds</u>
Assets				
Cash and cash equivalents	\$ 66,698	\$ 388,519	\$ 95,299	\$ 550,516
Receivables:				
Employee contributions	-	4,820	-	4,820
Accrued interest and dividends	-	249,568	15,697	265,265
Accounts	7,933	-	-	7,933
Total receivables	<u>7,933</u>	<u>254,388</u>	<u>15,697</u>	<u>278,018</u>
Investments at fair value:				
Fixed income securities	-	5,061,215	283,806	5,345,021
Domestic and foreign equities	-	14,416,043	837,960	15,254,003
Total Investments	<u>-</u>	<u>19,477,258</u>	<u>1,121,766</u>	<u>20,599,024</u>
Total assets	<u>74,631</u>	<u>20,120,165</u>	<u>1,232,762</u>	<u>21,427,558</u>
Liabilities				
Due to broker for unsettled trades	-	13,672	812	14,484
Total liabilities	<u>-</u>	<u>13,672</u>	<u>812</u>	<u>14,484</u>
Net position restricted for pensions	<u>\$ 74,631</u>	<u>\$ 20,106,493</u>	<u>\$ 1,231,950</u>	<u>\$ 21,413,074</u>

Hendricks County, Indiana

Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds
 Year Ended December 31, 2021

	<u>Sheriff Pension Trust</u>	<u>Sheriff Retirement Plan</u>	<u>Sheriff Benefit Plan</u>	<u>Total Pension Trust Funds</u>
Additions				
Contributions:				
Employer contributions	\$ 91,290	\$ 1,209,187	\$ 111,913	\$ 1,412,390
Employee contributions	<u>-</u>	<u>113,455</u>	<u>-</u>	<u>113,455</u>
Total contributions and transfers	<u>91,290</u>	<u>1,322,642</u>	<u>111,913</u>	<u>1,525,845</u>
Investment income:				
Interest	-	1,204,684	71,265	1,275,949
Net Increase in fair value of investments	-	1,438,985	75,497	1,514,482
Less investment expense, other than securities lending	<u>-</u>	<u>(85,550)</u>	<u>(4,921)</u>	<u>(90,471)</u>
Total investment income	<u>-</u>	<u>2,558,119</u>	<u>141,841</u>	<u>2,699,960</u>
Total additions	<u>91,290</u>	<u>3,880,761</u>	<u>253,754</u>	<u>4,225,805</u>
Deductions				
Benefit payments (including refunds of employee contributions)	-	1,153,320	64,336	1,217,656
Other trust activities	121,823	-	30	121,853
Administrative expense	<u>-</u>	<u>39,714</u>	<u>23,873</u>	<u>63,587</u>
Total deductions	<u>121,823</u>	<u>1,193,034</u>	<u>88,239</u>	<u>1,403,096</u>
Change in fiduciary net position	(30,533)	2,687,727	165,515	2,822,709
Net Position, Beginning	<u>105,164</u>	<u>17,418,766</u>	<u>1,066,435</u>	<u>18,590,365</u>
Net Position, Ending	<u>\$ 74,631</u>	<u>\$ 20,106,493</u>	<u>\$ 1,231,950</u>	<u>\$ 21,413,074</u>

Hendricks County, Indiana

Combining Statement of Fiduciary Net Position -
Custodial Funds
December 31, 2021

	<u>After Settlement Collections</u>	<u>Sheriff Inmate Trust</u>	<u>Clerk Trust</u>	<u>Auditor FSA/HSA</u>	<u>Surplus Property Tax</u>	<u>Convention and Tourism</u>	<u>Omitted Property Audits</u>
Assets							
Cash and cash equivalents	\$ 9,322,506	\$ 33,826	\$ 2,590,168	\$ 556,575	\$ 1,357,510	\$ 297,768	\$ 112,333
Receivables:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Total receivables	-	-	-	-	-	-	-
Total assets	<u>9,322,506</u>	<u>33,826</u>	<u>2,590,168</u>	<u>556,575</u>	<u>1,357,510</u>	<u>297,768</u>	<u>112,333</u>
Liabilities							
Accounts payable and other liabilities	<u>9,322,506</u>	-	-	<u>556,575</u>	<u>1,357,510</u>	-	<u>112,333</u>
Total liabilities	<u>9,322,506</u>	-	-	<u>556,575</u>	<u>1,357,510</u>	-	<u>112,333</u>
Deferred Inflows							
Uncollected taxes	-	-	-	-	-	-	-
Net position, restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>\$ 33,826</u>	<u>\$ 2,590,168</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 297,768</u>	<u>\$ -</u>

