



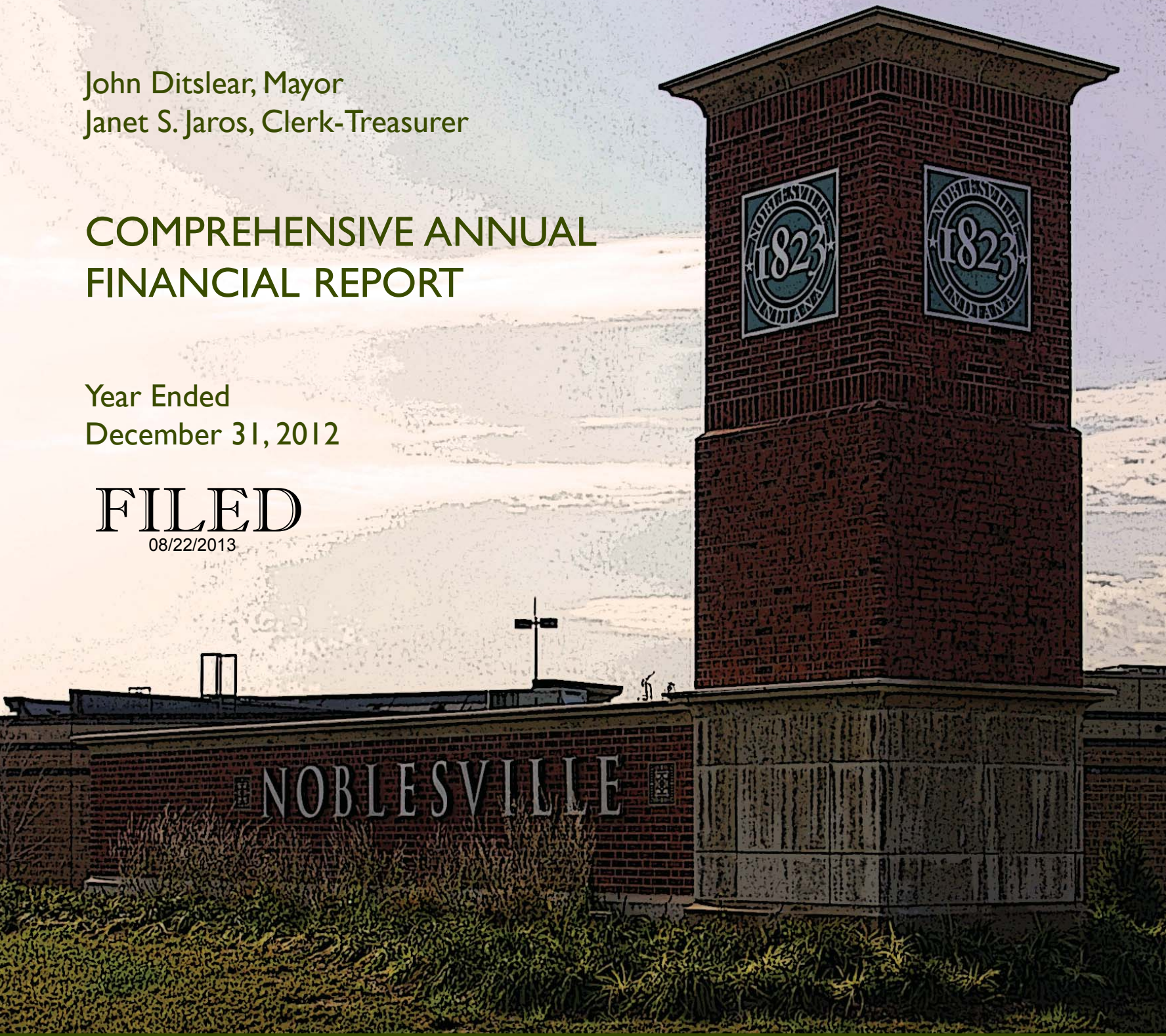
CITY OF NOBLESVILLE, INDIANA

John Ditslear, Mayor
Janet S. Jaros, Clerk-Treasurer

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year Ended
December 31, 2012

FILED
08/22/2013



COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF NOBLESVILLE, INDIANA

Year Ended December 31, 2012

Prepared by:

Janet Jaros, Clerk Treasurer

CITY OF NOBLESVILLE
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2012

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
I. Introductory Section	
Table of Contents.....	I-II
Letter to Citizens From Mayor.....	IV
Letter of Transmittal to Mayor and Members of Common Council	VI-XI
GFOA Certificate of Excellence	XIII
List of City Officials.....	XV
Organizational Chart	XVI
II. Financial Section	
Independent Auditor's Report	1-3
Management's Discussion and Analysis.....	4-16
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	17
Statement of Activities.....	18
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	19
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Position – Proprietary Funds	23
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds.....	24
Statement of Cash Flows – Proprietary Funds	25
Statement of Fiduciary Net Position – Fiduciary Funds.....	26
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	27
Notes to Financial Statements.....	28-56
Required Supplementary Information:	
Schedules of Funding Progress	58
Schedules of Contributions From the Employer and Other Contributing Entities	59
Budgetary Comparison Schedule - General Fund	60-62
Budget/GAAP Reconciliation - General Fund	63
Notes to Required Supplementary Information	64

CITY OF NOBLESVILLE
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED DECEMBER 31, 2012

TABLE OF CONTENTS
 (Continued)

<u>Description</u>	<u>Page</u>
II. Financial Section (Continued)	
Supplemental Schedules:	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds (by Fund Type)	72
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds (by Fund Type).....	73
Combining Balance Sheets -	
Nonmajor Special Revenue Funds.....	74-78
Nonmajor Debt Service Funds	80-81
Nonmajor Capital Projects Funds.....	82-85
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance –	
Nonmajor Special Revenue Funds.....	86-90
Nonmajor Debt Service Funds	92-93
Nonmajor Capital Projects Funds.....	94-97
Budgetary Comparison Schedules – Nonmajor Budgeted Governmental Funds	98-105
Fiduciary Funds:	
Combining Statement of Fiduciary Net Position – Fiduciary Funds	108
Combining Statement of Changes in Fiduciary Net Position – Nonmajor Fiduciary Funds.....	109
Statement of Changes in Assets and Liabilities – Agency Fund	110
III. Statistical Section	
Financial Trends	
Net Position by Component.....	113
Changes in Net Position	114-115
Fund Balances of Governmental Funds.....	116
Changes in Fund Balances of Governmental Funds.....	117
Revenue Capacity	
Assessed Value and True Tax Value of Taxable Property	119
Direct and Overlapping Property Tax Rates.....	120-121
Principal Taxpayers	122
Property Tax Levied and Collected	123
Debt Capacity	
Ratios of Outstanding Debt by Type.....	124
Ratios of Net General Bonded Debt Outstanding	125
Direct and Overlapping Debt	126
Legal Debt Margin	127
Governmental Activities Pledged Revenue Coverage	128
Business – Type Activities Pledged Revenue Coverage	129
Demographic and Economic Information	
Demographic and Economic Statistics	130
Principal Employers.....	131
Full-Time Equivalent County Government Employees.....	133
Operating Information	
Operating Indicators by Function/Program.....	134-135
Capital Asset Statistics by Function/Program	136

**Members of the Board
of Public Works**



Jack Martin, John Ditslear, Lawrence Stork



John Ditslear, Mayor

June 24, 2013

Dear Citizens of Noblesville and Interested Persons,

I am proud and pleased to present to you the 2012 Comprehensive Annual Financial Report as well as a summary of all the services, projects, and activities that make Noblesville a community of exceptional opportunities and great potential. This report has been prepared by our outstanding fiscal steward, Clerk-Treasurer Janet Jaros, and follows the guidelines set by the Government Finance Officers Association (GFOA) of the United States and Canada. This report will be submitted to the GFOA for review.

Noblesville is a great city in which to live, work, and play. Like all communities, we must provide the necessary amenities and lifestyle opportunities to support and encourage the growth and development of the corporate and institutional sectors. Our city provides high quality services to its citizens including public safety, sanitation and recycling services, public improvements, planning and zoning administration, parks and recreation, and general administration. Our number one goal is to provide our citizens with efficient, cost effective, and quality services. To this end, department directors strive to provide up-to-date equipment, planning, and continuous training for all employees in order to provide excellent city services.

This report would not be possible without the support of the entire City Council, city administration, and most importantly, the commitment of Clerk-Treasurer Janet Jaros to quality reporting and absolute compliance with statutory and regulatory requirements. We invite your comments and questions concerning the information contained in this document.

John Ditslear, Mayor
City of Noblesville

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June 13, 2013

Honorable Mayor John Ditslear
Honorable Members of Common Council
City of Noblesville
Noblesville, Indiana 46060

CITY OF NOBLESVILLE
JANET S. JAROS
CLERK - TREASURER

The Comprehensive Annual Financial Report (CAFR) of the City of Noblesville, Indiana, for the year ended December 31, 2012, is submitted herewith. The CAFR is presented as part of a continuing effort to provide the citizens of Noblesville with the highest standards of financial accountability and disclosure.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures rests with the City. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain understanding of the City's financial activity have been included.

REPORT FORMAT

Generally Accepted Accounting Principals require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Noblesville's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Noblesville was incorporated in 1851 and is the County seat of Hamilton County. It is located in central Indiana 17 miles northeast of downtown Indianapolis. Noblesville is one of the most rapidly growing municipalities in the State, serving a current estimated population of 55,243, covering an area of approximately 32.57 square miles with 246.9 miles of public roadways.

The City government is comprised of executive, legislative and judicial branches. The Mayor serves as the head of the executive branch and is elected to a four year term. The Clerk-Treasurer is the City's chief fiscal officer and is also elected to a four year term. The City's seven member Common Council serves as the legislative branch. Five of its members represent individual council districts and two are at-large. All serve four year terms. The Council meets formally twice a month to conduct business. Their duties include the enactment of all ordinances and



16 South 10th Street, Suite 275
Noblesville, Indiana 46060
Phone 317.776.6324 • Fax 317.776.6363

resolutions and approving the budget and appropriations. The Noblesville City Court is the judicial branch.

The administrative body for the City is the Board of Public Works. The Board of Works is composed of three members, two appointed by the Mayor and the Mayor, who presides. The Board of Works is also administrator to the Wastewater Utility. The utility served 17,874 customers as of December 31, 2012, an increase of 373 since the prior year.

The City of Noblesville provides the full range of municipal services to its residents. These include police and fire protection, emergency medical services, highways and streets, parks and recreation activities, culture, public improvements, wastewater utility services, planning and zoning, engineering and general administrative services. Certain financing and economic development functions are provided by the Noblesville Economic Development Infrastructure Building Corporation and the Noblesville Redevelopment Authority. Although both are legally separate entities, they provide service almost exclusively to the City, and therefore are included as an integral part of the City's financial statements. Additional information on these entities is in Note I.A. in the notes to the financial statements.

FACTORS AFFECTING FINANCIAL CONDITION

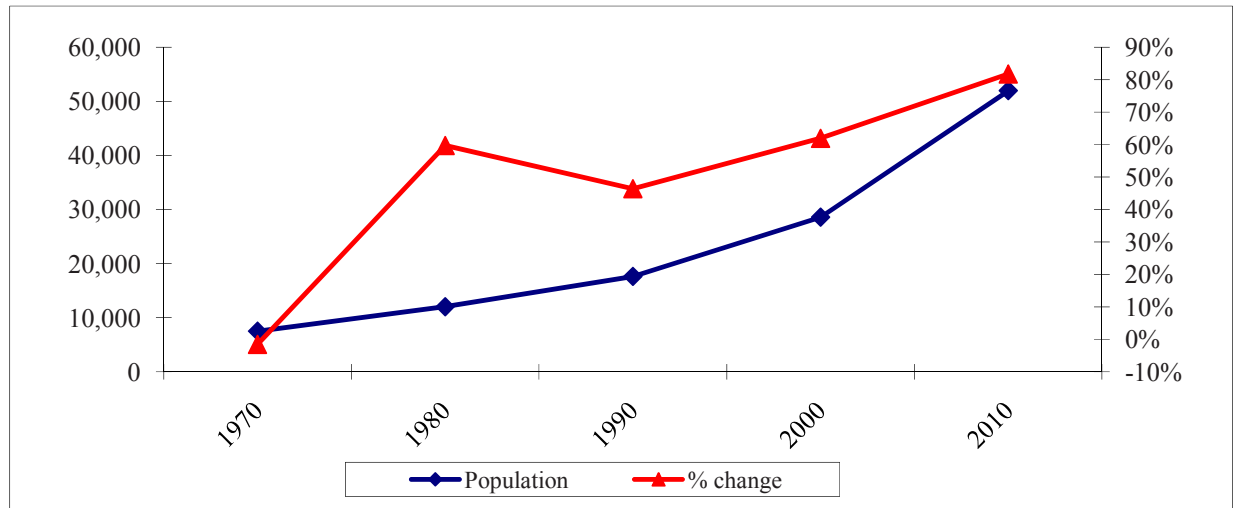
The information presented in the financial statements may be better understood when economic and related environmental factors specifically impacting the City of Noblesville are considered. The following sections provide brief summaries of certain key factors related to the local economy, long term financial planning and other matters intended to assist readers of this report in assessing the City's financial condition.

Local Economy

Growth in and around the City of Noblesville continues to be a factor affecting the state of the local economy even given the current economic downturn. Population increases in the last four U. S. census surveys were as follows: 1980 increased 59.7%; 1990 increased 46.4%, 2000 increased 61.8% and 2010 increased 81.8%.

While the City experienced a slowdown in development activity in 2010, it appears the City is showing signs of recovery in 2011 and 2012 as growth in both residential and non-residential sectors demonstrate that the economic environment in the City is resilient and the community should resume its long term positive growth trend when the broader economy recovers.

POPULATION (U.S. CENSUS)



The City issued 398 new single family residential building permits in 2012 for locations within the corporate limits which remained relatively level from the prior year. Residential building activity was spread over 19 active subdivisions and 17 builders ranging from modest to high end custom homes. The average new home size in 2012 was 3,708 square feet. Non-residential building permits issued in 2012 totaled \$43.28 million in construction value and are expected to add 102,307 square feet in new or remodeled space. Commercial development includes the new Famous Dave's, Harbour Trees Beach Club, Earthfare, Conner Station, Prime Carwash and Mufflers and More. Noblesville's Hamilton Town Center Life Style Mall is still attracting tenants and continues to be an influence on site selector profiles. Overall, building permits issued in 2012 had an estimated construction value of \$149.0 million.

In response to the growth experienced by Noblesville, the City is constantly seeking ways to improve its services to residents. The City continues to focus on roadway infrastructure improvements across the City, including the completion of additional phases of Little Chicago Road, River Road, 166th Street and Riverwalk downtown. Planning is underway for two new roundabouts. The City continues to actively seek new development in both the commercial and industrial sectors as well as focusing on retention and expansion of existing businesses to stabilize the tax base.

The industries of Noblesville manufacture a variety of products including air springs, glass reinforced polyester sheet and molding, disposable medical equipment, plastic components and aquariums. Retail, governmental, health care and educational services are also among the largest employers in the City. Many local residents are employed in the nearby cities of Carmel, Indianapolis, Muncie and Kokomo. Based upon State employment data, Noblesville's 2012 labor force totals 26,403. The City unemployment rate in 2012 averaged 6.5%. The Indiana state wide unemployment rate for 2012 was 8.5%.

Long-Term Financial Planning

One of the primary areas of emphasis related to the future economic development of Noblesville is to aggressively market the Corporate Campus and Hamilton Town Center to potential users.

These two areas opened in recent years and are expected to continue to have growth in the coming years. Both are still attracting tenants and continue to be an influence on site sector profiles. Additional economic development efforts are focusing on the riverfront, city gateways, trails, possible cultural district, brownfield redevelopment and improvements to the downtown core.

In 2012 construction of the expansion was completed on SMC Corporation of America, a global pneumatic technology developer and manufacturer. SMC was, for the second year in a row, named one of the top 50 most innovative companies in the world by Forbes Magazine. SMC chose Noblesville as their corporate headquarters in 2008. In 2011, SMC received an additional 10-year personal property tax abatement for the purchase and installation of \$5,516,780 worth of new equipment to expand its production and distribution capabilities. SMC has grown from 400 employees to almost 700 since 2008.

HELMER Scientific is a medical laboratory equipment manufacturer and distributor of blood refrigeration equipment. HELMER Scientific has grown its business in Noblesville since 1987. In 2011 HELMER moved from its 79,000 square foot location to a brand new 137,000 square foot Corporation headquarters. HELMER Scientific currently has 149 employees and it projected by the year 2014 to have 195. The capital investment on this project is approximately \$8.85 million.

Other smaller business expansions during 2012 included ServPro of Indy North, Menchies, Mattress Firm, Sprint, Cool River Pizza, Koko Fit Club, Wok & Roll, Yogoland, Cook's Pizza and HG Salon as well as numerous other restaurants.

The City's Wastewater Utility continued work on its Long Term Control Plan. Phase II, Division II began in 2011 and was completed in the summer of 2012. The project includes additions to an existing sludge process building, a new anaerobic digester and rehab of two existing anaerobic digesters. Upon completion of the project the Utility will produce class A sludge which would qualify for giveaway programs resulting in little to no disposal cost. Phase III, division II, was started in May 2011 and is nearly completed. The project includes constructing a 2.2MG underground CSO storage tank. The Utility has began preparing for the next phase of the Long Term Control Plan. The Utility has applied for their IDEM and DNR permits. They have started negotiations with a homeowner on Division Street whose western edge of their property is affected by the next phase. The project will include installation of a 60" CSO conveyance sewer.

Relevant Financial Policies

The management of the City of Noblesville is responsible for establishing and maintaining a system of internal financial controls. The purpose of the internal financial controls is to ensure that the assets of the City are protected from loss, theft or misuse, and that adequate accounting data is compiled to allow for the efficient preparation of financial statements in conformance with generally accepted accounting principles. The internal control structure must provide reasonable assurance these objectives are met within appropriate cost benefit performance. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be received; and that the evaluation of cost and benefits requires estimates and judgments by management. It is the assessment of City management that the internal control

structure does meet these criteria. The City consults with the Indiana State Board of Accounts, not only during the audit, but also, routinely throughout the year as needed.

In addition to current budget reductions, the City is responding to revenue reductions (see discussion in the MD&A). As an example, the City has an established policy of refunding debt when callable if debt service savings can be achieved. Low municipal bond interest rates facilitated the refunding of one bond issues in 2012 which will save the City over \$2.4 million over the next fifteen years. We anticipate additional refundings in 2013 and 2014 as outstanding bonds approach their call date.

Budgetary Controls

In accordance with Indiana Statute, the City maintains budgetary controls integrated within the accounting system. The objective of these budgetary controls is to ensure compliance with the annual appropriated budget adopted by the City Council and as approved by the Department of Local Government Finance. The annual budget includes the General Fund, Motor Vehicle Highway Fund, Local Road and Street Fund, Local Law Enforcement Continuing Education Fund, Park and Recreation Fund, Park Nonreverting Operating Fund, Parking Meter Fund, County Option Income Tax Fund, City Hall Debt Fund, Fire Station 2 Debt Fund, Fire Station 7/Street Dept. Fund, Fire Station Five and Six Debt, Little Chicago Road Debt, Cumulative Capital Improvement Fund, Cumulative Capital Development Fund and Cumulative Building and Fire Fighting Equipment Fund. The Redevelopment Commission approves the budgets for the TIF Funds.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major budget classification within a fund, and in the General Fund, within a department. The Common Council maintains budgetary control on all funds approved in the annual budget with the exception of the Non-Reverting Operating Fund for which the Park Board maintains budgetary control. The Common Council or Park Board may transfer appropriations from one major budget classification to another within a department or fund, by ordinance or resolution, as long as the annual budget for the department or fund is not exceeded. Additional appropriations in excess of the original budget must be approved by the Common Council and subsequently submitted for approval to the Department of Local Government Finance.

The City also maintains an encumbrance account system as one technique of accomplishing budgetary control. Encumbered amounts, for goods or services for which delivery or invoicing is not complete, can be carried over to the subsequent year as part of the subsequent year net appropriation.

The annual budget is prepared from June through August, taking into consideration Council priorities and the City's strategic plan objectives.

Department heads prepare draft budgets in June for presentation to the Council in a series of public work sessions. A budget ordinance is prepared under the Mayor's direction for introduction to the Common Council at its first meeting in October. The budget is advertised per Indiana statute, and a public hearing is held prior to the final adoption by the end of October.

The Clerk-Treasurer's office provides a comprehensive budget packet on prior expenditures, revenues, and estimated fund cash balance forecasts and tax rates for public review, which is made available at the office of the Clerk-Treasurer. The Common Council has the power to decrease any major category proposed by the Mayor, but may not increase any category in the budget.

Subsequent to the Common Council adoption of the budget, the Department of Local Government Finance holds a final budget hearing review and revision in the fall of each year, prior to issuing a final budget approval order in January.

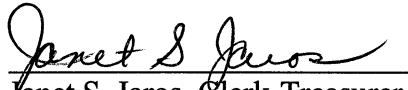
Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on pages 60-62. For other governmental funds with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report on pages 98-105.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the dedication and cooperation of all city officials, council members and department directors. We also appreciate the assistance of the Indiana State Board of Accounts and Jim Treat of O. W. Krohn & Associates, LLP, in the completion of this report. We want to thank Walter Sharp of Sharp printing for his assistance in the printing of this report and the many people who provided pictures.

Collectively we believe this report to be of benefit to the entire city, its visitors and prospective investors in present and future expansion.

