



## **Marion County, Indiana**

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

**Independent Auditor's Report and Financial Statements**

For the Year Ended December 31, 2016



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

**Independent Auditor's Report and Financial Statements**  
**For the Year Ended December 31, 2016**



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**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**For the Year Ended December 31, 2016**

**Contents**

	<b>Page</b>
<b>INTRODUCTORY SECTION (UNAUDITED)</b>	
Elected Officials, Department Heads, City-County Council Members and Judiciary.....	1
Marion County Organization Chart .....	3
<b>INDEPENDENT AUDITOR’S REPORT .....</b>	<b>4</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Government-Wide Financial Statements</b>	
Statement of Net Position .....	7
Statement of Activities.....	8
<b>Fund Financial Statements</b>	
Balance Sheet - Governmental Funds.....	9
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	10
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	11
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities - Governmental Activities .....	12
Statement of Net Position - Proprietary Fund.....	13
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Fund.....	14
Statement of Cash Flows - Proprietary Fund.....	15
Statement of Fiduciary Net Position - Fiduciary Funds.....	16
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	17
Notes to Basic Financial Statements.....	18
<b>REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)</b>	
<b>Budgetary Comparison Information</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund .....	63
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Public Safety Income Tax Fund.....	64
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - MC Sheriff Medical Care for Inmates Fund.....	65
Notes to Required Supplementary Information - Budgetary Comparison.....	66

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**For the Year Ended December 31, 2016**

**Contents (Continued)**

	<b>Page</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) (CONTINUED)</b>	
Pension Information	
Schedule of Changes in the County's Net Pension Liability - Sheriff's Retirement Plan - Last 10 Fiscal Years.....	68
Schedule of Changes in the County's Net Pension Liability - Sheriff's Disability Plan - Last 10 Fiscal Years.....	69
Schedule of Net Pension Liabilities and Related Ratios - Last 10 Fiscal Years.....	70
Schedule of Investment Return – Last 10 Fiscal Years.....	71
County's Proportionate Share of Net Pension Liability - Last 10 Fiscal Years.....	72
Schedule of County's Pension Contributions - Last 10 Fiscal Years.....	73
Other Postemployment Benefit Information -	
Schedule of Funding Progress under GASB 45.....	75
<b>COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES – OTHER SUPPLEMENTARY INFORMATION</b>	
Combining Balance Sheet - Nonmajor Governmental Funds by Fund Type.....	76
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds by Type.....	77
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	82
Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds - Budget and Actual.....	86
Combining Balance Sheet - Nonmajor Debt Service Funds.....	93
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Debt Service Funds.....	94
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	95
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	96
Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds - Budget and Actual.....	97
Combining Statement of Fiduciary Net Position - Pension Trust Funds.....	98
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds.....	99
Combining Statement of Assets and Liabilities - Agency Funds.....	100
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	102

## Marion County, Indiana 2016 County Elected Officials

	<b>TERM</b>
Auditor .....	Julie L. Voorhies 1-1-15 to 12-31-18
Treasurer .....	Claudia O. Fuentes 1-1-13 to 12-31-16
Clerk.....	Myla A. Eldridge 1-1-15 to 12-31-18
Sheriff .....	John R. Layton 1-1-15 to 12-31-18
Recorder.....	Kate Sweeney Bell 1-1-15 to 12-31-18
Assessor .....	Joseph P. O’Connor 1-1-15 to 12-31-18
Surveyor.....	Debra S. Jenkins 1-1-13 to 12-31-16
Coroner .....	Dr. Frank P. Lloyd, Jr. 1-1-13 to 12-31-16
Prosecutor .....	Terry Curry 1-1-15 to 12-31-18
County Chief Executive.....	Joe Hogsett 1-1-16 to 12-31-19
Board of County Commissioners (Ex-Officio).....	Claudia O. Fuentes 1-1-13 to 12-31-16
Board of County Commissioners (Ex-Officio).....	Julie L. Voorhies 1-1-15 to 12-31-18
Board of County Commissioners (Ex-Officio).....	Joseph P. O’Connor 1-1-15 to 12-31-18

### 2016 Department Heads

Voters Registration .....	Cindy Mowery LaDonna Freeman
Marion County Cooperative Extension.....	Steve Wagoner
Criminal Probation.....	Christine Kerl
Court Administrator .....	Emily VanOsdol
Community Corrections.....	John Deiter
Forensic Services .....	Michael Medler
Chief Public Defender.....	Robert Hill
Chief Information Officer .....	Ken Clark
Prosecutor – Child Support.....	John Owens

## Marion County, Indiana 2016 City-County Council Members

President, Maggie Lewis  
 Vice President, Zach Adamson  
 Stephen J. Clay  
 Jeff Coats  
 Susie Cordi  
 Jared Evans  
 Colleen Fanning  
 Monroe Gray, Jr.

Jason Holliday  
 LaKeisha Jackson  
 Blake Johnson  
 Scott Kreider  
 Frank Mascari  
 Janice McHenry  
 Michael McQuillen  
 Jeff Miller

Brian Mowery  
 William C. Oliver  
 Vop Osili  
 Marilyn Pfisterer  
 David Ray  
 Leroy Robinson  
 Christine Scales  
 Joseph Simpson  
 John Wesseler

# Marion County, Indiana

## 2016 Judiciary

CIRCUIT COURT ..... Sheryl L. Lynch

**SUPERIOR COURT**

Criminal Division:

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

Civil Division:

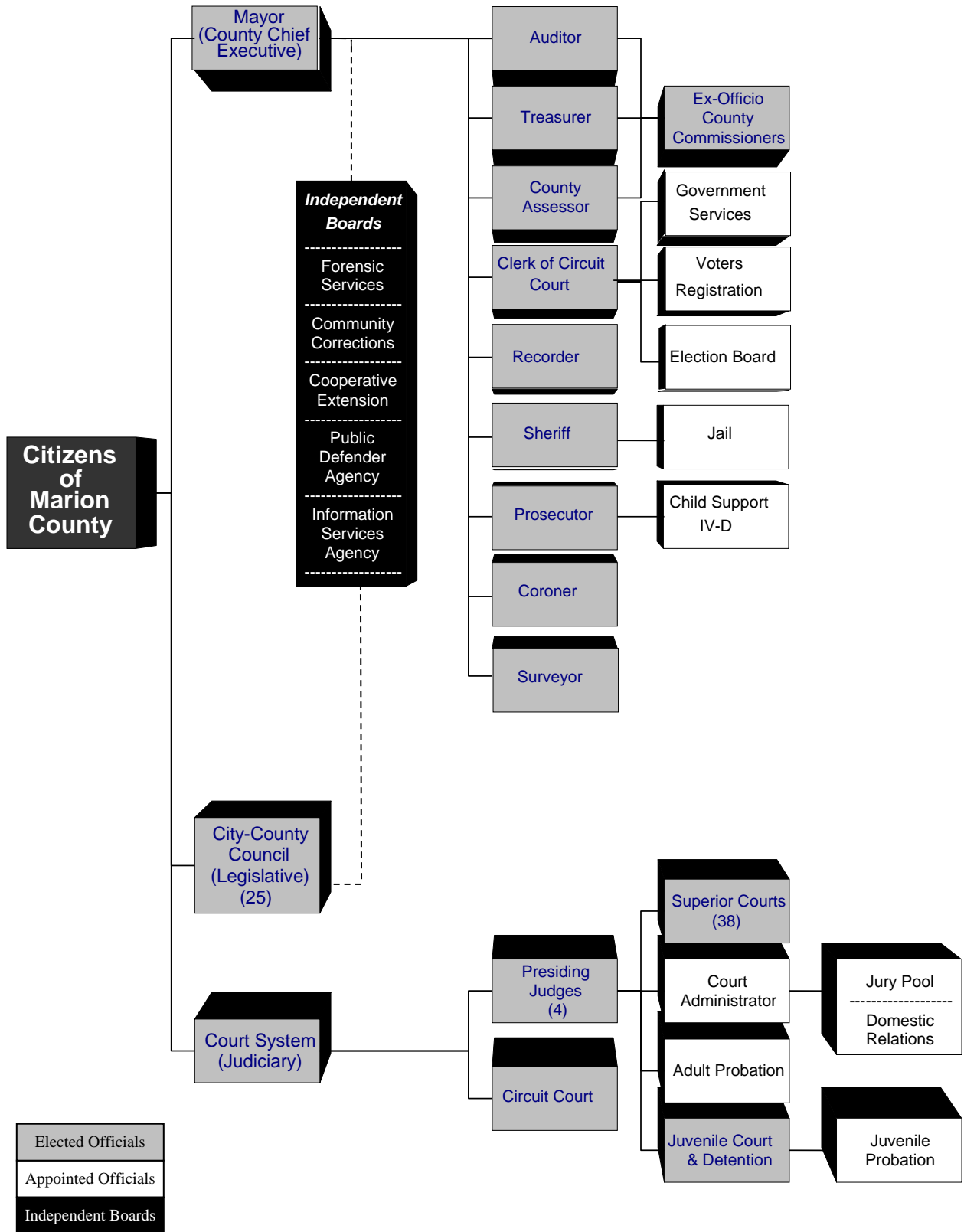
Court 1 .....	Heather Welch**
Court 2 .....	Timothy Oakes*
Court 3 .....	Gary L. Miller
Court 4 / Magistrate Court.....	Cynthia J. Ayers
Court 5 .....	John M.T. Chavis II
Court 6 .....	Thomas J. Carroll
Court 7 .....	Michael Keele
Court 8 Probate Division .....	Steven R. Eichholtz
Court 9 Juvenile Division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

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



# Marion County, Indiana

## Government Organization Chart





## Independent Auditor's Report

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Marion County, Indiana (County), a component unit of the Consolidated City of Indianapolis-Marion County, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Marion County, Indiana as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 2 to the financial statements, the County's 2016 financial statements have been prepared under accounting principles generally accepted in the United States of America (USGAAP). Prior year financial statements were prepared under a modified cash basis, which is a special purpose framework other than USGAAP. Our opinions are not modified with respect to this matter.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison, pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statement is not affected by this missing information.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 29, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*BKD, LLP*

Indianapolis, Indiana  
September 29, 2017



## **Basic Financial Statements**





**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Net Position**  
**December 31, 2016**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash and cash equivalents	\$ 46,454,892
Property tax receivable	5,300,436
Accounts receivable	12,891,120
Due from federal and state governments	1,641,382
Due from others	19,881
Capital assets (net of accumulated depreciation):	
Land	721,051
Buildings	40,566,692
Improvements	21,681,643
Furniture and equipment	12,843,657
Vehicles	2,461,798
Software	8,976,030
Total assets	153,558,582
 <b>Deferred Outflows of Resources</b>	
Deferred outflow - pensions	47,900,414
Total assets and deferred outflows of resources	201,458,996
 <b>Liabilities</b>	
Accounts payable	15,152,449
Accrued payroll and payroll taxes	2,741,845
Unearned revenue	232,051
Long-term liabilities:	
Due within one year	15,410,363
Due in more than one year	192,972,466
Total liabilities	226,509,174
 <b>Deferred Inflows of Resources</b>	
Deferred inflow - pensions	3,370,408
Total liabilities and deferred inflows of resources	229,879,582
 <b>Net Position</b>	
Net investment in capital assets	66,590,393
Restricted for:	
Other purposes by grantors	1,409,331
Unrestricted (deficit)	(96,420,310)
Total net position (deficit)	\$ (28,420,586)

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Activities**  
**For the Year Ended December 31, 2016**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<b>Governmental Activities</b>				
Administration and finance	\$ 41,571,975	\$ 22,333,145	\$ 2,899,252	\$ (16,339,578)
Protection of people and property	11,929,592	10,845,741	902,911	(180,940)
Corrections	133,711,478	3,685,598	12,850,554	(117,175,326)
Judicial	115,680,791	11,056,240	17,544,043	(87,080,508)
Culture and recreation	526,889	-	-	(526,889)
Real estate and assessments	9,412,762	3,612,469	-	(5,800,293)
Health and welfare	5,808,973	-	175,956	(5,633,017)
Interest	741,900	-	-	(741,900)
	<u>319,384,360</u>	<u>51,533,193</u>	<u>34,372,716</u>	<u>(233,478,451)</u>
Total governmental activities	\$	\$	\$	
General revenues:				
				125,822,359
Property taxes				75,100,242
Local income taxes				19,652,233
Other taxes				1,149,404
Unrestricted investment earnings				2,509,276
Other				<u>224,233,514</u>
Total general revenues				
				<u>(9,244,937)</u>
Change in net position				
Net position - beginning of year, as previously reported				39,825,068
Adjustment to convert from a special purpose framework (Note 2)				(59,000,717)
Net deficit - beginning of year, as adjusted				<u>(19,175,649)</u>
Net deficit - end of year				<u>\$ (28,420,586)</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Balance Sheet - Governmental Funds**  
**December 31, 2016**

	General	Public Safety Income Tax	MC Sheriff Medical Care for Inmates	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 10,031,907	\$ 405,806	\$ -	\$ 29,393,875	\$ 39,831,588
Property tax receivable	5,030,239	-	-	270,197	5,300,436
Accounts receivable	7,347,394	-	-	1,438,528	8,785,922
Due from other funds	655,565	-	-	-	655,565
Due from federal and state governments	-	-	-	1,641,382	1,641,382
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,641,382</u>	<u>1,641,382</u>
Total assets	<u>\$ 23,065,105</u>	<u>\$ 405,806</u>	<u>\$ -</u>	<u>\$ 32,743,982</u>	<u>\$ 56,214,893</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 8,040,749	\$ 33,156	\$ 2,204,570	\$ 2,165,498	\$ 12,443,973
Accrued payroll and payroll taxes	1,853,179	446,669	-	404,614	2,704,462
Unearned revenue	-	-	-	232,051	232,051
Due to other funds	-	-	77,782	557,903	635,685
Total liabilities	<u>9,893,928</u>	<u>479,825</u>	<u>2,282,352</u>	<u>3,360,066</u>	<u>16,016,171</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	<u>8,645,177</u>	<u>-</u>	<u>-</u>	<u>1,640,887</u>	<u>10,286,064</u>
<b>Fund Balances</b>					
Restricted	-	-	-	28,034,865	28,034,865
Assigned	1,413,316	-	-	-	1,413,316
Unassigned	3,112,684	(74,019)	(2,282,352)	(291,836)	464,477
Total fund balances (deficits)	<u>4,526,000</u>	<u>(74,019)</u>	<u>(2,282,352)</u>	<u>27,743,029</u>	<u>29,912,658</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 23,065,105</u>	<u>\$ 405,806</u>	<u>\$ -</u>	<u>\$ 32,743,982</u>	<u>\$ 56,214,893</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Reconciliation of the Balance Sheet - Governmental Funds to the**  
**Statement of Net Position - Governmental Activities**  
**December 31, 2016**

Fund balances - total governmental funds	\$ 29,912,658
Amounts reported for governmental activities in the statement of net position are different because:	
Net capital assets used in the governmental activities are not financial resources and, therefore, are not reported in the fund statements	68,570,852
Net position of internal service fund not reported in the fund statements	18,617,932
Net pension liabilities are not due and payable in the current period and, therefore, are not recorded in the funds liabilities	(176,085,096)
Deferred inflows of resources not meeting availability criteria in fund statements are not in the statement of net position	10,286,064
Deferred inflows of resources related to pensions are not available to pay for current period expenditures and, therefore, are not reported in the fund statements	(3,230,923)
Deferred outflows of resources related to pension are not financial resources and, therefore, are not reported in the fund statements	47,198,484
Other liabilities not in the fund statements	(589,778)
Long-term liabilities (excluding net pension liabilities) are not due and payable in the current period and, therefore, are not reported in the fund statements	<u>(23,100,779)</u>
Net deficit of governmental activities	<u><u>\$ (28,420,586)</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Governmental Funds**  
**For the Year Ended December 31, 2016**

	General	Public Safety Income Tax	MC Sheriff Medical Care for Inmates	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 162,628,185	\$ 37,640,688	\$ -	\$ 19,480,488	\$ 219,749,361
Intergovernmental	17,452,174	14,502	-	16,536,964	34,003,640
Interest	1,164,298	-	-	5,117	1,169,415
Charges for services	9,006,443	-	13,351	22,674,165	31,693,959
Traffic violations and court fees	14,844	-	-	-	14,844
Miscellaneous	1,299,281	-	-	1,221,324	2,520,605
Total revenues	<u>191,565,225</u>	<u>37,655,190</u>	<u>13,351</u>	<u>59,918,058</u>	<u>289,151,824</u>
<b>Expenditures</b>					
Current:					
General government	98,518,745	13,642,728	-	32,224,238	144,385,711
Public safety	78,519,713	23,986,359	12,735,911	25,590,003	140,831,986
Culture and recreation	214,360	-	-	-	214,360
Debt service					
Redemption of notes	-	-	-	235,887	235,887
Interest on notes	-	-	-	15,980	15,980
Lease payments	3,568,915	-	-	1,886,000	5,454,915
Capital outlays	3,602,644	4,248	-	540,923	4,147,815
Total expenditures	<u>184,424,377</u>	<u>37,633,335</u>	<u>12,735,911</u>	<u>60,493,031</u>	<u>295,286,654</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>7,140,848</u>	<u>21,855</u>	<u>(12,722,560)</u>	<u>(574,973)</u>	<u>(6,134,830)</u>
<b>Other Financing Sources (Uses)</b>					
Issuance of capital leases	2,910,840	-	-	-	2,910,840
Transfers in	40	-	10,650,000	5,671,094	16,321,134
Transfers out	(15,317,461)	-	-	(1,003,673)	(16,321,134)
Total other financing sources (uses)	<u>(12,406,581)</u>	<u>-</u>	<u>10,650,000</u>	<u>4,667,421</u>	<u>2,910,840</u>
Net change in fund balances	<u>(5,265,733)</u>	<u>21,855</u>	<u>(2,072,560)</u>	<u>4,092,448</u>	<u>(3,223,990)</u>
Fund balances - beginning of year, as previously reported	11,037,954	289,960	1,197,846	23,975,207	36,500,967
Adjustment to convert from special purpose framework (Note 2)	<u>(1,246,221)</u>	<u>(385,834)</u>	<u>(1,407,638)</u>	<u>(324,626)</u>	<u>(3,364,319)</u>
Fund (deficit) balances - beginning of year, as previously reported	<u>9,791,733</u>	<u>(95,874)</u>	<u>(209,792)</u>	<u>23,650,581</u>	<u>33,136,648</u>
Fund (deficit) balances - end of year	<u>\$ 4,526,000</u>	<u>\$ (74,019)</u>	<u>\$ (2,282,352)</u>	<u>\$ 27,743,029</u>	<u>\$ 29,912,658</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances of Governmental Funds to the**  
**Statement of Activities - Governmental Activities**  
**For the Year Ended December 31, 2016**