Hendricks County, Indiana

Combining Statement of Fiduciary Net Position -
Custodial Funds
December 31, 2021

	SETTLEMENT	City and Town Court Costs	Clearing To Be Determined	Partnership for Water Quality	Economic Dev Service	Bid Deposits and Bonds Holding	Tax Sale Redemption
Assets							
Cash and cash equivalents	\$ -	\$ 8,167	\$ 215	\$ 75,411	\$ 7,000	\$ 86,606	\$ -
Receivables:							
Taxes	221,568,823	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Accounts	-	1,562	1,023	-	4,500	-	-
Total receivables	<u>221,568,823</u>	<u>1,562</u>	<u>1,023</u>	<u>-</u>	<u>4,500</u>	<u>-</u>	<u>-</u>
Total assets	<u>221,568,823</u>	<u>9,729</u>	<u>1,238</u>	<u>75,411</u>	<u>11,500</u>	<u>86,606</u>	<u>-</u>
Liabilities							
Accounts payable and other liabilities	-	-	1,238	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>1,238</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows							
Uncollected taxes	<u>221,568,823</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position, restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>\$ 9,729</u>	<u>\$ -</u>	<u>\$ 75,411</u>	<u>\$ 11,500</u>	<u>\$ 86,606</u>	<u>\$ -</u>

Hendricks County, Indiana

Combining Statement of Fiduciary Net Position -
Custodial Funds
December 31, 2021

	<u>Tax Sale Surplus</u>	<u>Agency Fines and Fees</u>	<u>Agency LIT Funds</u>	<u>Agency Tax Funds</u>	<u>Total Custodial Funds</u>
Assets					
Cash and cash equivalents	\$ 2,465,749	\$ 74,809	\$ 11,208,945	\$ 1,306	\$ 28,198,894
Receivables:					
Taxes	-	-	20,425,470	-	241,994,293
Intergovernmental	-	459,955	-	2,685,900	3,145,855
Accounts	-	7,557	-	-	14,642
Total receivables	<u>-</u>	<u>467,512</u>	<u>20,425,470</u>	<u>2,685,900</u>	<u>245,154,790</u>
Total assets	<u>2,465,749</u>	<u>542,321</u>	<u>31,634,415</u>	<u>2,687,206</u>	<u>273,353,684</u>
Liabilities					
Accounts payable and other liabilities	<u>2,465,749</u>	<u>45</u>	<u>31,634,415</u>	<u>2,687,206</u>	<u>48,137,577</u>
Total liabilities	<u>2,465,749</u>	<u>45</u>	<u>31,634,415</u>	<u>2,687,206</u>	<u>48,137,577</u>
Deferred Inflows					
Uncollected taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221,568,823</u>
Net position, restricted for individuals, organizations and other governments	<u>\$ -</u>	<u>\$ 542,276</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,647,284</u>

Hendricks County, Indiana

Combining Statement of Changes in Fiduciary Net Position -
Custodial Funds
Year Ended December 31, 2021