Sincerely,


Janet S. Jaros, Clerk-Treasurer

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Noblesville
Indiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Christopher P. Morill

President

Jeffrey R. Enow

Executive Director

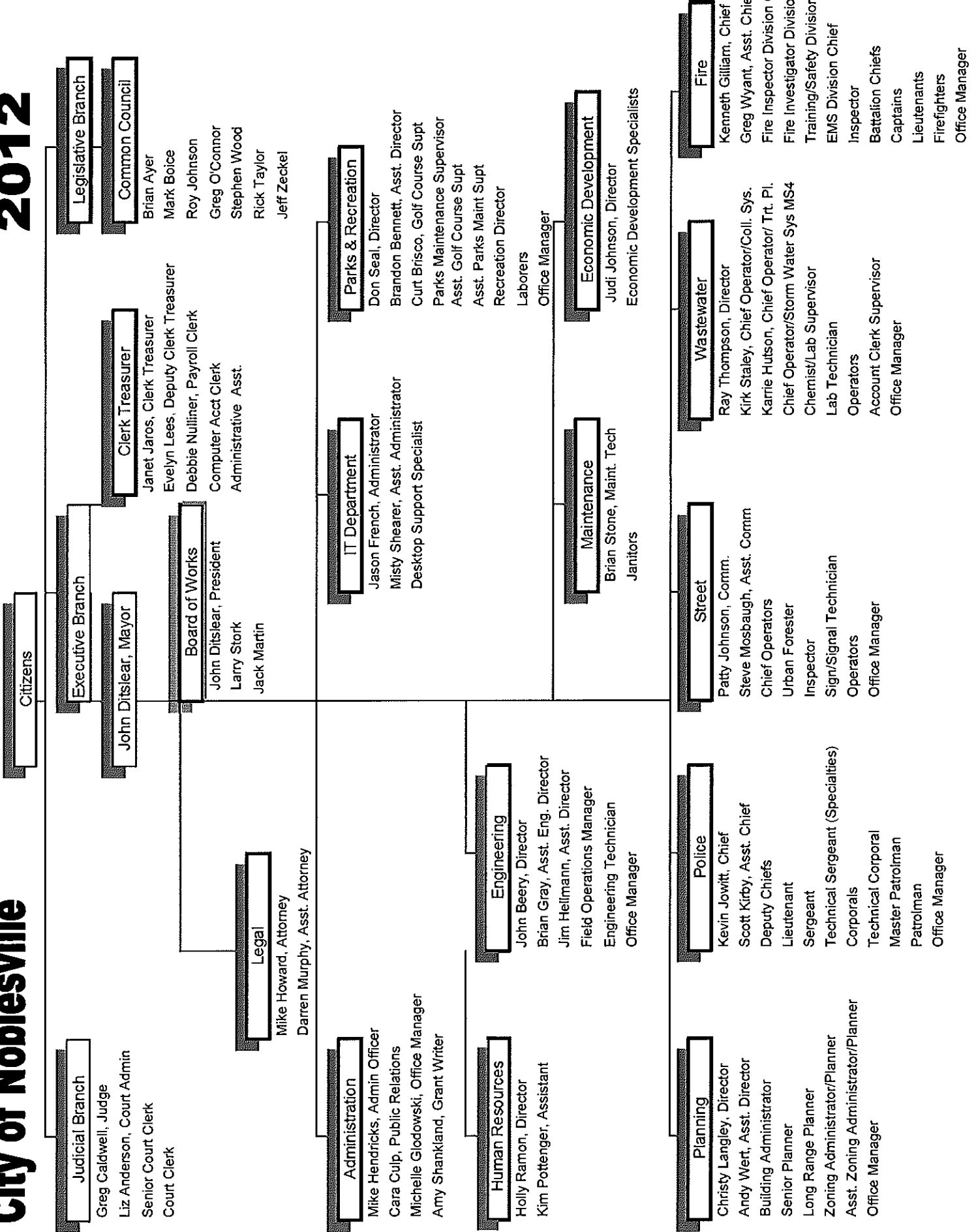
Common Council Members



Back Row: *(left to right)* Rick Taylor, Jeff Zeckel, Mark Boice, Brian Ayer
Front Row: *(left to right)* Stephen C. Wood, Gregory P. O'Connor, Roy Johnson

NOBLESVILLE CITY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Mayor	John Ditslear	1/01/12 to 12/31/15
Clerk-Treasurer	Janet Jaros	1/01/12 to 12/31/15
Judge	Greg Caldwell	1/01/12 to 12/31/15
Common Council Members	Brian Ayer	1/01/12 to 12/31/15
	Mark Boice	1/01/12 to 12/31/15
	Roy Johnson	1/01/12 to 12/31/15
	Gregory O'Connor	1/01/12 to 12/31/15
	Rick Taylor	1/01/12 to 12/31/15
	Jeff Zeckel	1/01/12 to 12/31/15
	Stephen Wood	1/01/12 to 12/31/15
President of the Board of Public Works and Safety	John Ditslear	1/01/12 to 12/31/15
Members of the Board of Public Works and Safety	Jack Martin	Appointed
	Larry Stork	Appointed





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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Noblesville (City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 of 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 City's internal control. Accordingly, we express no such opinion. An audit 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 statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual nonmajor fund financial statements and other budgetary comparison schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 nonmajor fund financial statements and other budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That separate report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



Bruce Hartman
State Examiner

June 13, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

As management of the City of Noblesville, Indiana, we offer readers of the City of Noblesville's financial statements this narrative overview and analysis of the financial activities of the City of Noblesville for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages VI-XI of this report.

FINANCIAL HIGHLIGHTS

- The assets of the City of Noblesville exceeded its liabilities at the close of the most recent fiscal year, with a total of \$255,947,983 (*net position*). Of this amount, \$28,916,506 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fund designations and fiscal policies.
- The City's total net position increased by \$9,378,364 as compared to the 2011 total net position. The overall increase in net position was related primarily to the receipt of additional capital grants and contributions. Capital grants and contributions of \$5.5 million included \$4.5 million of developer contributed infrastructure assets, and \$923,000 utility infrastructure from developers.
- As of the close of the current fiscal year, the City of Noblesville's governmental funds reported combined ending fund balances of \$70,953,076. The City implemented GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions in 2011. It establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in the governmental funds. See the Notes to the financial statements for descriptive detail on these new fund balance classifications along with a tabular summary for the major and non major funds.
- At the end of the current fiscal year, the City's government funds reported ending fund balances of \$67,132,988, a decrease of \$631,820 from last year. Approximately 89% of the total governmental fund balance, or \$60.0 million is designated by the City as committed, assigned and unassigned. The remaining 11% is designated as restricted.
- The City of Noblesville total outstanding debt obligations decreased by \$6,735,000 during the current fiscal year. A total of \$8,550,000 in bonds was retired by scheduled principal payments during the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Noblesville's basic financial statements. The City of Noblesville's basic financial statements comprise three components:

1. Government-wide financial statements, providing information for the City as a whole.
2. Fund financial statements, providing detailed information for the City's significant funds.
3. Notes to the financial statements, providing additional information that is essential to understanding the government-wide and fund statements.

This report also contains other supplementary information in addition to the basic financial statements themselves. Additional explanation of these sections of the financial statements follows.

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

The *statement of net position* presents information on all of the City of Noblesville's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

position may serve as a useful indicator of whether the financial position of the City of Noblesville is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned, but not used, compensated absences).

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

The government-wide financial statements can be found on pages 17-18 of this report.

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

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

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

The City of Noblesville maintains 57 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and redevelopment authority debt service fund, both of which are considered to be major funds. Data from the other 55 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Noblesville adopts an annual appropriated budget for its general fund, certain special revenue funds, certain debt service funds and certain capital projects funds. Budgetary comparison statements have been provided for the general fund in the required supplementary information and for the other funds subsequent to the combining non major fund information, as other information, to demonstrate compliance with the budget.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The basic governmental fund financial statements can be found on pages 19-22 of this report.

Proprietary funds. The City of Noblesville maintains two different types of proprietary funds, *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Noblesville uses enterprise funds to account for its wastewater utility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Noblesville's various functions. The City of Noblesville uses an internal service fund to account for its employee health and life insurance programs. Because this service predominately benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the wastewater utility which is considered to be a major fund of the City. The internal service fund is presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 23-25 of this report.

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

The basic fiduciary fund financial statements can be found on pages 26-27 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-56 of this report.

Other Information. The combining statements referred to earlier in connection with non major governmental funds and fiduciary funds can be found on pages 72-110 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Noblesville, assets exceeded liabilities by \$255,947,983 at the close of the most recent fiscal year.

By far the largest portion of the City of Noblesville's net position (75 percent) reflects its investment in capital assets (e.g. land, buildings, vehicles, and equipment); less any related debt used to acquire those assets that is still outstanding. The City of Noblesville uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Noblesville's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The comparison is presented for purposes of additional analysis.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

City of Noblesville's Net Position as of December 31, 2012

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Current and other assets	\$ 76,638,636	\$ 74,256,767	\$ 27,837,452	\$ 23,965,105	\$ 104,476,088	\$ 98,221,872
Capital assets	<u>304,604,550</u>	<u>307,378,406</u>	<u>113,628,277</u>	<u>117,130,145</u>	<u>418,232,827</u>	<u>424,508,551</u>
Total assets	<u>\$ 381,243,186</u>	<u>\$ 381,635,173</u>	<u>\$ 141,465,729</u>	<u>\$ 141,095,250</u>	<u>\$ 522,708,915</u>	<u>\$ 522,730,423</u>
Long-term liabilities outstanding	215,895,139	209,278,541	40,421,629	39,022,284	256,316,768	248,300,825
Other liabilities	<u>16,600,354</u>	<u>16,421,466</u>	<u>3,222,174</u>	<u>2,060,149</u>	<u>19,822,528</u>	<u>18,481,615</u>
Total liabilities	<u>\$ 232,495,493</u>	<u>\$ 225,700,007</u>	<u>\$ 43,643,803</u>	<u>\$ 41,082,433</u>	<u>\$ 276,139,296</u>	<u>\$ 266,782,440</u>
Net assets:						
Invested in capital assets, net of related debt	100,501,820	111,063,125	80,257,088	79,660,471	180,758,908	190,723,596
Restricted	33,519,810	31,638,300	3,903,753	4,669,581	37,423,563	36,307,881
Unrestricted	<u>14,726,063</u>	<u>13,233,741</u>	<u>13,661,085</u>	<u>15,682,765</u>	<u>28,387,148</u>	<u>28,916,506</u>
Total net position	<u><u>\$ 148,747,693</u></u>	<u><u>\$ 155,935,166</u></u>	<u><u>\$ 97,821,926</u></u>	<u><u>\$ 100,012,817</u></u>	<u><u>\$ 246,569,619</u></u>	<u><u>\$ 255,947,983</u></u>

A portion of the City of Noblesville's net position (14 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$28,916,506 may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City of Noblesville is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its business-type activities.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

The following is a summary of the information presented in the Statement of Activities for 2012 found on page 18 of this report compared to 2011:

City of Noblesville Change in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Revenue:						
Program revenues:						
Charges for services	\$ 8,561,859	\$ 8,380,194	\$ 10,465,336	\$ 10,358,608	\$ 19,027,195	\$ 18,738,802
Operating grants and contributions	1,727,122	2,057,868	-	-	1,727,122	2,057,868
Capital grants and contributions	4,678,475	4,567,202	602,915	923,099	5,281,390	5,490,301
General revenues:						
Taxes:						
Property taxes	33,429,880	33,518,336	-	-	33,429,880	33,518,336
Income	18,872,642	15,391,329	-	-	18,872,642	15,391,329
Other	4,889,460	4,319,331	-	-	4,889,460	4,319,331
Other	1,564,832	285,312	124,409	59,948	1,689,241	345,260
Total revenues	<u>\$ 73,724,270</u>	<u>\$ 68,519,572</u>	<u>\$ 11,192,660</u>	<u>\$ 11,341,655</u>	<u>\$ 84,916,930</u>	<u>\$ 79,861,227</u>
Expenses:						
General government	16,156,250	14,977,533			16,156,250	14,977,533
Public safety	24,179,519	24,141,504			24,179,519	24,141,504
Highways and streets	12,868,209	10,390,631			12,868,209	10,390,631
Culture and recreation	2,930,555	3,479,086			2,930,555	3,479,086
Economic Development	-	58,644			-	58,644
Interest on long-term debt	9,398,440	8,484,701			9,398,440	8,484,701
Wastewater	-	-	9,939,013	8,950,764	9,939,013	8,950,764
Total expenses	<u>\$ 65,532,973</u>	<u>\$ 61,532,099</u>	<u>\$ 9,939,013</u>	<u>\$ 8,950,764</u>	<u>\$ 75,471,986</u>	<u>\$ 70,482,863</u>
Transfers:						
Capital asset transfer	4,700,493	-	(4,700,493)	-	-	-
Fund transfer	200,000	200,000	(200,000)	(200,000)	-	-
	<u>\$ 4,900,493</u>	<u>\$ 200,000</u>	<u>\$ (4,900,493)</u>	<u>\$ (200,000)</u>	<u>\$ -</u>	<u>\$ -</u>
Increase(Decrease) in net position	13,091,790	7,187,473	(3,646,846)	2,190,891	9,444,944	9,378,364
Net position, beginning of year	135,655,903	148,747,693	101,468,772	97,821,926	237,124,675	246,569,619
Net position, end of year	<u>\$ 148,747,693</u>	<u>\$ 155,935,166</u>	<u>\$ 97,821,926</u>	<u>\$ 100,012,817</u>	<u>\$ 246,569,619</u>	<u>\$ 255,947,983</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Governmental Activities

Governmental activities increased the City's net position by \$7,187,473. Total assets remained level while total liabilities decreased by approximately \$6.8 million. The increase in net position included \$4.5 million in developer contributed infrastructure assets. The reduction in liabilities was primarily due to principal payments on long term debt.

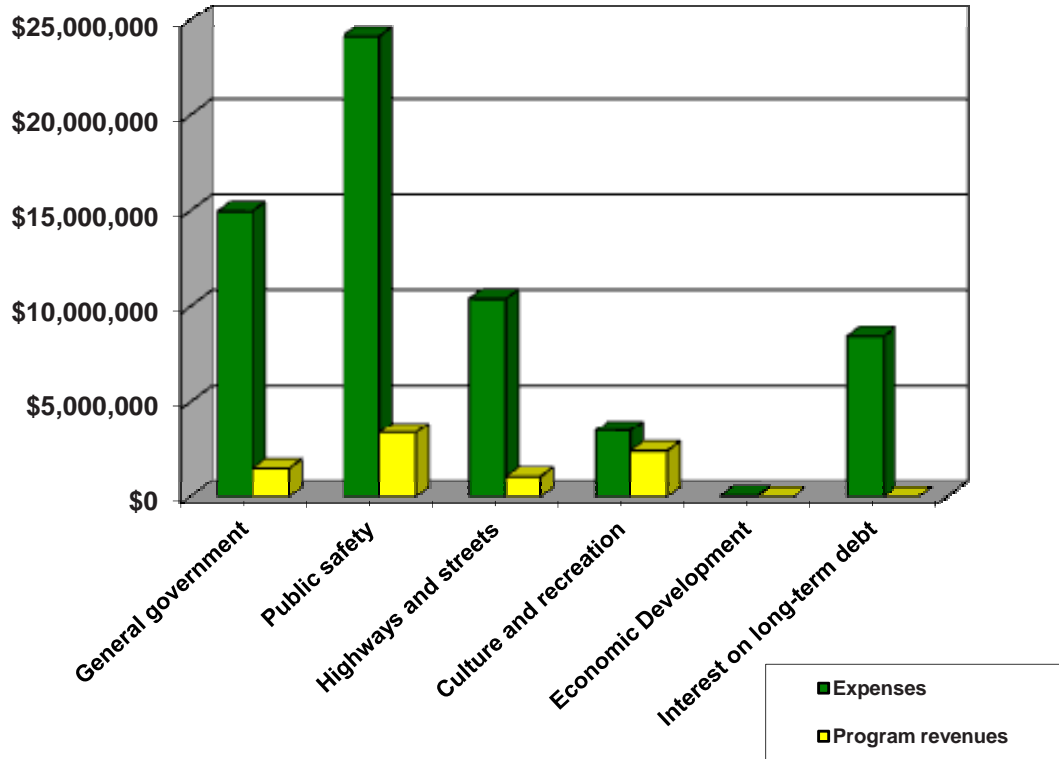
Notable changes in governmental activities revenues and expenses in 2012 compared to the 2011 included the following:

- Governmental revenues decreased approximately \$5 million. Most of this variance was due to the \$3.5 million decrease in income tax revenues related to the discovery in early 2012 that the Indiana Department of Revenue had *under* distributed more than \$200 million in local option income taxes collected for local units throughout the State. As result, 2011 included a catch up payment for under distributed revenues from prior years. No such adjustment was made in 2012 and current distributions were relatively unchanged.
- Governmental expenses decreased approximately \$4 million in total the biggest component of which was in highway and street expenses.
- Highway and Street expenses decreased \$2.5 million in 2012 mainly due to non capital costs related to the Union Chapel Road and 146th Street projects in 2011. The Union Chapel Road project included reconstruction of the Stoney Creek Bridge (County asset) and work on portions of SR32 and SR 38 which are not City assets. Approximately \$2.2 million in Union Chapel project costs were included in 2011 Highway and Street expenses. An additional \$200,000 spent on utility relocations to complete work on 146th Street was also included in 2011 Highway and Street expenses. These expenditures were not recurring; therefore a corresponding reduction occurred in 2012.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

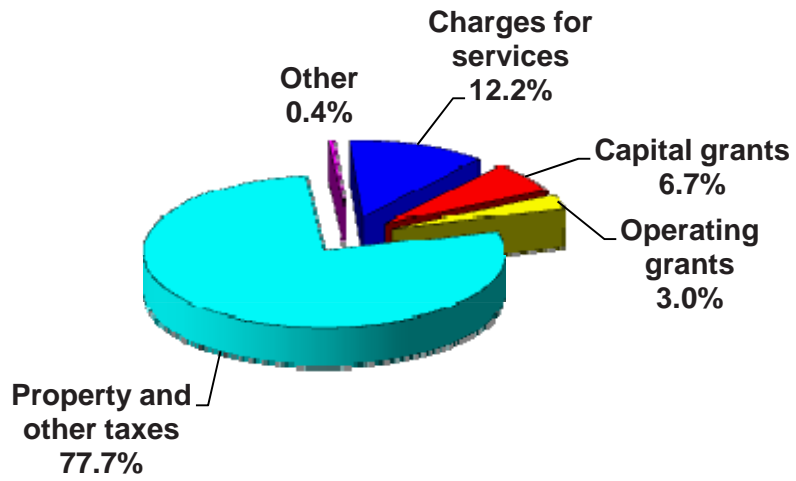
The following chart compares expenses with program revenues for the City's governmental activities.

Expenses and Program Revenues – Governmental Activities



**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

The following graph shows the composition of revenues for the City's governmental activities:



**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

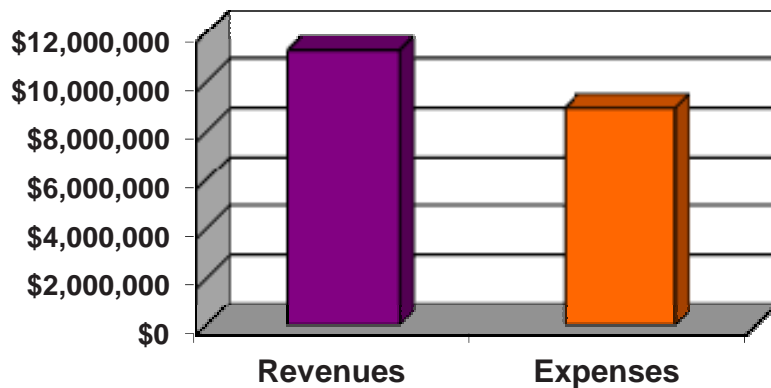
Business-type Activities

Net position for business-type activities increased \$2,190,891. This increase was due to the receipt of \$923,000 contributed infrastructure from developers and the excess revenues over expenses.

Operating revenues for the Utility were flat in 2012 while operating expenses decreased \$1,028,055. This decrease was mainly in treatment costs due to certain nonrecurring transition expenses incurred in 2011 before the wastewater treatment plant, phase II division II improvements were completed in put into service.

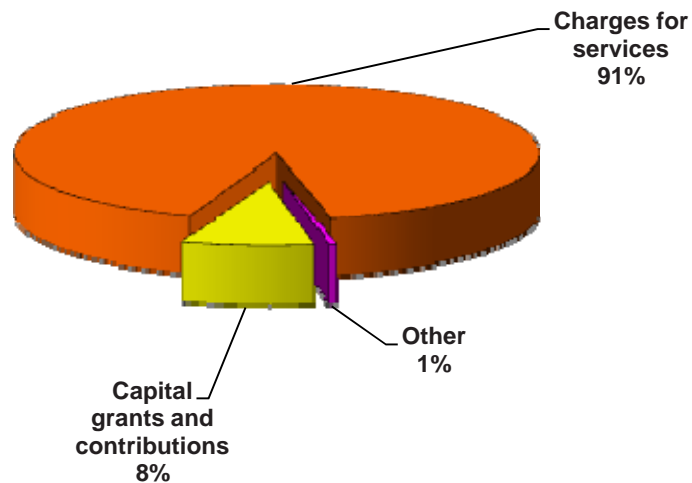
The following chart compares expenses with program revenues for the City's business-type activities:

Expenses and Program Revenues – Business-type Activities



The following graph shows the composition of revenues for the City's business-type activities:

Revenues by Source – Business-type Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Financial analysis of the Government's Funds

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

Governmental funds. The focus of the City of Noblesville's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources (modified accrual basis). In fiscal year 2011 the City implemented GASB 54 which requires governmental fund balances to be categorized as nonspendable or spendable. Nonspendable funds would include those which cannot be spent because of form such as inventory or prepaids or due to legal constraints such as a permanent endowment. The City has no such funds and as a result all of its funds are identified as spendable. Spendable funds are further categorized as restricted, committed, assigned or unassigned based on the level of constraints imposed on the use of those resources. Restricted fund balances have externally imposed constraints such as bond covenants, laws or regulation of other governments or enabling legislation. Committed, assigned and unassigned are used for levels of constraints imposed by the City and are therefore available at the City's discretion.

As of the end of the current fiscal year, the City of Noblesville's governmental funds reported combined ending fund balances of \$67,132,988, a decrease of \$631,820. A total of \$7,132,134 of the ending fund balances is restricted and the remaining fund balances totaling \$60,000,854 are either committed, assigned or unassigned.

The general fund is the chief operating fund of the City of Noblesville. At the end of the current fiscal year, the total general fund balance was \$14,610,183 of which \$195,808 was assigned and the remaining \$14,414,375 was unassigned. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents 43.1 percent of total general fund expenditures. The general fund's balance increased by \$3,586,170 generated by restrained spending by the City to ensure excess general fund revenues even with the decline in income tax revenues in 2012.

General fund budget basis revenues were 41.2% over the final budgeted amounts. Property taxes were \$5.7 million less than budgeted due to \$4 million in circuit breaker credit losses. These taxpayer credits are based upon the State's property tax caps (1% for residential; 2% for rental/agricultural; 3% for commercial). The lower property tax revenues were offset by intergovernmental distributions that were \$16.5 million over budget. This was due to receipt in early 2012 of additional income tax distributions which were catch up payments for 2010, 2011 and year to date 2012. Total expenditures on a budgetary basis were 17% under the final budget. All departments were under budget with the most significant favorable variance relating to Council. \$6.0 million in capital outlays were budgeted for the Council; however, only \$962,607 was expended. The City uses this general fund budget category each year to ensure that the budget meets the State requirements for successfully receiving an appeal to the maximum levy limitations. The Fire Department variance of \$393,978 was due to lower expenditures in personal services and supplies related to under spending on personnel. A portion of the savings was from additional SAFER grant reimbursement and the remainder due to delays in replacing staff that left the City.