Net changes in fund balances - total governmental funds	\$ (3,223,990)
Amounts reported for governmental activities in the statement of activities are different because:	
Depreciation expense is not reported in the fund statements, but is reported as a decrease in net position in the statement of activities	(7,343,551)
Capital outlays are reported as expenditures in the fund statements, but are reported as additions to capital assets in the statement of net position	864,592
Loss on disposals of capital assets not recorded in the fund statements	(49,431)
Expenses in the statement of activities that are not expenditures recorded in the fund statements	(106,691)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements	10,286,064
Revenues in the fund statements but not in the current year statement of activities due to the current financial resources focus of the governmental funds	(9,112,742)
Note payable payments reported as expenditures in the fund statements but as reductions of long-term liabilities in the statement of activities	235,887
Change in net position of internal service funds reported with governmental activities	1,213,951
Increase in compensated absences that is not reported in the fund statements	(401,945)
Capital lease payments reported as expenditures in the fund statements but as reductions of long-term liabilities in the statement of activities	4,931,336
Net increase in the postemployment benefit obligation that is not reported in the fund statements	(421,000)
Pension expense recognized in the statement of activities in excess of pension contributions recognized as expenditures in the fund statements	<u>(6,117,417)</u>
Change in net position of governmental activities	<u><u>\$ (9,244,937)</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Net Position - Proprietary Fund**  
**December 31, 2016**

	<u><b>Internal Service Fund</b></u>
<b>Assets</b>	
<b>Current Assets</b>	
Cash and cash equivalents	\$ 6,623,304
Due from other governments	4,105,198
Total current assets	<u>10,728,502</u>
<b>Noncurrent assets:</b>	
Capital assets (net of accumulated depreciation):	
Furniture and equipment	9,703,990
Software	8,976,030
Total capital assets (net accumulated depreciation)	<u>18,680,020</u>
Total assets	29,408,522
<b>Deferred Outflows of Resources</b>	
Deferred outflow - pensions	701,930
Total assets and deferred outflows of resources	<u>30,110,452</u>
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts payable	2,118,698
Accrued payroll and payroll taxes	37,383
Compensated absences - current	93,761
Capital lease obligation - current	1,721,894
Notes payable - current	1,341,388
Total current liabilities	<u>5,313,124</u>
<b>Noncurrent Liabilities</b>	
Compensated absences	12,288
Capital lease obligation	4,124,171
Net pension liability	1,903,452
Total noncurrent liabilities	<u>6,039,911</u>
Total liabilities	11,353,035
<b>Deferred Inflows of Resources</b>	
Deferred inflow - pensions	139,485
Total liabilities and deferred inflows of resources	<u>11,492,520</u>
<b>Net Position</b>	
Unrestricted	<u><u>\$ 18,617,932</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Revenues, Expenses and Changes in Fund Net Position -**  
**Proprietary Fund**  
**For the Year Ended December 31, 2016**

	<b>Internal Service Fund</b>
<b>Operating Revenues</b>	
Charges for services	\$ 30,787,518
Miscellaneous	18,869
Total operating revenues	30,806,387
<b>Operating Expenses</b>	
Services and charges	24,386,389
Administration, including salaries and wages	2,363,821
Depreciation and amortization	2,686,199
Other	203,027
Total operating expenses	29,639,436
Operating income	1,166,951
<b>Nonoperating Expenses</b>	
Interest expense	(202,340)
Total nonoperating expenses	(202,340)
<b>Capital Contributions</b>	249,340
<b>Change in Net Position</b>	1,213,951
Total net position - beginning of year, as previously reported	3,326,101
Adjustment to convert from a special purpose framework (Note 2)	14,077,880
Total net position - beginning of year, as adjusted	17,403,981
Total net position - end of the year	\$ 18,617,932



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Cash Flows - Proprietary Fund**  
**For the Year Ended December 31, 2016**

	<u><b>Internal Service Fund</b></u>
<b>Cash Flows From Operating Activities</b>	
Receipts from users	\$ 34,690,700
Payments for services	(24,917,344)
Payments for administration	(2,464,889)
Net cash provided by operating activities	<u>7,308,467</u>
<b>Cash Flows From Capital and Related Financing Activities</b>	
Payment on notes payable	(1,719,467)
Payment of capital lease obligations	(2,089,458)
Interest expense payments	(202,340)
Net cash used in capital and related financing activities	<u>(4,011,265)</u>
<b>Net Increase in Cash and Cash Equivalents</b>	3,297,202
<b>Cash and Cash Equivalents, January 1</b>	<u>3,326,102</u>
<b>Cash and Cash Equivalents, December 31</b>	<u><u>\$ 6,623,304</u></u>
<b>Noncash Investing, Capital and Financing Activities</b>	
Issuance of capital leases	\$ 5,807,580
Contribution of capital assets	249,340
Total noncash investing, capital and financing activities	<u><u>\$ 6,056,920</u></u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating income	<u>\$ 1,166,951</u>
Adjustment to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization expense	2,686,199
Change in deferred outflows - pensions	(47,770)
Change in deferred inflows - pensions	(38,840)
Change in net pension liabilities	188,979
Changes in operating assets and liabilities:	
Due from other governments	3,884,313
Accounts payable and accrued liabilities	(531,365)
Total adjustments	<u>6,141,516</u>
Net cash provided by operating activities	<u><u>\$ 7,308,467</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Fiduciary Net Position - Fiduciary Funds**  
**December 31, 2016**

	<b>Pension Trust Funds</b>	<b>Agency Funds</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 194,599,667	\$ 94,372,019
Accounts receivable	10,418,254	27,334,509
Due from other funds	-	23,521
	205,017,921	\$ 121,730,049
Total current assets	205,017,921	\$ 121,730,049
<b>Liabilities</b>		
Accounts payable	72,007	\$ -
Amounts held in custody	-	121,686,647
Due to other funds	-	43,402
	72,007	\$ 121,730,049
Total current liabilities	72,007	\$ 121,730,049
<b>Net Position</b>		
Net position restricted for pensions	204,945,914	
Total net position	\$ 204,945,914	

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Statement of Changes in Fiduciary Net Position - Fiduciary Funds**  
**For the Year Ended December 31, 2016**

	<b>Pension Trust Funds</b>
<b>Additions</b>	
Employer contributions	\$ 10,469,653
Employee contributions	701,867
Investment income	1,246,509
Unrealized gains	10,372,025
Total additions	22,790,054
<b>Deductions</b>	
Benefit payments	14,017,704
Administrative expense	145,637
Total deductions	14,163,341
<b>Change in Net Position Restricted for Pensions</b>	
Total net position restricted for pensions - beginning of year	8,626,713
	196,319,201
Total net position restricted for pensions - end of the year	\$ 204,945,914

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

***Financial Reporting Entity***

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

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

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

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

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

Based on the criteria established in GASB Statement No. 14 and GASB Statement No. 61, the County has no component units under the current financial reporting requirements.

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

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

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

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* (“GASB Statement No. 33”), groups nonexchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government-mandated nonexchange transactions, and voluntary nonexchange transactions.

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

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

Voluntary nonexchange transactions, such as grants and assistance received from other governmental units, and government-mandated nonexchange transactions are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB Statement No. 33, have been met. For these types of transactions, resources received before eligibility requirements are met (excluding time requirements) are reported as liabilities, while resources received before time requirements are met, but after all other eligibility requirements have been met, are reported as deferred inflows of resources in accordance with GASB 65, *Items Previously Reported as Assets and Liabilities*.

Charges for services in the governmental funds, which are exchange transactions and, therefore not subject to the provisions of GASB Statement No. 33, are recognized as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded when earned since they are measurable and available.

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

The following are the County's major governmental funds:

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

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

The *MC Sheriff Medical Care for Inmates Fund*, a special revenue fund, accounts for all fees and moneys generated by health care and prescription co-payments by incarcerated persons and also for all moneys generated by contracts, grants, gifts, appropriations and any other source, which are designated for inmate medical expenses.

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

Additionally, the County reports the following fund types:

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

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

***Stewardship, Compliance and Accountability***

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

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

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

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

The County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At December 31, 2016, cash equivalents consisted primarily of money market mutual funds, overnight repurchase agreements, mutual funds and collective investment trusts. Investments are stated at fair value. Fair values for investments are determined by closing market prices at year-end as reported by the investment custodian.

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



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Receivables**

All property tax and other receivables are shown net of an allowance, if any, for uncollectible balances. There is no allowance at December 31, 2016.

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

**Inventory**

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

**Capital Assets**

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

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

***Unearned Revenue***

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

***Compensated Absences***

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

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

***Interfund Transactions***

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

**Transfers**

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

**Interfund Services Provided/Used**

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

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

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

***Net Position/Fund Balances***

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

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

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

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

*Restricted* - This consists of resources that can be spent only for the specific purpose stipulated by constitutional provisions, external parties (e.g., grantors, creditors, or other governments), or enabling legislation.

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

*Assigned* - This consists of resources constrained by the government's intention to use them for specific purposes, but are neither restricted nor committed. By statute, the City Controller has the ability to assign fund balance. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments are generally temporary and require no additional action to effect removal of the assignment. Within the assigned fund balance for the General Fund are encumbrances of \$1,413,316, which have been assigned to cover future purchases.

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

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

***Pensions***

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

***Use of Estimates***

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

***Adoption of New Accounting Standards***

The County has adopted and implemented the following GASB statements during the year ended December 31, 2016:

- GASB Statement No. 72, *Fair Value Measurement and Application* (See Note 4)
- GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*
- GASB Statement No. 77, *Tax Abatement Disclosures* (See Note 6)
- GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* (See Note 3)
- GASB Statement No. 82, *Pension Issues—an amendment of GASB Statements No. 67, No. 68 and No. 73* (See Note 14)

The implementation of these pronouncements had no impact on net position, change in net position, fund balances or change in fund balances of the County as of or for the year ended December 31, 2016.

***Future Adoption of Accounting Standards***

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

- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- GASB Statement No. 83, *Certain Asset Retirement Obligations*
- GASB Statement No. 84, *Fiduciary Activities*
- GASB Statement No. 85, *Omnibus 2017*
- GASB Statement No. 86, *Certain Debt Extinguishment Issues*
- GASB Statement No. 87, *Leases*

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Note 2: Change in Reporting Framework**

Financial statements for periods prior to 2016 were prepared on the modified cash basis of accounting, which is a special purpose framework other than generally accepted accounting principles. During 2016, the County changed its financial reporting framework to generally accepted accounting principles. The effect of the change on beginning net position and fund balances at January 1, 2016, was (\$59,000,717) and (\$3,364,319), respectively.

**Note 3: Deposits and Investments**

The County's cash and cash equivalents are reflected in the financial statements at December 31, 2016 as follows:

Cash and cash equivalents - governmental funds	\$ 39,831,588
Cash and cash equivalents - internal service fund	6,623,304
Subtotal - governmental activities	46,454,892
Cash and cash equivalents - pension trust funds	194,599,667
Cash and cash equivalents - agency funds	94,372,019
Total cash and cash equivalents	\$ 335,426,578

***Deposits***

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

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

***Investments***

**Investment Policy - Primary Government**

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

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

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

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

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

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

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

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

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates. The County's investment policy provides that the County seek to minimize the risk that the fair value of securities in its portfolio will decrease due to changes in general interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. The County may invest in securities for more than two years and not more than five years in accordance with IC 5-13-9-5.7. Under this policy, investments having maturities of more than two years are limited to 25% of the total portfolio. In accordance with Indiana statutes, this policy will expire four years from its effective date of December 18, 2014.

Below is a segmented time distribution for the County's debt investments at December 31, 2016:

	<b>Fair Value</b>	<b>Investment Maturities (in Years) Less Than 1</b>
Money market mutual funds	\$ 2,082,044	\$ 2,082,044
Overnight repurchase agreements	285,046	285,046
Mutual funds - bond	48,004,466	48,004,466
Mutual funds - equity	105,082,861	105,082,861
Mutual funds - international equity	13,021,217	13,021,217
Collective investment trusts	26,409,081	26,409,081
State external investment pool - TrustINDiana	642,813	642,813
	<u>\$ 195,527,528</u>	<u>\$ 195,527,528</u>

**Credit Risk**

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



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

At December 31, 2016, the County's investments were rated by Standard & Poor's, Moody's, or Fitch as follows:

	Fair Value	Aaa/AAA	Not Rated
Money market mutual funds	\$ 2,082,044	\$ 2,082,044	\$ -
Mutual funds - bond	48,004,466	-	48,004,466
Collective investment trusts	26,409,081	-	26,409,081
State external investment pool - TrustINdiana	642,813	-	642,813
	<u>\$ 77,138,404</u>	<u>\$ 2,082,044</u>	<u>\$ 75,056,360</u>

***Custodial Credit Risk***

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

The County's investments in money market mutual funds and an external investment pool are not exposed to custodial credit risk because their existence are not evidenced by securities that exist in physical or book entry form. At December 31, 2016, all of the County's remaining investments and collateral securities pledged against County investments are held by the counterparty's trust department or agent in the County's name and are therefore not subject to custodial credit risk.

***Concentration of Credit Risk***

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

As of December 31, 2016, investments that represent 5% or greater of the combined assets of the Retirement and Disability Plans include the following:

Investment	Fair Value
Vanguard Stk Mkt Inst	\$ 46,932,238
US Short-term Government/Credit Bond Indx	26,409,081
Loomis Sales Strategic Alpha	14,672,987
Reams Unconstrained Bond Fund	13,958,988
Fidelity Low Price STK Fund	13,776,819
Blackrock Total Return-BR	15,610,686
Janus Flexible Bond Fund	15,516,637
Mainstay Epoch Global EQ YLD-I	13,361,615
Putnam Capital Spectrum Fund CLY	13,337,203
Vanguard Total International Stock Index Instl	13,021,217
	\$ 186,597,472

***Foreign Currency Risk***

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

**Note 4: Disclosures About Fair Value of Assets**

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Recurring Measurements**

The following tables present the fair value measurements of assets recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2016:

	Fair Value	Quoted Prices in Active Markets (Level 1)
<b>Investment by fair value level</b>		
Money market mutual funds	\$ 2,082,044	\$ 2,082,044
Overnight repurchase agreements	285,046	285,046
Mutual funds - bond	48,004,466	48,004,466
Mutual funds - equity	105,082,861	105,082,861
Mutual funds - international equity	13,021,217	13,021,217
Total investments measured at fair value	168,475,634	\$ 168,475,634
<b>Investments measured at the net asset value (NAV) (a)</b>		
State external investment pool - TrustIndiana	642,813	
Collective investment trusts	26,409,081	
Total	\$ 195,527,528	

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

**Investments**

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

***Investments at NAV***

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

**Note 5: Property Taxes**

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

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

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

Maximum liability equals 1% of parcel AV - homesteads;

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

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

Property taxes outstanding at December 31, 2016, net of an allowance for uncollectible amounts, are recorded as a receivable in the governmental fund and government-wide financial statements. However, for the governmental fund financial statements, all property tax receivable amounts are offset by deferred inflows of resources.

**Note 6: Tax Abatements**

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

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

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

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

***Tax Exemption for Enterprise Information Technology Equipment (IC 6-1.1-10.44)***

The City may grant up to a ten-year, 100% personal property tax exemption to a business engaged in computing, networking or data storage for new investments in qualified enterprise information technology equipment.

The tax exemption requires a minimum investment of \$10 million in qualifying investment by an eligible business located in a High Technology District Area, as designated by the City-County Council. The average wage of employees must be at least one hundred twenty-five percent (125%) of the county average wage. Examples of non-eligible activities are call centers, back office operations, customer service operations, and credit/claims processing operations. City-County Council approval is required to grant the exemption.

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

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

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

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

In return for such abatements, the City 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.

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.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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.

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 an accrual basis, by which the County’s property tax revenues (payable 2016 taxes) were reduced as a result of the aforementioned abatement programs that have been entered into by the City of Indianapolis follows:

Real Property Tax Abatement	\$	325,208
Personal Property Tax Abatement		1,206,506
Tax Exemption for Enterprise		69,378
Vacant Building Abatement		4,600
Total	\$	1,605,692

While the County has calculated the potential impact of existing tax abatements on its property tax revenues for 2016 to approximate \$1.6 million, the actual extent of lost revenues is something less than this amount and cannot be easily determined due to the application of circuit breaker credits.