	After Settlement Collections	Sheriff Inmate Trust	Clerk Trust	Auditor FSA/HSA	Surplus Property Tax	Convention and Tourism	Omitted Property Audits
Additions							
Taxes collected for other governments	\$ -	\$ -	\$ -	\$ -	\$ 973,165	\$ 2,849,319	\$ -
Collections for other governments	-	-	-	-	-	-	-
Miscellaneous	<u>9,322,506</u>	<u>842,306</u>	<u>10,504,840</u>	<u>900,043</u>	<u>-</u>	<u>-</u>	<u>5,078</u>
Total additions	<u>9,322,506</u>	<u>842,306</u>	<u>10,504,840</u>	<u>900,043</u>	<u>973,165</u>	<u>2,849,319</u>	<u>5,078</u>
Deductions							
Taxes distributed to other governments	-	-	-	-	-	-	-
Other trust activities	<u>9,322,506</u>	<u>836,995</u>	<u>12,763,438</u>	<u>900,043</u>	<u>973,165</u>	<u>2,874,033</u>	<u>5,078</u>
Total deductions	<u>9,322,506</u>	<u>836,995</u>	<u>12,763,438</u>	<u>900,043</u>	<u>973,165</u>	<u>2,874,033</u>	<u>5,078</u>
Change in fiduciary net position	<u>-</u>	<u>5,311</u>	<u>(2,258,598)</u>	<u>-</u>	<u>-</u>	<u>(24,714)</u>	<u>-</u>
Net Position, Beginning as Previously Stated	-	-	-	-	-	-	-
Adjustment to net position (See Note 3)	<u>-</u>	<u>28,515</u>	<u>4,848,766</u>	<u>-</u>	<u>-</u>	<u>322,482</u>	<u>-</u>
Net Position, Beginning as Adjusted	<u>-</u>	<u>28,515</u>	<u>4,848,766</u>	<u>-</u>	<u>-</u>	<u>322,482</u>	<u>-</u>
Net Position, Ending	<u>\$ -</u>	<u>\$ 33,826</u>	<u>\$ 2,590,168</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 297,768</u>	<u>\$ -</u>

Hendricks County, Indiana

Combining Statement of Changes in Fiduciary Net Position -
Custodial Funds
Year Ended December 31, 2021

	<u>SETTLEMENT</u>	<u>City and Town Court Costs</u>	<u>Clearing To Be Determined</u>	<u>Partnership for Water Quality</u>	<u>Economic Dev Service</u>	<u>Bid Deposits and Bonds Holding</u>	<u>Tax Sale Redemption</u>
Additions							
Taxes collected for other governments	\$ 34,885,725	\$ 17,944	\$ 13,239	\$ 12,000	\$ -	\$ -	\$ 34,374
Collections for other governments	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	59,400	1,200	-
Total additions	<u>34,885,725</u>	<u>17,944</u>	<u>13,239</u>	<u>12,000</u>	<u>59,400</u>	<u>1,200</u>	<u>34,374</u>
Deductions							
Taxes distributed to other governments	34,885,725	-	-	-	-	-	-
Other trust activities	-	19,617	13,239	4,463	94,750	-	34,374
Total deductions	<u>34,885,725</u>	<u>19,617</u>	<u>13,239</u>	<u>4,463</u>	<u>94,750</u>	<u>-</u>	<u>34,374</u>
Change in fiduciary net position	<u>-</u>	<u>(1,673)</u>	<u>-</u>	<u>7,537</u>	<u>(35,350)</u>	<u>1,200</u>	<u>-</u>
Net Position, Beginning as Previously Stated	-	-	-	-	-	-	-
Adjustment to net position (See Note 3)	-	11,402	-	67,874	46,850	85,406	-
Net Position, Beginning as Adjusted	<u>-</u>	<u>11,402</u>	<u>-</u>	<u>67,874</u>	<u>46,850</u>	<u>85,406</u>	<u>-</u>
Net Position, Ending	<u>\$ -</u>	<u>\$ 9,729</u>	<u>\$ -</u>	<u>\$ 75,411</u>	<u>\$ 11,500</u>	<u>\$ 86,606</u>	<u>\$ -</u>

Hendricks County, Indiana

Combining Statement of Changes in Fiduciary Net Position -
Custodial Funds
Year Ended December 31, 2021