The Redevelopment Authority Debt Services fund increased by \$484,663 during the current fiscal year. This increase was from the net proceeds of the Redevelopment Authority Refunding bonds. In addition to the bond funds escrowed to defease the 2003 Redevelopment Authority Bonds a two month lease rental abatement account was funded and on hand in the ending fund balance.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

Unrestricted net position of the Wastewater Utility at the end of the year amounted to \$15,631,696. Net position for the Wastewater Utility increased \$2,212,424 during 2012. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Noblesville's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and final amended budget for total expenditures increased total appropriations by \$935,125 and are briefly summarized below:

- The increase in general government totaled \$728,292, most of which was allocated to two departments. Engineering increased \$536,525 mostly for needs in consulting services and capital outlay. Court increased \$214,538 for additional services and charges expenditures.
- In total public safety increased \$206,842; \$68,994 allocated to police, \$90,364 allocated to fire and \$47,475 allocated to communications due to increase in staff and training, as well as an increase in capital outlay needs for the police department.

Variance between the final budget amounts and actual revenues and expenditures are discussed in the governmental funds section.

Capital Asset and Debt Management.

Capital assets. The City of Noblesville's investment in capital assets for its governmental and business-type activities as of December 31, 2012, amounts to \$424,508,551 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, traffic signals, and storm sewers. The total increase in the City of Noblesville's reported investment in capital assets for the current fiscal year was \$6,275,724, or 1.5 percent. Within governmental activities the increase in capital assets relates primarily to construction of road projects for Little Chicago Road Phase II, Pleasant Street and Carrigan Pedestrian Bridge together with contributed infrastructure of \$4.5 from developers. Within the business-type activities the \$3.5 million increase occurred mainly due to construction expenditures during the year on the Phase II Division II treatment plant project.

Additional information on the City of Noblesville's capital assets can be found in Note II C, on pages 36-37 of this report.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>
Land	57,558,382	58,742,741	687,736	687,736	\$58,246,118	59,430,477
Buildings	37,593,087	36,697,045	25,691,797	35,861,104	63,284,884	72,558,149
Improvements other than buildings	8,643,204	8,593,536	62,818,761	64,342,822	71,461,965	72,936,358
Machinery and equipment	11,093,938	9,931,640	13,462,602	16,105,849	24,556,540	26,037,489
Infrastructure	186,079,003	188,228,407	-	-	186,079,003	188,228,407
Construction in progress	3,636,936	5,185,037	10,967,381	132,634	14,604,317	5,317,671
Total	<u>\$304,604,550</u>	<u>\$307,378,406</u>	<u>\$113,628,277</u>	<u>117,130,145</u>	<u>\$418,232,827</u>	<u>\$424,508,551</u>

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

Long-term debt. At the end of the current fiscal year, the City of Noblesville had \$233,635,000 in long-term bonds outstanding. Of this amount, \$193,445,000 comprises debt backed by the full faith and credit of the government and \$40,190,000 represents revenue bonds issued by the Wastewater Utility secured solely by the net revenues of the utility.

City of Noblesville's Outstanding Debt as of December 31, 2012

	Governmental Activities		Business-Type Activities		Total	
	2011	2012	2011	2012	2011	2012
General Obligations bonds:						
Primary Security: Property Tax	\$ 36,325,000	\$ 34,485,000	\$ -	\$ -	\$ 36,325,000	\$ 34,485,000
County Option Income Tax	6,680,000	6,090,000	-	-	6,680,000	6,090,000
Tax Increment	155,890,000	152,870,000	-	-	155,890,000	152,870,000
Total	\$ 198,895,000	\$ 193,445,000	\$ -	\$ -	\$ 198,895,000	\$ 193,445,000
Revenue Bonds	-	-	41,475,000	40,190,000	41,475,000	40,190,000
Total Outstanding Debt	\$ 198,895,000	\$ 193,445,000	\$ 41,475,000	\$ 40,190,000	\$ 240,370,000	\$ 233,635,000

The City's total bonds payable decreased by \$6,735,000 during the current fiscal year. The decrease was due to the payment of \$8.5 million of scheduled principal payments offset by the following refunding transaction.

- \$24,235,000 economic development lease rental refunding bonds issued for the purpose of advance refunding \$22,420,000 of outstanding lease rental bonds of 2003, originally used for Exit 10 infrastructure improvements adjacent to corporate campus.

The City of Noblesville's most recent debt rating was "AA-" from Standard & Poor's. The Wastewater Utility carries an "Aaa" rating from Moody's.

The State of Indiana limits the amount of general obligation debt a City may issue to 2% of its current assessed value. For the City of Noblesville, this amount is \$15,320,050. The City of Noblesville Redevelopment Commission also may issue general obligation debt subject to the same limit. As of December 31, 2012, the City has \$4,365,000 of outstanding debt subject to this limit and the Redevelopment Commission has \$535,000 outstanding. The remaining outstanding City and Redevelopment Commission debt was issued as lease rental obligations or tax increment district bonds which are not subject to the 2% limit. Additional information on the City's long-term liabilities can be found in Note II H, on pages 40-44 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City of Noblesville ended 2012 at 6.7 percent. This compares favorably to the State's average unemployment rate of 8.3 percent and the National average rate of 7.8 percent.
- The City has experienced a decline in new building permits and development activity due to the current economic climate which is a dramatic change from the past 5 years. As a result, prior estimates of growth in tax base and related property tax revenues have been reduced and the City will have to adjust spending levels accordingly in future budget years.
- County option income tax (COIT) was 28% of the City's 2012 governmental revenues compared to 32% in 2011. These funds can be used for capital projects as well as ongoing operating

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

expenses. Due to the economy and problems at the State level with the accurate estimation of tax collections and timely distribution of local option income taxes, the City's income tax revenues from year to year have been volatile. While the certified amount for 2013 COIT distributions has shown a notable increase, the City will hold this potential revenue increase as a reserve to offset possible future volatility in COIT revenues.

- State wide property tax caps (based upon a percent of gross AV by property class) became effective beginning in 2009. In 2012, the circuit breaker adjustments from these caps resulted in a loss of approximately \$4 million in revenue. Those losses are expected to continue at the same level for 2013. The City has taken several steps to right size the budget for these losses including: hiring freeze, staff reductions through attrition, overtime reductions and departmental cost sharing.

All of these factors were considered in preparing the City of Noblesville's budget for the 2013 fiscal year. To deal with both cycles in the economy and to plan for future capital expansion, the City routinely puts aside resources.

Requests for Information

This financial report is designed to provide a general overview of the City of Noblesville's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Clerk Treasurer, City of Noblesville, 16 South 10th Street, Noblesville, Indiana 46060-2809.

CITY OF NOBLESVILLE
STATEMENT OF NET POSITION
December 31, 2012

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
<u>Assets</u>			
Cash and cash equivalents	\$ 66,660,189	\$ 14,592,441	\$ 81,252,630
Receivables (net of allowances for uncollectibles):			
Taxes	3,868,495	-	3,868,495
Accounts - customers	80,583	843,677	924,260
Intergovernmental	1,248,939	-	1,248,939
Other	-	251,961	251,961
Inventories	-	129,085	129,085
Internal balances	(51,069)	51,069	-
Restricted assets:			
Cash and cash equivalents	-	7,525,483	7,525,483
Deferred debits	2,304,242	571,389	2,875,631
Net pension asset	145,388	-	145,388
Capital assets:			
Land, improvements, and construction in progress	63,927,778	820,370	64,748,148
Other capital assets, net of depreciation	243,450,628	116,309,775	359,760,403
Total assets	381,635,173	141,095,250	522,730,423
<u>Liabilities</u>			
Accounts payable	532,883	291,744	824,627
Accrued payroll and withholdings payable	1,260,803	149,898	1,410,701
Contracts payable	298,259	87,157	385,416
Unpaid claims payable	416,397	-	416,397
Accrued interest payable	3,617,114	-	3,617,114
Trust payable	63,183	-	63,183
Noncurrent liabilities:			
Due within one year:			
Compensated absences payable	1,253,765	116,350	1,370,115
General obligation bonds payable	8,125,000	-	8,125,000
Revenue bonds	-	1,415,000	1,415,000
Capital lease obligations	854,062	-	854,062
Due in more than one year:			
Compensated absences payable	3,161,664	292,926	3,454,590
General obligation bonds payable	185,743,750	-	185,743,750
Revenue bonds payable	-	38,729,358	38,729,358
Capital lease obligations	1,592,469	-	1,592,469
Net pension obligation	5,816,044	-	5,816,044
Net OPEB obligation	12,964,614	-	12,964,614
Total liabilities	225,700,007	41,082,433	266,782,440
<u>Net Position</u>			
Investment in capital assets	111,063,125	79,660,471	190,723,596
Restricted for:			
Public safety	133,496	-	133,496
Highways and streets	9,198,890	-	9,198,890
Culture and recreation	1,440,333	-	1,440,333
Debt service	17,702,111	1,478,533	19,180,644
Capital projects	2,975,415	3,191,048	6,166,463
Other purposes	188,055	-	188,055
Unrestricted	13,233,741	15,682,765	28,916,506
Total net position	\$ 155,935,166	\$ 100,012,817	\$ 255,947,983

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

CITY OF NOBLESVILLE
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2012

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Totals
Primary government:							
Governmental activities:							
General government	\$ 14,977,533	\$ 1,503,676	\$ -	\$ -	\$ (13,473,857)	\$ -	\$ (13,473,857)
Public safety	24,141,504	3,369,859	-	-	(20,771,645)	-	(20,771,645)
Highways and streets	10,390,631	1,090,011	2,057,868	4,567,202	(2,675,550)	-	(2,675,550)
Culture and recreation	3,479,086	2,416,648	-	-	(1,062,438)	-	(1,062,438)
Economic development	58,644	-	-	-	(58,644)	-	(58,644)
Interest on long-term debt	8,484,701	-	-	-	(8,484,701)	-	(8,484,701)
Total governmental activities	61,532,099	8,380,194	2,057,868	4,567,202	(46,526,835)	-	(46,526,835)
Business-type activities:							
Wastewater	8,950,764	10,358,608	-	923,099	-	2,330,943	2,330,943
Total primary government	\$ 70,482,863	\$ 18,738,802	\$ 2,057,868	\$ 5,490,301	(46,526,835)	2,330,943	(44,195,892)
General revenues:							
Property taxes					33,518,336	-	33,518,336
County option income tax					15,391,329	-	15,391,329
Local shared revenues					2,123,810	-	2,123,810
General state distributions					2,195,521	-	2,195,521
Other miscellaneous					197,775	-	197,775
Unrestricted investment earnings					87,537	59,948	147,485
Total general revenues					53,514,308	59,948	53,574,256
Transfers:							
Fund transfer					200,000	(200,000)	-
Total transfers					200,000	(200,000)	-
Change in net position					7,187,473	2,190,891	9,378,364
Net position - beginning					148,747,693	97,821,926	246,569,619
Net position - ending					\$ 155,935,166	\$ 100,012,817	\$ 255,947,983

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

CITY OF NOBLESVILLE
BALANCE SHEET -
GOVERNMENTAL FUNDS
December 31, 2012

	General	Redevelopment Authority - Debt Service	Nonmajor Governmental Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 12,802,081	\$ 13,840,366	\$ 39,112,612	\$ 65,755,059
Receivables (net of allowances for uncollectibles)				
Taxes	3,512,610	-	355,885	3,868,495
Accounts	80,583	-	-	80,583
Intergovernmental	710,430	-	538,509	1,248,939
Total assets	<u>\$ 17,105,704</u>	<u>\$ 13,840,366</u>	<u>\$ 40,007,006</u>	<u>\$ 70,953,076</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 353,694	\$ -	\$ 179,189	\$ 532,883
Accrued payroll and withholdings payable	1,057,330	-	203,473	1,260,803
Contracts payable	12,295	-	285,964	298,259
Trust payable	-	-	63,183	63,183
Unavailable revenue	1,072,202	-	592,758	1,664,960
Total liabilities	<u>2,495,521</u>	<u>-</u>	<u>1,324,567</u>	<u>3,820,088</u>
Fund balances:				
Spendable:				
Restricted	-	-	7,132,134	7,132,134
Committed	-	13,840,366	24,514,484	38,354,850
Assigned	195,808	-	7,063,957	7,259,765
Unassigned	14,414,375	-	(28,136)	14,386,239
Total fund balances	<u>14,610,183</u>	<u>13,840,366</u>	<u>38,682,439</u>	<u>67,132,988</u>
Total liabilities and fund balances	<u>\$ 17,105,704</u>	<u>\$ 13,840,366</u>	<u>\$ 40,007,006</u>	<u>\$ 70,953,076</u>

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

CITY OF NOBLESVILLE
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2012

Fund balance - governmental funds		\$	67,132,988
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:			
Land and construction in progress	63,927,778		
Other capital assets, net of depreciation	<u>243,450,628</u>		307,378,406
Deferred charges are not financial resources and, therefore, are not reported in the funds.			2,304,242
Unavailable revenues are not available to pay current resources and, therefore, are not reported in the Statement of Net Position.			1,664,960
Internal Service funds are used by management to charge the costs of insurances to general and highway funds. The assets and liabilities of the Internal Services fund are included in governmental activities in the Statement of Net Position.			437,664
Compensated absences that are not due and payable in the current period and, therefore, are not reported in the funds.			(4,415,429)
Accrued interest on bonds payable is not due and payable in the current period and, therefore, is not reported in the funds.			(3,617,114)
Net pension asset is a prepaid amount and is not a current financial resource; therefore, this is not reported in the funds.			145,388
Net pension obligation, including the 1925 Police Officers' Pension and the 1937 Firefighters' Pension plans, are not due and payable in the current period and, therefore, are not reported in the funds.			(5,816,044)
Net OPEB obligation is not due and payable in the current period and, therefore, is not reported in the funds.			(12,964,614)
Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported in the funds:			
General obligation bonds	(193,868,750)		
Capital leases	<u>(2,446,531)</u>		<u>(196,315,281)</u>
Net position of governmental activities		\$	<u>155,935,166</u>

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

CITY OF NOBLESVILLE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2012

	General	Redevelopment Authority - Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 29,733,020	\$ -	\$ 19,176,645	\$ 48,909,665
Licenses and permits	1,005,744	-	35,725	1,041,469
Intergovernmental	3,665,177	-	3,341,066	7,006,243
Charges for services	1,938,025	-	2,670,859	4,608,884
Fines and forfeits	377,980	-	982,949	1,360,929
Other	332,096	10,806	681,691	1,024,593
Total revenues	37,052,042	10,806	26,888,935	63,951,783
Expenditures:				
Current:				
General government	9,088,274	11,715	1,508,124	10,608,113
Public safety	22,647,693	-	84,405	22,732,098
Highways and streets	-	-	3,170,642	3,170,642
Culture and recreation	-	-	2,680,447	2,680,447
Debt service:				
Principal	5,624	5,245,000	2,921,175	8,171,799
Interest	1,328	7,055,431	1,734,442	8,791,201
Bond issuance costs	-	274,708	-	274,708
Capital outlay	1,682,857	-	7,494,656	9,177,513
Total expenditures	33,425,776	12,586,854	19,593,891	65,606,521
Excess (deficiency) of revenues over (under) expenditures	3,626,266	(12,576,048)	7,295,044	(1,654,738)
Other financing sources (uses):				
Transfers in	4,074	12,419,123	3,831,716	16,254,913
Transfers out	(225,500)	-	(16,029,413)	(16,254,913)
Payment to refunded bond escrow	-	(23,982,202)	-	(23,982,202)
Transfer from proprietary fund	-	-	200,000	200,000
Bonds issuance	-	-	-	-
Issuance of refunding bonds	-	24,235,000	-	24,235,000
Premium (discount) on bond issuance	-	388,790	-	388,790
Financing by capital lease	181,330	-	-	181,330
Total other financing sources and uses	(40,096)	13,060,711	(11,997,697)	1,022,918
Net change in fund balances	3,586,170	484,663	(4,702,653)	(631,820)
Fund balances - beginning	11,024,013	13,355,703	43,385,092	67,764,808
Fund balances - ending	\$ 14,610,183	\$ 13,840,366	\$ 38,682,439	\$ 67,132,988

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

CITY OF NOBLESVILLE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2012

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

Net change in fund balances - total governmental funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$	(631,820)
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital outlay per the funds statement	9,177,513	
Capital outlay for items costing less than the capitalization threshold	(3,143,298)	
Depreciation expense	<u>(7,664,181)</u>	(1,629,966)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		
Asset disposals	(146,806)	
Donated assets	<u>4,550,628</u>	4,403,822
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Unavailable revenue		17,161
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Bond issuance:		
Refunding bonds	(24,235,000)	
Bond premium	63,142	
Bond issue costs	274,708	
Recognize deferred loss	1,412,140	
Capital leases	(181,330)	
Principal payments:		
General obligation bonds	7,265,000	
Capital leases	906,799	
Payment to escrow agent for refunding	22,420,000	
Amortization of bond discount	136,699	
Amortization of bond issuance costs	<u>(484,942)</u>	7,577,216
Accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in governmental funds.		
		306,500
Net pension asset is a prepaid amount and is not a current financial resource, therefore, this is not reported in the funds.		
		(153,132)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.		
Change in net position		(409,199)
Change in internal balance		21,533
Compensated absences which are not due and payable in the current period are, therefore, not reported in the funds.		
		(67,137)
Net pension obligation and net OPEB obligation are not due and payable in the current period and, therefore, are not reported in the funds, but are included in the government-wide statements.		
		<u>(2,247,505)</u>
Change in net position of governmental activities (Statement of Activities)	\$	<u>7,187,473</u>

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

CITY OF NOBLESVILLE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2012

	<u>Business-Type Activities - Enterprise Fund</u>	<u>Internal Service Fund</u>
	<u>Wastewater Utility</u>	
<u>Assets</u>		
Current assets:		
Cash and cash equivalents	\$ 14,592,441	\$ 905,130
Accounts receivable (net of allowance)	843,677	-
Other receivable	251,961	-
Inventories	129,085	-
Restricted cash, cash equivalents, and investments:		
Revenue bond covenant accounts	<u>7,525,483</u>	<u>-</u>
Total current assets	<u>23,342,647</u>	<u>905,130</u>
Noncurrent assets:		
Deferred charges	<u>571,389</u>	<u>-</u>
Capital assets:		
Land, improvements to land, and construction in progress	820,370	-
Other capital assets (net of accumulated depreciation)	<u>116,309,775</u>	<u>-</u>
Total capital assets	<u>117,130,145</u>	<u>-</u>
Total noncurrent assets	<u>117,701,534</u>	<u>-</u>
Total assets	<u>141,044,181</u>	<u>905,130</u>
<u>Liabilities</u>		
Current liabilities:		
Accounts payable	291,744	-
Accrued payroll and withholdings payable	149,898	-
Contracts payable	87,157	-
Compensated absences payable	116,350	-
Unpaid claims payable	-	416,397
Current liabilities payable from restricted assets:		
Revenue bonds payable	<u>1,415,000</u>	<u>-</u>
Total current liabilities	<u>2,060,149</u>	<u>416,397</u>
Noncurrent liabilities:		
Compensated absences	292,926	-
Revenue bonds payable (net of unamortized discount and premium)	<u>38,729,358</u>	<u>-</u>
Total noncurrent liabilities	<u>39,022,284</u>	<u>-</u>
Total liabilities	<u>41,082,433</u>	<u>416,397</u>
<u>Net Position</u>		
Investment in capital assets	79,660,471	-
Restricted for debt service	1,478,533	-
Restricted for capital outlay	3,191,048	-
Unrestricted	<u>15,631,696</u>	<u>488,733</u>
Total net position	99,961,748	<u>\$ 488,733</u>
Adjustment to reflect the consolidation of internal service fund activities related to the enterprise fund	<u>51,069</u>	
Net position of business-type activities	<u>\$ 100,012,817</u>	

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

CITY OF NOBLESVILLE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
For The Year Ended December 31, 2012

	<u>Enterprise Fund</u>	
	Wastewater Utility	Internal Service Fund
Operating revenues:		
Metered revenue	\$ 8,911,295	\$ -
Charges for services	-	6,997,540
Tap fees	1,137,775	-
Other	<u>309,538</u>	<u>1,291,886</u>
Total operating revenues	<u>10,358,608</u>	<u>8,289,426</u>
Operating expenses:		
Collection system - operations and maintenance	1,297,120	-
Treatment and disposal expense - operations and maintenance	870,028	-
Stormwater	388,926	-
Customer accounts	375,559	-
Administration and general	443,472	-
Employee pensions and benefits	919,031	8,698,625
Rents	16,614	-
Transportation	69,444	-
Insurance	91,926	-
Miscellaneous	247,912	-
Depreciation and amortization	<u>2,839,222</u>	<u>-</u>
Total operating expenses	<u>7,559,254</u>	<u>8,698,625</u>
Operating income	<u>2,799,354</u>	<u>(409,199)</u>
Nonoperating revenues (expenses):		
Interest and investment revenue	59,948	-
Amortization expense	(54,803)	-
Interest expense	<u>(1,315,174)</u>	<u>-</u>
Total nonoperating revenue (expenses)	<u>(1,310,029)</u>	<u>-</u>
Income (loss) before contributions	1,489,325	(409,199)
Transfer to City funds	(200,000)	-
Contributions of capital assets to the City	-	-
Capital contributions - grant funds	22,494	-
Capital asset contributions from developers	<u>900,605</u>	<u>-</u>
Change in net position	2,212,424	(409,199)
Total net position - beginning	<u>97,749,324</u>	<u>897,932</u>
Total net position - ending	<u>\$ 99,961,748</u>	<u>\$ 488,733</u>
Some amounts reported for business-type activities in the Statement of Activities are different because:		
Change in net position proprietary fund	\$ 2,212,424	
The net revenue of certain internal service funds is reported with business-type activities	<u>(21,533)</u>	
Change in net position of business-type activities	<u>\$ 2,190,891</u>	

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

CITY OF NOBLESVILLE
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
For The Year Ended December 31, 2012

	<u>Enterprise Fund</u>	
	Wastewater Utility	Internal Service Fund
Cash flows from operating activities:		
Receipts from customers and users	\$ 10,146,799	\$ 8,289,426
Payments to suppliers and employees	(5,976,513)	(8,713,270)
Other receipts (payments)	309,538	-
	<u>4,479,824</u>	<u>(423,844)</u>
Net cash provided (used) by operating activities		
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(4,860,291)	-
Net bond proceeds	-	-
Transfers to City funds	(200,000)	-
Principal paid on capital debt	(1,285,000)	-
Interest paid on capital debt	(1,882,563)	-
	<u>(8,227,854)</u>	<u>-</u>
Net cash used by capital and related financing activities		
Cash flows from investing activities:		
Interest received	59,948	-
	<u>59,948</u>	<u>-</u>
Net increase in cash and cash equivalents	(3,688,082)	(423,844)
Cash and cash equivalents, January 1 (Including \$12,193,582 for the Wastewater Utility reported in restricted accounts)	<u>25,806,006</u>	<u>1,328,974</u>
Cash and cash equivalents, December 31 (Including \$7,525,483 for the Wastewater Utility reported in restricted accounts)	<u>\$ 22,117,924</u>	<u>\$ 905,130</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 2,799,354	\$ (409,199)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	2,839,222	-
(Increase) decrease in assets:		
Accounts receivable	(9,097)	-
Other receivable	106,826	-
Inventories	10,200	-
Increase (decrease) in liabilities:		
Contracts payable	(1,478,064)	-
Accounts payable	164,140	-
Unpaid claim payable	-	(14,645)
Accrued payroll and payroll withholdings payable	21,249	-
Compensated absence payable	25,994	-
	<u>1,680,470</u>	<u>(14,645)</u>
Total adjustments		
Net cash provided by operating activities	<u>\$ 4,479,824</u>	<u>\$ (423,844)</u>
Noncash transactions:		
Capital assets were contributed by private developers in the amount of \$900,605.		