**Note 7: Receivables Disaggregation**

Accounts receivable as of December 31, 2016, for the County are as follows:

	Accounts	Due From Other Governments	Total Accounts Receivable
Governmental Activities			
General fund	\$ 822,773	\$ 6,524,621	\$ 7,347,394
Other nonmajor governmental funds	688,152	750,376	1,438,528
Internal Service Fund	-	4,105,198	4,105,198
Total governmental activities	\$ 1,510,925	\$ 11,380,195	\$ 12,891,120

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Note 8: Due from Federal and State Governments**

Amounts due under federal grants at December 31, 2016 for specific programs and capital projects include:

	<b>Governmental Activities</b>
	<b>Other Nonmajor Governmental</b>
Reimbursements under federal grants:	
Department of Housing and Urban Development (HUD)	\$ 55,471
Department of Justice (DOJ)	850,309
Department of Health and Human Services (HHS)	283,878
State of Indiana	451,724
Total governmental activities	\$ 1,641,382

**Note 9: Capital Assets**

Following is a summary of changes in capital assets for the County's governmental activities for the year ended December 31, 2016:

	<b>January 1, 2016</b>	<b>Transfers/ Additions</b>	<b>Transfers/ Disposals</b>	<b>December 31, 2016</b>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 655,172	\$ 65,879	\$ -	\$ 721,051
Total capital assets not being depreciated	655,172	65,879	-	721,051
Capital assets being depreciated:				
Buildings	114,359,068	-	-	114,359,068
Improvements	31,404,738	50,806	-	31,455,544
Furniture and equipment	16,934,536	9,390,406	92,511	26,232,431
Vehicles	9,292,368	295,541	219,553	9,368,356
Software	13,945,636	29,720	-	13,975,356
Total capital assets being depreciated	185,936,346	9,766,473	312,064	195,390,755
Less accumulated depreciation for:				
Buildings	70,191,324	3,601,052	-	73,792,376
Improvements	8,210,392	1,563,509	-	9,773,901
Furniture and equipment	10,461,972	2,969,882	43,080	13,388,774
Vehicles	6,340,631	785,480	219,553	6,906,558
Software	3,889,499	1,109,827	-	4,999,326
Total accumulated depreciation	99,093,818	10,029,750	262,633	108,860,935
Total capital assets being depreciated, net	86,842,528	(263,277)	49,431	86,529,820
Governmental activities capital assets, net	\$ 87,497,700	\$ (197,398)	\$ 49,431	\$ 87,250,871



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

Within the statement of activities, depreciation expense was charged to functions/programs of the County during 2016 as follows:

**Governmental Activities:**

Administration and finance	\$ 1,654,683
Protection of people and property	932,257
Corrections	1,798,482
Judicial	2,617,076
Culture and recreation	294,731
Real estate and assessments	7,309
Health and welfare	39,013
Depreciation on capital assets held by the government's internal services are charged to the administration and finance function	2,686,199
Total depreciation and amortization, governmental activities	\$ 10,029,750

**Note 10: Accounts Payable and Other Liabilities Disaggregation**

Accounts payable and other current liabilities as of December 31, 2016 for the County are as follows:

	Vendors	Due to Other Governments	Claims and Settlements	Accrued Payroll and Taxes	Total Payables and Other Current Liabilities
Governmental activities					
General Fund	\$ 6,421,756	\$ 1,618,993	\$ -	\$ 1,853,179	\$ 9,893,928
Public Safety Income Tax Fund	32,932	224	-	446,669	479,825
MC Sheriff's Medical Care of Inmates	2,204,570	-	-	-	2,204,570
Other Nonmajor Governmental	2,112,334	53,164	-	404,614	2,570,112
Internal Service Fund	2,118,447	251	-	37,383	2,156,081
Adjustment to government-wide	-	-	589,778	-	589,778
Total governmental activities	\$ 12,890,039	\$ 1,672,632	\$ 589,778	\$ 2,741,845	\$ 17,894,294

**Note 11: Leases and Management Contracts**

***Lessee Arrangements***

**Indianapolis-Marion County Building Authority ("Building Authority")**

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

The governing Indiana statute with respect to each of the Building Authority’s leases provides that the lessee governments shall be obligated to levy annually a tax sufficient to produce each year the necessary funds to pay the lease rentals to the Building Authority. During 2016, the County paid \$1,886,000 and \$6,988,770, respectively, in Fixed Rentals and Additional Rentals. Fixed Rental obligations are accounted for as capital leases, while Additional Rental obligations are treated as operating leases. The County’s lease agreements with the Building Authority expire on various dates through 2024.

The City and the County have also entered into a number of management contracts with the Building Authority. Such contracts provide for the construction, operation and/or maintenance of facilities for use by various departments of the City and the County. In some instances, the City and the County advance funds to the Building Authority for construction of new facilities. In other instances, management contracts are established for existing facilities. Under each of their management contracts, the City and the County designate the Building Authority as their agent and manager for purposes of constructing, maintaining and/or managing the facilities. Like Additional Rentals, annual Maintenance Fees are payable to the Building Authority for facilities covered under management contracts and vary each year based on the operating expense budgets for the facilities. During 2016, the County paid the Building Authority \$124,200 in Maintenance Fees. The County’s only management contract automatically renews on an annual basis.

**Other Lessee Arrangements**

The County, as lessee, has also entered into various other operating leases for rental of equipment and properties. Total rental expense in relation to other operating leases was \$1,441,835 for governmental activities for 2016. The leases expire at various dates through 2026.

Minimum future payments on all noncancelable operating leases as of December 31, 2016 are as follows:

2017	\$	955,668
2018		931,080
2019		940,178
2020		809,502
2021		264,339
2022 - 2026		604,827
Total future minimum payments	\$	4,505,594

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Note 12: Capital Lease Obligations**

The County enters into financing arrangements for capital leases from time to time, which for accounting purposes are considered capital lease obligations. These include the previously disclosed leases for certain facilities financed through and maintained by the Building Authority. At December 31, 2016, the total net book value of capital assets under such leases was \$14,048,263 and the related capital lease obligations amounted to \$18,874,240.

The following is a schedule of future minimum lease payments and the net present value of these minimum lease payments as of December 31, 2016.

2017	\$ 6,238,830
2018	4,544,280
2019	3,342,430
2020	2,548,842
2021	2,309,001
2022 - 2026	1,760,300
	20,743,683
Amount representing interest	(1,869,443)
	\$ 18,874,240

**Note 13: Long-Term Liabilities**

Long-term liabilities for the year ended December 31, 2016 follow:

	January 1, 2016	Additions	Reductions	December 31, 2016	Due Within One Year
<b>Governmental Activities:</b>					
Capital lease payable	\$ 17,176,614	\$ 8,718,415	\$ 7,020,789	\$ 18,874,240	\$ 5,546,459
Note payable	3,741,592	-	1,955,354	1,786,238	1,582,810
Net pension liabilities	166,658,708	35,206,592	23,876,752	177,988,548	-
Postemployment benefit obligation	899,000	1,064,000	643,000	1,320,000	-
Accrued compensated absences	8,013,586	12,078,558	11,678,341	8,413,803	8,281,094
	\$ 196,489,500	\$ 57,067,565	\$ 45,174,236	\$ 208,382,829	\$ 15,410,363

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

**Note 14: Pension Plans**

The County participates in three separate defined-benefit pension plans. The Public Employees' Retirement Fund of Indiana ("PERF"), administered by the Indiana Public Retirement System ("INPRS"), applies to all full-time County employees, except for employees of the Marion County Sheriff's Department ("Sheriff's Department"). The Marion County Sheriff's Department Personnel Retirement Plan ("Sheriff's Retirement Plan") and the Marion County Sheriff's Department Personnel Benefit Plan ("Sheriff's Disability Plan") cover employees of the Sheriff's Department. The Sheriff's Retirement and Disability Plans are both closed to new participants.

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

**Plan Descriptions**

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

The Sheriff's Disability Plan is a single-employer defined-benefit pension plan established to provide disability, death, and survivor/dependent benefits for a person employed by the Marion County Sheriff's Department as a County Police Officer, Sheriff, or Deputy Sheriff with full police power, as such terms are used in Indiana Code. IC 36-8-10, Sections 14, 15, 16 and 17, grant the authority to the Sheriff's Department and a trustee to establish and amend the benefit terms to the plan with approval of the City-County Council. The Sheriff's Disability Plan was established on November 1, 1972 and is also administered by the Pension Board.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Plan Membership**

The plan membership of the Sheriff’s Retirement and Disability Plans as of December 31, 2016 follows:

	<b>Sheriff’s Retirement Plan</b>	<b>Sheriff’s Disability Plan</b>
Inactive plan members or beneficiaries currently receiving benefits	355	108
Inactive plan members or beneficiaries entitled to but not yet receiving benefits	3	282
Active plan members	237	237
Total	595	627

**Funding Policy**

The Marion County Sheriff’s Department intends to contribute to the Sheriff’s Retirement and Disability Plans each year such amounts as may be required to operate the plan on a sound actuarial basis. The minimum annual contribution by the Sheriff’s Department must be sufficient, as determined by the plans’ consultants, to prevent deterioration in the actuarial status of the trust funds during the year. According to IC 36-8-10-12(e), if the Sheriff’s Department fails to make minimum contributions for three successive years, the pension trusts terminate and the trust funds shall be liquidated. For the year ended December 31, 2016, the mandatory member contribution rate for the Sheriff’s Retirement Plan was 4.25% of annual pay and the actuarially determined employer contribution rate was 41.2% of annual payroll. For the year ended December 31, 2016, the actuarially determined employer contribution rate for the Sheriff’s Disability Plan was 12.8% of annual payroll.

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

The Sheriff’s Retirement Plan provides that the monthly retirement benefit shall be a pension payable for the member’s lifetime equal to 2.50% of the member’s average monthly wage received during the highest paid five calendar years before retirement plus one dollar (\$1.00); this sum is multiplied by the member’s years of credited service up to 20 years; plus an additional 2% of the member’s average monthly wage, as outlined above, multiplied by the member’s years of credited service in excess of 20 years up to an additional 12 years. Members are eligible to retire as of normal retirement for an unreduced benefit upon the earlier of the attainment of age 50 and completion of at least 20 years of credited service or attainment of age 55. A member’s normal retirement benefit is limited to 74% of the member’s average monthly wage, as outlined above, plus \$20.00.

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

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

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

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

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

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

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

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

**Contributions Required and Contributions Made**

The Sheriff's Retirement Plan is funded through a combination of employer and required employee contributions. For the year ended December 31, 2016, the mandatory employee contribution rate (per the plan's legal document) was 4.25% of annual pay and the actuarially determined minimum required employer contribution was \$8,051,621 (42.8% of annual covered payroll), equal to the actual amount contributed by the Sheriff's Department plus a portion of the County's delinquent tax collections.

The Sheriff's Disability Plan is funded only through employer contributions. For the year ended December 31, 2016, the actuarially determined minimum employer contribution was \$2,418,032 (13.4% of annual covered payroll), equal to the actual amount contributed by the Sheriff's Department.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

***Deferred Retirement Option Plan***

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

A member of the Sheriff’s Retirement Plan who has attained normal retirement age, or is eligible for immediate payment of an unreduced benefit, may irrevocably elect to enter the DROP for a period not longer than three years and shall not extend beyond the date the member is credited with 32 years of service. The member will not be credited with any additional years of service from the date of entry into the DROP. The member’s DROP frozen benefit will be equal to the monthly pension benefit calculated under the standard benefit formula based upon the member’s salary and years of credited service as of the DROP entry date. Upon actual severance of employment by retirement at any time after the DROP entry date, the member will receive a DROP benefit accumulation in the available form/option elected by the member in addition to the DROP frozen benefit to be paid as a monthly annuity. As of December 31, 2016, the balance of the amounts held by the plan pursuant to the DROP is \$1,054,570.

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

**Plan Description**

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

There are two tiers to the PERF plan. The first is the Public Employee’s Defined Benefit Plan (“PERF Hybrid Plan”) and the second is the Public Employees’ ASA Only Plan (“PERF ASA Only Plan”). The PERF ASA Only Plan was originally available only to employees of the State of Indiana. As of July 1, 2016, employees of Indiana political subdivisions may be eligible to participate in the PERF ASA Only Plan if their political subdivision chooses to participate. Beginning January 1, 2017, all new full-time County employees, including Marion County Sheriff personnel, will be enrolled in the PERF ASA Only Plan.



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

There are two aspects to the PERF Hybrid Plan defined-benefit structure. The first portion is the monthly defined-benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the Annuity Savings Account (“ASA”) that supplements the defined-benefit at retirement.

**Funding Policy**

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

The employer defined-benefit contribution rate is based on an actuarial valuation and is adopted, and may be amended, by the INPRS Board. For 2016, the County contributed 11.2% of employee compensation to the plan. The ASA consists of the employee contribution, which is 3% of compensation as defined by Indiana statutes, plus the interest/earnings or losses credited to the employee’s account. The employer may choose to make the contributions on behalf of its participating employees, which the County has elected to do. In addition, under certain circumstances, employees may elect to make additional voluntary contributions of up to 10% of their compensation into their ASA. An employee’s contribution and interest credits belong to the employee and do not belong to the state or the County.

**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 employee’s ASA. Retirement benefits vest after ten years of creditable service. Employees are immediately vested in their respective annuity savings accounts. The vesting period is eight years for certain elected officials. At retirement, an employee may choose to receive a lump-sum payment of the amount credited to the employee’s ASA, receive the amount as an annuity or leave the contributions invested with INPRS.

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

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

The monthly pension benefits for employees in pay status may be increased periodically by a COLA. Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.

**Disability and Survivor Benefits**

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Contributions Required and Contributions Made**

Employer contribution rates are adopted annually by the INPRS Board for PERF. The contributions are actuarially determined based on the funding policy, actuarial assumptions and actuarial methods established by the INPRS Board. Contributions determined by the actuarial valuation become effective either 12 or 18 months after the valuation date, depending on the applicable employer. In the case of the County, contribution rates and amounts determined by the June 30, 2016 actuarial valuation and adopted by the INPRS Board therefore become effective on January 1, 2017. The County's contractually required contribution rate for 2016 was 11.2% of annual payroll, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2016, the County's actual employer contributions made of \$12,919,625 (11.2% of annual pay) were equal to the actuarially required contributions.

***Actuarial Assumptions***

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

<b>Assumptions</b>	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>	<b>PERF</b>
Date of valuation	December 31, 2016	December 31, 2016	June 30, 2015 - rolled forward to measurement date
Measurement date	December 31, 2016	December 31, 2016	June 30, 2016
Actuarial cost method	Frozen initial liability	Frozen initial liability	Entry age normal - Level Percent of Payroll
Long-term expected return on plan assets	6.75%	6.75%	6.75%
Money-weighted rate of return	6.22%	5.63%	1.10%
Inflation rate	3.00%	3.00%	2.25%
Cost of living adjustment	2.00%	2.00%	1.00%
Salary increase	4.00%	4.00%	2.50% - 4.25%
Mortality	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2016 (separate employee & annuitant tables and male & female tables)	RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Projection Scale MP-2016 (separate employee & annuitant tables and male & female tables)	RP-2014 (with MP-2014 improvement removed) Total Data Set Mortality Tables projected on a generational basis using future mortality improvement inherent in the Social Security Administration's 2014 Trustee Report
Experience period	N/A	N/A	7/1/10 to 6/30/14
Discount rate			
2016	6.75%	6.75%	6.75%
2015	6.75%	6.75%	6.75%
Asset valuation method	5 year asset smoothing	5 year asset smoothing	5-year smoothing of gains/losses on market value with a 20% corridor
Amortization method	Level percentage of payroll	N/A	Level dollar
Amortization period	Open - 25 years	N/A	Closed - 20 years

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

Asset Class	Sheriff's Retirement and Disability Plans		PERF	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	37.00 %	6.90 %	22.00 %	5.70 %
Private equity	-	-	10.00	6.20
Global ex-U.S. equity	13.00	7.05	-	-
Fixed income - ex inflation linked	-	-	24.00	2.70
Fixed income - inflation linked	-	-	7.00	0.70
Domestic fixed	33.00	3.02	-	-
Commodities	-	-	8.00	2.00
Real estate	-	-	7.00	2.70
Absolute return	-	-	10.00	4.00
Risk parity	-	-	12.00	5.00
Short duration	15.00	2.60	-	-
Cash equivalents	2.00	2.27	-	-
Total	<u>100.00 %</u>		<u>100.00 %</u>	

**Discount Rates**

The discount rate used to measure the total pension liability for each of the County's pension plans was 6.75% for the year ended December 31, 2016. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that participating employer contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the fiduciary net position for each of these plans was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the respective total pension liabilities.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

The following represents the County's net pension liabilities, by plan and in the aggregate, calculated using discount rates 1% higher and 1% lower than their respective rates at December 31, 2016:

Plan	1% Decrease	Current Rate	1% Increase
Sheriff's Retirement Plan (current rate: 6.75%)	\$ 94,080,839	\$ 65,154,814	\$ 41,101,056
Sheriff's Disability Plan (current rate: 6.75%)	8,258,692	4,860,508	2,083,921
PERF (current rate: 6.75%) - proportionate share	<u>155,075,118</u>	<u>107,973,226</u>	<u>68,824,433</u>
Total	<u>\$ 257,414,649</u>	<u>\$ 177,988,548</u>	<u>\$ 112,009,410</u>

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

The net pension liabilities for the Sheriff's Retirement and Disability Plans were measured as of December 31, 2016 and the total pension liability used to calculate the net liability was determined by an actuarial valuation as of that date.

The net pension liability for PERF was measured as of June 30, 2016 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, rolled forward to June 30, 2016. Member census data as of June 30, 2015, was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2015 and June 30, 2016. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2015 to the June 30, 2016 measurement date. Wages reported by the County relative to the collective wages of the plan served as the basis to determine the County's proportionate share. This basis of allocation is consistent with the manner in which contributions to the pension plan are determined. At June 30, 2016, the County's proportion was .0237908%, which was an increase of .0005562% from its proportion measured as of June 30, 2015.