	<u>Tax Sale Surplus</u>	<u>Agency Fines and Fees</u>	<u>Agency LIT Funds</u>	<u>Agency Tax Funds</u>	<u>Total Custodial Funds</u>
Additions					
Taxes collected for other governments	\$ 3,303,839	\$ 2,161,304	\$ 85,607,870	\$ 5,439,402	\$ 135,298,181
Collections for other governments	-	370	-	-	370
Miscellaneous	-	22	-	-	21,635,395
Total additions	<u>3,303,839</u>	<u>2,161,696</u>	<u>85,607,870</u>	<u>5,439,402</u>	<u>156,933,946</u>
Deductions					
Taxes distributed to other governments	-	452,877	85,607,870	5,439,402	126,385,874
Other trust activities	<u>3,303,839</u>	<u>1,275,911</u>	<u>-</u>	<u>-</u>	<u>32,421,451</u>
Total deductions	<u>3,303,839</u>	<u>1,728,788</u>	<u>85,607,870</u>	<u>5,439,402</u>	<u>158,807,325</u>
Change in fiduciary net position	-	<u>432,908</u>	-	-	<u>(1,873,379)</u>
Net Position, Beginning as Previously Stated	-	-	-	-	-
Adjustment to net position (See Note 3)	-	<u>109,368</u>	-	-	<u>5,520,663</u>
Net Position, Beginning as Adjusted	-	<u>109,368</u>	-	-	<u>5,520,663</u>
Net Position, Ending	<u>\$ -</u>	<u>\$ 542,276</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,647,284</u>

Hendricks County

Nonmajor Component Units Combining Statement of Net Position
December 31, 2021

	Component Units			Total
	Avon- Washington Public Library	Coatesville- Clay Township Public Library	Hendricks County Solid Waste	
Assets				
Cash and cash equivalents	\$ 1,834,260	\$ 642,207	\$ 2,888,774	\$ 5,365,241
Capital assets:				
Land and construction in progress	140,500	-	39,500	180,000
Other capital assets, net of depreciation	873,225	636,946	85,976	1,596,147
Total assets	<u>2,847,985</u>	<u>1,279,153</u>	<u>3,014,250</u>	<u>7,141,388</u>
Deferred outflows of resources:				
Pension-related	72,156	5,561	-	77,717
Total deferred outflow of resources	<u>72,156</u>	<u>5,561</u>	<u>-</u>	<u>77,717</u>
Liabilities				
Accounts payable	12,950	-	-	12,950
Noncurrent liabilities:				
Due within one year:				
Capital lease obligations	7,140	-	7,200	14,340
Due in more than one year:				
General obligation bonds (net of discounts, premiums)	3,000,000	-	-	3,000,000
Loans payable	-	445,000	-	445,000
Net pension liability	127,374	9,343	-	136,717
Total liabilities	<u>3,147,464</u>	<u>454,343</u>	<u>7,200</u>	<u>3,609,007</u>
Deferred Inflows of Resources				
Pension related	210,327	16,534	-	226,861
Total deferred inflow of resources	<u>210,327</u>	<u>16,534</u>	<u>-</u>	<u>226,861</u>
Net Position				
Net position, restricted for:				
Health and welfare	-	-	3,007,050	3,007,050
Culture and recreation	-	813,837	-	813,837
Net position, unrestricted (deficit)	<u>(437,650)</u>	<u>-</u>	<u>-</u>	<u>(437,650)</u>
Total net position	<u>\$ (437,650)</u>	<u>\$ 813,837</u>	<u>\$ 3,007,050</u>	<u>\$ 3,383,237</u>