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

CITY OF NOBLESVILLE
STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
December 31, 2012

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 1,275,687	\$ 118,637
Total assets	<u>1,275,687</u>	<u>118,637</u>
<u>Liabilities</u>		
Performance deposits payable	-	107,605
Payroll withholdings payable	-	<u>11,032</u>
Total liabilities	<u>-</u>	<u>118,637</u>
<u>Net Position</u>		
Net position held in trust for:		
Employees' pension benefits	<u>\$ 1,275,687</u>	<u>\$ -</u>

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

CITY OF NOBLESVILLE
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
For The Year Ended December 31, 2012

	Pension Trust Funds
<u>Additions</u>	
Contributions:	
Employer	\$ -
On behalf payments	542,954
Total contributions	542,954
Investment income:	
Interest	-
Total additions	542,954
<u>Deductions</u>	
Benefits	682,105
Changes in net position	(139,151)
Net position - beginning	1,414,838
Net position - ending	\$ 1,275,687

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

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Noblesville (primary government) was established under the laws of the State of Indiana. The primary government operates under a Council-Mayor form of government and provides the following services: public safety (police and fire), highways and streets, health, culture and recreation, public improvements, planning and zoning, general administrative services, wastewater, and urban redevelopment.

The accompanying financial statements present the activities of the primary government and its significant component units. The component units discussed below are included in the primary government's reporting entity because of the significance of their operational or financial relationships with the primary government. Blended component units, although legally separate entities, are in substance part of the government's operations and exist solely to provide services for the government; data from these units is combined with data of the primary government.

Blended Component Units

The Noblesville Economic Development Infrastructure Building Corporation (ED Building Corporation) is a significant blended component unit of the primary government. It was created by the primary government for the purpose of constructing and financing buildings and infrastructure. The primary government appoints a voting majority of the ED Building Corporation's Board and a financial benefit/burden relationship exists between the primary government and the ED Building Corporation. Although it is legally separate from the primary government, the Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government.

The Noblesville Building Corporation (Building Corporation) is a significant blended component unit of the primary government. It was created by the primary government for the purpose of constructing and financing buildings and infrastructure. The primary government appoints a voting majority of the Building Corporation's board and a financial benefit/burden relationship exists between the primary government and the Building Corporation. Although it is legally separate from the primary government, the Building Corporation is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government.

The Noblesville Redevelopment Authority (Redevelopment Authority) is a significant blended component unit of the primary government. It was created by the primary government for the purpose of constructing and financing development and redevelopment of areas within the corporate boundaries of the City. The primary government appoints a voting majority of the Redevelopment Authority's Board and a financial benefit/burden relationship exists between the primary government and the Redevelopment Authority. Although it is legally separate from the primary government, the Redevelopment Authority is reported as if it were a part of the primary government because it provides services entirely or almost entirely to the primary government.

Jointly Governed Organization

The primary government and the Town of Fishers jointly own, on an equal basis, a certain railroad right-of-way obtained from a railroad company extending approximately 37 miles from the City of Tipton, Indiana, to near downtown City of Indianapolis, Indiana. The primary government and the

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Town of Fishers created the Historic Railroad Multi-Jurisdictional Port Authority (Port Authority) for the purpose of protecting and preserving the existence of real property, contained within the railroad's right-of-way, as a single parcel of real estate in perpetuity for such uses as may benefit the citizens of Noblesville and Fishers, including, but not necessarily limited to, recreational, transportation, and tourism purposes. Subsequently, Hamilton County joined with the primary government and the Town of Fishers to become part of the Port Authority. The Port Authority's Board consists of six members with two appointed by the Mayor of the primary government, two appointed by the Town Council of Fishers, and two appointed by the County Commissioners of Hamilton County. The primary government, Town of Fishers, and Hamilton County do not have any obligations for or any interests in Port Authority matters.

B. Government-Wide and Fund Financial Statements

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 primary government. For the most part, the effect of interfund activity has been removed from these statements. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

C. 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 as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they 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. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the primary government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the primary government receives cash.

The primary government reports the following major governmental funds:

The General Fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Redevelopment Authority – Debt Service Fund (debt service) accounts for the accumulation of resources and payments of general obligation bonds issued by the Noblesville Redevelopment Authority (a component unit of the City of Noblesville). Financing is provided by semiannual lease payments from the County Option Income Tax (COIT) fund.

The primary government reports the following major proprietary funds:

The Wastewater Utility Fund accounts for the operation of the primary government's wastewater treatment plant, pumping stations and collection systems.

Additionally, the primary government reports the following fund types:

The internal service fund accounts for the collection and payment to an insurance third party administrator for the City's employees' health and life insurance programs provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the 1925 Police Officers' and 1937 Firefighters' pension funds which accumulate resources for pension benefit payments.

The agency fund accounts for payroll withholdings held by the primary government as an agent for the federal and state governments, and various employee insurance companies. Agency funds, however, report only assets and liabilities. Since they do not report equity (or changes in equity), they have no measurement focus.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's wastewater function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 taxes.

Proprietary funds distinguish operating revenues from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

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

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

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

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

2. Interfund Transactions and Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables/payables" (i.e., the current and noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "interfund services provided/used." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the primary government in June and in December. State statutes (IC 6-1.1-17-16) require the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. Delinquent property taxes outstanding at year end for governmental and/or proprietary funds, net of allowances for uncollectible accounts, are recorded as a receivable with an offset to deferred revenue since the amounts are not considered available within 60 days.

4. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

5. Inventories

All inventories are valued at cost using the first in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

6. Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because City Ordinance No. 34-5-03 requires the establishment of a Bond and Interest Fund and a Depreciation Fund.

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Governmental activities:			
Land	\$ 5,000	N/A	N/A
Buildings and improvements	5,000	Straight-line	20 - 50 yrs
Machinery and equipment	5,000	Straight-line	3 - 25 yrs
Roads – collectors and residential	5,000	Straight-line	10 - 50 yrs
Business-type activities:			
Land	5,000	N/A	N/A
Buildings and improvements	5,000	Straight-line	20 - 50 yrs
Machinery and equipment	5,000	Straight-line	3 - 25 yrs
Wastewater distribution and collection systems	5,000	Straight-line	50 yrs

N/A = Not applicable

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of governmental-type and business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the primary government in its business-type activities was \$1,872,874. \$557,700 in interest was capitalized during 2012.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

8. Compensated Absences

- a. Sick Leave – primary government employees earn sick leave at the rate of 7 hours per month worked. Unused sick leave may be accumulated to a maximum of 120 days. Full-time employees terminating their employment on or after January 1, 2007, are entitled to payment of their unused sick time, based on the years of full-time service with the City.
- b. Vacation Leave – primary government employees earn vacation leave at rates from 10 days to 25 days per year based upon the number of years of service. Vacation leave may not be accumulated. Unused accrued vacation leave is paid to employees through cash payments upon termination.

Vacation and sick leave are accrued when incurred in government-wide statements and proprietary fund statements and are reported as a liability in the Statement of Net Position. Only amounts due and payable at year end to terminated employees are included in the fund statements.

9. Unavailable and Unearned Revenue

Unavailable and unearned revenues are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met.

10. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, and proprietary fund type Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

11. Net Position

In the government-wide Statement of Net Position, certain assets are reported as restricted if such assets are restricted based upon limitations set by outside parties or documents. These would include bond covenants, which require certain debt payments and capital expenditures, grant agreements, donations by outside sources or funds from the State of Indiana specifying disbursement or use requirements.

E. New Accounting Pronouncements

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position provides guidance for reporting and presenting the financial statement elements of deferred inflows of resources and deferred outflows of resources. Based upon the

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

definition provided of these new elements, the City currently has no such items to report. GASB No. 63 still requires that the statements report net assets as net position in the government-wide financial statements, proprietary statements and fiduciary statements. It does not change the fund financial statements. This statement was effective for the City's current financial statements.

II. Detailed Notes on All Funds

A. Deposits and Investments

1. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories. The City does not have a formal deposit policy for custodial credit risk.

2. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2012, the City had the following investments:

Investment Type	Government Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-2
Mutual funds	\$ 15,671,735	\$ 15,671,735	\$ -

Statutory Authorization for Investment Policies

Indiana Code 5-13-9 authorizes the City to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of no more than 2 years.

Indiana code also provides for investment in money market mutual funds that are in the form of securities of or interest in an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed 50 percent of the funds held by the City and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise: or repurchase agreements fully collateralized by direct obligations of the

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

Investment Custodial Credit Risk

The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City does not have a formal investment policy for custodial credit risk for investments. At December 31, 2012, the City held investments in mutual funds in the amount of \$15,671,735. All of these investments were held by the counterparty's trust department or agent in the City's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City must follow state statute and limit the stated final maturities of the investments to no more than 2 years. The City does not have a formal investment policy for interest rate risk for investments.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below. The City does not have a formal investment policy for credit risk for investments.

Standard and Poor's Rating	<u>City's Investments</u> Mutual Funds
AAA	<u>\$ 15,671,735</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City does not have a policy in regards to concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from this policy requirement.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

B. Receivables

The Emergency Management Service receivable accounts have timing and credit characteristics different from typical accounts receivable. Many of these receivables are due from insurance companies and collection experience indicates that most are received in excess of 90 days.

C. Capital Assets

Capital asset activity for the year ended December 31, 2012, was as follows:

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 13,887,967	\$ 447,687	\$ -	\$ 14,335,654
Right-of-ways	43,670,415	736,672	-	44,407,087
Construction in progress	<u>3,636,936</u>	<u>6,554,674</u>	<u>5,006,573</u>	<u>5,185,037</u>
Total capital assets, not being depreciated	<u>61,195,318</u>	<u>7,739,033</u>	<u>5,006,573</u>	<u>63,927,778</u>
Capital assets, being depreciated:				
Buildings	44,729,618	-	17,830	44,711,788
Improvements other than buildings	10,184,077	167,683	-	10,351,760
Machinery and equipment	20,321,729	640,079	748,772	20,213,036
Roads being depreciated	176,785,761	5,855,538	-	182,641,299
Storm sewers being depreciated	36,066,909	1,189,084	-	37,255,993
Traffic signals	<u>1,996,026</u>	<u>-</u>	<u>-</u>	<u>1,996,026</u>
Totals	<u>290,084,120</u>	<u>7,852,384</u>	<u>766,602</u>	<u>297,169,902</u>
Less accumulated depreciation for:				
Buildings	7,136,531	888,596	10,384	8,014,743
Improvements other than buildings	1,540,873	217,351	-	1,758,224
Machinery and equipment	9,227,791	1,663,016	609,411	10,281,396
Roads being depreciated	24,873,625	3,961,655	-	28,835,280
Storm sewers being depreciated	3,170,928	801,730	-	3,972,658
Traffic signals	<u>725,140</u>	<u>131,833</u>	<u>-</u>	<u>856,973</u>
Totals	<u>46,674,888</u>	<u>7,664,181</u>	<u>619,795</u>	<u>53,719,274</u>
Total capital assets, being depreciated, net	<u>243,409,232</u>	<u>188,203</u>	<u>146,807</u>	<u>243,450,628</u>
Total governmental activities capital assets, net	<u>\$ 304,604,550</u>	<u>\$ 7,927,236</u>	<u>\$ 5,153,380</u>	<u>\$ 307,378,406</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 687,736	\$ -	\$ -	\$ 687,736
Construction in progress	<u>10,967,381</u>	<u>5,244,811</u>	<u>16,079,558</u>	<u>132,634</u>
Total capital assets, not being depreciated	<u>11,655,117</u>	<u>5,244,811</u>	<u>16,079,558</u>	<u>820,370</u>
Capital assets, being depreciated:				
Buildings	32,641,400	10,981,196	-	43,622,596
Improvements other than buildings	72,191,296	2,500,610	-	74,691,906
Machinery and equipment	<u>21,190,992</u>	<u>3,694,031</u>	<u>70,226</u>	<u>24,814,797</u>
Totals	<u>126,023,688</u>	<u>17,175,837</u>	<u>70,226</u>	<u>143,129,299</u>
Less accumulated depreciation for:				
Buildings	6,949,603	811,889	-	7,761,492
Improvements other than buildings	9,372,535	976,549	-	10,349,084
Machinery and equipment	<u>7,728,390</u>	<u>1,050,784</u>	<u>70,226</u>	<u>8,708,948</u>
Totals	<u>24,050,528</u>	<u>2,839,222</u>	<u>70,226</u>	<u>26,819,524</u>
Total capital assets, being depreciated, net	<u>101,973,160</u>	<u>14,336,615</u>	<u>-</u>	<u>116,309,775</u>
Total business-type activities capital assets, net	<u>\$ 113,628,277</u>	<u>\$ 19,581,426</u>	<u>\$ 16,079,558</u>	<u>\$ 117,130,145</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 611,983
Public safety	1,102,909
Highways and streets	5,457,916
Culture and recreation	<u>491,373</u>
Total depreciation expense - governmental activities	<u>\$ 7,664,181</u>
Business-type activities:	
Wastewater	<u>\$ 2,839,222</u>
Total depreciation expense - business-type activities	<u>\$ 2,839,222</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

D. Construction Commitments

Construction work in progress is composed of the following:

Project	Total Project Authorized	Expended to December 31, 2012	Committed	Required Future Funding
Governmental activities:				
Highways and roadways	\$ 18,042,048	\$ 5,185,037	\$ 12,857,011	\$ -
Totals - governmental activities	<u>18,042,048</u>	<u>5,185,037</u>	<u>12,857,011</u>	<u>-</u>
Business-type activities:				
CSO Phase 3 Engineering	146,950	87,466	59,484	-
Craig Highlands Sewer Lines	<u>50,000</u>	<u>45,168</u>	<u>4,832</u>	<u>-</u>
Total - business-type activities	<u>196,950</u>	<u>132,634</u>	<u>64,316</u>	<u>-</u>
Totals	<u>\$ 18,238,998</u>	<u>\$ 5,317,671</u>	<u>\$ 12,921,327</u>	<u>\$ -</u>

E. Interfund Activity

Interfund transfers at December 31, 2012, were as follows:

Transfer From	Transfer To			Totals
	General	Redevelopment Authority - Debt Service	Nonmajor Governmental	
Governmental:				
Major funds:				
General	\$ -	\$ -	\$ 225,500	\$ 225,500
Nonmajor governmental	<u>4,074</u>	<u>12,419,123</u>	<u>3,606,216</u>	<u>16,029,413</u>
Totals	<u>\$ 4,074</u>	<u>\$ 12,419,123</u>	<u>\$ 3,831,716</u>	<u>\$ 16,254,913</u>

The primary government typically uses transfers to fund ongoing operating subsidies and to transfer the portion of state-shared revenues from the General Fund to the Debt Service Fund for current-year debt service requirements.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

F. Other Income

The other income shown on the Statement of Revenues, Expenditures, and Changes in Fund Balances is comprised of the following:

Description	General Fund	Redevelopment Authority - Debt Service	Nonmajor Governmental Funds	Totals
Interest earned	\$ 35,719	\$ 10,806	\$ 41,012	\$ 87,537
Refunds and reimbursements	288,157	-	517,089	805,246
Sale of property	8,220	-	86,921	95,141
Donations	-	-	36,669	36,669
Totals	<u>\$ 332,096</u>	<u>\$ 10,806</u>	<u>\$ 681,691</u>	<u>\$ 1,024,593</u>

G. Leases

1. Operating Leases

The primary government has entered into various operating leases having initial or remaining noncancelable terms exceeding one year for a street department storage facility and a postage meter. Rental expenditures for these leases were \$14,544. The following is a schedule by years of future minimum rental payments as of December 31, 2012:

2013	\$ 14,544
2014	<u>13,594</u>
Total	<u>\$ 28,138</u>

2. Capital Leases

The primary government has entered into various capital leases for equipment for various departments including Police, Fire, Street, Emergency Medical Services, Park, and Network. Future minimum lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2012, are as follows:

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

2013		\$ 937,040
2014		732,219
2015		577,216
2016		341,369
2017		<u>30,307</u>
Total minimum lease payments		2,618,151
Less amount representing interest		<u>(171,621)</u>
Present value of net minimum lease payments		2,446,530
Less current portion of capital lease		<u>(854,062)</u>
Total long-term portion		<u>\$ 1,592,468</u>

Assets acquired through capital leases still in effect are as follows:

		<u>Governmental Activities</u>
Machinery and equipment	\$	5,835,242
Accumulated depreciation		<u>(2,346,940)</u>
Total	<u>\$</u>	<u>3,488,302</u>

H. Long-Term Liabilities

1. General Obligation Bonds

The primary government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the primary government. General obligation bonds currently outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Original Debt Issued</u>	<u>Outstanding Principal</u>
2003 Redevelopment District Bonds (Field Dr. Project) due in installments of \$45,000 to \$65,000 plus interest through January 15, 2023	1.50% to 5.00%	\$ 900,000	\$ 535,000
1998 Building Corporation Bonds (Commerce Park) due in installments of \$205,000 to \$225,000 plus interest through December 15, 2014	4.50% to 4.85%	2,400,000	440,000
2001 Building Corporation Bonds (Fire Station 2) due in installments of \$45,000 to \$60,000 plus interest through January 15, 2019	3.25% to 5.00%	1,330,000	660,000

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Purpose	Interest Rates	Original Debt Issued	Outstanding Principal
2004 Building Corporation Bonds (Fire Station 5 and 6) due in installments of \$165,000 to \$300,000 plus interest through January 15, 2025	2.00% to 5.00%	7,690,000	5,650,000
2010 Redevelopment Authority Refunding Bonds (Fox Prairie Golf Course) due in installments of \$105,000 to \$125,000 plus interest through January 1, 2020	2.00% to 3.50%	1,985,000	1,725,000
2009 Redevelopment Authority Refunding Bonds (Stoney Creek East) due in installments of \$140,000 to \$190,000 plus interest through February 1, 2022	2.00% to 4.05%	4,080,000	3,120,000
2010 Redevelopment Authority Refunding Bonds (Hague Rd./Field Dr.) due in installments of \$405,000 to \$605,000 plus interest through January 15, 2024	2.00% to 5.00%	12,885,000	11,295,000
2004 Redevelopment Authority Bonds (Little Chicago Road) due in installments of \$145,000 to \$275,000 plus interest through January 15, 2026	2.35% to 5.00%	7,325,000	5,565,000
2006 Redevelopment Authority Bonds (146th Street Expansion) due in installments of \$390,000 to \$1,825,000 plus interest through February 1, 2030	4.00% to 5.25%	44,370,000	41,300,000
2006 Redevelopment Authority Bonds (Hamilton Town Center) due in installments of \$300,000 to \$760,000 plus interest through February 1, 2032	4.50% to 5.00%	20,870,000	19,585,000
2005 Building Corporation Bonds (City Hall) due in installments of \$420,000 to \$760,000 plus interest through January 15, 2025	3.00% to 5.00%	17,040,000	14,540,000
2007 Redevelopment Authority Bonds (Hazel Dell Road) due in installments of \$165,000 to \$1,045,000 plus interest through February 1, 2029	4.25% to 5.75%	24,330,000	23,680,000
2008 Building Authority Bonds (Fire Station 7) due in installments of \$170,000 to \$355,000 plus interest through July 15, 2028	3.00% to 5.00%	9,025,000	8,015,000
2008 Redevelopment Authority Bonds (SMC) due in installments of \$45,000 to \$525,000 plus interest through February 1, 2031	3.50% to 5.13%	12,590,000	12,545,000
2009 Redevelopment Authority Bonds (Union Chapel) due in installments of \$130,000 to \$615,000 plus interest through August 1, 2029	2.00% to 4.70%	12,285,000	11,875,000
2009 COIT Bonds due in installments of \$75,000 to \$170,000 plus interest through December 15, 2028	1.50% to 5.00%	4,480,000	3,925,000
2010 Redevelopment Authority Bonds (Union Chapel) due in installments of \$120,000 to \$215,000 plus interest through February 1, 2030	2.00% to 4.25%	5,860,000	5,620,000
2012 Redevelopment Authority Refunding Bonds, Series A (Exit 10) due in installments of \$605,000 to \$865,000 plus interest through July 15, 2022	1.985%	14,845,000	13,980,000
2012 Redevelopment Authority Refunding Bonds, Series B (Exit 10) due in installments of \$775,000 to \$935,000 plus interest through January 1, 2028	2.75% to 3.40%	<u>9,390,000</u>	<u>9,390,000</u>
Totals		<u>\$ 213,680,000</u>	193,445,000
Current portion of debt			(8,125,000)
Unamortized bond discount			(271,512)
Unamortized bond premium			2,710,662
Unamortized deferred loss			<u>(2,015,400)</u>
Total long-term portion			<u>\$ 185,743,750</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Totals
2013	8,130,000	8,493,458	16,623,458
2014	8,950,000	8,204,684	17,154,684
2015	9,455,000	7,869,316	17,324,316
2016	10,100,000	7,502,274	17,602,274
2017	10,520,000	7,108,759	17,628,759
2018-2022	58,575,000	28,484,199	87,059,199
2023-2027	60,945,000	14,390,040	75,335,040
2028-2032	26,770,000	2,246,816	29,016,816
2033-2037	-	-	-
Totals	<u>\$ 193,445,000</u>	<u>\$ 84,299,546</u>	<u>\$ 277,744,546</u>

2. Revenue Bonds

The primary government issues bonds to be paid by income derived from the acquired or constructed assets. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Original Debt Issued	Outstanding Principal
2003 Refunding Revenue Bonds due in installments of \$260,000 to \$445,000 plus interest through January 1, 2024	2.00% to 5.00%	\$ 12,040,000	\$ 7,710,000
2006 Revenue Bonds due in installments of \$115,000 to \$710,000 plus interest through January 1, 2026	4.13% to 4.25%	7,370,000	6,110,000
2007 Revenue Bonds due in installments of \$260,000 to \$1,290,000 plus interest through January 1, 2028	4.25% to 5.75%	16,355,000	14,370,000
2011 Revenue Bonds due in installments of \$278,000 to \$1,666,000 plus interest through January 1, 2028	2.00% to 5.00%	<u>12,000,000</u>	<u>12,000,000</u>
Totals		<u>\$ 47,765,000</u>	40,190,000
Current portion of debt			(1,415,000)
Unamortized premium			193,192
Unamortized discount			<u>(238,834)</u>
Total long-term portion			<u>\$ 38,729,358</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Revenue bonds debt service requirements to maturity are as follows:

Year Ended December 31	Business-Type Activities		
	Principal	Interest	Totals
2013	\$ 1,340,000	\$ 1,830,725	\$ 3,170,725
2014	1,555,000	1,769,584	3,324,584
2015	1,630,000	1,701,197	3,331,197
2016	1,700,000	1,629,159	3,329,159
2017	1,775,000	1,553,097	3,328,097
2018-2022	10,150,000	6,496,339	16,646,339
2023-2027	12,740,000	3,926,618	16,666,618
2028-2032	9,300,000	1,041,585	10,341,585
Totals	\$ 40,190,000	\$ 19,948,304	\$ 60,138,304

3. Advance Refunding

On June 12, 2012, the primary government through its Redevelopment Authority issued \$24,235,000 in Economic Development Lease Rental Refunding Bonds of 2012, Series A and B to advance refund \$22,420,000 of the outstanding Economic Development Lease Rental Bonds of 2003. Bond proceeds together with funds on hand were used to purchase U.S. government securities which were deposited in an irrevocable trust to provide for all future debt service payments of \$24,031,380 of the 2003 bonds. As a result, the 2003 bonds are considered to be defeased and the primary government has removed the liability from its accounts. The reacquisition price exceeded the net carrying value of the old debt by \$1,412,140. This amount is being netted against the new debt and amortized over the remaining life of the refunded bonds.