At December 31, 2016 and for the year then ended, the County reported the following net pension liabilities (assets), pension expense, deferred outflows of resources and deferred inflows of resources related to the County's three pension plans in which it participates:

Plan	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Sheriff's Retirement Plan	\$ 65,154,814	\$ 12,593,270	\$ 818,294	\$ 8,313,240
Sheriff's Disability Plan	4,860,508	1,457,871	607,953	556,234
PERF	<u>107,973,226</u>	<u>33,849,273</u>	<u>1,944,161</u>	<u>7,819,956</u>
Total	<u>\$ 177,988,548</u>	<u>\$ 47,900,414</u>	<u>\$ 3,370,408</u>	<u>\$ 16,689,430</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

The components of the net pension liability of the County for the Sheriff's retirement and Disability Plans as of December 31, 2016 were as follows:

	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>
Total pension liability	\$ 247,946,649	\$ 27,014,588
Plan's fiduciary net position	(182,791,834)	(22,154,080)
County's net pension liability	\$ 65,154,815	\$ 4,860,508
Plan fiduciary net position as a percentage of the total pension liability	73.72 %	82.01 %

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

	Sheriff's Retirement Plan			Sheriff's Disability Plan		
	Total Pension Liability	Fiduciary Net Pension	Net Pension Liability	Total Pension Liability	Fiduciary Net Pension	Net Pension Liability
Balances as of January 1, 2016	\$ 240,380,894	\$ 175,944,854	\$ 64,436,040	\$ 27,964,765	\$ 20,374,347	\$ 7,590,418
Changes for the year						
Service cost	3,377,204	-	3,377,204	791,676	-	791,676
Interest on total pension liability	16,004,062	-	16,004,062	1,878,146	-	1,878,146
Difference between expected and actual experience	(2,410,307)	-	(2,410,307)	(2,025,092)	-	(2,025,092)
Effect of assumptions changes	2,891,811	-	2,891,811	125,782	-	125,782
County contributions	-	8,051,621	(8,051,621)	-	2,418,032	(2,418,032)
Employee contributions	-	701,867	(701,867)	-	-	-
Net investment income	-	10,529,310	(10,529,310)	-	1,089,224	(1,089,224)
Administrative expenses	-	(138,803)	138,803	-	(6,834)	6,834
Benefit payments	(12,297,015)	(12,297,015)	-	(1,720,689)	(1,720,689)	-
Total net changes	7,565,755	6,846,980	718,775	(950,177)	1,779,733	(2,729,910)
Balances as of December 31, 2016	\$ 247,946,649	\$ 182,791,834	\$ 65,154,815	\$ 27,014,588	\$ 22,154,080	\$ 4,860,508

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

Deferred outflows of resources and deferred inflows of resources related to pensions as of December 31, 2016 are from the following sources:

	Sheriff's Retirement Plan		Sheriff's Disability Plan		PERF		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 818,294	\$ -	\$ 607,953	\$ 2,419,005	\$ 199,315	\$ 2,419,005	\$ 1,625,562
Net difference between projected and actual earnings on pension plan investments	11,611,955	-	1,420,107	-	23,855,369	6,075,238	36,887,431	6,075,238
Changes in assumptions	981,315	-	37,764	-	4,763,864	-	5,782,943	-
Changes in proportion and differences between the County's contribution and proportionate share contribution	-	-	-	-	1,926,891	1,744,846	1,926,891	1,744,846
County's contributions subsequent to the measurement date	-	-	-	-	6,959,382	-	6,959,382	-
Total net changes	12,593,270	818,294	1,457,871	607,953	39,924,511	8,019,399	53,975,652	9,445,646
Netting required under GASB Statement No. 68	-	-	-	-	(6,075,238)	(6,075,238)	(6,075,238)	(6,075,238)
Adjusted total	\$ 12,593,270	\$ 818,294	\$ 1,457,871	\$ 607,953	\$ 33,849,273	\$ 1,944,161	\$ 47,900,414	\$ 3,370,408

At December 31, 2016, the County reported \$6,959,382 as deferred outflows of resources related to pensions resulting from plan contributions made by the County to PERF, subsequent to the measurement date. Therefore, this amount will be recognized as a decrease in the net pension liability for PERF in the year ending December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2016, related to pensions will be recognized in pension expense as follows:

	Sheriff's Retirement Plan	Sheriff's Disability Plan	PERF	Total
2017	\$ 4,211,448	\$ (78,741)	\$ 9,209,403	\$ 13,342,110
2018	4,047,979	491,448	5,913,985	10,453,412
2019	3,273,532	374,954	6,948,227	10,596,713
2020	242,017	62,257	2,874,115	3,178,389
2021	-	-	-	-
Thereafter	-	-	-	-
Total	\$ 11,774,976	\$ 849,918	\$ 24,945,730	\$ 37,570,624

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

***Pension Trust Fund Financial Statements***

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

	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 174,884,376	\$ 19,715,291	\$ 194,599,667
Accounts receivable	7,980,792	2,437,462	10,418,254
Total assets	<u>\$ 182,865,168</u>	<u>\$ 22,152,753</u>	<u>\$ 205,017,921</u>
<b>Liabilities</b>			
Accounts payable	\$ 73,334	\$ (1,327)	\$ 72,007
Total liabilities	<u>73,334</u>	<u>(1,327)</u>	<u>72,007</u>
<b>Net Position</b>			
Net position restricted for pensions	<u>\$ 182,791,834</u>	<u>\$ 22,154,080</u>	<u>\$ 204,945,914</u>

	<b>Sheriff's Retirement Plan</b>	<b>Sheriff's Disability Plan</b>	<b>Total</b>
<b>Additions</b>			
Employer contributions	\$ 8,051,621	\$ 2,418,032	\$ 10,469,653
Employee contributions	701,867	-	701,867
Investment income	1,002,598	243,911	1,246,509
Unrealized gains	9,526,712	845,313	10,372,025
Total additions	<u>19,282,798</u>	<u>3,507,256</u>	<u>22,790,054</u>
<b>Deductions</b>			
Benefit payments	12,297,015	1,720,689	14,017,704
Administrative expense	138,803	6,834	145,637
Total deductions	<u>12,435,818</u>	<u>1,727,523</u>	<u>14,163,341</u>
Net change in net position	6,846,980	1,779,733	8,626,713
Net position restricted for pensions - beginning of year	<u>175,944,854</u>	<u>20,374,347</u>	<u>196,319,201</u>
Net position restricted for pensions - end of year	<u>\$ 182,791,834</u>	<u>\$ 22,154,080</u>	<u>\$ 204,945,914</u>



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Note 15: Postemployment Benefits Other Than Pensions**

In accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* ("GASB Statement No. 45"), the County recognizes the cost of postemployment healthcare benefits over a period that approximates the employees' years of service and provides information useful in assessing potential demands on the County's future cash flows. Recognition of the liability accumulated from prior years is being amortized over 30 years.

***Plan Description***

**Current County Employees:**

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

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

**Former Marion County Sheriff Deputies:**

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

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

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

***Funding Policy***

Contribution requirements are negotiated between the County and union representatives. For fiscal year 2016, the County contributed \$643,000 to the plan and the active officers' contributions were \$0.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

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

***Annual OPEB Cost and Net OPEB Obligation***

The County’s annual OPEB cost is calculated based on the annual required contribution of the employer (“ARC”), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 and, in accordance therewith, the County has elected to perform an actuarial valuation of the OPEB on a biennial basis. The last actuarial valuation performed by the County was as of December 31, 2015. The next valuation will be completed as of December 31, 2017. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The County’s annual OPEB cost for the current year and the related information are as follows at December 31, 2016:

Annual required contribution	\$ 1,066,000
Interest on net OPEB obligation	32,000
Adjustment to annual required contribution	(34,000)
Annual OPEB cost (expense)	<u>1,064,000</u>
Contributions made	<u>(643,000)</u>
Increase in net OPEB obligation	421,000
Net OPEB obligation - beginning of year	<u>899,000</u>
Net OPEB obligation - end of year	<u><u>\$ 1,320,000</u></u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016, 2015 and 2014 were as follows:

Year	Annual OPEB Cost	Employer Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2016	\$ 1,064,000	\$ 643,000	60.43 %	\$ 1,320,000
2015	968,000	613,000	63.33	899,000
2014	927,000	620,000	66.88	544,000

***Funded Status and Funding Progress***

The funded status of the plan based on the most recent biennial actuarial valuation for the plan, dated as of December 31, 2016, was as follows:

Actuarial accrued liability	\$ 17,295,000
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial liability	<u><u>\$ 17,295,000</u></u>
Funded ratio	- %
Covered payroll	\$ 117,827,638
Unfunded actuarial accrued liability as a percentage of covered payroll	14.68% %

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the accompanying notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

***Actuarial Methods and Assumptions***

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial values of assets, consistent with the long-term perspective of the calculations. Significant methods and assumptions used for this fiscal year valuation were as follows:

Actuarial valuation date	December 31, 2015
Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of expected payroll
Amortization period	30 years open
Actuarial assumptions	
Discount rate	3.60% effective annual rate
Projected salary increases	2.75%
General inflation rate	2.20% for the first 15 years and 2.5 thereafter, compounded annually
Healthcare inflation rate	Starting at 6.20% per year and gradually decreasing to 4.50% over a period of 55-70 years, depending on the medical plan

**Note 16: Deferred Compensation Plan**

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Note 17: Fund Balances**

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

	General Fund	Public Safety Income Tax	MC Sheriff Medical Care for Inmates	Nonmajor Governmental Funds	Total
Governmental Activities:					
Restricted for					
Administration and finance	\$ -	\$ -	\$ -	\$ 4,588,704	\$ 4,588,704
Protection of people and property	-	-	-	21,218	21,218
Corrections	-	-	-	1,193,016	1,193,016
Judicial	-	-	-	4,843,875	4,843,875
Real estate and assessments	-	-	-	3,757,996	3,757,996
Health and welfare	-	-	-	5,350,879	5,350,879
Debt service	-	-	-	4,554,694	4,554,694
Capital projects	-	-	-	10,781	10,781
Other purposes by grantors	-	-	-	3,713,702	3,713,702
	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,034,865</u>	<u>28,034,865</u>
Assigned to					
Operating expenditures	1,413,316	-	-	-	1,413,316
	<u>1,413,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,413,316</u>
Unassigned					
	3,112,684	(74,019)	(2,282,352)	(291,836)	464,477
	<u>3,112,684</u>	<u>(74,019)</u>	<u>(2,282,352)</u>	<u>(291,836)</u>	<u>464,477</u>
Total Fund Balance	<u>\$ 4,526,000</u>	<u>\$ (74,019)</u>	<u>\$ (2,282,352)</u>	<u>\$ 27,743,029</u>	<u>\$ 29,912,658</u>

Deficit fund balances by fund are as follows:

Public Safety Income Tax	\$ (74,019)
MC Sheriff Medical Care for Inmates	(2,282,352)
Nonmajor Special Revenue Funds	
Prosecutor's Law Enforcement Equitable Sharing	(97,539)
Supplemental Public Defender Fee	(64,418)
Sheriff's Civil Division Fees	(44,751)
MECA Emergency Phone System	(28,198)
Nonmajor Debt Service Fund	
Capital Improvement Sinking	(44,686)
Nonmajor Capital Project Funds	
Public Safety Capital Projects	(12,244)

The deficit in the Public Safety Income Tax Special Revenue Fund will be covered by future income tax distributions. The deficit in the Sheriff's Medical Care for Inmates Fund will be covered by a transfer from the General Fund. The deficit in the Prosecutor's Law Enforcement Equitable Sharing Fund will be covered from reimbursements from the City. The deficit in the Supplemental Public Defender Fee Fund and Marion County Sheriff's Civil Division Fees Fund will be covered by future charges for services. The deficit in the MECA Emergency Phone System fund will be covered by future E-911 fees. The County intends to reduce the deficit in the Public Safety Capital Projects Fund and Capital Improvement Sinking Fund by a transfer from the General Fund.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Note 18: Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is self-insured for vehicle, workers' compensation, general liability, and high-deductible health insurance. Additionally, the County purchases commercial insurance for claims for all other risks of loss. Settled claims have not exceeded the insurance coverage in any of the past three years. Additionally, the County participates in the City's self-insurance fund for high-deductible health insurance plan that is offered to current and eligible retired employees. In 2016, the County paid \$21,272,705 relating to these self-insured risks.

The change in claims for 2016, including an estimate of incurred but not reported claims, is as follows:

	<b>Risk Management</b>	<b>Public Liability Self- Insurance</b>	<b>Total</b>
Unpaid claims, December 31, 2015	\$ 328,046	\$ 155,000	\$ 483,046
Incurred claims and changes in estimates	1,254,009	237,000	1,491,009
Claims paid	(1,142,277)	(242,000)	(1,384,277)
Unpaid claims, December 31, 2016	\$ 439,778	\$ 150,000	\$ 589,778

**Note 19: Contingent Liabilities and Commitments**

***Lawsuits***

Various lawsuits are pending against the County. In the opinion of the County's Corporation Counsel, the aggregate potential loss on all outstanding litigation for public liability self-insurance was estimated to be \$150,000 at December 31, 2016. This amount has been accrued for in the government-wide statement of net position. Indiana tort law limits the County's liability to \$700,000 per person and \$5,000,000 per occurrence. Additionally, the County is a defendant in various lawsuits for which management has determined that there is a reasonable possibility of an adverse outcome. No accrual has been made in the financial statements for these items, which approximate \$2,497,000 - \$28,390,000, as these potential losses are not both probable and estimable.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Government Grants**

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

**Note 20: Related Party Transactions**

The legislative body of the County is the same in several respects as that of the City, and the position of chief executive is held by the Mayor of the City. The County provides certain information technology and telephone services to the City. Receipts from these services were \$18,367,208 for information system costs and \$605,642 for telephone costs in 2016, of which approximately \$4,100,000 is receivable from the City at December 31, 2016. In 2016, the County also received \$6,600,000 of 911 dispatch fees from the City.

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

The County acted as either a subrecipient or a pass-through agent for various state and federal grant programs received from the City during 2016.

The County has entered into various contracts with Health and Hospital Corporation of Marion County ("HHC"). HHC is a separate municipal corporation and is considered to be a component unit of the Consolidated City of Indianapolis - Marion County. HHC has its own governing board, separate from the County's legislative body. HHC activities include the administration of the Division of Public Health and the Division of Public Hospitals. In 2016, the County made \$1,212,994 in distributions funded from property taxes to HHC in support of community mental health centers.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Notes to Basic Financial Statements**  
**December 31, 2016**

**Note 21: Interfund Transactions and Balances**

Funds are transferred from one fund to support expenditures of other funds in accordance with authority established for the individual fund. The composition of interfund receivable and payable balances as of December 31, 2016 is as follows:

<b>Interfund Receivables</b>	<b>Interfund Payables</b>	<b>Amount</b>
General Fund	Nonmajor Governmental Funds	\$ 557,903
General Fund	MC Sheriff's Med Care Inmates	77,782
General Fund	Agency Fund	19,880
Agency Fund	Agency Fund	23,521
		<u>\$ 679,086</u>

Interfund transfers for the year ended December 31, 2016 consisted of the following:

	<b>Transfer In</b>			<b>Total</b>
	<b>General Fund</b>	<b>MC Sheriffs Medical Care For Inmates</b>	<b>Nonmajor Governmental Funds</b>	
<b>Transfer out</b>				
General Fund	\$ -	\$ 10,650,000	\$ 4,667,421	\$ 15,317,421
Nonmajor Governmental Funds	40	-	1,003,673	1,003,713
<b>Total</b>	<u>\$ 40</u>	<u>\$ 10,650,000</u>	<u>\$ 5,671,094</u>	<u>\$ 16,321,134</u>

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



**Required Supplementary Information  
(Other Than MD&A) (Unaudited)**



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - General Fund**  
**(Budgetary Basis)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 139,305,785	\$ 138,366,593	\$ 165,559,007	\$ 27,192,414
Intergovernmental	18,495,190	18,495,190	11,599,549	(6,895,641)
Charges for services	8,733,638	8,730,838	8,351,074	(379,764)
Interest	725,000	725,000	1,005,243	280,243
Miscellaneous	410,500	410,500	(390,618)	(801,118)
Total revenues	<u>167,670,113</u>	<u>166,728,121</u>	<u>186,124,255</u>	<u>19,396,134</u>
<b>Expenditures</b>				
General Government	102,104,353	103,500,884	101,867,695	1,633,189
Public Safety	72,777,421	74,612,421	74,447,386	165,035
Cultural and Recreation	721,614	721,609	213,716	507,893
Capital outlays	258,382	704,649	669,893	34,756
Total expenditures	<u>175,861,770</u>	<u>179,539,563</u>	<u>177,198,690</u>	<u>2,340,873</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	5,481,993	-	150,000	150,000
Transfers out	-	-	(15,090,065)	(15,090,065)
Sale of capital assets	50,000	50,000	-	(50,000)
Total other financing sources	<u>5,531,993</u>	<u>50,000</u>	<u>(14,940,065)</u>	<u>(14,990,065)</u>
Net change in fund balances	(2,659,664)	(12,761,442)	(6,014,500)	6,746,942
Fund balances - beginning of year	5,198,964	7,044,923	6,682,695	(362,228)
Cancellation of purchase orders and other	2,256,461	6,976,870	5,715,882	(1,260,988)
Fund balances - end of year	<u>\$ 4,795,761</u>	<u>\$ 1,260,351</u>	<u>\$ 6,384,077</u>	<u>\$ 5,123,726</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - Public Safety Income Tax Fund**  
**(Budgetary Basis)**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 37,634,530	\$ 37,640,688	\$ 37,640,688	\$ -
Intergovernmental	-	-	14,615	14,615
Total revenues	37,634,530	37,640,688	37,655,303	14,615
<b>Expenditures</b>				
General Government	13,662,418	13,662,419	13,647,315	15,104
Public Safety	23,972,111	23,962,110	23,896,793	65,317
Capital outlays	-	10,000	9,657	343
Total expenditures	37,634,529	37,634,529	37,553,765	80,764
Net change in fund balances	1	6,159	101,538	95,379
Fund balances - beginning of year	335,532	-	194,558	194,558
Cancellation of purchase orders and other	(335,532)	188,809	655	(188,154)
Fund balances - end of year	\$ 1	\$ 194,968	\$ 296,751	\$ 101,783

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget and Actual - MC Sheriff Medical Care for Inmates Fund**  
**(Budgetary Basis)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 291,000	\$ 291,000	\$ 13,351	\$ (277,649)
Total revenues	<u>291,000</u>	<u>291,000</u>	<u>13,351</u>	<u>(277,649)</u>
<b>Expenditures</b>				
Public Safety	12,493,866	10,818,866	10,818,866	-
Total expenditures	<u>12,493,866</u>	<u>10,818,866</u>	<u>10,818,866</u>	<u>-</u>
<b>Other Financing Sources</b>				
Transfers in	12,100,000	12,100,000	10,650,000	(1,450,000)
Total other financing uses	<u>12,100,000</u>	<u>12,100,000</u>	<u>10,650,000</u>	<u>(1,450,000)</u>
Net change in fund balances	(102,866)	1,572,134	(155,515)	(1,727,649)
Fund balances - beginning of year	57,258	198,778	77,733	(121,045)
Cancellation of purchase orders and other	141,520	(1,570,789)	-	1,570,789
Fund balances - end of year	<u>\$ 95,912</u>	<u>\$ 200,123</u>	<u>\$ (77,782)</u>	<u>\$ (277,905)</u>

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

***Budgets and Budgetary Accounting***

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

Child Advocacy (Special Revenue Fund), Prosecutor’s PCA Fee (Special Revenue Fund), Sheriff Training and Gun Permit (Special Revenue Fund), Sheriff Accident Report Fees (Special Revenue Fund), Capital Improvement Sinking (Debt Service Fund), Public Safety Interest Escrow (Capital Projects Fund) and Public Safety Capital Projects (Capital Projects Fund) were not budgeted during 2016 due to no expenditure activity.