Hendricks County

Combining Schedule - Component Units - Statement of Activities
 Year Ended December 31, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position						Total
	Program Revenues			Component Units			
	Expenses	Charges for Services	Operating Grants and Contributions	Avon-Washington Township Public Library	Coatesville-Clay Township Public Library	Hendricks County Solid Waste District	
Component Units							
Avon-Washington Township Public Library	\$ 2,365,497	\$ 31,161	\$ 3,916	\$ (2,330,420)	\$ -	\$ -	\$ (2,330,420)
Coatesville-Clay Township Public Library	25,047	1,761	121,412	-	98,126	-	98,126
Hendricks County Solid Waste District	804,866	711,490	-	-	-	(93,376)	(93,376)
Total component units	\$ 3,195,410	\$ 744,412	\$ 125,328	(2,330,420)	98,126	(93,376)	(2,325,670)
General Revenues							
Taxes:							
Property taxes				1,435,723	180,983	-	1,616,706
Income taxes				678,797	-	-	678,797
Other taxes				115,575	26,578	-	142,153
Investment income				2,255	26	6,688	8,969
Donations				46,867	150	-	47,017
Miscellaneous				3,416	1,131	-	4,547
Total general revenues and transfers				2,282,633	208,868	6,688	2,498,189
Change in net position				(47,787)	306,994	(86,688)	172,519
Net Position, Beginning as Previously Stated				10,018,796	506,843	3,093,738	13,619,377
Adjustment to net position (See Note 3)				(10,408,659)	-	-	(10,408,659)
Net Position, Beginning as Adjusted				(389,863)	506,843	3,093,738	3,210,718
Net Position, Ending				\$ (437,650)	\$ 813,837	\$ 3,007,050	\$ 3,383,237

HENDRICKS COUNTY, INDIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND INDEPENDENT AUDITOR'S REPORT

December 31, 2021

HENDRICKS COUNTY, INDIANA

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*Independent Auditor's 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 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, 2021, 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, 2021, and the related notes to the financial statements. These financial statements collectively comprise the County's basic financial statements, and we have issued our report thereon dated May 2, 2023. 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 auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-002 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2021-003 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
May 2, 2023

*Independent Auditor's 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

Qualified and Unmodified Opinions

We have audited Hendricks County, Indiana's (County) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2021. The County's major federal programs are identified in the summary of auditor's 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, which expended \$58,130,914 in federal awards which are not included in the County's schedule of expenditures of federal awards for the year ended December 31, 2021. Our 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 including the audit of compliance.

Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Coronavirus State and Local Fiscal Recovery Funds for the year ended December 31, 2021.

Unmodified Opinion on Each of the Other Major Federal Programs

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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2021.

Basis for Qualified and Unmodified Opinions

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Matter Giving Rise to Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds

As described in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding Assistance Listing No. 21.027 Coronavirus State and Local Fiscal Recovery Funds as described in item 2021-004 for Reporting.

Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Other Matters

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2021-004 to be a material weakness.

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

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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, 2021, 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, 2021, 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 May 2, 2023, 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, 2021, 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.

Katy, Sapper & Miller, LLP

Indianapolis, Indiana
May 2, 2023

HENDRICKS COUNTY, INDIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2021

	Federal Assistance Listing Number	Pass-through Entity Identifying Number(s)	Federal Expenditures	Amount Provided to Subrecipients
U.S DEPARTMENT OF THE TREASURY				
Direct Program:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		\$ 307,063	<u> </u>
U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through Indiana Department of Health:				
Immunization Cooperative Agreements	93.268	52679	48,495	
COVID-19 - Immunization Cooperative Agreements	93.268	53342	<u>21,914</u>	
Subtotal Immunization Coperative Agreements			<u>70,409</u>	
Public Health Emergency Preparedness Cooperative Agreements	93.069	43944	69,461	
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	13781	2,434	
Food and Drug Administration Research	93.103	G-SP-1910-07720 and G-T 1910-07713	1,105	
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Project NU50CK000503	95,955	
Passed through Indiana Department of Homeland Security:				
Medical Reserve Corps Small Grant Program	93.008	MRC 21-1193	2,006	
Passed through Indiana Department of Homeland Security and National Association of County and City Health Officials:				
Medical Reserve Corps Small Grant Program	93.008	MRC 10-1193	<u>3,734</u>	
Subtotal Medical Reserve Corps Small Grant Program			<u>5,740</u>	
Passed through Indiana Department of Child Services:				
Child Support Enforcement	93.563	2020/2021	<u>554,060</u>	<u> </u>
			<u>799,164</u>	<u> </u>
U.S DEPARTMENT OF TRANSPORTATION				
Passed through Indiana Department of Transportation:				
Highway Planning and Construction Cluster:				
Highway Planning and Construction	20.205	A249-20-LG200129	7,483	
Federal Transit Cluster:				
Busses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	20.526	A249-20-G200038	221,830	\$ 221,830
Formula Grants for Rural Areas and Tribal Transit Program	20.509	A249-20-G200038	<u>640,287</u>	<u>640,287</u>
			<u>869,600</u>	<u>862,117</u>
U.S DEPARTMENT OF JUSTICE				
Direct Programs:				
State Criminal Alien Assistance Program	16.606		3,600	
Passed through Indiana Criminal Justice Institute:				
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	44561	91,049	
Violence Against Women Formula Grants	16.588	2020-WF-AX-0031	43,001	
Crime Victim Assistance	16.575	48950	<u>121,034</u>	<u> </u>
			<u>258,684</u>	<u> </u>
U.S DEPARTMENT OF HOMELAND SECURITY				
Passed through Indiana Department of Homeland Security:				
BRIC: Building Resilient Infrastructure and Communities	97.047	30289	3,717	
Emergency Management Performance Grants	97.042	EMC - 2020-EP-001	<u>57,257</u>	<u> </u>
			<u>60,974</u>	<u> </u>
			<u>\$ 2,295,485</u>	<u>\$ 862,117</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, 2021