At December 31, 2012, bonds totaling \$22,420,000 were considered to be defeased. The advanced refunding reduced total debt service payments over the next 15 years by more than \$2.4 million. This results in an economic gain of \$2,314,423.

4. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2012, was as follows:

Primary Government	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 198,895,000	\$ 24,235,000	\$ 29,685,000	\$ 193,445,000	\$ 8,125,000
Compensated absences	4,348,292	1,843,482	1,776,345	4,415,429	1,253,765
Capital leases	3,171,999	181,330	906,799	2,446,530	854,062
Net pension obligation	5,736,098	79,946	-	5,816,044	-
Net OPEB obligation	10,797,055	2,167,559	-	12,964,614	-
Total governmental activities long-term liabilities	<u>\$ 222,948,444</u>	<u>\$ 28,507,317</u>	<u>\$ 32,368,144</u>	<u>\$ 219,087,617</u>	<u>\$ 10,232,827</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

<u>Primary Government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Revenue bonds payable	\$ 41,475,000	\$ -	\$ 1,285,000	\$ 40,190,000	\$ 1,415,000
Compensated absences	<u>383,282</u>	<u>182,362</u>	<u>156,368</u>	<u>409,276</u>	<u>116,350</u>
Total business-type activities long-term liabilities	<u>\$ 41,858,282</u>	<u>\$ 182,362</u>	<u>\$ 1,441,368</u>	<u>\$ 40,599,276</u>	<u>\$ 1,531,350</u>

Compensated absences for governmental activities typically have been liquidated from the General, Motor Vehicle Highway, and Park and Recreation Funds. Net pension obligation will be liquidated from the pension trust funds. Net OPEB obligation will be liquidated from the General Fund.

I. Fund Balances

Fund balances are classified as Nonspendable, Restricted, Committed, Assigned, and Unassigned based on the extent to which the City is bound to observe constraints imposed on the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. The City does not have any nonspendable fund balance.

Restricted – The fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors through debt covenants, grantors, contributors, or laws or regulation of other governments or it is imposed by law through enabling legislation.

Committed – The committed fund balance includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of the City Council. Those committed amounts cannot be used for other purposes unless the City Council removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts in the assigned fund balance are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the City Council.

Unassigned – Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and does not have a specific purpose. In the governmental funds, other than the General Fund, if liabilities incurred exceeded the assets, the fund may report a negative fund balance.

Generally, the City would first apply restricted resources, then committed, assigned, and unassigned resources when an expense is incurred for purposes for more than one classification of fund balance are available.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

The constraints placed on fund balance for the major governmental funds and all other governmental funds are as follows:

	General	Redevelopment Authority - Debt Service	Nonmajor Governmental Funds	Totals
Fund balance:				
Restricted for:				
Highway and Road Maintenance	\$ -	\$ -	\$ 1,804,795	\$ 1,804,795
Police	-	-	105,221	105,221
Courts	-	-	181,602	181,602
Grants	-	-	34,729	34,729
Fire Station Debt Service	-	-	712,884	712,884
City Hall Debt Service	-	-	298,856	298,856
Little Chicago Road Debt Service	-	-	387,100	387,100
Other Debt Service	-	-	631,533	631,533
Capital Projects	-	-	1,848,099	1,848,099
Fire Capital Improvements/Equip.	-	-	1,127,316	1,127,316
Committed to:				
Emergency Services	-	-	274,538	274,538
Hazardous Materials	-	-	3,679	3,679
Building Corp Debt Service	-	-	1,831,372	1,831,372
Debt service	-	13,840,366	-	13,840,366
Capital projects:				
Park Capital Projects	-	-	1,440,333	1,440,333
Roadway Capital Projects	-	-	7,394,095	7,394,095
Other Capital	-	-	260,522	260,522
Field Drive Improvements	-	-	347,540	347,540
Economic Development Projects	-	-	2,409,787	2,409,787
Stoney Creek EDA Projects	-	-	1,972,273	1,972,273
Corporate Campus Infrastructure	-	-	4,301,859	4,301,859
146th Street Infrastructure	-	-	4,021,351	4,021,351
Promise Road Improvements	-	-	257,135	257,135
Assigned to:				
Fiscal Year 2012 Appropriations	195,808	-	-	195,808
Capital Improvements	-	-	6,155,952	6,155,952
Parking Lot Maintenance/Improvements	-	-	456,858	456,858
Police	-	-	11,295	11,295
Fire	-	-	14,504	14,504
Cultural Arts	-	-	21,274	21,274
Employee Benefits	-	-	10,449	10,449
Park Capital	-	-	79,322	79,322
Other purposes	-	-	314,303	314,303
Unassigned	<u>14,414,375</u>	<u>-</u>	<u>(28,137)</u>	<u>14,386,238</u>
Totals	<u>\$ 14,610,183</u>	<u>\$ 13,840,366</u>	<u>\$ 38,682,439</u>	<u>\$ 67,132,988</u>

J. Restricted Net Position

The government-wide Statement of Net Position report restricted net position for the governmental activities and business-type activities of \$31,638,300 and \$4,669,581, respectively, all of which are restricted by enabling legislation.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

K. Investment in Capital Assets Net of Related Debt

The investments in capital assets net of related debt is composed of the outstanding debt associated with the acquisition of capital assets less the cash on hand from bond issues at year end. The breakdown is scheduled as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Total capital assets	\$ 307,378,406	\$ 117,130,145
Less:		
Bonds payable	193,868,750	40,144,358
Capital lease payable	2,446,531	-
Deduct cash on hand	<u>-</u>	<u>(2,674,684)</u>
Total related net debt	<u>196,315,281</u>	<u>37,469,674</u>
Investment in capital assets	<u>\$ 111,063,125</u>	<u>\$ 79,660,471</u>

L. Unavailable Revenue

The unavailable revenue balances in the governmental funds are as follows:

	<u>Taxes</u>	<u>Intergovernmental</u>	<u>Totals</u>
Unavailable revenue:			
General	\$ 665,416	\$ 406,786	\$ 1,072,202
Motor vehicle highway	83,111	49,644	132,755
Park and recreation	52,477	31,346	83,823
Fire Station 2 debt	6,216	3,712	9,928
Fire Stations 5 and 6 debt	30,634	18,299	48,933
Little Chicago Road debt	28,503	17,026	45,529
City Hall debt	77,162	46,090	123,252
Fire Station 7 and street debt	36,494	21,798	58,292
Cumulative capital improvement	-	24,296	24,296
Cumulative capital development	24,862	14,850	39,712
Cumulative building and fire fighting equipment	<u>16,426</u>	<u>9,812</u>	<u>26,238</u>
Total unavailable revenue	<u>\$ 1,021,301</u>	<u>\$ 643,659</u>	<u>\$ 1,664,960</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

M. Receipts Pledged

Wastewater Utility Receipts Pledged

The City has pledged future receipts, net of specified operating expenditures, to repay revenue bonds issued in 2003, 2006, 2007, and 2011. Proceeds from the bonds provided financing for Wastewater Treatment Plant expansion. The bonds are payable solely from net receipts and are payable through 2028. Annual principal and interest payments are expected to require less than 56 percent of net receipts.

III. Other Information

A. Risk Management

The primary government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Medical Benefits to Employees, Retirees, and Dependents

The primary government has chosen to establish a risk financing fund for risks associated with medical benefits to employees, retirees, and dependents. The risk financing fund is accounted for in the Employee Benefit Trust Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$40,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. A premium is charged to each fund that accounts for payroll expenses. The total charge allocated to each of the funds is calculated as it relates to payroll. Provisions are also made for unexpected and unusual claims.

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

Changes in the balance of claim liabilities during the past two years are as follows:

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

	2012	2011
Unpaid claims, beginning of fiscal year	\$ 431,042	\$ 471,352
Incurred claims and changes in estimates	8,698,625	7,000,928
Claim payments	8,713,270	7,041,238
Unpaid claims, end of fiscal year	\$ 416,397	\$ 431,042

Job Related Illnesses or Injuries to Employees

During 1997, the primary government joined together with other governmental entities to form the Indiana Public Employers' Plan, Inc., a public entity risk pool currently operating as a common risk management and insurance program for approximately 515 member governmental entities. This risk pool was formed in 1990. The purpose of the risk pool is to provide a medium for the funding and administration of benefits for job related illnesses or injuries to employees. The primary government pays an annual premium to the risk pool for its coverage. The risk pool is considered a self-sustaining risk pool that will provide coverage for its members for up to \$1,000,000 per insured event. The risk pool obtains independent coverage for insured events in excess of the \$1,000,000 limit.

B. Other Postemployment Benefits

Single-Employer Defined Benefit Healthcare Plan

Plan Description

Noblesville Healthcare Plan is a single-employer defined benefit healthcare plan administered by the City of Noblesville. The plan provides health, vision and dental benefits to eligible retirees and their spouses. Local ordinance assigns the authority to establish and amend benefit provisions to the City. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information for the plan.

Funding Policy

The contribution requirements of plan members for the Noblesville Healthcare Plan are established and can be amended by the City's insurance committee and approved by the City Council. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually by the governing board. For the year ended December 31, 2012, the City contributed \$182,042 to the plan for current premiums. Plan members receiving benefits contributed \$31,125, or approximately 15 percent of the total premiums.

Annual OPEB Cost and Net OPEB Obligation

The City's Annual Other Postemployment Benefit (OPEB) cost (expense) is calculated based on the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the plan:

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Annual required contribution	\$ 2,508,987
Interest on net OPEB obligation	536,487
Adjustment to annual required contribution	<u>(664,748)</u>
Annual OPEB cost	2,380,726
Contributions made	<u>213,167</u>
Increase in net OPEB obligation	2,167,559
Net OPEB obligation, beginning of year	<u>10,797,055</u>
Net OPEB obligation, end of year	<u><u>\$ 12,964,614</u></u>

The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012 and the two preceding years were as follows:

Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12-31-10	\$ 2,817,770	3.2%	\$ 8,098,884
12-31-11	2,854,479	5.3%	10,797,055
12-31-12	2,380,726	9.0%	12,964,614

Funded Status and Funding Progress

As of December 31, 2012, the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was \$21,965,636, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$21,965,636. The covered payroll (annual payroll of active employees covered by the plan) was \$19,912,927, and the ratio of the UAAL to covered payroll was 110 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumption

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the 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 actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

In the December 31, 2012 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 5.0 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend inflation rate of 10.0 percent initially, reduced by decrements to an ultimate inflation rate of 5.0 percent after 10 years. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2012, was 26 years.

C. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

a. Public Employees' Retirement Fund

Plan Description

The primary government contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the primary government authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at 3 percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employees' Retirement Fund
One North Capital, Suite 001
Indianapolis, IN 46204
Ph. (317) 234-7876

Funding Policy and Annual Pension Cost

PERF members are required to contribute 3 percent of their annual covered salary. The primary government is required to contribute at an actuarially determined rate; the current rate is 7.5 percent of annual covered payroll. The contribution requirements of plan members and primary government are established and may be amended by the PERF Board of Trustees. The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The primary government's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the primary government and the Wastewater Utility is not available.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Annual Pension Cost

For 2012, the primary government's annual pension cost and related information for PERF, as provided by the actuary, is presented in this note.

b. 1925 Police Officers' Pension Plan

Plan Description

The primary government contributes to the 1925 Police Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to 6 percent of the salary of a first class patrolman. The primary government is required to contribute an amount equal to the funding deficit of the difference between receipts of the fund and the required disbursements including administrative costs of the fund (pay-as-you-go basis); the amount contributed for 2012 is \$214,061. The contribution requirements of plan members and the primary government are established by state statute. All of this amount is contributed by the State of Indiana on behalf of the primary government. On behalf contributions from the State of Indiana approximate the amount paid out for benefits and were recognized as revenues and expenditures in the general fund during the year.

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute. The primary government's annual pension cost and related information, as provided the actuary, is presented in this note.

The use of pay-as-you-go actuarial cost method by the primary government results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

Annual Pension Cost

For 2012, the primary government's annual pension cost and related information for the 1925 Police Officers' Pension Plan, as provided by the actuary, is presented in this note.

c. 1937 Firefighters' Pension Plan

Plan Description

The primary government contributes to the 1937 Firefighters' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Funding Policy and Annual Pension Cost

Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to 6 percent of the salary of a fully paid first class firefighter. The primary government is required to contribute an amount equal to the funding deficit of the difference between receipts of the fund and the required disbursements including administrative costs of the fund (pay-as-you-go basis); the amount contributed for 2012 is \$328,893. The contribution requirements of plan members and the primary government are established by state statute. All of this amount is contributed by the State of Indiana on behalf of the primary government. On behalf contributions from the State of Indiana approximate the amount paid out for benefits and were recognized as revenues and expenditures of the general fund during the year.

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute. The primary government's annual pension cost and related information, as provided the actuary, is presented in this note.

The use of pay-as-you-go actuarial cost method by the primary government results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

Annual Pension Cost

For 2012, the primary government's annual pension cost and related information for the 1925 Firefighters' Pension Plan, as provided by the actuary, is presented in this note.

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>Officers' Pension</u>	<u>Firefighters' Pension</u>
Annual required contribution	\$ 833,095	\$ 230,600	\$ 514,300
Interest on net pension obligation	(20,896)	131,700	212,500
Adjustment to annual required contribution	<u>24,057</u>	<u>(178,400)</u>	<u>(287,800)</u>
Annual pension cost	836,256	183,900	439,000
Contributions made	<u>683,124</u>	<u>214,061</u>	<u>328,893</u>
Increase in net pension obligation	153,132	(30,161)	110,107
Net pension obligation, beginning of year	<u>(298,520)</u>	<u>2,194,618</u>	<u>3,541,480</u>
Net pension obligation, end of year	<u>\$ (145,388)</u>	<u>\$ 2,164,457</u>	<u>\$ 3,651,587</u>

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

	PERF	1925 Police Officers' Pension	1937 Firefighters' Pension
Contribution rates:			
City	7.5%	0%	0%
Plan members	3%	6%	6%
Actuarial valuation date	07-01-12	01-01-12	01-01-12
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed 30 years	Level percentage of projected payroll, closed 20 years	Level percentage of projected payroll, closed 20 years
Amortization period (from date)	07-01-07	01-01-05	01-01-05
Asset valuation method	75% of expected actuarial value plus 25% of market value	4 year phase in of unrealized and realized capital	4 year Phase in of unrealized and realized capital

Actuarial Assumptions

Investment rate of return	6.75%	6.00%	6.00%
Projected future salary increases:			
Total	5.00%	4.00%	4.00%
Attributed to inflation	3.00%	4.00%	4.00%
Attributed to merit/seniority	1.00%	0.00%	0.00%
Cost-of-living adjustments	1.00%	2.75/4%*	2.75/4%*

*2.75% converted members; 4% nonconverted members

Three Year Trend Information

	Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
PERF	06-30-10	\$ 691,790	99%	\$ (414,322)
	06-30-11	785,207	85%	(298,520)
	06-30-12	836,256	82%	(145,388)
1925 Police Officers' Pension Plan	12-31-10	196,700	136%	2,212,267
	12-31-11	224,900	108%	2,194,618
	12-31-12	183,900	116%	2,164,457
1937 Firefighters' Pension Plan	12-31-10	566,800	85%	3,368,364
	12-31-11	683,600	70%	3,541,480
	12-31-12	439,000	109%	3,651,587

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at January 1, 2012, was comprised of the following:

	1925 Police Officers' Pension	1937 Firefighters' Pension
Retirees and beneficiaries currently receiving benefits	10	20
Terminated employees entitled to but not yet receiving benefits	-	-
Current active employees	-	-

Funded Status and Funding Progress for the Above Plans

The funded status of each plan as of July 1, 2012, the most recent actuarial valuation date (except the Police Officers' and Firefighters' Pension Funds which is as of January 1, 2012) is as follows:

Retirement Plan	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL or (Funding Excess) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded AAL or (Funding Excess) as a Percentage of Covered Payroll ((b-a)/c)
PERF	\$ 4,908,837	\$ 9,162,668	\$ 4,253,831	54%	\$ 8,679,158	49%
1925 Police Officers' Pension Plan	578,338	2,837,400	2,259,062	20%	-	0%
1937 Firefighters' Pension Plan	836,500	6,327,800	5,491,300	13%	-	0%

The Schedule of Funding Progress, presented as RSI for the above plans following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

d. Financial Statements for Defined Benefits Plans

Statements of Fiduciary Net Position:

<u>Assets</u>	1925 Police Officers' Pension	1937 Firefighters' Pension	<u>Totals</u>
Cash and cash equivalents	\$ 556,399	\$ 719,288	\$ 1,275,687
 <u>Net Position</u>			
Net position held in trust for:			
Employee's pension benefits	\$ 556,399	\$ 719,288	\$ 1,275,687

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Statements of Changes in Fiduciary Net Position:

<u>Additions</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>	<u>Totals</u>
Contributions:			
On behalf	\$ 214,061	\$ 328,893	\$ 542,954
Investment income:			
Interest	-	-	-
Total additions	<u>214,061</u>	<u>328,893</u>	<u>542,954</u>
 <u>Deductions</u>			
Benefits and refunds paid to plan members and beneficiaries	<u>236,000</u>	<u>446,105</u>	<u>682,105</u>
Changes in net position	(21,939)	(117,212)	(139,151)
Net position - beginning	<u>578,338</u>	<u>836,500</u>	<u>1,414,838</u>
Net position - ending	<u>\$ 556,399</u>	<u>\$ 719,288</u>	<u>\$ 1,275,687</u>

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

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The primary government contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age 55 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 55. The plan also provides for death and disability benefits.

PERF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

CITY OF NOBLESVILLE
NOTES TO FINANCIAL STATEMENTS
(Continued)

Public Employees' Retirement Fund
One North Capital, Suite 001
Indianapolis, IN 46204
Ph. (317) 234-7876

Funding Policy

Plan members are required to contribute 6 percent of the first-class police officers' and firefighters' salary and the primary government is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21 percent of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the primary government are established by the Board of Trustees of PERF.

Annual Pension Cost

The primary government's contributions to the plan for the years ending December 31, 2012, 2011, and 2010, were \$2,161,162, \$1,974,565, and \$1,954,642, respectively, equal to the required contributions for each year.