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

The timetable for the budgetary process is as follows:

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

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

During the year, the following supplementary appropriations were properly approved for the General Fund:

	<b>General</b>	<b>Public Safety Income Tax</b>	<b>MC Sheriff Medical Care for Inmates</b>
Original appropriation	\$ 175,861,770	\$ 37,634,529	\$ 12,493,866
Revisions	<u>3,677,793</u>	<u>-</u>	<u>(1,675,000)</u>
Revised appropriation	<u><u>\$ 179,539,563</u></u>	<u><u>\$ 37,634,529</u></u>	<u><u>\$ 10,818,866</u></u>

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

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

Adjustments necessary to convert the results of 2016 operations from a budgetary basis to a GAAP basis are as follows:

	<u>General</u>	<u>Public Safety Income Tax</u>	<u>MC Sheriff Medical Care for Inmates</u>
Net change in fund balance - budgetary basis	\$ (6,014,500)	\$ 101,538	\$ (155,515)
Add (Deduct):			
Accrued revenues	4,686,259	(109)	-
Accrued expenditures	(4,351,651)	(122,999)	(796,932)
Transfer, net	377,355	-	-
Encumbrances	2,239,417	85,411	-
Expenditures from prior year encumbrances	<u>(2,202,613)</u>	<u>(41,986)</u>	<u>(1,120,113)</u>
Net change in fund balance - GAAP basis	<u>\$ (5,265,733)</u>	<u>\$ 21,855</u>	<u>\$ (2,072,560)</u>

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>			
Service cost	\$ 3,377,204	\$ 3,438,958	\$ 3,512,394
Interest cost	16,004,062	16,038,453	15,287,781
Experience (gains)/losses	(2,410,307)	(4,536,384)	(2,796,688)
Assumption changes	2,891,811	(3,008,899)	7,557,415
Projected benefit payments	(12,297,015)	(12,477,800)	(12,234,746)
Net change in total pension liability	<u>7,565,755</u>	<u>(545,672)</u>	<u>11,326,156</u>
Total pension liability - beginning	<u>240,380,894</u>	<u>240,926,566</u>	<u>229,600,410</u>
Total pension liability - ending	<u>\$ 247,946,649</u>	<u>\$ 240,380,894</u>	<u>\$ 240,926,566</u>
<b>Plan Fiduciary Net Position</b>			
County employer contributions	\$ 8,051,621	\$ 8,158,271	\$ 7,910,245
Employee contributions	701,867	737,899	789,236
Net transfers	-	1,371	-
Net investment income	10,529,310	(2,962,919)	8,029,616
Administrative expenses	(138,803)	(173,623)	(155,593)
Actual benefit payments	(12,297,015)	(12,477,800)	(12,234,746)
Net change in plan fiduciary net position	<u>6,846,980</u>	<u>(6,716,801)</u>	<u>4,338,758</u>
Plan fiduciary net position - beginning	<u>175,944,854</u>	<u>182,661,655</u>	<u>178,322,897</u>
Plan fiduciary net position - ending	<u>\$ 182,791,834</u>	<u>\$ 175,944,854</u>	<u>\$ 182,661,655</u>
<b>County's Net Pension Liability</b>	<u>\$ 65,154,815</u>	<u>\$ 64,436,040</u>	<u>\$ 58,264,911</u>

**Notes to Schedule**

\* Plan is closed to new members.

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

Benefit changes: None

Changes in assumptions: The following change in assumptions was made from the December 31, 2016 valuation.

- 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 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables).



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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>			
Service cost	\$ 791,666	\$ 791,002	\$ 799,921
Interest cost	1,878,146	1,807,899	1,682,982
Experience (gains)/losses	(2,025,092)	413,949	182,988
Assumption changes	125,792	(255,746)	854,598
Projected benefit payments	<u>(1,720,689)</u>	<u>(1,712,811)</u>	<u>(1,599,643)</u>
Net change in total pension liability	(950,177)	1,044,293	1,920,846
Total pension liability - beginning	<u>27,964,765</u>	<u>26,920,472</u>	<u>24,999,626</u>
Total pension liability - ending	<u>\$ 27,014,588</u>	<u>\$ 27,964,765</u>	<u>\$ 26,920,472</u>
<b>Plan Fiduciary Net Position</b>			
County employer contributions	\$ 2,418,032	\$ 2,160,004	\$ 1,840,453
Net transfers	-	(1,371)	-
Net investment income	1,089,224	(189,118)	719,888
Administrative expenses	(6,834)	(3,822)	(6,466)
Actual benefit payments	<u>(1,720,689)</u>	<u>(1,712,811)</u>	<u>(1,599,643)</u>
Net change in plan fiduciary net position	1,779,733	252,882	954,232
Plan fiduciary net position - beginning	<u>20,374,347</u>	<u>20,121,465</u>	<u>19,167,233</u>
Plan fiduciary net position - ending	<u>\$ 22,154,080</u>	<u>\$ 20,374,347</u>	<u>\$ 20,121,465</u>
<b>County's Net Pension Liability</b>	<u>\$ 4,860,508</u>	<u>\$ 7,590,418</u>	<u>\$ 6,799,007</u>

**Notes to Schedule**

\* Plan is closed to new members.

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

Benefit changes: None

Changes in assumptions: The following change in assumptions was made from the December 31, 2014 valuation.

- 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 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee & annuitant tables and male & female tables).

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

Actuarial Valuation Date	Total Pension Liability	Plan Fiduciary Net Position	County's Net Pension Liability	Fiduciary Net Position as a % of Total Pension Liability	County's Covered Employee Payroll	County's Net Pension Liability as a % of Covered Payroll
<b>Sheriff's Retirement Plan *</b>						
12/31/2016	\$ 247,946,649	\$ 182,791,835	\$ 65,154,814	73.72 %	\$ 18,104,156	359.89 %
12/31/2015	240,380,894	175,944,854	64,436,040	73.19	18,425,920	349.70
12/31/2014	240,926,566	182,661,655	58,264,911	75.82	18,831,122	309.41
<b>Sheriff's Disability Plan *</b>						
12/31/2016	\$ 27,014,588	\$ 22,154,080	\$ 4,860,508	82.01 %	\$ 18,104,056	26.85 %
12/31/2015	27,964,765	20,374,347	7,590,418	72.86	18,425,920	41.19
12/31/2014	26,920,472	20,121,465	6,799,007	74.74	18,831,122	36.11

\* Plans closed to new members

**Notes to Schedule**

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

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

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

\* Plans closed to new members

**Notes to Schedule**

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

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

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>PERF</b>			
County's proportion of the net pension liability (asset)	2.38 %	2.32 %	2.27 %
County's proportionate share of the net pension liability (asset)	\$ 107,973,226	\$ 94,632,250	\$ 59,656,492
County's covered payroll	114,019,597	111,289,286	110,832,741
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	95 %	85 %	54 %
Plan fiduciary net position as a percentage of the total pension liability (asset)	75.35 %	77.35 %	84.29 %

**Notes to Schedule**

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

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

*Benefit changes:* None

*Changes in assumptions:* None

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

	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Sheriff's Retirement Plan *</b>			
Actuarially determined contribution	\$ 7,756,375	\$ 7,900,004	\$ 7,730,980
Contributions in relation to the actuarially determined contribution	8,051,621	8,158,275	7,910,245
Contribution deficiency (excess)	(295,246)	(258,271)	(179,265)
County's covered payroll	18,826,153	18,425,920	18,831,122
Contributions as a percentage of covered payroll	42.77	44.28	42.01
<b>Sheriff's Disability Plan *</b>			
Actuarially determined contribution	\$ 2,418,032	\$ 2,160,004	\$ 1,840,453
Contributions in relation to the actuarially determined contribution	2,418,032	2,160,004	1,840,453
Contribution deficiency (excess)	-	-	-
County's covered payroll	18,104,056	18,425,920	18,831,122
Contributions as a percentage of covered payroll	13.36	11.72	9.77
<b>PERF</b>			
Contractually required contribution	\$ 12,919,625	\$ 13,051,666	\$ 12,112,202
Contributions in relation to the contractually required contribution	12,919,625	13,051,666	12,112,202
Contribution deficiency (excess)	-	-	-
County's covered payroll	115,353,798	116,532,728	110,110,926
Contributions as a percentage of covered payroll	11.20	11.20	11.00

\* Plans closed to new members

**Notes to Schedule**

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

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

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

**PERF**

*Benefit changes:* None

*Changes in assumptions:* None

*Changes in actuarial methods:* The INPRS Board approved the following changes in methods, effective June 30, 2016 for the PERF Plan:

For funding purposes and when the plan is below 100% funded (based on Actuarial Value of Assets), gains and losses occurring from census experience different than assumed, assumption changes, and benefit changes will be amortized over a 20-year period with level payments each year, rather than a 30-year period. A new gain or loss base will continue to be established each year. This change is made on a prospective basis, beginning with the June 30, 2016 actuarial valuation. Amortization basis established prior to June 30, 2016 will continue to be amortized over their original amortization period, even if the remaining period is greater than 20 years at June 30, 2016. If the plan is at or above 100% funded (based on Actuarial Value of Assets), the methodology of treating past amortization basis as fully amortized and amortizing the entire surplus over an open 30-year period is unchanged.

For funding purposes, the smoothing period for investment gains and losses in the development of the Actuarial Value of Assets was increased from four years to five years at June 30, 2016. This change was implemented retroactively in that the Actuarial Value of Assets at June 30, 2016 was computed as if the five-year amortization period for recognizing investment gains and losses had always been in effect.

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Required Supplementary Information**  
**Other Postemployment Benefit Information**  
**Schedule Funding Progress Under GASB 45**

Actuarial Valuation Date	Actuarial Valuation of Assets	Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Covered Payroll	UAL a % of Covered Payroll
12/31/2016*	\$ -	\$ 17,295,000	\$ 17,295,000	- %	\$ 117,827,638	14.68 %
12/31/2015	-	17,295,000	17,295,000	-	118,113,271	14.64
12/31/2014	-	16,111,000	16,111,000	-	110,464,496	14.58

\* In accordance with GASB Statement No. 45, the County has an actuarial valuation completed biennially.





## **Other Supplementary Information**



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Governmental Funds by Fund Type**  
**Year Ended December 31, 2016**

	Nonmajor Special Revenue	Nonmajor Debt Service	Nonmajor Capital Projects	Total Nonmajor Governmental Funds
<b>Assets</b>				
Cash and cash equivalents	\$ 25,669,386	\$ 10,781	\$ 3,713,708	\$ 29,393,875
Property tax receivable	65,869	-	204,328	270,197
Accounts receivable	1,376,252	-	62,276	1,438,528
Due from federal and state governments	1,641,382	-	-	1,641,382
	<u>28,752,889</u>	<u>10,781</u>	<u>3,980,312</u>	<u>32,743,982</u>
Total assets	<u>\$ 28,752,889</u>	<u>\$ 10,781</u>	<u>\$ 3,980,312</u>	<u>\$ 32,743,982</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 2,165,498	\$ -	\$ -	\$ 2,165,498
Accrued payroll and payroll taxes	404,614	-	-	404,614
Unearned revenue	232,051	-	-	232,051
Due to other funds	500,973	44,686	12,244	557,903
Total liabilities	<u>3,303,136</u>	<u>44,686</u>	<u>12,244</u>	<u>3,360,066</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues	1,374,283	-	266,604	1,640,887
	<u>1,374,283</u>	<u>-</u>	<u>266,604</u>	<u>1,640,887</u>
<b>Fund Balances</b>				
Restricted	24,310,376	10,781	3,713,708	28,034,865
Unassigned	(234,906)	(44,686)	(12,244)	(291,836)
Total fund balances	<u>24,075,470</u>	<u>(33,905)</u>	<u>3,701,464</u>	<u>27,743,029</u>
	<u>24,075,470</u>	<u>(33,905)</u>	<u>3,701,464</u>	<u>27,743,029</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 28,752,889</u>	<u>\$ 10,781</u>	<u>\$ 3,980,312</u>	<u>\$ 32,743,982</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Governmental Funds by Fund Type**  
**Year Ended December 31, 2016**

	<b>Nonmajor Special Revenue</b>	<b>Nonmajor Debt Service</b>	<b>Nonmajor Capital Projects</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>				
Taxes	\$ 13,332,116	\$ -	\$ 6,148,372	\$ 19,480,488
Intergovernmental	16,536,964	-	-	16,536,964
Interest	5,117	-	-	5,117
Charges for services	22,674,165	-	-	22,674,165
Miscellaneous	1,197,377	-	23,947	1,221,324
Total revenues	<u>53,745,739</u>	<u>-</u>	<u>6,172,319</u>	<u>59,918,058</u>
<b>Expenditures</b>				
Current				
General government	28,113,365	-	4,110,873	32,224,238
Public safety	25,590,002	-	-	25,590,002
Debt service				
Redemption of notes	235,887	-	-	235,887
Interest on notes	15,980	-	-	15,980
Lease payments	-	-	1,886,000	1,886,000
Capital outlays	540,923	-	-	540,923
Total expenditures	<u>54,496,157</u>	<u>-</u>	<u>5,996,873</u>	<u>60,493,030</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(750,418)</u>	<u>-</u>	<u>175,446</u>	<u>(574,972)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	5,671,094	-	-	5,671,094
Transfers out	(1,003,674)	-	-	(1,003,674)
Total other financing sources (uses)	<u>4,667,420</u>	<u>-</u>	<u>-</u>	<u>4,667,420</u>
Net change in fund balances	3,917,002	-	175,446	4,092,448
Fund balances - beginning of year	<u>20,158,468</u>	<u>(33,905)</u>	<u>3,526,018</u>	<u>23,650,581</u>
Fund balances - end of year	<u>\$ 24,075,470</u>	<u>\$ (33,905)</u>	<u>\$ 3,701,464</u>	<u>\$ 27,743,029</u>

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

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

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

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

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

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

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

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

STATE AND FEDERAL GRANTS—Established to account for state and federal grant programs received from the U.S. Marshal, U.S. Department of Justice, U.S. Department of Health and Human Services, State of Indiana Department of Corrections, Indiana Criminal Justice Institute, Indiana Division of Family and Children, City of Indianapolis, and various other state and federal agencies.

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

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

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

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

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

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

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

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

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds**  
**Year Ended December 31, 2016**

	Identification Security Protection	Adult Probation	Clerk's Record Perpetuation	Surveyor's Corner Perpetuation	County Records Perpetuation	Property Reassessment	Prosecutor's Diversion	Prosecutor's Law Enforcement
<b>Assets</b>								
Cash and cash equivalents	\$ 406,806	\$ 293,086	\$ 1,157,209	\$ 190,724	\$ 1,236,470	\$ 948,264	\$ 191,817	\$ 132,527
Property tax receivable	-	-	-	-	-	65,869	-	-
Accounts receivable	6,230	102,036	62,466	18,115	60,364	17,259	18,111	-
Due from federal and state governments	-	-	-	-	-	-	-	-
Total assets	<u>\$ 413,036</u>	<u>\$ 395,122</u>	<u>\$ 1,219,675</u>	<u>\$ 208,839</u>	<u>\$ 1,296,834</u>	<u>\$ 1,031,392</u>	<u>\$ 209,928</u>	<u>\$ 132,527</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ -	\$ -	\$ 5,702	\$ 613	\$ 3,032	\$ 129	\$ -	\$ 23,950
Accrued payroll and payroll taxes	-	17,844	2,060	3,461	10,797	20,202	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>17,844</u>	<u>7,762</u>	<u>4,074</u>	<u>13,829</u>	<u>20,331</u>	<u>-</u>	<u>23,950</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenues	-	-	-	-	-	83,128	-	-
<b>Fund Balances</b>								
Restricted	413,036	377,278	1,211,913	204,765	1,283,005	927,933	209,928	108,577
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>413,036</u>	<u>377,278</u>	<u>1,211,913</u>	<u>204,765</u>	<u>1,283,005</u>	<u>927,933</u>	<u>209,928</u>	<u>108,577</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 413,036</u>	<u>\$ 395,122</u>	<u>\$ 1,219,675</u>	<u>\$ 208,839</u>	<u>\$ 1,296,834</u>	<u>\$ 1,031,392</u>	<u>\$ 209,928</u>	<u>\$ 132,527</u>



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)**  
**Year Ended December 31, 2016**