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.

Amounts Provided to Subrecipients represents the actual expenditures incurred by subrecipients.

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, 2021

Summary of Auditor's Results

Financial Statements

Type of auditor's 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 auditor's report issued on compliance for major programs:

Unmodified opinion on Formula Grants for Rural Areas Coronavirus Relief Fund programs and qualified opinion on Coronavirus State and Fiscal Recovery Funds

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?

 ✓ yes no

HENDRICKS COUNTY, INDIANA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended December 31, 2021**

Identification of major programs:

Federal Assistance Number	Agency	Title
20.509	U.S Department of Transportation	Formula Grants for Rural Areas
20.027	U.S Department of the Treasury	Coronavirus State and Fiscal Recovery Funds

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

Auditee qualified as low-risk auditee? _____ yes ✓ no

Financial Statement Findings

2021-001 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. The process includes taking the County records, which are maintained on a cash basis of accounting by fund, and converting the records for the Annual Comprehensive Financial Report, which includes an accrual basis of accounting under generally accepted accounting principles. During the financial statement preparation process, management and their outside accountants will review subsequent cash disbursements for accruals, and update records to reflect capital asset activity. The financial statement preparation process did not appropriately identify all subsequent cash disbursements for accruals and did not identify all capital assets purchased.

This finding is a repeat finding of 2020-001.

Cause and Effect: The deficiency noted above resulted in undetected material misstatements to accruals and capital assets. 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.

2021-001 Material Weakness – Financial Reporting (Continued)

Views of Responsible Officials and Planned Corrective Actions: The County agrees with the recommendation and plans to implement the recommendation during 2023.

2021-002 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.

This finding is a repeat finding of 2020-002.

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 auditor's report on the business-type activities and Hendricks County Regional Sewer District as of and for the year ended December 31, 2021.

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: The County agrees with the recommendation and plans to implement the recommendation during 2023.

2021-003 Significant Deficiency – Schedule of Expenditures of Federal Awards (SEFA) Reporting

Criteria: 2 CFR §200.510(b) indicates "The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with §200.502."

Condition and Context: We noted the County improperly reported federal expenditures on the SEFA in the prior year. Additionally, the County did not appropriately separate federal funding received from separate sources provide to administer a vaccine program. The comingling of federal funds received resulted omitting AL No. 93.323 – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) from the unadjusted SEFA for 2021. The error related to AL No. 93.323 has been corrected on the final SEFA for 2021.

Cause and Effect: We noted lack of appropriate controls surrounding the coding of federal expenditures resulted in a prior year overstatement of federal expenditures reported and the omission of a federal award from the 2021 unadjusted SEFA.