Required Supplementary Information

CITY OF NOBLESVILLE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-10	\$ 5,888,150	\$ 8,576,723	\$ (2,688,573)	69%	\$ 9,320,210	(29%)
07-01-11	5,194,087	8,633,775	(3,439,688)	60%	9,030,837	(38%)
07-01-12	4,908,837	9,162,668	(4,253,831)	54%	8,679,158	(49%)

1925 Police Officers' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-07	\$ 660,820	\$ 4,222,800	\$ (3,561,980)	16%	\$ 97,600	(3,650%)
01-01-08	674,528	4,204,100	(3,529,572)	16%	100,400	(3,516%)
01-01-09	579,172	3,726,700	(3,147,528)	16%	-	No Covered Payroll
01-01-10	570,393	3,095,000	(2,524,607)	18%	-	No Covered Payroll
01-01-11	552,996	3,293,200	(2,740,204)	17%	-	No Covered Payroll
01-01-12	578,338	2,837,400	(2,259,062)	20%	-	No Covered Payroll

1937 Firefighters' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-07	\$ 853,737	\$ 6,831,500	\$ (5,977,763)	12%	\$ 48,200	(12,402%)
01-01-08	858,836	6,817,800	(5,958,964)	13%	49,600	(12,014%)
01-01-09	684,002	7,196,700	(6,512,698)	10%	-	No Covered Payroll
01-01-10	672,435	8,011,800	(7,339,365)	8%	51,900	(14,141%)
01-01-11	570,895	9,295,100	(8,724,205)	6%	-	No Covered Payroll
01-01-12	836,500	6,327,800	(5,491,300)	13%	-	No Covered Payroll

Other Postemployment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-07	\$ *	\$ *	\$ *	*	\$ *	*
01-01-08	-	17,885,929	(17,885,929)	0%	15,699,600	(114%)
01-01-09	-	20,313,362	(20,313,362)	0%	18,074,247	(112%)
01-01-10	-	22,786,965	(22,786,965)	0%	18,616,475	(122%)
01-01-11	-	25,645,297	(25,645,297)	0%	19,174,969	(134%)
01-01-12	-	21,965,636	(21,965,636)	0%	19,912,927	(110%)

*Information is not available

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULES OF CONTRIBUTIONS FROM THE
 EMPLOYER AND OTHER CONTRIBUTING ENTITIES

1925 Police Officers' Pension Plan				
Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed		
		City	State	
12-31-07	\$ 335,300	25%	37%	
12-31-08	337,900	2%	54%	
12-31-09	278,500	0%	89%	
12-31-10	235,300	0%	77%	
12-31-11	262,400	0%	69%	
12-31-12	230,600	0%	92%	

1937 Firefighters' Pension Plan				
Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed		
		City	State	
12-31-07	\$ 504,800	37%	53%	
12-31-08	511,400	3%	35%	
12-31-09	537,800	0%	95%	
12-31-10	622,400	0%	77%	
12-31-11	750,600	0%	68%	
12-31-12	514,300	0%	63%	

Other Postemployment Benefits				
Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed		
		City	State	
12-31-07	\$ *	*	*	
12-31-08	2,795,311	6.3%	0%	
12-31-09	2,882,014	3.3%	0%	
12-31-10	2,882,014	3.2%	0%	
12-31-11	2,951,291	5.3%	0%	
12-31-12	2,508,987	8.5%	0%	

*Information is not available

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
For The Year Ended December 31, 2012

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 20,351,319	\$ 20,351,319	\$ 14,596,917	\$ (5,754,402)
Licenses and permits	1,014,000	1,014,000	1,294,696	280,696
Intergovernmental	1,563,037	1,563,037	18,159,021	16,595,984
Charges for services	2,141,712	2,141,712	1,449,458	(692,254)
Fines and forfeits	303,000	303,000	377,980	74,980
Other	277,500	277,500	336,168	58,668
Total revenues	25,650,568	25,650,568	36,214,240	10,563,672
Expenditures:				
Current:				
General government:				
Board of Works:				
Personal services	263,891	263,891	224,491	39,400
Supplies	-	-	-	-
Other services and charges	3,533,596	3,469,685	3,143,491	326,194
Capital outlay	3,000	3,000	313	2,687
Total Board of Works	3,800,487	3,736,576	3,368,295	368,281
Mayor:				
Personal services	411,714	411,714	383,928	27,786
Supplies	11,688	11,688	7,273	4,415
Other services and charges	70,451	71,236	61,764	9,472
Capital outlay	500	500	-	500
Total Mayor	494,353	495,138	452,965	42,173
Clerk-Treasurer:				
Personal services	296,795	301,894	298,112	3,782
Supplies	7,500	7,500	4,433	3,067
Other services and charges	64,386	64,509	55,520	8,989
Capital outlay	1,000	1,000	470	530
Total Clerk-Treasurer	369,681	374,903	358,535	16,368
Planning:				
Personal services	1,057,263	1,056,763	990,648	66,115
Supplies	28,751	28,796	23,233	5,563
Other services and charges	110,024	116,812	86,883	29,929
Capital outlay	21,900	22,000	21,109	891
Total Planning	1,217,938	1,224,371	1,121,873	102,498
Court:				
Personal services	208,325	208,325	185,293	23,032
Supplies	2,550	2,550	1,867	683
Other services and charges	13,465	228,003	222,111	5,892
Capital outlay	500	500	-	500
Total Court	224,840	439,378	409,271	30,107

The notes to the required supplementary information are an integral part of the required supplementary information.

Continued on next page

CITY OF NOBLESVILLE
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
For The Year Ended December 31, 2012
(Continued)

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
General government (continued):				
Network Administrator:				
Personal services	285,721	285,721	284,849	872
Supplies	9,385	9,385	9,194	191
Other services and charges	133,371	134,321	134,321	-
Total Network Administrator	<u>428,477</u>	<u>429,427</u>	<u>428,364</u>	<u>1,063</u>
Council:				
Personal services	191,874	191,874	190,601	1,273
Supplies	800	800	65	735
Other services and charges	59,900	59,900	58,428	1,472
Capital outlay	6,000,000	6,000,000	962,607	5,037,393
Total Council	<u>6,252,574</u>	<u>6,252,574</u>	<u>1,211,701</u>	<u>5,040,873</u>
Human Resources:				
Personal services	170,855	170,855	168,495	2,360
Supplies	1,700	1,700	1,278	422
Other services and charges	18,367	12,717	8,402	4,315
Total Human Resources	<u>190,922</u>	<u>185,272</u>	<u>178,175</u>	<u>7,097</u>
Maintenance:				
Personal services	378,555	378,555	334,954	43,601
Supplies	41,875	42,006	30,481	11,525
Other services and charges	127,986	127,986	84,226	43,760
Capital outlay	-	-	-	-
Total Economic Development	<u>548,416</u>	<u>548,547</u>	<u>449,661</u>	<u>98,886</u>
Economic Development:				
Personal services	341,189	342,164	259,776	82,388
Supplies	4,625	4,625	3,549	1,076
Other services and charges	212,783	245,077	243,187	1,890
Capital outlay	1,000	1,000	988	12
Total Economic Development	<u>559,597</u>	<u>592,866</u>	<u>507,500</u>	<u>85,366</u>
Engineering:				
Personal services	745,708	751,608	710,790	40,818
Supplies	33,450	33,625	18,575	15,050
Other services and charges	890,936	1,175,386	844,762	330,624
Capital outlay	246,500	492,500	492,458	42
Total Engineering	<u>1,916,594</u>	<u>2,453,119</u>	<u>2,066,585</u>	<u>386,534</u>
Total general government	<u>16,003,879</u>	<u>16,732,171</u>	<u>10,552,925</u>	<u>6,179,246</u>

The notes to the required supplementary information are an integral part of the required supplementary information.

Continued on next page

CITY OF NOBLESVILLE
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
For The Year Ended December 31, 2012
(Continued)

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Current (continued):				
Public safety:				
Police:				
Personal services	7,191,187	7,230,369	7,145,394	84,975
Supplies	388,614	389,465	389,343	122
Other services and charges	675,710	682,268	647,666	34,602
Capital outlay	209,758	232,161	231,474	687
Total Police	<u>8,465,269</u>	<u>8,534,263</u>	<u>8,413,877</u>	<u>120,386</u>
Fire:				
Personal services	11,670,183	11,689,779	11,417,288	272,491
Supplies	351,712	356,416	335,460	20,956
Other services and charges	637,703	703,767	613,391	90,376
Capital outlay	24,200	24,200	14,045	10,155
Total Fire	<u>12,683,798</u>	<u>12,774,162</u>	<u>12,380,184</u>	<u>393,978</u>
Communications:				
Personal services	1,373,493	1,154,420	1,121,107	33,313
Supplies	2,450	2,450	294	2,156
Other services and charges	225,855	492,403	394,141	98,262
Capital outlay	5,000	5,000	-	5,000
Total Communications	<u>1,606,798</u>	<u>1,654,273</u>	<u>1,515,542</u>	<u>138,731</u>
Total public safety	<u>22,755,865</u>	<u>22,962,698</u>	<u>22,309,603</u>	<u>653,095</u>
Total expenditures	<u>38,759,744</u>	<u>39,694,869</u>	<u>32,862,528</u>	<u>6,832,341</u>
Other financing sources (uses):				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Capital leases	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(13,109,176)	(14,044,301)	3,351,712	17,396,013
Fund balance - beginning	<u>9,820,002</u>	<u>13,267,180</u>	<u>9,450,368</u>	<u>(3,816,812)</u>
Fund balance - December 31	<u>\$ (3,289,174)</u>	<u>\$ (777,121)</u>	<u>\$ 12,802,080</u>	<u>\$ 13,579,201</u>

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
 REQUIRED SUPPLEMENTARY INFORMATION
 BUDGET/GAAP RECONCILIATION -
 GENERAL FUND
 For The Year Ended December 31, 2012

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

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

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

	General
Net change in fund balance (budgetary basis)	\$ 3,351,712
Adjustments:	
To adjust revenues for accruals	7,908,759
To adjust expenditures for accruals	(79,607)
Net change in fund balance (GAAP basis)	\$ 11,180,864

The notes to the required supplementary information are an integral part of the required supplementary information.

CITY OF NOBLESVILLE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

Note I. Budgets and Budgetary Accounting

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

On or before August 31, the City Executive Fiscal Officer submits to the Common 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 Common Council to obtain taxpayer comments. In September of each year, the Common Council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City receives approval of the Indiana Department of Local Government Finance.

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

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

Major funds:

General

Nonmajor funds:

Special revenue:

Motor Vehicle Highway
Local Road and Street
County Option Income Tax
Local Law Enforcement Continuing Education
Park and Recreation
Park Nonreverting Operating
Parking Meter

Debt service:

Fire Station 2 Debt
Fire Station 7/Street Department Debt
Fire Stations 5 & 6 Debt
Little Chicago Road Debt
City Hall Debt

Capital projects:

Cumulative Capital Improvement
Cumulative Capital Development
Cumulative Building and Fire Fighting Equipment

Supplemental Schedules

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NONMAJOR GOVERNMENTAL FUNDS

Special revenue funds - used to account for specific revenues that are legally restricted to expenditure for particular purposes. The title of the fund is descriptive of the activities involved. The primary government maintains the following nonmajor special revenue funds:

Motor Vehicle Highway -	To account for street construction and the operations of the street and maintenance department. Financing is provided by a specific annual property tax levy and by state motor vehicle highway distributions.
Local Road and Street -	To account for operation and maintenance of local and arterial road and street systems. Financing is provided by state gasoline tax distributions.
County Option Income Tax -	To account for expenditures related to the capital improvement projects financed by county option income tax revenues.
Local Law Enforcement Continuing Education -	To account for expenditures related to continuing education of law enforcement officers employed by the City. Financing is provided by fees collected for gun permit applications, accident report copies, motor checks, and the violation of City ordinances.
Park and Recreation -	To account for the operations of the City parks and activities sponsored by the parks department. Financing is provided by a specific annual property tax levy, charges for use of park facilities, and donations.
Park Nonreverting Operating -	To account for the operations of the City golf courses and special events. Financing is provided by golf revenue and fees charged for events.
Tree Board Nonreverting -	To account for Federal grant monies used for planting trees in urban areas.
Parking Meter -	To account for the acquisition and maintenance of parking lots. Financing is provided by fees collected for violation of City ordinance governing public parking.
Police Donation -	To account for donations received for police department expenditures.
Fire Donation -	To account for donations received for fire department expenditures.
Adult Probation -	To account for the costs incurred in the operation of a probation department. Financing is provided by fees collected from individuals receiving services from the probation department.
Communications -	To account for costs of projects or equipment for communication needs. Financing is provided by enhanced 911 collections.
Parking Lot Maintenance -	To account for the maintenance of the parking lot.
Electronic Sign -	To account for joint venture between property owners and the City for the maintenance of the electronic sign. Residents paid for the materials and the City provided the Labor.
Cultural Arts -	To account for a summer concert series. Financing is provided by donations from the community.

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

Court Record -	To account for equipment or supplies used by the City Court. Financing is provided by fax fees.
Hazardous Materials -	To account for the Fire Department cleanup of hazardous spills. Financing is provided by payment to the City by the responsible party.
Play-It Clean Campaign -	To account for a project to clean up the City. Financing was provided by donations.
Unemployment -	To account for the City's share of unemployment claims. Financing is provided by other funds of the City.
Deferral Program -	To account for fees collected from individuals involved in the deferral program and used to pay costs of prosecuting City ordinances.
Block Grant -	To account for State and Federal grant monies received by the City for various grant projects.
Sick Pay Out -	To allow the pay out of sick hours the employee has accumulated during employment with the City when the employee leaves their employment with the City. The payout is a percentage of the hours accumulated and is based on the number of years of service.
Contingency -	To create a rainy day fund established by the Common Council. Financing was provided by a transfer of City funds.
City Court -	To account for fines and fees collected by the City Court.
Levy Excess -	To account for over collected prior year property tax levy's. Such funds must be used to reduce the subsequent year's levy.

Debt service funds - used to account for the accumulation of resources for, and retirement of, general long-term debt principal and interest. The primary government maintains the following nonmajor debt service funds:

Fire Station 2 Debt -	To account for the accumulation of resources and payment of semiannual lease payments for Fire Station 2 through July 15, 2019. Financing is provided by an annual property tax levy.
Public Safety Building Debt Bonds -	To account for the accumulation of resources and payments of general obligation bonds issued for the renovation of the Public Safety Building. Financing is provided by an annual property tax levy.
Fire Stations 5 & 6 Debt -	To account for the accumulation of resources and payment of semiannual lease payments for Fire Stations 5 and 6 through January 15, 2025. Financing is provided by an annual property tax levy.
Little Chicago Road Debt -	To account for the accumulation of resources and payment of semiannual lease payments for Little Chicago Road through January 15, 2026. Financing is provided by an annual property tax levy.

NONMAJOR GOVERNMENTAL FUNDS
(Continued)

City Hall Debt -	To account for the accumulation of resources and payment of semiannual lease payments for City Hall through 2035. Financing is provided by an annual property tax levy.
Business Park Tax Increment Financing -	To account for the accumulation of resources and payment of semiannual lease payments for the repayment of a refunding bonds issued by the Noblesville Redevelopment Authority (a component of the City of Noblesville). Funding of lease payments is from County Option Income Tax.
Fire Station 7/Street Debt-	To account for the accumulation of resources and payment of semiannual lease payments of Fire Station 7 and the new Street Department Facility through July 15, 2028. Financing is provided by an annual property tax levy.
Economic Development Infrastructure Building Corporation -	To account for the accumulation of resources and payments of general obligation bonds issued by the Noblesville Economic Development Infrastructure Building Corporation (a component unit of the City of Noblesville). Financing is provided by semiannual lease payments from the County Option Income Tax (COIT), Public Safety Building Debt Bonds, and Redevelopment Tax Increment Financing funds.
Noblesville Building Corporation -	To account for the accumulation of resources and payments of general obligation bonds issued by the Noblesville Building Corporation (a component unit if the City of Noblesville). Financing is provided by semiannual lease payments from the County Option Income Tax (COIT), Fire Station 5 & 6 Debt Bonds, and Redevelopment Tax Increment Financing funds.
Capital projects funds - used to account for acquisition and construction of major capital facilities other than those financed by proprietary funds. The primary government maintains the following nonmajor capital projects funds:	
Cumulative Capital Improvement -	To account for financial resources related to the improvement projects financed by state cigarette tax distributions.
Cumulative Capital Development -	To account for expenditures related to the capital improvements for the City. Financing is provided by a specific property tax levy.
Cumulative Building and Fire Fighting Equipment -	To account for expenditures related to the Fire Department capital improvements and acquisitions. Financing is provided by a specific annual property tax levy.
Park Nonreverting Capital -	To account for park expenditures related to long-term maintenance or capital improvements. Financing is provided by golf course revenue.

NONMAJOR GOVERNMENTAL FUNDS

(Continued)

River Overlook -	To account for expenditures related to the capital improvements for a walking path along the river. Financing was provided through donations.
Forest Hill School -	To account for capital expenditures for the roadway improvements adjacent to the new Promise Road Elementary. Financing was provided by proceeds of the sale of the old Forest Hill School property.
Park Impact Fee -	To account for expenditures relating to the maintenance, landscaping and development of parks. Financing is provided by permit charges assessed for new residential and commercial construction.
Road Impact Fee -	To account for expenditures relating to the maintenance of City streets. Financing is provided by permit charges assessed for new residential and commercial construction.
Field Drive Capital -	To account for the expenditures for capital improvements related to Field Drive infrastructure. Financing is provided by note and bond proceeds.
Redevelopment Tax Increment Financing -	To account for the expenditures for capital improvements. Financing is provided by an annual property tax levy.
Redevelopment Tax Increment Financing 2 -	To account for the expenditures for capital improvements related to extending wastewater services from Cumberland Road to the 146th Street. Financing was provided by general obligation bonds.
Stoney Creek East Tax Increment Financing -	To account for the expenditures for capital improvements related to Stoney Creek East infrastructure. Financing is provided by an annual property tax levy.
Corporate Campus Tax Increment Financing – West -	To account for the expenditures for capital improvements related to Corporate Campus infrastructure. Financing is provided by an annual property tax levy.
Corporate Campus Tax Increment Financing – East -	To account for the expenditures for capital improvements related to Corporate Campus infrastructure. Financing is provided by an annual property tax levy.
South Side Flood -	To account for funds received from a Federal Grant the City received to purchase property in the South Side Flood area.
Hollywood and Vine Tax Increment Financing -	To account for the expenditures for capital improvements related to the parking lot at the corner of S.R. 37 and Pleasant Street.

NONMAJOR GOVERNMENTAL FUNDS
(Continued)

Hazel Dell Tax Increment Financing -	To account for the expenditures for capital improvements related to Hazel Dell Road expansion. Financing will be provided by bond proceeds in 2007.
146 th Street Reimbursement -	To account for the reimbursement of funds from the Federal grant monies. Financing came from Federal grants.
2009 Construction -	To account for the upgrades to the sewer system on Maple Avenue and a reimbursement for money spent on the parks. Financing is provided by COIT revenues.
The Noblesville Building Corporation - Capital Projects -	Capital projects fund (capital projects) accounts for expenditures for capital improvements by the Noblesville Building Corporation (a component unit of the City of Noblesville). Financing is provided by semiannual lease payments from the County Option Income Tax (COIT), Public Safety Building Debt Bonds, and Redevelopment Tax Increment Financing funds.

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 9,489,314	\$ 3,861,745	\$ 25,761,553	\$ 39,112,612
Receivables:				
Taxes	135,588	179,009	41,288	355,885
Accounts	-	-	-	-
Intergovernmental	<u>382,626</u>	<u>106,925</u>	<u>48,958</u>	<u>538,509</u>
Total assets	<u>\$ 10,007,528</u>	<u>\$ 4,147,679</u>	<u>\$ 25,851,799</u>	<u>\$ 40,007,006</u>
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 149,214	\$ -	\$ 29,975	\$ 179,189
Accrued payroll and withholdings payable	203,473	-	-	203,473
Contracts payable	-	-	285,964	285,964
Trust payable	63,183	-	-	63,183
Unavailable revenue	<u>216,578</u>	<u>285,934</u>	<u>90,246</u>	<u>592,758</u>
Total liabilities	<u>632,448</u>	<u>285,934</u>	<u>406,185</u>	<u>1,324,567</u>
Fund balances:				
Spendable:				
Restricted	2,126,346	2,030,373	2,975,415	7,132,134
Committed	278,217	1,831,372	22,404,895	24,514,484
Assigned	6,998,653	-	65,304	7,063,957
Unassigned	<u>(28,136)</u>	<u>-</u>	<u>-</u>	<u>(28,136)</u>
Total fund balances	<u>9,375,080</u>	<u>3,861,745</u>	<u>25,445,614</u>	<u>38,682,439</u>
Total liabilities and fund balances	<u>\$ 10,007,528</u>	<u>\$ 4,147,679</u>	<u>\$ 25,851,799</u>	<u>\$ 40,007,006</u>

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Totals
Revenues:				
Taxes	\$ 2,928,932	\$ 4,151,437	\$ 12,096,276	\$ 19,176,645
Licenses and permits	35,725	-	-	35,725
Intergovernmental	2,340,967	367,468	632,631	3,341,066
Charges for services	1,282,255	-	1,388,604	2,670,859
Fines and forfeits	982,949	-	-	982,949
Other	310,128	47	371,516	681,691
	<u>7,880,956</u>	<u>4,518,952</u>	<u>14,489,027</u>	<u>26,888,935</u>
Total revenues				
Expenditures:				
Current:				
General government	1,231,290	28,690	248,144	1,508,124
Public safety	29,595	-	54,810	84,405
Highways and streets	3,106,455	-	64,187	3,170,642
Culture and recreation	2,484,185	-	196,262	2,680,447
Debt service:				
Principal	528,508	1,805,000	587,667	2,921,175
Interest	53,055	1,441,440	239,947	1,734,442
Capital outlay	539,901	-	6,954,755	7,494,656
	<u>7,972,989</u>	<u>3,275,130</u>	<u>8,345,772</u>	<u>19,593,891</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>(92,033)</u>	<u>1,243,822</u>	<u>6,143,255</u>	<u>7,295,044</u>
Other financing sources (uses):				
Transfers in	289,000	3,352,716	190,000	3,831,716
Transfers out	(611,223)	(3,927,716)	(11,490,474)	(16,029,413)
Transfer from Proprietary Fund	-	-	200,000	200,000
Financing by capital lease	-	-	-	-
	<u>(322,223)</u>	<u>(575,000)</u>	<u>(11,100,474)</u>	<u>(11,997,697)</u>
Total other financing sources and uses				
Net change in fund balances	(414,256)	668,822	(4,957,219)	(4,702,653)
Fund balances - beginning	<u>9,789,336</u>	<u>3,192,923</u>	<u>30,402,833</u>	<u>43,385,092</u>
Fund balances - ending	<u>\$ 9,375,080</u>	<u>\$ 3,861,745</u>	<u>\$ 25,445,614</u>	<u>\$ 38,682,439</u>

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2012

	Motor Vehicle Highway	Local Road and Street	County Option Income Tax	Local Law Enforcement Continuing Education	Park and Recreation
<u>Assets</u>					
Cash and cash equivalents	\$ 1,306,844	\$ 418,341	\$ 6,158,561	\$ 98,887	\$ 69,340
Receivables:					
Taxes	83,111	-	-	-	52,477
Intergovernmental	235,163	116,117	-	-	31,346
Total assets	\$ 1,625,118	\$ 534,458	\$ 6,158,561	\$ 98,887	\$ 153,163
 <u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ 58,255	\$ 29,616	\$ 2,609	\$ 120	\$ 26,662
Accrued payroll and withholdings payable	134,155	-	-	-	44,251
Contracts payable	-	-	-	-	-
Trust payable	-	-	-	-	-
Unavailable revenue	132,755	-	-	-	83,823
Total liabilities	325,165	29,616	2,609	120	154,736
Fund balances:					
Spendable:					
Restricted	1,299,953	504,842	-	98,767	-
Committed	-	-	-	-	-
Assigned	-	-	6,155,952	-	-
Unassigned	-	-	-	-	(1,573)
Total fund balances	1,299,953	504,842	6,155,952	98,767	(1,573)
Total liabilities and fund balances	\$ 1,625,118	\$ 534,458	\$ 6,158,561	\$ 98,887	\$ 153,163

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2012
 (Continued)