	Clerk's Title IV D Incentive	Sheriff Commissary	Guardian Ad Litem	County Misdemeanant	Alcohol and Drug Services	Community Corrections Home Detention	County Auditor's Ineligible Deductions	Prosecutor's Law Enforcement Equitable Sharing	Local Emergency Planning
<b>Assets</b>									
Cash and cash equivalents	\$ 1,302,494	\$ 748,827	\$ 1,145,235	\$ 130,519	\$ 38,605	\$ 217,246	\$ 4,822,115	\$ 51,295	\$ 295,077
Property tax receivable	-	-	-	-	-	-	-	-	-
Accounts receivable	174,808	-	-	-	26,599	58,510	-	-	-
Due from federal and state governments	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 1,477,302</u>	<u>\$ 748,827</u>	<u>\$ 1,145,235</u>	<u>\$ 130,519</u>	<u>\$ 65,204</u>	<u>\$ 275,756</u>	<u>\$ 4,822,115</u>	<u>\$ 51,295</u>	<u>\$ 295,077</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ -	\$ -	\$ 760,851	\$ 48,048	\$ -	\$ 24,421	\$ 670,771	\$ 2,234	\$ -
Accrued payroll and payroll taxes	5,343	-	-	20,664	1,337	15,916	16,768	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	146,600	-
Total liabilities	<u>5,343</u>	<u>-</u>	<u>760,851</u>	<u>68,712</u>	<u>1,337</u>	<u>40,337</u>	<u>687,539</u>	<u>148,834</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>									
Unavailable revenues	<u>174,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>									
Restricted	1,297,151	748,827	384,384	61,807	63,867	235,419	4,134,576	-	295,077
Unassigned	-	-	-	-	-	-	-	(97,539)	-
Total fund balances	<u>1,297,151</u>	<u>748,827</u>	<u>384,384</u>	<u>61,807</u>	<u>63,867</u>	<u>235,419</u>	<u>4,134,576</u>	<u>(97,539)</u>	<u>295,077</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,477,302</u>	<u>\$ 748,827</u>	<u>\$ 1,145,235</u>	<u>\$ 130,519</u>	<u>\$ 65,204</u>	<u>\$ 275,756</u>	<u>\$ 4,822,115</u>	<u>\$ 51,295</u>	<u>\$ 295,077</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)**  
**Year Ended December 31, 2016**

	Supplemental Public Defender Fee	Deferral Program Fees	County Drug Free Community	County Elected Elected Officials' Training	State and Federal Grants	Prosecutor's PCA Fee	Enhanced Access	Prosecutor's Title IV D Incentive
<b>Assets</b>								
Cash and cash equivalents	\$ -	\$ 1,153,080	\$ 76,100	\$ 373,078	\$ 4,256,761	\$ 280,922	\$ 991,104	\$ 2,651,050
Property tax receivable	-	-	-	-	-	-	-	-
Accounts receivable	9,532	100,943	19,858	6,230	-	-	18,098	263,000
Due from federal and state governments	-	-	12,079	-	1,629,303	-	-	-
Total assets	<u>\$ 9,532</u>	<u>\$ 1,254,023</u>	<u>\$ 108,037</u>	<u>\$ 379,308</u>	<u>\$ 5,886,064</u>	<u>\$ 280,922</u>	<u>\$ 1,009,202</u>	<u>\$ 2,914,050</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ 1,800	\$ 22,440	\$ 2,079	\$ -	\$ 388,470	\$ 22,029	\$ 46,250	\$ 40,267
Accrued payroll and payroll taxes	-	-	-	-	113,460	-	-	36,825
Unearned revenue	-	-	-	-	200,760	-	-	-
Due to other funds	72,150	-	-	-	-	-	-	-
Total liabilities	<u>73,950</u>	<u>22,440</u>	<u>2,079</u>	<u>-</u>	<u>702,690</u>	<u>22,029</u>	<u>46,250</u>	<u>77,092</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenues	-	-	12,079	-	666,460	-	-	263,000
<b>Fund Balances</b>								
Restricted	-	1,231,583	93,879	379,308	4,516,914	258,893	962,952	2,573,958
Unassigned	(64,418)	-	-	-	-	-	-	-
Total fund balances	<u>(64,418)</u>	<u>1,231,583</u>	<u>93,879</u>	<u>379,308</u>	<u>4,516,914</u>	<u>258,893</u>	<u>962,952</u>	<u>2,573,958</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 9,532</u>	<u>\$ 1,254,023</u>	<u>\$ 108,037</u>	<u>\$ 379,308</u>	<u>\$ 5,886,064</u>	<u>\$ 280,922</u>	<u>\$ 1,009,202</u>	<u>\$ 2,914,050</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Special Revenue Funds (Continued)**  
**Year Ended December 31, 2016**

	Sheriff's Civil Division Fees	Endorsement Fee	County Sales Disclosure	MECA Emergency Communication	General Title IV D Incentive	Commissioner & Guardian Ad Litem	Other	Total Special Revenue
<b>Assets</b>								
Cash and cash equivalents	\$ -	\$ 157,790	\$ 222,868	\$ 179,012	\$ 952,513	\$ 129,306	\$ 937,486	\$ 25,669,386
Property tax receivable	-	-	-	-	-	-	-	65,869
Accounts receivable	144,800	144	-	167	174,808	77,409	16,765	1,376,252
Due from federal and state governments	-	-	-	-	-	-	-	1,641,382
Total assets	<u>\$ 144,800</u>	<u>\$ 157,934</u>	<u>\$ 222,868</u>	<u>\$ 179,179</u>	<u>\$ 1,127,321</u>	<u>\$ 206,715</u>	<u>\$ 954,251</u>	<u>\$ 28,752,889</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ 81,120	\$ -	\$ -	\$ 21,292	\$ 2,165,498
Accrued payroll and payroll taxes	2,628	-	1,459	126,257	-	7,182	2,411	404,614
Unearned revenue	-	-	-	-	-	-	31,291	232,051
Due to other funds	186,923	-	-	-	-	-	95,300	500,973
Total liabilities	<u>189,551</u>	<u>-</u>	<u>1,459</u>	<u>207,377</u>	<u>-</u>	<u>7,182</u>	<u>150,294</u>	<u>3,303,136</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenues	-	-	-	-	174,808	-	-	1,374,283
<b>Fund Balances</b>								
Restricted	-	157,934	221,409	-	952,513	199,533	803,957	24,310,376
Unassigned	(44,751)	-	-	(28,198)	-	-	-	(234,906)
Total fund balances	<u>(44,751)</u>	<u>157,934</u>	<u>221,409</u>	<u>(28,198)</u>	<u>952,513</u>	<u>199,533</u>	<u>803,957</u>	<u>24,075,470</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 144,800</u>	<u>\$ 157,934</u>	<u>\$ 222,868</u>	<u>\$ 179,179</u>	<u>\$ 1,127,321</u>	<u>\$ 206,715</u>	<u>\$ 954,251</u>	<u>\$ 28,752,889</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended December 31, 2016**

	Identification Security Protection	Adult Probation	Clerk's Record Perpetuation	Surveyor's Corner Perpetuation	County Records Perpetuation	Property Reassessment	Prosecutor's Diversion	Prosecutor's Law Enforcement
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,692,822	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-
Interest	-	3,562	-	-	-	-	-	-
Charges for services	72,380	1,681,110	826,589	209,475	844,347	-	231,560	-
Miscellaneous	-	-	-	-	148	6,570	-	912,571
Total revenues	<u>72,380</u>	<u>1,684,672</u>	<u>826,589</u>	<u>209,475</u>	<u>844,495</u>	<u>1,699,392</u>	<u>231,560</u>	<u>912,571</u>
<b>Expenditures</b>								
Current								
General government	1,421,750	1,592,705	504,717	272,752	748,208	1,659,454	-	484,756
Public safety	-	-	-	-	-	-	-	183,476
Debt service								
Redemption of notes	-	-	-	-	-	-	-	-
Interest on notes	-	-	-	-	-	-	-	-
Capital outlays	-	2,120	5,653	-	2,662	-	-	45,699
Total expenditures	<u>1,421,750</u>	<u>1,594,825</u>	<u>510,370</u>	<u>272,752</u>	<u>750,870</u>	<u>1,659,454</u>	<u>-</u>	<u>713,931</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,349,370)</u>	<u>89,847</u>	<u>316,219</u>	<u>(63,277)</u>	<u>93,625</u>	<u>39,938</u>	<u>231,560</u>	<u>198,640</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,349,370)	89,847	316,219	(63,277)	93,625	39,938	231,560	198,640
Fund balances - beginning of year	1,762,406	287,431	895,694	268,042	1,189,380	887,995	(21,632)	(90,063)
Fund balances - end of year	<u>\$ 413,036</u>	<u>\$ 377,278</u>	<u>\$ 1,211,913</u>	<u>\$ 204,765</u>	<u>\$ 1,283,005</u>	<u>\$ 927,933</u>	<u>\$ 209,928</u>	<u>\$ 108,577</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds (Continued)**  
**For the Year Ended December 31, 2016**

	Clerk's Title IV D Incentive	Sheriff Commissary	Guardian Ad Litem	County Misdemeanant	Alcohol and Drug Services	Community Corrections Home Detention	County Auditor's Ineligible Deductions	Prosecutor's Law Enforcement Equitable Sharing	Local Emergency Planning
<b>Revenues</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,489,294	\$ -	\$ -
Intergovernmental	348,858	-	472,715	582,583	-	992,665	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Charges for services	-	4,031,869	502,857	-	354,460	1,809,213	-	-	-
Miscellaneous	-	-	-	-	-	92,183	-	-	44,047
Total revenues	<u>348,858</u>	<u>4,031,869</u>	<u>975,572</u>	<u>582,583</u>	<u>354,460</u>	<u>2,894,061</u>	<u>6,489,294</u>	<u>-</u>	<u>44,047</u>
<b>Expenditures</b>									
Current									
General government	600,202	-	6,061,533	-	914,771	597	4,920,436	14,270	50,806
Public safety	-	3,693,759	-	633,198	-	2,612,004	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Redemption of notes	-	235,887	-	-	-	-	-	-	-
Interest on notes	-	15,980	-	-	-	-	-	-	-
Capital outlays	37,418	-	-	-	56,885	-	1,827	21,440	-
Total expenditures	<u>637,620</u>	<u>3,945,626</u>	<u>6,061,533</u>	<u>633,198</u>	<u>971,656</u>	<u>2,612,601</u>	<u>4,922,263</u>	<u>35,710</u>	<u>50,806</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>									
	<u>(288,762)</u>	<u>86,243</u>	<u>(5,085,961)</u>	<u>(50,615)</u>	<u>(617,196)</u>	<u>281,460</u>	<u>1,567,031</u>	<u>(35,710)</u>	<u>(6,759)</u>
<b>Other Financing Sources (Uses)</b>									
Transfers in	-	-	4,690,065	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>4,690,065</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(288,762)	86,243	(395,896)	(50,615)	(617,196)	281,460	1,567,031	(35,710)	(6,759)
Fund balances - beginning of year	<u>1,585,913</u>	<u>662,584</u>	<u>780,280</u>	<u>112,422</u>	<u>681,063</u>	<u>(46,041)</u>	<u>2,567,545</u>	<u>(61,829)</u>	<u>301,836</u>
Fund balances - end of year	<u>\$ 1,297,151</u>	<u>\$ 748,827</u>	<u>\$ 384,384</u>	<u>\$ 61,807</u>	<u>\$ 63,867</u>	<u>\$ 235,419</u>	<u>\$ 4,134,576</u>	<u>\$ (97,539)</u>	<u>\$ 295,077</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds (Continued)**  
**For the Year Ended December 31, 2016**

	Supplemental Public Defender Fee	Deferral Program Fees	County Drug Free Community	County Elected Officials' Training	State and Federal Grants	Prosecutor's PCA Fee	Enhanced Access	Prosecutor's Title IV D Incentive
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	27,193	-	13,217,414	-	-	524,862
Interest	-	-	-	-	-	-	-	-
Charges for services	184,423	1,908,910	297,880	72,380	-	-	233,827	-
Miscellaneous	-	-	-	-	(107)	48,541	13,753	6,353
Total revenues	<u>184,423</u>	<u>1,908,910</u>	<u>325,073</u>	<u>72,380</u>	<u>13,217,307</u>	<u>48,541</u>	<u>247,580</u>	<u>531,215</u>
<b>Expenditures</b>								
Current								
General government	116,637	1,205,658	146,625	2,449	4,072,946	-	610,915	539,842
Public safety	-	-	-	-	6,831,087	-	-	-
Debt service								
Redemption of notes	-	-	-	-	-	-	-	-
Interest on notes	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	268,117	-	-	23,011
Total expenditures	<u>116,637</u>	<u>1,205,658</u>	<u>146,625</u>	<u>2,449</u>	<u>11,172,150</u>	<u>-</u>	<u>610,915</u>	<u>562,853</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>								
	<u>67,786</u>	<u>703,252</u>	<u>178,448</u>	<u>69,931</u>	<u>2,045,157</u>	<u>48,541</u>	<u>(363,335)</u>	<u>(31,638)</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in								
Transfers in	-	-	-	-	855,792	-	-	-
Transfers out								
Transfers out	-	-	-	-	(716,228)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>139,564</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	67,786	703,252	178,448	69,931	2,184,721	48,541	(363,335)	(31,638)
Fund balances - beginning of year	<u>(132,204)</u>	<u>528,331</u>	<u>(84,569)</u>	<u>309,377</u>	<u>2,332,193</u>	<u>210,352</u>	<u>1,326,287</u>	<u>2,605,596</u>
Fund balances - end of year	<u>\$ (64,418)</u>	<u>\$ 1,231,583</u>	<u>\$ 93,879</u>	<u>\$ 379,308</u>	<u>\$ 4,516,914</u>	<u>\$ 258,893</u>	<u>\$ 962,952</u>	<u>\$ 2,573,958</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds (Continued)**  
**For the Year Ended December 31, 2016**

	Sheriff's Civil Division Fees	Endorsement Fee	County Sales Disclosure	MECA Emergency Communication	General Title IV D Incentive	Commissioner & Guardian Ad Litem	Other	Total Special Revenue
<b>Revenues</b>								
Taxes	\$ -	\$ -	\$ -	\$ 5,150,000	\$ -	\$ -	\$ -	\$ 13,332,116
Intergovernmental	-	-	-	-	348,858	-	21,816	16,536,964
Interest	-	-	-	1,555	-	-	-	5,117
Charges for services	674,500	285,417	186,087	6,600,000	-	1,403,618	263,263	22,674,165
Miscellaneous	-	-	-	-	4,418	-	68,900	1,197,377
Total revenues	<u>674,500</u>	<u>285,417</u>	<u>186,087</u>	<u>11,751,555</u>	<u>353,276</u>	<u>1,403,618</u>	<u>353,979</u>	<u>53,745,739</u>
<b>Expenditures</b>								
Current								
General government	-	131,761	100,314	-	350,000	1,273,215	316,046	28,113,365
Public safety	500,869	-	-	11,135,609	-	-	-	25,590,002
Debt service								
Redemption of notes	-	-	-	-	-	-	-	235,887
Interest on notes	-	-	-	-	-	-	-	15,980
Capital outlays	-	-	-	-	-	-	76,091	540,923
Total expenditures	<u>500,869</u>	<u>131,761</u>	<u>100,314</u>	<u>11,135,609</u>	<u>350,000</u>	<u>1,273,215</u>	<u>392,137</u>	<u>54,496,157</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>173,631</u>	<u>153,656</u>	<u>85,773</u>	<u>615,946</u>	<u>3,276</u>	<u>130,403</u>	<u>(38,158)</u>	<u>(750,418)</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	125,237	5,671,094
Transfers out	-	-	-	-	-	(250,000)	(37,446)	(1,003,674)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(250,000)</u>	<u>87,791</u>	<u>4,667,420</u>
Net change in fund balances	173,631	153,656	85,773	615,946	3,276	(119,597)	49,633	3,917,002
Fund balances - beginning of year	(218,382)	4,278	135,636	(644,144)	949,237	319,130	754,324	20,158,468
Fund balances - end of year	<u>\$ (44,751)</u>	<u>\$ 157,934</u>	<u>\$ 221,409</u>	<u>\$ (28,198)</u>	<u>\$ 952,513</u>	<u>\$ 199,533</u>	<u>\$ 803,957</u>	<u>\$ 24,075,470</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended December 31, 2016**

	Identification Security		Adult Probation		Clerk's Record Perpetuation		Surveyor's Corner		County Records Perpetuation		Property Reassessment	
	Protection						Perpetuation					
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,636,676	\$ 1,692,822
Intergovernmental	-	-	-	-	12,000	-	-	-	-	-	-	-
Interest	-	-	-	3,562	-	-	-	-	-	-	-	-
Charges for services	57,684	66,151	1,475,000	1,579,073	550,000	764,122	165,000	191,360	575,813	783,984	-	-
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>57,684</u>	<u>66,151</u>	<u>1,475,000</u>	<u>1,582,635</u>	<u>562,000</u>	<u>764,122</u>	<u>165,000</u>	<u>191,360</u>	<u>575,813</u>	<u>783,984</u>	<u>1,636,676</u>	<u>1,692,822</u>
<b>Expenditures</b>												
Current												
General government	1,389,696	1,389,696	1,619,279	1,619,280	578,891	511,158	335,059	271,358	788,662	740,266	2,019,656	1,657,028
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	20,000	6,724	-	-	5,000	2,948	-	-
Total expenditures	<u>1,389,696</u>	<u>1,389,696</u>	<u>1,619,279</u>	<u>1,619,280</u>	<u>598,891</u>	<u>517,882</u>	<u>335,059</u>	<u>271,358</u>	<u>793,662</u>	<u>743,214</u>	<u>2,019,656</u>	<u>1,657,028</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,332,012)</u>	<u>(1,323,545)</u>	<u>(144,279)</u>	<u>(36,645)</u>	<u>(36,891)</u>	<u>246,240</u>	<u>(170,059)</u>	<u>(79,998)</u>	<u>(217,849)</u>	<u>40,770</u>	<u>(382,980)</u>	<u>35,794</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,332,012)	(1,323,545)	(144,279)	(36,645)	(36,891)	246,240	(170,059)	(79,998)	(217,849)	40,770	(382,980)	35,794
Fund balances - beginning of year	1,496,240	1,572,015	203,287	207,191	739,412	783,048	171,227	253,043	780,862	1,039,728	587,914	905,900
Cancellation of purchase orders and other	124,243	43,042	251,509	122,540	229,167	69,106	61,262	17,637	551,689	141,375	365,395	6,570
Fund balances - end of year	<u>\$ 288,471</u>	<u>\$ 291,512</u>	<u>\$ 310,517</u>	<u>\$ 293,086</u>	<u>\$ 931,688</u>	<u>\$ 1,098,394</u>	<u>\$ 62,430</u>	<u>\$ 190,682</u>	<u>\$ 1,114,702</u>	<u>\$ 1,221,873</u>	<u>\$ 570,329</u>	<u>\$ 948,264</u>