Recommendations: We recommend that the County ensure appropriate coding of federal expenditures on the general ledger, which is then used as a basis for SEFA reporting.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with the recommendation and plans to implement the recommendation during 2023.

Federal Award Findings and Questioned Costs

2021-004 Coronavirus State and Local Fiscal Recovery Funds – Assistance Listing No. 21.027

Material Weakness in Internal Control over Compliance and Noncompliance – L. Reporting

Criteria: 2 CFR 200.303 includes requirements related to internal controls for federal award programs, including that the County must, among other things, “establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.” These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition and Context: We noted the County submitted a report required under the Coronavirus State and Local Fiscal Recovery Funds which had no review of the report for accuracy of the information or inclusion of the appropriate key line items.

Cause and Effect: We noted lack of internal controls surrounding the reporting process resulted in noncompliance. Key line items were misstated and the errors were identified subsequent to the initial submission. There were no questioned costs related to this issue.

Recommendation: We recommend the County implement procedures to ensure reports are being reviewed by an individual or third-party familiar with the program prior to submission.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with the recommendation and plans to implement the recommendation during 2023.

HENDRICKS COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2021

FINANCIAL STATEMENT FINDINGS

2020-001 Material Weakness – Financial Reporting

Condition: The County's year-end 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.

Recommendations: The auditor recommended 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.

Status: The County is working to correct finding 2020-001. See the 2021 Corrective Action Plan for the current steps being taken.

2020-002 Material Weakness – Record Maintenance

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

Recommendation: The auditor recommended 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.

Status: The County is working to correct findings 2020-002. See the 2021 Corrective Action Plan for the current steps being taken.



Hendricks County Auditor

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

May 2, 2023

CORRECTIVE ACTION PLAN Year Ended December 31, 2021 2021-001 - 2021-004

TO: U.S. Department of Transportation and U.S. Department of Treasury

Hendricks County, Indiana, respectfully submits the following corrective action plans for the year ended December 31, 2021.

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, 2021

The findings from the schedule of findings and questioned costs for the year ended December 31, 2021, are discussed below. The findings are numbered consistently with the number assigned in the Schedule:

FINANCIAL STATEMENT FINDINGS

2021-001 Material Weakness - Financial Reporting (Repeat Finding of 2020-001)

Recommendation: The auditor recommended 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 statements in conformity with generally accepted accounting principles.

Planned Corrective Actions: The County agrees with the recommendation and plans to implement the recommendations during 2023 to provide a stronger partnership with our conversion and compilation vendor.

2021-002 Material Weakness – Record Maintenance (Repeat Finding of 2020-002)

Recommendations: The auditor recommended 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.

Planned Corrective Actions: The County agrees with the recommendation and plans to implement the recommendations during 2023 by working toward a method, which is acceptable to the auditors or State Board of Accounts, to provide an accurate value to the capital assets of the Hendricks County Regional Sewer District.

2021-003 – Significant Deficiency – Schedule of Expenditures of Federal Awards (SEFA) Reporting

Recommendation: The auditor recommended that the County ensure appropriate coding of federal expenditures on the general ledger, which is then used as a basis for SEFA reporting. The County did not appropriately separate federal funding received from separate sources to provide to administer a vaccine program. The comingling of federal funds received resulted in omitting AL No. 93.323 – Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) from the unadjusted SEFA for 2021.

Planned Corrective Actions: The County consents with the recommendation and plans to implement the recommendation during 2023 by following our established internal controls.

2021-004 Coronavirus State and Local Fiscal Recovery Fund – Assistance Listing 21.027

Material Weakness in Internal Control Over Compliance and Noncompliance L. Reporting

Recommendation: The auditor recommended the County implement procedures to ensure reports are being reviewed by an individual or third-party familiar with the program prior to submission.

Planned Corrective Actions: The County consents with the recommendation and plans to implement the recommendation during 2023 to have the report reviewed prior to submission to the Treasury.

If the U.S. Department of Transportation has questions regarding this plan, please call Nancy Marsh, Hendricks County Auditor at 317-745-9315.

Sincerely yours,



Nancy L. Marsh
Hendricks County Auditor