	Park Nonreverting Operating	Tree Board Nonreverting	Parking Meter	Police Donation	Fire Donation
<u>Assets</u>					
Cash and cash equivalents	\$ 19,788	\$ 14,018	\$ 459,703	\$ 11,295	\$ 14,504
Receivables:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total assets	<u>\$ 19,788</u>	<u>\$ 14,018</u>	<u>\$ 459,703</u>	<u>\$ 11,295</u>	<u>\$ 14,504</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ 24,330	\$ -	\$ 84	\$ -	\$ -
Accrued payroll and withholdings payable	22,021	-	3,046	-	-
Contracts payable	-	-	-	-	-
Trust payable	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total liabilities	<u>46,351</u>	<u>-</u>	<u>3,130</u>	<u>-</u>	<u>-</u>
Fund balances:					
Spendable:					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	14,018	456,573	11,295	14,504
Unassigned	<u>(26,563)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>(26,563)</u>	<u>14,018</u>	<u>456,573</u>	<u>11,295</u>	<u>14,504</u>
Total liabilities and fund balances	<u>\$ 19,788</u>	<u>\$ 14,018</u>	<u>\$ 459,703</u>	<u>\$ 11,295</u>	<u>\$ 14,504</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2012
 (Continued)

	<u>Adult Probation</u>	<u>Communications</u>	<u>Parking Lot Maintenance</u>	<u>Electronic Sign</u>	<u>Cultural Arts</u>
<u>Assets</u>					
Cash and cash equivalents	\$ 6,454	\$ 271,655	\$ 285	\$ 5,100	\$ 22,130
Receivables:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total assets	<u>\$ 6,454</u>	<u>\$ 271,655</u>	<u>\$ 285</u>	<u>\$ 5,100</u>	<u>\$ 22,130</u>
 <u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 856
Accrued payroll and withholdings payable	-	-	-	-	-
Contracts payable	-	-	-	-	-
Trust payable	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>856</u>
Fund balances:					
Spendable:					
Restricted	6,454	-	-	-	-
Committed	-	271,655	-	-	-
Assigned	-	-	285	5,100	21,274
Unassigned	-	-	-	-	-
Total fund balances	<u>6,454</u>	<u>271,655</u>	<u>285</u>	<u>5,100</u>	<u>21,274</u>
Total liabilities and fund balances	<u>\$ 6,454</u>	<u>\$ 271,655</u>	<u>\$ 285</u>	<u>\$ 5,100</u>	<u>\$ 22,130</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2012
 (Continued)

	<u>Court Record</u>	<u>Hazardous Materials</u>	<u>Play-It Clean Campaign</u>	<u>Unemployment</u>	<u>Deferral Program</u>
<u>Assets</u>					
Cash and cash equivalents	\$ 12,285	\$ 3,679	\$ -	\$ 9,289	\$ 169,592
Receivables:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Total assets	<u>\$ 12,285</u>	<u>\$ 3,679</u>	<u>\$ -</u>	<u>\$ 9,289</u>	<u>\$ 169,592</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ 26	\$ -	\$ -	\$ 6,406	\$ 250
Accrued payroll and withholdings payable	-	-	-	-	-
Contracts payable	-	-	-	-	-
Trust payable	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total liabilities	<u>26</u>	<u>-</u>	<u>-</u>	<u>6,406</u>	<u>250</u>
Fund balances:					
Spendable:					
Restricted	12,259	-	-	-	169,342
Committed	-	3,679	-	2,883	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>12,259</u>	<u>3,679</u>	<u>-</u>	<u>2,883</u>	<u>169,342</u>
Total liabilities and fund balances	<u>\$ 12,285</u>	<u>\$ 3,679</u>	<u>\$ -</u>	<u>\$ 9,289</u>	<u>\$ 169,592</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR SPECIAL REVENUE FUNDS
 December 31, 2012
 (Continued)

	Block Grant	Sick Pay Out	Contingency	City Court	Levy Excess	Totals
<u>Assets</u>						
Cash and cash equivalents	\$ 34,729	\$ 10,449	\$ 309,203	\$ 63,183	\$ -	\$ 9,489,314
Receivables:						
Taxes	-	-	-	-	-	135,588
Intergovernmental	-	-	-	-	-	382,626
	-	-	-	-	-	-
Total assets	\$ 34,729	\$ 10,449	\$ 309,203	\$ 63,183	\$ -	\$ 10,007,528
 <u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,214
Accrued payroll and withholdings payable	-	-	-	-	-	203,473
Contracts payable	-	-	-	-	-	-
Trust payable	-	-	-	63,183	-	63,183
Unavailable revenue	-	-	-	-	-	216,578
	-	-	-	63,183	-	632,448
Total liabilities	-	-	-	63,183	-	632,448
Fund balances:						
Spendable:						
Restricted	34,729	-	-	-	-	2,126,346
Committed	-	-	-	-	-	278,217
Assigned	-	10,449	309,203	-	-	6,998,653
Unassigned	-	-	-	-	-	(28,136)
	-	-	-	-	-	-
Total fund balances	34,729	10,449	309,203	-	-	9,375,080
Total liabilities and fund balances	\$ 34,729	\$ 10,449	\$ 309,203	\$ 63,183	\$ -	\$ 10,007,528

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CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR DEBT SERVICE FUNDS
 December 31, 2012

	<u>Fire Station 2 Debt</u>	<u>Public Safety Building Debt Bonds</u>	<u>Fire Stations 5 & 6 Debt</u>	<u>Little Chicago Road Debt</u>	<u>City Hall Debt</u>
<u>Assets</u>					
Cash and cash equivalents	\$ 26,001	\$ 63,393	\$ 114,752	\$ 387,100	\$ 298,856
Receivables:					
Taxes	6,216	-	30,634	28,503	77,162
Intergovernmental	<u>3,712</u>	<u>-</u>	<u>18,299</u>	<u>17,026</u>	<u>46,090</u>
Total assets	<u>\$ 35,929</u>	<u>\$ 63,393</u>	<u>\$ 163,685</u>	<u>\$ 432,629</u>	<u>\$ 422,108</u>
 <u>Liabilities and Fund Balances</u>					
Liabilities:					
Unavailable revenue	<u>\$ 9,928</u>	<u>\$ -</u>	<u>\$ 48,933</u>	<u>\$ 45,529</u>	<u>\$ 123,252</u>
Total liabilities	<u>9,928</u>	<u>-</u>	<u>48,933</u>	<u>45,529</u>	<u>123,252</u>
Fund balances:					
Spendable:					
Restricted	26,001	63,393	114,752	387,100	298,856
Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>26,001</u>	<u>63,393</u>	<u>114,752</u>	<u>387,100</u>	<u>298,856</u>
Total liabilities and fund balances	<u>\$ 35,929</u>	<u>\$ 63,393</u>	<u>\$ 163,685</u>	<u>\$ 432,629</u>	<u>\$ 422,108</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR DEBT SERVICE FUNDS
 December 31, 2012
 (Continued)

	Business Park Tax Increment Financing	Fire Station 7/ Street Debt	Economic Development Infrastructure Building Corporation	Noblesville Building Corporation	Totals
<u>Assets</u>					
Cash and cash equivalents	\$ 631,533	\$ 508,738	\$ -	\$ 1,831,372	\$ 3,861,745
Receivables:					
Taxes	-	36,494	-	-	179,009
Intergovernmental	-	21,798	-	-	106,925
	\$ 631,533	\$ 567,030	\$ -	\$ 1,831,372	\$ 4,147,679
Total assets	\$ 631,533	\$ 567,030	\$ -	\$ 1,831,372	\$ 4,147,679
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Unavailable revenue	\$ -	\$ 58,292	\$ -	\$ -	\$ 285,934
Total liabilities	-	58,292	-	-	285,934
Fund balances:					
Spendable:					
Restricted	631,533	508,738	-	-	2,030,373
Committed	-	-	-	1,831,372	1,831,372
Total fund balances	631,533	508,738	-	1,831,372	3,861,745
Total liabilities and fund balances	\$ 631,533	\$ 567,030	\$ -	\$ 1,831,372	\$ 4,147,679

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2012

	<u>Cumulative Capital Improvement</u>	<u>Cumulative Capital Development</u>	<u>Cumulative Building and Fire Fighting Equipment</u>	<u>Park Nonreverting Capital</u>	<u>River Overlook</u>	<u>Forest Hill School</u>
<u>Assets</u>						
Cash and cash equivalents	\$ 534,806	\$ 1,325,899	\$ 1,127,316	\$ 65,294	\$ 10	\$ 266,891
Receivables:						
Taxes	-	24,862	16,426	-	-	-
Accounts	-	-	-	-	-	-
Intergovernmental	24,296	14,850	9,812	-	-	-
	<u>24,296</u>	<u>14,850</u>	<u>9,812</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 559,102</u>	<u>\$ 1,365,611</u>	<u>\$ 1,153,554</u>	<u>\$ 65,294</u>	<u>\$ 10</u>	<u>\$ 266,891</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	\$ 2,526	\$ 10,080	\$ -	\$ -	\$ -	\$ 9,756
Contacts payable	-	-	-	-	-	-
Unavailable revenue	24,296	39,712	26,238	-	-	-
	<u>24,296</u>	<u>39,712</u>	<u>26,238</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>26,822</u>	<u>49,792</u>	<u>26,238</u>	<u>-</u>	<u>-</u>	<u>9,756</u>
Fund balances:						
Spendable:						
Restricted	532,280	1,315,819	1,127,316	-	-	-
Committed	-	-	-	-	-	257,135
Assigned	-	-	-	65,294	10	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,294</u>	<u>10</u>	<u>-</u>
Total fund balances	<u>532,280</u>	<u>1,315,819</u>	<u>1,127,316</u>	<u>65,294</u>	<u>10</u>	<u>257,135</u>
Total liabilities and fund balances	<u>\$ 559,102</u>	<u>\$ 1,365,611</u>	<u>\$ 1,153,554</u>	<u>\$ 65,294</u>	<u>\$ 10</u>	<u>\$ 266,891</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2012
 (Continued)

	Park Impact Fee	Road Impact Fee	Field Drive Capital	Redevelopment Tax Increment Financing	Redevelopment Tax Increment Financing 2	Stoney Creek East Tax Increment Financing
<u>Assets</u>						
Cash and cash equivalents	\$ 1,447,946	\$ 7,394,095	\$ 349,680	\$ 2,456,882	\$ -	\$ 2,195,132
Receivables:						
Taxes	-	-	-	-	-	-
Accounts	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Total assets	<u>\$ 1,447,946</u>	<u>\$ 7,394,095</u>	<u>\$ 349,680</u>	<u>\$ 2,456,882</u>	<u>\$ -</u>	<u>\$ 2,195,132</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	\$ 7,613	\$ -	\$ -	\$ -	\$ -	\$ -
Contacts payable	-	-	2,140	47,786	-	222,859
Unavailable revenue	-	-	-	-	-	-
Total liabilities	<u>7,613</u>	<u>-</u>	<u>2,140</u>	<u>47,786</u>	<u>-</u>	<u>222,859</u>
Fund balances:						
Spendable:						
Restricted	-	-	-	-	-	-
Committed	1,440,333	7,394,095	347,540	2,409,096	-	1,972,273
Assigned	-	-	-	-	-	-
Total fund balances	<u>1,440,333</u>	<u>7,394,095</u>	<u>347,540</u>	<u>2,409,096</u>	<u>-</u>	<u>1,972,273</u>
Total liabilities and fund balances	<u>\$ 1,447,946</u>	<u>\$ 7,394,095</u>	<u>\$ 349,680</u>	<u>\$ 2,456,882</u>	<u>\$ -</u>	<u>\$ 2,195,132</u>

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CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2012
 (Continued)

	Corporate Campus Tax Increment Financing - West	Corporate Campus Tax Increment Financing - East	South Side Flood	Hollywood and Vine Tax Increment Financing
<u>Assets</u>				
Cash and cash equivalents	\$ 3,000,371	\$ 1,310,863	\$ -	\$ -
Receivables:				
Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 3,000,371</u>	<u>\$ 1,310,863</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Contacts payable	-	9,375	-	-
Unavailable revenue	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/>	<u>9,375</u>	<hr/>	<hr/>
Fund balances:				
Spendable:				
Restricted	-	-	-	-
Committed	3,000,371	1,301,488	-	-
Assigned	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	<u>3,000,371</u>	<u>1,301,488</u>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 3,000,371</u>	<u>\$ 1,310,863</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF NOBLESVILLE
 COMBINING BALANCE SHEET -
 NONMAJOR CAPITAL PROJECTS FUNDS
 December 31, 2012
 (Continued)

	Hazel Dell Tax Increment Financing	146th Street Reimbursement	2009 Construction	Noblesville Building Corporation - Capital Projects	Totals
<u>Assets</u>					
Cash and cash equivalents	\$ 691	\$ 4,025,155	\$ 260,522	\$ -	\$ 25,761,553
Receivables:					
Taxes	-	-	-	-	41,288
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	48,958
	<u>691</u>	<u>4,025,155</u>	<u>260,522</u>	<u>-</u>	<u>25,851,799</u>
Total assets	<u>\$ 691</u>	<u>\$ 4,025,155</u>	<u>\$ 260,522</u>	<u>\$ -</u>	<u>\$ 25,851,799</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 29,975
Contacts payable	-	3,804	-	-	285,964
Unavailable revenue	-	-	-	-	90,246
	<u>-</u>	<u>3,804</u>	<u>-</u>	<u>-</u>	<u>406,185</u>
Total liabilities	<u>-</u>	<u>3,804</u>	<u>-</u>	<u>-</u>	<u>406,185</u>
Fund balances:					
Spendable:					
Restricted	-	-	-	-	2,975,415
Committed	691	4,021,351	260,522	-	22,404,895
Assigned	-	-	-	-	65,304
	<u>691</u>	<u>4,021,351</u>	<u>260,522</u>	<u>-</u>	<u>25,445,614</u>
Total fund balances	<u>691</u>	<u>4,021,351</u>	<u>260,522</u>	<u>-</u>	<u>25,445,614</u>
Total liabilities and fund balances	<u>\$ 691</u>	<u>\$ 4,025,155</u>	<u>\$ 260,522</u>	<u>\$ -</u>	<u>\$ 25,851,799</u>

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2012

	Motor Vehicle Highway	Local Road and Street	County Option Income Tax	Local Law Enforcement Continuing Education	Park and Recreation
Revenues:					
Taxes	\$ 1,777,312	\$ -	\$ -	\$ -	\$ 1,151,620
Licenses and permits	-	-	-	34,370	-
Intergovernmental	1,567,417	661,751	-	-	107,725
Charges for services	2,000	-	-	3,110	98,042
Fines and forfeits	-	-	-	8,432	-
Other	97,293	-	136,096	68	1,714
	<u>3,444,022</u>	<u>661,751</u>	<u>136,096</u>	<u>45,980</u>	<u>1,359,101</u>
Total revenues					
Expenditures:					
Current:					
General government	-	-	92,454	-	-
Public safety	-	-	-	22,701	-
Highways and streets	3,067,153	39,302	-	-	-
Culture and recreation	-	-	-	-	1,339,356
Debt service:					
Principal	476	434,672	-	-	20,930
Interest	113	43,967	-	-	1,177
Capital outlay	22,885	-	320,789	-	68,549
	<u>3,090,627</u>	<u>517,941</u>	<u>413,243</u>	<u>22,701</u>	<u>1,430,012</u>
Total expenditures					
Excess (deficiency) of revenues over (under) expenditures	<u>353,395</u>	<u>143,810</u>	<u>(277,147)</u>	<u>23,279</u>	<u>(70,911)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(607,149)	-	-
Financing by capital lease	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(607,149)</u>	<u>-</u>	<u>-</u>
Total other financing sources					
Net change in fund balances	353,395	143,810	(884,296)	23,279	(70,911)
Fund balances - beginning	<u>946,558</u>	<u>361,032</u>	<u>7,040,248</u>	<u>75,488</u>	<u>69,338</u>
Fund balances - ending	<u>\$ 1,299,953</u>	<u>\$ 504,842</u>	<u>\$ 6,155,952</u>	<u>\$ 98,767</u>	<u>\$ (1,573)</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Park Nonreverting Operating	Tree Board Nonreverting	Parking Meter	Police Donation	Fire Donation
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	1,020,972	-	97,663	-	-
Fines and forfeits	-	2,100	-	-	-
Other	31,304	-	603	11,170	1,150
Total revenues	<u>1,052,276</u>	<u>2,100</u>	<u>98,266</u>	<u>11,170</u>	<u>1,150</u>
Expenditures:					
Current:					
General government	-	575	88,285	-	-
Public safety	-	-	-	4,331	547
Highways and streets	-	-	-	-	-
Culture and recreation	1,098,035	-	-	-	-
Debt service:					
Principal	71,740	-	-	-	-
Interest	7,634	-	-	-	-
Capital outlay	67,031	-	2,003	-	-
Total expenditures	<u>1,244,440</u>	<u>575</u>	<u>90,288</u>	<u>4,331</u>	<u>547</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(192,164)</u>	<u>1,525</u>	<u>7,978</u>	<u>6,839</u>	<u>603</u>
Other financing sources (uses):					
Transfers in	189,000	-	-	-	-
Transfers out	-	-	-	-	-
Financing by capital lease	-	-	-	-	-
Total other financing sources	<u>189,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,164)	1,525	7,978	6,839	603
Fund balances - beginning	<u>(23,399)</u>	<u>12,493</u>	<u>448,595</u>	<u>4,456</u>	<u>13,901</u>
Fund balances - ending	<u>\$ (26,563)</u>	<u>\$ 14,018</u>	<u>\$ 456,573</u>	<u>\$ 11,295</u>	<u>\$ 14,504</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	<u>Adult Probation</u>	<u>Communications</u>	<u>Parking Lot Maintenance</u>	<u>Electronic Sign</u>	<u>Cultural Arts</u>
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	430	-	925	-
Intergovernmental	-	-	-	-	-
Charges for services	-	47,474	-	-	12,994
Fines and forfeits	-	-	-	-	-
Other	-	-	-	-	26,300
Total revenues	<u>-</u>	<u>47,904</u>	<u>-</u>	<u>925</u>	<u>39,294</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	46,794
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,794</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>47,904</u>	<u>-</u>	<u>925</u>	<u>(7,500)</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Financing by capital lease	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	47,904	-	925	(7,500)
Fund balances - beginning	<u>6,454</u>	<u>223,751</u>	<u>285</u>	<u>4,175</u>	<u>28,774</u>
Fund balances - ending	<u>\$ 6,454</u>	<u>\$ 271,655</u>	<u>\$ 285</u>	<u>\$ 5,100</u>	<u>\$ 21,274</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	<u>Court Record</u>	<u>Hazardous Materials</u>	<u>Play-It Clean Campaign</u>	<u>Unemployment</u>	<u>Deferral Program</u>
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	6,780	-	-	-	81,699
Other	-	3,614	-	-	-
	<u>6,780</u>	<u>3,614</u>	<u>-</u>	<u>-</u>	<u>81,699</u>
Total revenues	<u>6,780</u>	<u>3,614</u>	<u>-</u>	<u>-</u>	<u>81,699</u>
Expenditures:					
Current:					
General government	2,682	4,130	-	30,563	-
Public safety	-	-	-	-	1,994
Highways and streets	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal	690	-	-	-	-
Interest	164	-	-	-	-
Capital outlay	-	-	-	-	-
	<u>3,536</u>	<u>4,130</u>	<u>-</u>	<u>30,563</u>	<u>1,994</u>
Total expenditures	<u>3,536</u>	<u>4,130</u>	<u>-</u>	<u>30,563</u>	<u>1,994</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,244</u>	<u>(516)</u>	<u>-</u>	<u>(30,563)</u>	<u>79,705</u>
Other financing sources (uses):					
Transfers in	-	-	-	25,000	-
Transfers out	-	-	-	-	-
Financing by capital lease	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Net change in fund balances	3,244	(516)	-	(5,563)	79,705
Fund balances - beginning	<u>9,015</u>	<u>4,195</u>	<u>-</u>	<u>8,446</u>	<u>89,637</u>
Fund balances - ending	<u>\$ 12,259</u>	<u>\$ 3,679</u>	<u>\$ -</u>	<u>\$ 2,883</u>	<u>\$ 169,342</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Block Grant	Sick Pay Out	Contingency	City Court	Levy Excess	Totals
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,928,932
Licenses and permits	-	-	-	-	-	35,725
Intergovernmental	4,074	-	-	-	-	2,340,967
Charges for services	-	-	-	-	-	1,282,255
Fines and forfeits	-	-	-	883,938	-	982,949
Other	-	-	816	-	-	310,128
Total revenues	4,074	-	816	883,938	-	7,880,956
Expenditures:						
Current:						
General government	-	128,663	-	883,938	-	1,231,290
Public safety	22	-	-	-	-	29,595
Highways and streets	-	-	-	-	-	3,106,455
Culture and recreation	-	-	-	-	-	2,484,185
Debt service:						
Principal	-	-	-	-	-	528,508
Interest	-	-	-	-	-	53,055
Capital outlay	58,644	-	-	-	-	539,901
Total expenditures	58,666	128,663	-	883,938	-	7,972,989
Excess (deficiency) of revenues over (under) expenditures	(54,592)	(128,663)	816	-	-	(92,033)
Other financing sources (uses):						
Transfers in	-	75,000	-	-	-	289,000
Transfers out	(4,074)	-	-	-	-	(611,223)
Financing by capital lease	-	-	-	-	-	-
Total other financing sources	(4,074)	75,000	-	-	-	(322,223)
Net change in fund balances	(58,666)	(53,663)	816	-	-	(414,256)
Fund balances - beginning	93,395	64,112	308,387	-	-	9,789,336
Fund balances - ending	\$ 34,729	\$ 10,449	\$ 309,203	\$ -	\$ -	\$ 9,375,080

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CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR DEBT SERVICE FUNDS
 For The Year Ended December 31, 2012