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2016**

	Prosecutor's Diversion		Prosecutor's Law Enforcement		Clerk's Title IV D Incentive		Guardian Ad Litem		County Misdemeanant		Alcohol and Drug Services	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	360,000	435,309	1,200,000	472,715	600,600	582,583	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	165,200	213,447	-	-	-	-	-	502,857	-	-	350,000	327,860
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>165,200</u>	<u>213,447</u>	<u>-</u>	<u>-</u>	<u>360,000</u>	<u>435,309</u>	<u>1,200,000</u>	<u>975,572</u>	<u>600,600</u>	<u>582,583</u>	<u>350,000</u>	<u>327,860</u>
<b>Expenditures</b>												
Current												
General government	-	-	500,100	489,262	385,695	620,655	5,890,065	5,890,065	-	-	921,370	921,372
Public safety	-	-	200,000	173,429	-	-	-	-	600,600	600,553	-	-
Capital outlays	-	-	-	-	-	13,945	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>700,100</u>	<u>662,691</u>	<u>385,695</u>	<u>634,600</u>	<u>5,890,065</u>	<u>5,890,065</u>	<u>600,600</u>	<u>600,553</u>	<u>921,370</u>	<u>921,372</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>165,200</u>	<u>213,447</u>	<u>(700,100)</u>	<u>(662,691)</u>	<u>(25,695)</u>	<u>(199,291)</u>	<u>(4,690,065)</u>	<u>(4,914,493)</u>	<u>-</u>	<u>(17,970)</u>	<u>(571,370)</u>	<u>(593,512)</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	165,200	213,447	(700,100)	(662,691)	(25,695)	(199,291)	(4,690,065)	(4,914,493)	-	(17,970)	(571,370)	(593,512)
Fund balances - beginning of year	-	(37,427)	844,741	367,818	-	-	3,179	576,336	62,529	99,109	571,372	604,550
Cancellation of purchase orders and other	13,908	11,122	1,408,594	375,764	25,695	199,291	-	-	37,086	8,199	53,547	27,567
Fund balances - end of year	<u>\$ 179,108</u>	<u>\$ 187,142</u>	<u>\$ 1,553,235</u>	<u>\$ 80,891</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,686,886)</u>	<u>\$ (4,338,157)</u>	<u>\$ 99,615</u>	<u>\$ 89,338</u>	<u>\$ 53,549</u>	<u>\$ 38,605</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2016**

	Community Corrections Home Detention		County Auditor's Ineligible Deductions		Prosecutor's Law Enforcement Equitable Sharing		Local Emergency Planning		Supplemental Public Defender Fee	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>										
Taxes	\$ -	\$ -	\$ 6,600,892	\$ 6,505,178	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	695,865	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Charges for services	1,624,594	1,815,047	-	-	-	-	-	-	224,114	174,891
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-
Miscellaneous	219,986	-	-	-	-	-	37,500	44,048	-	-
Total revenues	<u>1,844,580</u>	<u>2,510,912</u>	<u>6,600,892</u>	<u>6,505,178</u>	<u>-</u>	<u>-</u>	<u>37,500</u>	<u>44,048</u>	<u>224,114</u>	<u>174,891</u>
<b>Expenditures</b>										
Current										
General government	-	-	4,966,169	4,463,697	70,000	14,270	110,000	51,117	224,114	135,375
Public safety	2,935,317	2,635,882	-	-	-	-	-	-	-	-
Capital outlays	-	-	3,000	1,976	30,000	21,440	-	-	-	-
Total expenditures	<u>2,935,317</u>	<u>2,635,882</u>	<u>4,969,169</u>	<u>4,465,673</u>	<u>100,000</u>	<u>35,710</u>	<u>110,000</u>	<u>51,117</u>	<u>224,114</u>	<u>135,375</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,090,737)</u>	<u>(124,970)</u>	<u>1,631,723</u>	<u>2,039,505</u>	<u>(100,000)</u>	<u>(35,710)</u>	<u>(72,500)</u>	<u>(7,069)</u>	<u>-</u>	<u>39,516</u>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,090,737)	(124,970)	1,631,723	2,039,505	(100,000)	(35,710)	(72,500)	(7,069)	-	39,516
Fund balances - beginning of year	214,022	(17,480)	4,288,959	692,663	369,955	10,544	287,421	302,146	1	(140,237)
Cancellation of purchase orders and other	1,147,984	(16,571)	(5,767,627)	(7,492)	98,915	2,709	-	-	1,882	21,121
Fund balances - end of year	<u>\$ 271,269</u>	<u>\$ (159,021)</u>	<u>\$ 153,055</u>	<u>\$ 2,724,676</u>	<u>\$ 368,870</u>	<u>\$ (22,457)</u>	<u>\$ 214,921</u>	<u>\$ 295,077</u>	<u>\$ 1,883</u>	<u>\$ (79,600)</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2016**

	Deferral Program Fees		County Drug Free Community		County Elected Officials' Training		State and Federal Grants		Enhanced Access		Prosecutor's Title IV D Incentive	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
	<b>Revenues</b>											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	23,111	-	-	14,190,676	12,028,049	-	-	-	654,928
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	1,750,000	1,807,969	315,000	278,022	57,684	66,151	-	-	242,220	215,730	-	-
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	100	-	13,753	380,000	-
Total revenues	<u>1,750,000</u>	<u>1,807,969</u>	<u>315,000</u>	<u>301,133</u>	<u>57,684</u>	<u>66,151</u>	<u>14,190,676</u>	<u>12,028,149</u>	<u>242,220</u>	<u>229,483</u>	<u>380,000</u>	<u>654,928</u>
<b>Expenditures</b>												
Current												
General government	1,450,459	1,266,697	61,431	39,900	6,500	2,450	6,624,286	4,140,275	371,129	366,975	872,168	487,731
Public safety	-	-	-	-	-	-	9,535,425	6,809,569	-	-	-	-
Capital outlays	-	-	-	-	-	-	904,188	447,750	-	-	-	23,011
Total expenditures	<u>1,450,459</u>	<u>1,266,697</u>	<u>61,431</u>	<u>39,900</u>	<u>6,500</u>	<u>2,450</u>	<u>17,063,899</u>	<u>11,397,594</u>	<u>371,129</u>	<u>366,975</u>	<u>872,168</u>	<u>510,742</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>299,541</u>	<u>541,272</u>	<u>253,569</u>	<u>261,233</u>	<u>51,184</u>	<u>63,701</u>	<u>(2,873,223)</u>	<u>630,555</u>	<u>(128,909)</u>	<u>(137,492)</u>	<u>(492,168)</u>	<u>144,186</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	299,541	541,272	253,569	261,233	51,184	63,701	(2,873,223)	630,555	(128,909)	(137,492)	(492,168)	144,186
Fund balances - beginning of year	458	383,641	65,770	253,705	293,644	303,005	-	-	766,850	1,022,252	-	-
Cancellation of purchase orders and other	1,040,329	202,509	(265,186)	(445,628)	-	-	2,873,223	(630,555)	250,199	24,309	492,168	(144,186)
Fund balances - end of year	<u>\$ 1,340,328</u>	<u>\$ 1,127,422</u>	<u>\$ 54,153</u>	<u>\$ 69,310</u>	<u>\$ 344,828</u>	<u>\$ 366,706</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 888,140</u>	<u>\$ 909,069</u>	<u>\$ -</u>	<u>\$ -</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2016**

	Sheriff's Civil Division Fees		Endorsement Fee		County Sales Disclosure		MECA Emergency Communication		General Title IV D Incentive		Commissioner & Guardian Ad Litem	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
	<b>Revenues</b>											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,150,000	\$ 5,150,000	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	400,000	435,309	-	-
Interest	-	-	-	-	-	-	-	1,389	-	-	-	-
Charges for services	770,000	529,700	195,732	202,318	119,928	130,290	5,600,000	5,600,000	-	-	1,300,000	1,326,208
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>770,000</u>	<u>529,700</u>	<u>195,732</u>	<u>202,318</u>	<u>119,928</u>	<u>130,290</u>	<u>10,750,000</u>	<u>10,751,389</u>	<u>400,000</u>	<u>435,309</u>	<u>1,300,000</u>	<u>1,326,208</u>
<b>Expenditures</b>												
Current												
General government	-	-	159,317	131,762	105,773	100,024	-	-	344,498	349,999	1,300,001	1,269,387
Public safety	499,999	499,022	-	-	-	-	11,822,751	11,761,942	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>499,999</u>	<u>499,022</u>	<u>159,317</u>	<u>131,762</u>	<u>105,773</u>	<u>100,024</u>	<u>11,822,751</u>	<u>11,761,942</u>	<u>344,498</u>	<u>349,999</u>	<u>1,300,001</u>	<u>1,269,387</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>270,001</u>	<u>30,678</u>	<u>36,415</u>	<u>70,556</u>	<u>14,155</u>	<u>30,266</u>	<u>(1,072,751)</u>	<u>(1,010,553)</u>	<u>55,502</u>	<u>85,310</u>	<u>(1)</u>	<u>56,821</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	270,001	30,678	36,415	70,556	14,155	30,266	(1,072,751)	(1,010,553)	55,502	85,310	(1)	56,821
Fund balances - beginning of year	-	(278,400)	20,340	4,278	153,823	136,806	198,778	77,733	-	-	431,214	322,483
Cancellation of purchase orders and other	(268,801)	60,799	(53,996)	82,956	(114,300)	55,796	-	-	(55,502)	(85,310)	(427,412)	(249,998)
Fund balances - end of year	<u>\$ 1,200</u>	<u>\$ (186,923)</u>	<u>\$ 2,759</u>	<u>\$ 157,790</u>	<u>\$ 53,678</u>	<u>\$ 222,868</u>	<u>\$ (873,973)</u>	<u>\$ (932,820)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,801</u>	<u>\$ 129,306</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2016**

	Other - County Grants		Other - Marion Superior Court Equipment		Other - Section 102 HAVA Reimbursement		Other - Sheriff's Continuing Education		Other - Jury Pay	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	55,000	2,000	-	1,509	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	8,500	6,700	-	-	13,885	10,189	75,000	115,242
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	59,870	-	-	-	-	-	-
Total revenues	55,000	2,000	8,500	68,079	-	-	13,885	10,189	75,000	115,242
<b>Expenditures</b>										
Current										
General government	62,218	25,105	108,000	76,285	14,000	-	-	-	75,000	74,999
Public safety	-	-	-	-	-	-	-	-	-	-
Capital outlays	7,150	4,266	35,893	5,503	18,000	17,010	-	-	-	-
Total expenditures	69,368	29,371	143,893	81,788	32,000	17,010	-	-	75,000	74,999
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(14,368)</b>	<b>(27,371)</b>	<b>(135,393)</b>	<b>(13,709)</b>	<b>(32,000)</b>	<b>(17,010)</b>	<b>13,885</b>	<b>10,189</b>	<b>-</b>	<b>40,243</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	(14,368)	(27,371)	(135,393)	(13,709)	(32,000)	(17,010)	13,885	10,189	-	40,243
Fund balances - beginning of year	-	-	82,125	91,441	36,104	36,104	59,117	53,706	8,452	(2,373)
Cancellation of purchase orders and other	14,368	27,371	72,969	4,678	-	5,000	(5,412)	-	-	-
Fund balances - end of year	\$ -	\$ -	\$ 19,701	\$ 82,410	\$ 4,104	\$ 24,094	\$ 67,590	\$ 63,895	\$ 8,452	\$ 37,870

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Special Revenue Funds - Budget and Actual**  
**(Budgetary Basis) (Continued)**  
**For the Year Ended December 31, 2016**

	Other - Juvenile Probation		Other - County Extradition		Other - Alt Dispute Resolution		Other - Drug Treatment Diversion		Other - County Sex- Violent Offender Administration		Other - County Offender Transportation	
	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
<b>Revenues</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Charges for services	30,000	13,414	-	1,120	80,000	77,938	6,000	4,842	12,000	6,980	3,000	6,170
Traffic violations and court fees	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	4,000	68	-	-	-	-	-	-
Total revenues	<u>30,000</u>	<u>13,414</u>	<u>-</u>	<u>1,120</u>	<u>84,000</u>	<u>78,006</u>	<u>6,000</u>	<u>4,842</u>	<u>12,000</u>	<u>6,980</u>	<u>3,000</u>	<u>6,170</u>
<b>Expenditures</b>												
Current												
General government	9,906	9,889	-	-	97,552	97,552	26,000	15,309	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>9,906</u>	<u>9,889</u>	<u>-</u>	<u>-</u>	<u>97,552</u>	<u>97,552</u>	<u>26,000</u>	<u>15,309</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>20,094</u>	<u>3,525</u>	<u>-</u>	<u>1,120</u>	<u>(13,552)</u>	<u>(19,546)</u>	<u>(20,000)</u>	<u>(10,467)</u>	<u>12,000</u>	<u>6,980</u>	<u>3,000</u>	<u>6,170</u>
<b>Other Financing Sources (Uses)</b>												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	20,094	3,525	-	1,120	(13,552)	(19,546)	(20,000)	(10,467)	12,000	6,980	3,000	6,170
Fund balances - beginning of year	-	55,971	297	5,690	13,552	21,446	45,855	102,493	55,682	52,800	7,717	-
Cancellation of purchase orders and other	-	-	5,513	-	-	-	-	-	908	-	1,061	6,028
Fund balances - end of year	<u>\$ 20,094</u>	<u>\$ 59,496</u>	<u>\$ 5,810</u>	<u>\$ 6,810</u>	<u>\$ -</u>	<u>\$ 1,900</u>	<u>\$ 25,855</u>	<u>\$ 92,026</u>	<u>\$ 68,590</u>	<u>\$ 59,780</u>	<u>\$ 11,778</u>	<u>\$ 12,198</u>

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## **NONMAJOR GOVERNMENTAL FUNDS**

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### **DEBT SERVICE FUNDS**

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

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

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

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Debt Service Funds**  
**December 31, 2016**

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



**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Debt Service Funds**  
**For the Year Ended December 31, 2016**

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

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## **NONMAJOR GOVERNMENTAL FUNDS**

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### **CAPITAL PROJECTS FUNDS**

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

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

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

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

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

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Balance Sheet - Nonmajor Capital Projects Funds**  
**December 31, 2016**

	<b>Public Safety Capital Projects</b>	<b>Cumulative Capital Development</b>	<b>Public Safety Interest Escrow</b>	<b>Capital Improvement Lease</b>	<b>Total Capital Projects</b>
<b>Assets</b>					
Cash and cash equivalents	\$ -	\$ 3,627,784	\$ 1,685	\$ 84,239	\$ 3,713,708
Property tax receivable	-	172,066	-	32,262	204,328
Accounts receivable	-	45,194	-	17,082	62,276
	<u>-</u>	<u>3,845,044</u>	<u>1,685</u>	<u>133,583</u>	<u>3,980,312</u>
Total assets	<u>\$ -</u>	<u>\$ 3,845,044</u>	<u>\$ 1,685</u>	<u>\$ 133,583</u>	<u>\$ 3,980,312</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Due to other funds	\$ 12,244	\$ -	\$ -	\$ -	\$ 12,244
Total liabilities	<u>12,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,244</u>
<b>Deferred Inflows of Resources</b>					
Unavailable revenues	<u>-</u>	<u>217,260</u>	<u>-</u>	<u>49,344</u>	<u>266,604</u>
<b>Fund Balances</b>					
Restricted	-	3,627,784	1,685	84,239	3,713,708
Unassigned	(12,244)	-	-	-	(12,244)
Total fund balances	<u>(12,244)</u>	<u>3,627,784</u>	<u>1,685</u>	<u>84,239</u>	<u>3,701,464</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 3,845,044</u>	<u>\$ 1,685</u>	<u>\$ 133,583</u>	<u>\$ 3,980,312</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Capital Projects Funds**  
**For the Year Ended December 31, 2016**

	<b>Public Safety Capital Projects</b>	<b>Cumulative Capital Development</b>	<b>Public Safety Interest Escrow</b>	<b>Capital Improvement Lease</b>	<b>Total Capital Projects</b>
<b>Revenues</b>					
Taxes	\$ -	\$ 4,512,253	\$ -	\$ 1,636,119	\$ 6,148,372
Miscellaneous	-	17,516	-	6,431	23,947
Total revenues	<u>-</u>	<u>4,529,769</u>	<u>-</u>	<u>1,642,550</u>	<u>6,172,319</u>
<b>Expenditures</b>					
Current					
General government	-	4,110,873	-	-	4,110,873
Public safety	-	-	-	-	-
Debt service					
Lease payments	-	-	-	1,886,000	1,886,000
Total expenditures	<u>-</u>	<u>4,110,873</u>	<u>-</u>	<u>1,886,000</u>	<u>5,996,873</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>418,896</u>	<u>-</u>	<u>(243,450)</u>	<u>175,446</u>
Net change in fund balances	-	418,896	-	(243,450)	175,446
Fund balances - beginning of year	(12,244)	3,208,888	1,685	327,689	3,526,018
Fund balances - end of year	<u>\$ (12,244)</u>	<u>\$ 3,627,784</u>	<u>\$ 1,685</u>	<u>\$ 84,239</u>	<u>\$ 3,701,464</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Nonmajor Capital Projects Funds - Budget and Actual**  
**(Budgetary Basis)**  
**For the Year Ended December 31, 2016**

	Cumulative Capital Development		Capital Improvement Lease	
	Final Budget	Actual	Final Budget	Actual
<b>Revenue</b>				
Taxes	\$ 4,364,302	\$ 4,512,253	\$ 1,636,067	\$ 1,636,119
Miscellaneous	-	17,516	-	6,431
Total revenues	<u>4,364,302</u>	<u>4,529,769</u>	<u>1,636,067</u>	<u>1,642,550</u>
<b>Expenditures</b>				
Current				
General government	853,392	308,131	-	-
Public safety	-	-	1,886,000	1,886,000
Capital outlays	<u>-</u>	<u>545,261</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>853,392</u>	<u>853,392</u>	<u>1,886,000</u>	<u>1,886,000</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	<u>3,510,910</u>	<u>3,676,377</u>	<u>(249,933)</u>	<u>(243,450)</u>
Net change in fund balances	3,510,910	3,676,377	(249,933)	(243,450)
Fund balances - beginning of year	2,881,339	2,943,449	299,728	327,689
Cancellation of purchase orders and other	<u>(3,383,845)</u>	<u>(3,500,000)</u>	<u>13,380</u>	<u>-</u>
Fund balances - end of year	<u>\$ 3,008,404</u>	<u>\$ 3,119,826</u>	<u>\$ 63,175</u>	<u>\$ 84,239</u>

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## **FIDUCIARY FUND TYPES**

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### **PENSION TRUST FUNDS**

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

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

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

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Fiduciary Net Position - Pension Trust Funds**  
**December 31, 2016**

	<b>Retirement</b>	<b>Disability</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 174,884,376	\$ 19,715,291	\$ 194,599,667
Accounts receivable	7,980,792	2,437,462	10,418,254
Total current assets	182,865,168	22,152,753	205,017,921
<b>Liabilities</b>			
Accounts payable	73,334	(1,327)	72,007
Total current liabilities	73,334	(1,327)	72,007
<b>Net Position</b>			
Net position restricted for pensions	182,791,834	22,154,080	204,945,914
Total net position	\$ 182,791,834	\$ 22,154,080	\$ 204,945,914

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Fiduciary Net Position -**  
**Pension Trust Funds**  
**For the Year Ended December 31, 2016**

	<u>Retirement</u>	<u>Disability</u>	<u>Total</u>
<b>Additions</b>			
Employer contributions	\$ 8,051,621	\$ 2,418,032	\$ 10,469,653
Employee contributions	701,867	-	701,867
Investment income	1,002,598	243,911	1,246,509
Unrealized gains	9,526,712	845,313	10,372,025
Total additions	<u>19,282,798</u>	<u>3,507,256</u>	<u>22,790,054</u>
<b>Deductions</b>			
Benefit payments	12,297,015	1,720,689	14,017,704
Administrative expense	138,803	6,834	145,637
Total deductions	<u>12,435,818</u>	<u>1,727,523</u>	<u>14,163,341</u>
Changes in net position	6,846,980	1,779,733	8,626,713
Total net position - beginning of year	<u>175,944,854</u>	<u>20,374,347</u>	<u>196,319,201</u>
Total net position - end of the year	<u>\$ 182,791,834</u>	<u>\$ 22,154,080</u>	<u>\$ 204,945,914</u>



## FIDUCIARY FUND TYPES

### AGENCY FUNDS

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

HEA 1001 HSC—Established to account for homestead credit relief to property taxpayers.

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

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

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

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

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

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

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

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

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

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

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

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

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

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## **FIDUCIARY FUND TYPES**

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### **AGENCY FUNDS (CONTINUED)**

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

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

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

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

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

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**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Assets and Liabilities - Agency Funds**  
**December 31, 2016**

	HEA 1001 HSC	Property Tax Refunds	State Taxes	Tax Sale Redemption	Tax Sale Surplus	Assessor's Cash	Sale of County Owned Property	Treasurer's Surplus	Court Costs to Municipalities	Homestead Credit Rebate
<b>Assets</b>										
Cash and cash equivalents	\$ 939,771	\$ 355,586	\$ -	\$ 231,358	\$ 20,423,574	\$ 504,802	\$ 1,509,123	\$ 827,881	\$ 884,729	\$ 4,669,003
Accounts receivable	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 939,771</u>	<u>\$ 355,586</u>	<u>\$ -</u>	<u>\$ 231,358</u>	<u>\$ 20,423,574</u>	<u>\$ 504,802</u>	<u>\$ 1,509,123</u>	<u>\$ 827,881</u>	<u>\$ 884,729</u>	<u>\$ 4,669,003</u>
<b>Liabilities</b>										
Amounts held in custody	\$ 939,771	\$ 355,586	\$ (23,521)	\$ 231,358	\$ 20,423,574	\$ 504,802	\$ 1,509,123	\$ 827,881	\$ 884,729	\$ 4,669,003
Due to other funds	-	-	23,521	-	-	-	-	-	-	-
Total liabilities	<u>\$ 939,771</u>	<u>\$ 355,586</u>	<u>\$ -</u>	<u>\$ 231,358</u>	<u>\$ 20,423,574</u>	<u>\$ 504,802</u>	<u>\$ 1,509,123</u>	<u>\$ 827,881</u>	<u>\$ 884,729</u>	<u>\$ 4,669,003</u>

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Assets and Liabilities - Agency Funds (Continued)**  
**December 31, 2016**

	Local Option Income Tax	Treasurer's Tax Collection	Delinquent Business Personal Property	Law Enforcement Continuing Education	Payroll	Clerk of Circuit Court	Sheriff	Recorder's Cash	Other	Total Agency
<b>Assets</b>										
Cash and cash equivalents	\$ -	\$ 30,524,560	\$ 6,495,589	\$ 1,223,026	\$ 2,608,997	\$ 16,606,049	\$ 5,602,123	\$ 546,552	\$ 419,296	\$ 94,372,019
Accounts receivable	-	27,314,520	-	-	19,989	-	-	-	-	27,334,509
Due from other funds	-	23,521	-	-	-	-	-	-	-	23,521
Total assets	-	\$ 57,862,601	\$ 6,495,589	\$ 1,223,026	\$ 2,628,986	\$ 16,606,049	\$ 5,602,123	\$ 546,552	\$ 419,296	\$ 121,730,049
<b>Liabilities</b>										
Amounts held in custody	\$ -	\$ 57,862,601	\$ 6,495,589	\$ 1,223,026	\$ 2,618,919	\$ 16,606,049	\$ 5,602,123	\$ 546,552	\$ 409,482	\$ 121,686,647
Due to other funds	-	-	-	-	10,067	-	-	-	9,814	43,402
Total liabilities	-	\$ 57,862,601	\$ 6,495,589	\$ 1,223,026	\$ 2,628,986	\$ 16,606,049	\$ 5,602,123	\$ 546,552	\$ 419,296	\$ 121,730,049

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**December 31, 2016**

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
<b>HEA 1001 HSC (Homestead Credit)</b>				
Assets				
Cash and cash equivalents	\$ 931,290	\$ 8,481	\$ -	\$ 939,771
Total assets	\$ 931,290	\$ 8,481	\$ -	\$ 939,771
Liabilities				
Amounts held in custody	\$ 931,290	\$ 8,481	\$ -	\$ 939,771
Total liabilities	\$ 931,290	\$ 8,481	\$ -	\$ 939,771
<b>Property Tax Refunds</b>				
Assets				
Cash and cash equivalents	\$ (2,151,335)	\$ 30,449,927	\$ 27,943,006	\$ 355,586
Total assets	\$ (2,151,335)	\$ 30,449,927	\$ 27,943,006	\$ 355,586
Liabilities				
Amounts held in custody	\$ (2,151,335)	\$ 30,449,927	\$ 27,943,006	\$ 355,586
Total liabilities	\$ (2,151,335)	\$ 30,449,927	\$ 27,943,006	\$ 355,586
<b>State Taxes</b>				
Assets				
Cash and cash equivalents	\$ (12,408)	\$ 397,080	\$ 384,672	\$ -
Total assets	\$ (12,408)	\$ 397,080	\$ 384,672	\$ -
Liabilities				
Amounts held in custody	\$ (12,408)	\$ 373,559	\$ 384,672	\$ (23,521)
Due to other funds	-	23,521	-	23,521
Total liabilities	\$ (12,408)	\$ 397,080	\$ 384,672	\$ -
<b>Tax Sale Redemption</b>				
Assets				
Cash and cash equivalents	\$ 44,026	\$ 2,785,159	\$ 2,597,827	\$ 231,358
Total assets	\$ 44,026	\$ 2,785,159	\$ 2,597,827	\$ 231,358
Liabilities				
Amounts held in custody	\$ 44,026	\$ 2,785,159	\$ 2,597,827	\$ 231,358
Total liabilities	\$ 44,026	\$ 2,785,159	\$ 2,597,827	\$ 231,358
<b>Tax Sale Surplus</b>				
Assets				
Cash and cash equivalents	\$ 16,494,724	\$ 12,657,089	\$ 8,728,239	\$ 20,423,574
Total assets	\$ 16,494,724	\$ 12,657,089	\$ 8,728,239	\$ 20,423,574
Liabilities				
Amounts held in custody	\$ 16,494,724	\$ 12,657,089	\$ 8,728,239	\$ 20,423,574
Total liabilities	\$ 16,494,724	\$ 12,657,089	\$ 8,728,239	\$ 20,423,574

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**(Continued)**  
**December 31, 2016**

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
<b>Assessor's Cash</b>				
Assets				
Cash and cash equivalents	\$ 661,008	\$ 344,724	\$ 500,930	\$ 504,802
Total assets	<u>\$ 661,008</u>	<u>\$ 344,724</u>	<u>\$ 500,930</u>	<u>\$ 504,802</u>
Liabilities				
Amounts held in custody	\$ 661,008	\$ 344,724	\$ 500,930	\$ 504,802
Total liabilities	<u>\$ 661,008</u>	<u>\$ 344,724</u>	<u>\$ 500,930</u>	<u>\$ 504,802</u>
<b>Sale of County Owned Property</b>				
Assets				
Cash and cash equivalents	\$ 1,651,539	\$ 4,432,634	\$ 4,575,050	\$ 1,509,123
Total assets	<u>\$ 1,651,539</u>	<u>\$ 4,432,634</u>	<u>\$ 4,575,050</u>	<u>\$ 1,509,123</u>
Liabilities				
Amounts held in custody	\$ 1,651,539	\$ 4,432,634	\$ 4,575,050	\$ 1,509,123
Total liabilities	<u>\$ 1,651,539</u>	<u>\$ 4,432,634</u>	<u>\$ 4,575,050</u>	<u>\$ 1,509,123</u>
<b>Treasurer's Surplus</b>				
Assets				
Cash and cash equivalents	\$ 746,990	\$ 1,151,276	\$ 1,070,385	\$ 827,881
Total assets	<u>\$ 746,990</u>	<u>\$ 1,151,276</u>	<u>\$ 1,070,385</u>	<u>\$ 827,881</u>
Liabilities				
Amounts held in custody	\$ 746,990	\$ 1,151,276	\$ 1,070,385	\$ 827,881
Total liabilities	<u>\$ 746,990</u>	<u>\$ 1,151,276</u>	<u>\$ 1,070,385</u>	<u>\$ 827,881</u>
<b>Court Costs to Municipalities</b>				
Assets				
Cash and cash equivalents	\$ 664,368	\$ 220,361	\$ -	\$ 884,729
Total assets	<u>\$ 664,368</u>	<u>\$ 220,361</u>	<u>\$ -</u>	<u>\$ 884,729</u>
Liabilities				
Amounts held in custody	\$ 664,368	\$ 220,361	\$ -	\$ 884,729
Total liabilities	<u>\$ 664,368</u>	<u>\$ 220,361</u>	<u>\$ -</u>	<u>\$ 884,729</u>
<b>Homestead Credit Rebate</b>				
Assets				
Cash and cash equivalents	\$ 4,669,419	\$ 277	\$ 693	\$ 4,669,003
Total assets	<u>\$ 4,669,419</u>	<u>\$ 277</u>	<u>\$ 693</u>	<u>\$ 4,669,003</u>
Liabilities				
Amounts held in custody	\$ 4,669,419	\$ 277	\$ 693	\$ 4,669,003
Total liabilities	<u>\$ 4,669,419</u>	<u>\$ 277</u>	<u>\$ 693</u>	<u>\$ 4,669,003</u>

# Marion County, Indiana

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

December 31, 2016

	Balance January 1, 2016	Additions	Deductions	Balance December 31, 2016
<b>Local Option Income Tax</b>				
Assets				
Cash and cash equivalents	\$ -	\$ 151,876,859	\$ 151,876,859	\$ -
Total assets	\$ -	\$ 151,876,859	\$ 151,876,859	\$ -
Liabilities				
Amounts held in custody	\$ -	\$ 151,876,859	\$ 151,876,859	\$ -
Total liabilities	\$ -	\$ 151,876,859	\$ 151,876,859	\$ -
<b>Treasurer's Tax Collection</b>				
Assets				
Cash and cash equivalents	\$ 34,171,408	\$ 3,896,130,359	\$ 3,899,777,207	\$ 30,524,560
Accounts receivable	26,889,433	26,255,362	25,830,275	27,314,520
Due from other funds	-	23,521	-	23,521
Total assets	\$ 61,060,841	\$ 3,922,409,242	\$ 3,925,607,482	\$ 57,862,601
Liabilities				
Amounts held in custody	\$ 61,060,841	\$ 3,922,409,242	\$ 3,925,607,482	\$ 57,862,601
Total liabilities	\$ 61,060,841	\$ 3,922,409,242	\$ 3,925,607,482	\$ 57,862,601
<b>Delinquent Business Personal Property</b>				
Assets				
Cash and cash equivalents	\$ 6,046,677	\$ 3,265,666	\$ 2,816,754	\$ 6,495,589
Total assets	\$ 6,046,677	\$ 3,265,666	\$ 2,816,754	\$ 6,495,589
Liabilities				
Amounts held in custody	\$ 6,046,677	\$ 3,265,666	\$ 2,816,754	\$ 6,495,589
Total liabilities	\$ 6,046,677	\$ 3,265,666	\$ 2,816,754	\$ 6,495,589
<b>Law Enforcement Continuing Education</b>				
Assets				
Cash and cash equivalents	\$ 1,237,390	\$ 348,466	\$ 362,830	\$ 1,223,026
Total assets	\$ 1,237,390	\$ 348,466	\$ 362,830	\$ 1,223,026
Liabilities				
Amounts held in custody	\$ 1,237,390	\$ 348,466	\$ 362,830	\$ 1,223,026
Total liabilities	\$ 1,237,390	\$ 348,466	\$ 362,830	\$ 1,223,026
<b>Payroll</b>				
Assets				
Cash and cash equivalents	\$ 3,084,428	\$ 170,026,407	\$ 170,501,839	\$ 2,608,996
Accounts receivable	17,632	2,357	-	19,989
Total assets	\$ 3,102,060	\$ 170,028,764	\$ 170,501,839	\$ 2,628,985
Liabilities				
Amounts held in custody	\$ 3,091,993	\$ 170,028,764	\$ 170,501,839	\$ 2,618,918
Due to other funds	10,067	-	-	10,067
Total liabilities	\$ 3,102,060	\$ 170,028,764	\$ 170,501,839	\$ 2,628,985

**Marion County, Indiana**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**Combining Statement of Changes in Assets and Liabilities - Agency Funds**  
**(Continued)**  
**December 31, 2016**

	<u>Balance January 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2016</u>
<b>Clerk of Circuit Court</b>				
Assets				
Cash and cash equivalents	\$ 16,795,358	\$ 74,082,116	\$ 74,271,425	\$ 16,606,049
Total assets	<u>\$ 16,795,358</u>	<u>\$ 74,082,116</u>	<u>\$ 74,271,425</u>	<u>\$ 16,606,049</u>
Liabilities				
Amounts held in custody	\$ 16,795,358	\$ 74,082,116	\$ 74,271,425	\$ 16,606,049
Total liabilities	<u>\$ 16,795,358</u>	<u>\$ 74,082,116</u>	<u>\$ 74,271,425</u>	<u>\$ 16,606,049</u>
<b>Sheriff</b>				
Assets				
Cash and cash equivalents	\$ 1,949,407	\$ 53,979,983	\$ 50,327,267	\$ 5,602,123
Total assets	<u>\$ 1,949,407</u>	<u>\$ 53,979,983</u>	<u>\$ 50,327,267</u>	<u>\$ 5,602,123</u>
Liabilities				
Amounts held in custody	\$ 1,949,407	\$ 53,979,983	\$ 50,327,267	\$ 5,602,123
Total liabilities	<u>\$ 1,949,407</u>	<u>\$ 53,979,983</u>	<u>\$ 50,327,267</u>	<u>\$ 5,602,123</u>
<b>Recorder's Cash</b>				
Assets				
Cash and cash equivalents	\$ 633,051	\$ 6,620,525	\$ 6,707,324	\$ 546,252
Accounts receivable	-	-	-	-
Total assets	<u>\$ 633,051</u>	<u>\$ 6,620,525</u>	<u>\$ 6,707,324</u>	<u>\$ 546,252</u>
Liabilities				
Amounts held in custody	\$ 633,051	\$ 6,620,525	\$ 6,707,324	\$ 546,252
Total liabilities	<u>\$ 633,051</u>	<u>\$ 6,620,525</u>	<u>\$ 6,707,324</u>	<u>\$ 546,252</u>
<b>Other</b>				
Assets				
Cash and cash equivalents	\$ 564,292	\$ 9,569,500	\$ 9,714,195	\$ 419,597
Total assets	<u>\$ 564,292</u>	<u>\$ 9,569,500</u>	<u>\$ 9,714,195</u>	<u>\$ 419,597</u>
Liabilities				
Amounts held in custody	\$ 564,292	\$ 9,559,686	\$ 9,714,195	\$ 409,783
Due to other funds	-	9,814	-	9,814
Total liabilities	<u>\$ 564,292</u>	<u>\$ 9,559,686</u>	<u>\$ 9,714,195</u>	<u>\$ 419,597</u>
<b>Total Agency</b>				
Assets				
Cash and cash equivalents	\$ 88,181,632	\$ 4,418,346,889	\$ 4,412,156,502	\$ 94,372,019
Accounts receivable	26,907,065	26,257,719	25,830,275	27,334,509
Due from other funds	-	23,521	-	23,521
Total assets	<u>\$ 115,088,697</u>	<u>\$ 4,444,628,129</u>	<u>\$ 4,437,986,777</u>	<u>\$ 121,730,049</u>
Liabilities				
Amounts held in custody	\$ 115,078,630	\$ 4,444,594,794	\$ 4,437,986,777	\$ 121,686,647
Due to other funds	10,067	33,335	-	43,402
Total liabilities	<u>\$ 115,088,697</u>	<u>\$ 4,444,628,129</u>	<u>\$ 4,437,986,777</u>	<u>\$ 121,730,049</u>