	Fire Station 2 Debt	Public Safety Building Debt Bonds	Fire Stations 5 & 6 Debt	Little Chicago Road Debt	City Hall Debt
Revenues:					
Taxes	\$ 136,402	\$ -	\$ 672,265	\$ 625,499	\$ 1,693,329
Intergovernmental	12,759	-	62,885	58,511	158,398
Other	-	-	-	-	-
Total revenues	<u>149,161</u>	<u>-</u>	<u>735,150</u>	<u>684,010</u>	<u>1,851,727</u>
Expenditures:					
General government	1,838	-	3,427	1,837	-
Highways and roadways	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>1,838</u>	<u>-</u>	<u>3,427</u>	<u>1,837</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>147,323</u>	<u>-</u>	<u>731,723</u>	<u>682,173</u>	<u>1,851,727</u>
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	<u>(123,000)</u>	<u>-</u>	<u>(617,000)</u>	<u>(575,000)</u>	<u>(1,557,000)</u>
Total other financing sources and uses	<u>(123,000)</u>	<u>-</u>	<u>(617,000)</u>	<u>(575,000)</u>	<u>(1,557,000)</u>
Net change in fund balances	24,323	-	114,723	107,173	294,727
Fund balances - beginning	<u>1,678</u>	<u>63,393</u>	<u>29</u>	<u>279,927</u>	<u>4,129</u>
Fund balances - ending	<u>\$ 26,001</u>	<u>\$ 63,393</u>	<u>\$ 114,752</u>	<u>\$ 387,100</u>	<u>\$ 298,856</u>

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CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR DEBT SERVICE FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Business Park Tax Increment Financing	Fire Station 7/ Street Debt	Economic Development Infrastructure Building Corporation	Noblesville Building Corporation	Totals
Revenues:					
Taxes	\$ 223,069	\$ 800,873	\$ -	\$ -	\$ 4,151,437
Intergovernmental	-	74,915	-	-	367,468
Other	-	-	-	47	47
Total revenues	<u>223,069</u>	<u>875,788</u>	<u>-</u>	<u>47</u>	<u>4,518,952</u>
Expenditures:					
General government	750	17,184	-	3,654	28,690
Highways and roadways	-	-	-	-	-
Debt service:					
Principal	-	-	-	1,805,000	1,805,000
Interest	-	-	-	1,441,440	1,441,440
Total expenditures	<u>750</u>	<u>17,184</u>	<u>-</u>	<u>3,250,094</u>	<u>3,275,130</u>
Excess (deficiency) of revenues over (under) expenditures	<u>222,319</u>	<u>858,604</u>	<u>-</u>	<u>(3,250,047)</u>	<u>1,243,822</u>
Other financing sources (uses):					
Transfers in	-	367,000	-	2,985,716	3,352,716
Transfers out	<u>(338,783)</u>	<u>(716,933)</u>	<u>-</u>	<u>-</u>	<u>(3,927,716)</u>
Total other financing sources and uses	<u>(338,783)</u>	<u>(349,933)</u>	<u>-</u>	<u>2,985,716</u>	<u>(575,000)</u>
Net change in fund balances	(116,464)	508,671	-	(264,331)	668,822
Fund balances - beginning	<u>747,997</u>	<u>67</u>	<u>-</u>	<u>2,095,703</u>	<u>3,192,923</u>
Fund balances - ending	<u>\$ 631,533</u>	<u>\$ 508,738</u>	<u>\$ -</u>	<u>\$ 1,831,372</u>	<u>\$ 3,861,745</u>

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2012

	Cumulative Capital Improvement	Cumulative Capital Development	Cumulative Building and Fire Fighting Equipment	Park Nonreverting Capital	River Overlook	Forest Hill School
Revenues:						
Taxes	\$ -	\$ 545,607	\$ 360,490	\$ -	\$ -	\$ -
Intergovernmental	137,835	51,037	33,721	12,500	-	-
Charges for services	-	-	-	40,341	-	-
Other	20,850	37,255	16,149	61,987	-	-
Total revenues	158,685	633,899	410,360	114,828	-	-
Expenditures:						
Current:						
General government	115,841	82,376	-	-	-	55
Public safety	-	-	54,810	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	36,429	-	-
Debt service:						
Principal	-	103,399	269,268	-	-	-
Interest	-	5,150	31,572	-	-	-
Capital outlay	-	223,860	192,299	49,738	-	303,970
Total expenditures	115,841	414,785	547,949	86,167	-	304,025
Excess (deficiency) of revenues over (under) expenditures	42,844	219,114	(137,589)	28,661	-	(304,025)
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Transfer from Proprietary Fund	-	-	-	-	-	-
Financing by capital lease	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-
Net change in fund balances	42,844	219,114	(137,589)	28,661	-	(304,025)
Fund balances - beginning	489,436	1,096,705	1,264,905	36,633	10	561,160
Fund balances - ending	\$ 532,280	\$ 1,315,819	\$ 1,127,316	\$ 65,294	\$ 10	\$ 257,135

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Park Impact Fee	Road Impact Fee	Field Drive Capital	Redevelopment Tax Increment Financing	Redevelopment Tax Increment Financing 2	Stoney Creek East Tax Increment Financing
Revenues:						
Taxes	\$ -	\$ -	\$ -	\$ 1,399,502	\$ -	\$ 1,173,148
Intergovernmental	-	-	-	-	-	-
Charges for services	550,898	797,365	-	-	-	-
Other	6,134	15,255	132,503	1,081	-	2,166
Total revenues	<u>557,032</u>	<u>812,620</u>	<u>132,503</u>	<u>1,400,583</u>	<u>-</u>	<u>1,175,314</u>
Expenditures:						
Current:						
General government	-	-	-	14,426	-	-
Public safety	-	-	-	-	-	-
Highways and streets	-	2,912	-	-	-	-
Culture and recreation	159,833	-	-	-	-	-
Debt service:						
Principal	-	-	40,000	175,000	-	-
Interest	-	-	13,759	189,466	-	-
Capital outlay	270,300	262,594	511,567	1,252,254	-	1,690,832
Total expenditures	<u>430,133</u>	<u>265,506</u>	<u>565,326</u>	<u>1,631,146</u>	<u>-</u>	<u>1,690,832</u>
Excess (deficiency) of revenues over (under) expenditures	<u>126,899</u>	<u>547,114</u>	<u>(432,823)</u>	<u>(230,563)</u>	<u>-</u>	<u>(515,518)</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(1,644,000)	-	(1,048,000)
Transfer from Proprietary Fund	-	-	-	200,000	-	-
Financing by capital lease	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,444,000)</u>	<u>-</u>	<u>(1,048,000)</u>
Net change in fund balances	126,899	547,114	(432,823)	(1,674,563)	-	(1,563,518)
Fund balances - beginning	<u>1,313,434</u>	<u>6,846,981</u>	<u>780,363</u>	<u>4,083,659</u>	<u>-</u>	<u>3,535,791</u>
Fund balances - ending	<u>\$ 1,440,333</u>	<u>\$ 7,394,095</u>	<u>\$ 347,540</u>	<u>\$ 2,409,096</u>	<u>\$ -</u>	<u>\$ 1,972,273</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Corporate Campus Tax Increment Financing - West	Corporate Campus Tax Increment Financing - East	South Side Flood	Hollywood and Vine Tax Increment Financing
Revenues:				
Taxes	\$ 3,557,367	\$ 3,635,514	\$ -	\$ -
Intergovernmental	-	397,538	-	-
Charges for services	-	-	-	-
Other	1,376	70,738	-	-
	<u>3,558,743</u>	<u>4,103,790</u>	<u>-</u>	<u>-</u>
Total revenues				
Expenditures:				
Current:				
General government	16,875	16,981	-	-
Public safety	-	-	-	-
Highways and streets	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay	206,031	941,773	-	-
	<u>222,906</u>	<u>958,754</u>	<u>-</u>	<u>-</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	<u>3,335,837</u>	<u>3,145,036</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(3,726,474)	(3,417,000)	-	-
Transfer from Proprietary Fund	-	-	-	-
Financing by capital lease	-	-	-	-
	<u>(3,726,474)</u>	<u>(3,417,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses				
Net change in fund balances	(390,637)	(271,964)	-	-
Fund balances - beginning	<u>3,391,008</u>	<u>1,573,452</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 3,000,371</u>	<u>\$ 1,301,488</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
 NONMAJOR CAPITAL PROJECTS FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Hazel Dell Tax Increment Financing	146th Street Reimbursement	2009 Construction	Noblesville Building Corporation - Capital Projects	Totals
Revenues:					
Taxes	\$ 1,424,648	\$ -	\$ -	\$ -	\$ 12,096,276
Intergovernmental	-	-	-	-	632,631
Charges for services	-	-	-	-	1,388,604
Other	-	6,022	-	-	371,516
	<u>1,424,648</u>	<u>6,022</u>	<u>-</u>	<u>-</u>	<u>14,489,027</u>
Total revenues					
Expenditures:					
Current:					
General government	1,590	-	-	-	248,144
Public safety	-	-	-	-	54,810
Highways and streets	-	61,275	-	-	64,187
Culture and recreation	-	-	-	-	196,262
Debt service:					
Principal	-	-	-	-	587,667
Interest	-	-	-	-	239,947
Capital outlay	-	1,049,537	-	-	6,954,755
	<u>1,590</u>	<u>1,110,812</u>	<u>-</u>	<u>-</u>	<u>8,345,772</u>
Total expenditures					
Excess (deficiency) of revenues over (under) expenditures	<u>1,423,058</u>	<u>(1,104,790)</u>	<u>-</u>	<u>-</u>	<u>6,143,255</u>
Other financing sources (uses):					
Transfers in	190,000	-	-	-	190,000
Transfers out	(1,655,000)	-	-	-	(11,490,474)
Transfer from Proprietary Fund	-	-	-	-	200,000
Financing by capital lease	-	-	-	-	-
	<u>(1,465,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,100,474)</u>
Total other financing sources and uses					
Net change in fund balances	(41,942)	(1,104,790)	-	-	(4,957,219)
Fund balances - beginning	<u>42,633</u>	<u>5,126,141</u>	<u>260,522</u>	<u>-</u>	<u>30,402,833</u>
Fund balances - ending	<u>\$ 691</u>	<u>\$ 4,021,351</u>	<u>\$ 260,522</u>	<u>\$ -</u>	<u>\$ 25,445,614</u>

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012

	Motor Vehicle Highway				Local Road and Street			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 3,341,229	\$ 3,341,229	\$ 1,823,885	\$ (1,517,344)	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	1,137,072	1,137,072	1,483,966	346,894	619,972	619,972	645,649	25,677
Charges for services	1,690	1,690	2,690	1,000	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	97,293	97,293	-	-	-	-
Total revenues	<u>4,479,991</u>	<u>4,479,991</u>	<u>3,407,834</u>	<u>(1,072,157)</u>	<u>619,972</u>	<u>619,972</u>	<u>645,649</u>	<u>25,677</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highways and streets:								
Personal services	2,403,946	2,404,474	2,303,790	100,684	-	-	-	-
Supplies	411,506	438,629	350,811	87,818	-	-	-	-
Other services and charges	320,089	422,992	321,865	101,127	500,000	500,407	489,387	11,020
Capital	33,500	34,280	32,843	1,437	-	-	-	-
Total highways and streets	<u>3,169,041</u>	<u>3,300,375</u>	<u>3,009,309</u>	<u>291,066</u>	<u>500,000</u>	<u>500,407</u>	<u>489,387</u>	<u>11,020</u>
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	<u>3,169,041</u>	<u>3,300,375</u>	<u>3,009,309</u>	<u>291,066</u>	<u>500,000</u>	<u>500,407</u>	<u>489,387</u>	<u>11,020</u>
Other financing uses:								
Transfers out	-	-	-	-	-	-	-	-
Net change in fund balances	1,310,950	1,179,616	398,525	(781,091)	119,972	119,565	156,262	36,697
Fund balances - beginning	<u>908,319</u>	<u>908,319</u>	<u>908,319</u>	<u>-</u>	<u>262,080</u>	<u>262,080</u>	<u>262,080</u>	<u>-</u>
Fund balances - December 31	<u>\$ 2,219,269</u>	<u>\$ 2,087,935</u>	<u>\$ 1,306,844</u>	<u>\$ (781,091)</u>	<u>\$ 382,052</u>	<u>\$ 381,645</u>	<u>\$ 418,342</u>	<u>\$ 36,697</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	County Option Income Tax				Local Law Enforcement Continuing Education			
	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final	Amounts		Original	Final	Amounts	
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	22,000	22,000	37,480	15,480
Intergovernmental	-	-	131,580	131,580	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	9,000	9,000	8,432	(568)
Other	-	-	4,516	4,516	-	-	68	68
Total revenues	-	-	136,096	136,096	31,000	31,000	45,980	14,980
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-
Public safety:								
Personal services	-	-	-	-	16,497	16,497	16,495	2
Supplies	-	-	-	-	6,000	6,020	6,020	-
Other services and charges	-	-	-	-	-	66	66	-
Total public safety	-	-	-	-	22,497	22,583	22,581	2
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	-	-	-	-	-	-	-	-
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	10,925,820	7,042,512	1,020,046	6,022,466	-	-	-	-
Total expenditures	10,925,820	7,042,512	1,020,046	6,022,466	22,497	22,583	22,581	2
Other financing uses:								
Transfers out	-	-	-	-	-	-	-	-
Net change in fund balances	(10,925,820)	(7,042,512)	(883,950)	6,158,562	8,503	8,417	23,399	14,982
Fund balances - beginning	7,042,512	7,042,512	7,042,512	-	75,488	75,488	75,488	-
Fund balances - December 31	<u>\$ (3,883,308)</u>	<u>\$ -</u>	<u>\$ 6,158,562</u>	<u>\$ 6,158,562</u>	<u>\$ 83,991</u>	<u>\$ 83,905</u>	<u>\$ 98,887</u>	<u>\$ 14,982</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Park and Recreation				Park Nonreverting Operating			
	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis	Variance With Final Budget Positive (Negative)
	Original	Final	Amounts		Original	Final	Amounts	
Revenues:								
Taxes	\$ 1,713,795	\$ 1,713,795	\$ 1,151,620	\$ (562,175)	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	113,394	113,394	107,725	(5,669)	-	-	-	-
Charges for services	-	-	99,756	99,756	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	1,241,276	1,241,276
Other	-	-	-	-	-	-	-	-
Total revenues	<u>1,827,189</u>	<u>1,827,189</u>	<u>1,359,101</u>	<u>(468,088)</u>	<u>-</u>	<u>-</u>	<u>1,241,276</u>	<u>1,241,276</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:								
Personal services	1,008,750	973,240	968,339	4,901	588,128	628,128	600,103	28,025
Supplies	82,542	82,823	81,316	1,507	160,188	177,251	171,995	5,256
Other services and charges	216,132	304,901	216,592	88,309	281,465	331,337	276,414	54,923
Capital	41,357	147,294	141,655	5,639	144,582	180,545	181,440	(895)
Total culture and recreation	<u>1,348,781</u>	<u>1,508,258</u>	<u>1,407,902</u>	<u>100,356</u>	<u>1,174,363</u>	<u>1,317,261</u>	<u>1,229,952</u>	<u>87,309</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,348,781</u>	<u>1,508,258</u>	<u>1,407,902</u>	<u>100,356</u>	<u>1,174,363</u>	<u>1,317,261</u>	<u>1,229,952</u>	<u>87,309</u>
Other financing uses:								
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	478,408	318,931	(48,801)	(367,732)	(1,174,363)	(1,317,261)	11,324	1,328,585
Fund balances - beginning	<u>118,138</u>	<u>118,138</u>	<u>118,138</u>	<u>-</u>	<u>8,463</u>	<u>8,463</u>	<u>8,463</u>	<u>-</u>
Fund balances - December 31	<u>\$ 596,546</u>	<u>\$ 437,069</u>	<u>\$ 69,337</u>	<u>\$ (367,732)</u>	<u>\$ (1,165,900)</u>	<u>\$ (1,308,798)</u>	<u>\$ 19,787</u>	<u>\$ 1,328,585</u>

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CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Parking Meter				Fire Station 2 Debt			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 856,898	\$ 856,898	\$ 136,402	\$ (720,496)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	11,338	11,338	12,759	1,421
Charges for services	42,000	42,000	97,663	55,663	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	4,700	4,700	603	(4,097)	-	-	-	-
Total revenues	46,700	46,700	98,266	51,566	868,236	868,236	149,161	(719,075)
Expenditures:								
Current:								
General government:								
Personal services	75,615	75,615	73,105	2,510	-	-	-	-
Supplies	4,321	4,321	4,300	21	-	-	-	-
Other services and charges	10,493	10,993	8,986	2,007	-	-	-	-
Capital	2,500	2,500	3,403	(903)	-	-	-	-
Total general government	92,929	93,429	89,794	3,635	-	-	-	-
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	-	-	-	-	-	-	-	-
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	92,929	93,429	89,794	3,635	-	-	-	-
Other financing uses:								
Transfers out	-	-	-	-	(125,000)	(125,000)	(124,838)	162
Net change in fund balances	(46,229)	(46,729)	8,472	55,201	743,236	743,236	24,323	(718,913)
Fund balances - beginning	451,231	451,231	451,231	-	1,678	1,678	1,678	-
Fund balances - December 31	\$ 405,002	\$ 404,502	\$ 459,703	\$ 55,201	\$ 744,914	\$ 744,914	\$ 26,001	\$ (718,913)

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Fire Station 7/Street Dept				Fire Stations 5 & 6 Debt			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 1,017,566	\$ 1,017,566	\$ 800,873	\$ (216,693)	\$ 612,600	\$ 612,600	\$ 672,265	\$ 59,665
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	89,810	89,810	74,915	(14,895)	56,697	56,697	62,885	6,188
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	367,000	367,000	-	-	-	-
Total revenues	<u>1,107,376</u>	<u>1,107,376</u>	<u>1,242,788</u>	<u>135,412</u>	<u>669,297</u>	<u>669,297</u>	<u>735,150</u>	<u>65,853</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:								
Transfers out	<u>(736,000)</u>	<u>(736,000)</u>	<u>(734,117)</u>	<u>1,883</u>	<u>(619,000)</u>	<u>(619,000)</u>	<u>(620,428)</u>	<u>(1,428)</u>
Net change in fund balances	371,376	371,376	508,671	137,295	50,297	50,297	114,722	64,425
Fund balances - beginning	<u>67</u>	<u>67</u>	<u>67</u>	<u>-</u>	<u>29</u>	<u>29</u>	<u>29</u>	<u>-</u>
Fund balances - December 31	<u>\$ 371,443</u>	<u>\$ 371,443</u>	<u>\$ 508,738</u>	<u>\$ 137,295</u>	<u>\$ 50,326</u>	<u>\$ 50,326</u>	<u>\$ 114,751</u>	<u>\$ 64,425</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Little Chicago Road Debt				City Hall Debt			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 856,898	\$ 856,898	\$ 625,499	\$ (231,399)	\$ 2,142,244	\$ 2,142,244	\$ 1,693,329	\$ (448,915)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	20,549	20,549	58,511	37,962	141,744	141,744	158,398	16,654
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total revenues	<u>877,447</u>	<u>877,447</u>	<u>684,010</u>	<u>(193,437)</u>	<u>2,283,988</u>	<u>2,283,988</u>	<u>1,851,727</u>	<u>(432,261)</u>
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing uses:								
Transfers out	<u>(577,000)</u>	<u>(577,000)</u>	<u>(576,838)</u>	<u>162</u>	<u>(1,559,000)</u>	<u>(1,559,000)</u>	<u>(1,557,000)</u>	<u>2,000</u>
Net change in fund balances	300,447	300,447	107,172	(193,275)	724,988	724,988	294,727	(430,261)
Fund balances - beginning	<u>279,927</u>	<u>279,927</u>	<u>279,927</u>	<u>-</u>	<u>4,129</u>	<u>4,129</u>	<u>4,129</u>	<u>-</u>
Fund balances - December 31	<u>\$ 580,374</u>	<u>\$ 580,374</u>	<u>\$ 387,099</u>	<u>\$ (193,275)</u>	<u>\$ 729,117</u>	<u>\$ 729,117</u>	<u>\$ 298,856</u>	<u>\$ (430,261)</u>

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	Cumulative Capital Improvement				Cumulative Capital Development			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 749,785	\$ 749,785	\$ 545,607	\$ (204,178)
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	140,836	140,836	158,686	17,850	49,610	49,610	51,037	1,427
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	145,804	145,804
Total revenues	140,836	140,836	158,686	17,850	799,395	799,395	742,448	(56,947)
Expenditures:								
Current:								
General government:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total general government	-	-	-	-	-	-	-	-
Public safety:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Total public safety	-	-	-	-	-	-	-	-
Highways and streets:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total highways and streets	-	-	-	-	-	-	-	-
Culture and recreation:								
Personal services	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-
Total culture and recreation	-	-	-	-	-	-	-	-
Capital outlay	110,000	130,850	115,750	15,100	755,000	746,405	513,671	232,734
Total expenditures	110,000	130,850	115,750	15,100	755,000	746,405	513,671	232,734
Other financing uses:								
Transfers out	-	-	-	-	-	-	-	-
Net change in fund balances	30,836	9,986	42,936	32,950	44,395	52,990	228,777	175,787
Fund balances - beginning	491,871	491,871	491,871	-	985,818	985,818	1,097,122	111,304
Fund balances - December 31	\$ 522,707	\$ 501,857	\$ 534,807	\$ 32,950	\$ 1,030,213	\$ 1,038,808	\$ 1,325,899	\$ 287,091

Continued on next page

CITY OF NOBLESVILLE
 BUDGETARY COMPARISON SCHEDULES -
 NONMAJOR BUDGETED GOVERNMENTAL FUNDS
 For The Year Ended December 31, 2012
 (Continued)

	<u>Cumulative Building and Fire Fighting Equipment</u>			
	<u>Budgeted Amounts</u>		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 535,561	\$ 535,561	\$ 360,490	\$ (175,071)
Licenses and permits	-	-	-	-
Intergovernmental	35,434	35,434	33,721	(1,713)
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Other	-	-	16,149	16,149
Total revenues	<u>570,995</u>	<u>570,995</u>	<u>410,360</u>	<u>(160,635)</u>
Expenditures:				
Current:				
General government:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital	-	-	-	-
Total general government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public safety:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Total public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Highways and streets:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital	-	-	-	-
Total highways and streets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital	-	-	-	-
Total culture and recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital outlay	<u>579,246</u>	<u>579,246</u>	<u>548,815</u>	<u>30,431</u>
Total expenditures	<u>579,246</u>	<u>579,246</u>	<u>548,815</u>	<u>30,431</u>
Other financing uses:				
Transfers out	-	-	-	-
Net change in fund balances	(8,251)	(8,251)	(138,455)	(130,204)
Fund balances - beginning	<u>1,265,771</u>	<u>1,265,771</u>	<u>1,265,771</u>	<u>-</u>
Fund balances - December 31	<u>\$ 1,257,520</u>	<u>\$ 1,257,520</u>	<u>\$ 1,127,316</u>	<u>\$ (130,204)</u>

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FIDUCIARY FUNDS

Trust funds - used to account for assets held by the primary government in a trustee capacity.

Pension trust funds

Police Pension - To account for resources related to police pension benefit payments to qualified police officers and/or their beneficiaries.

Fire Pension - To account for resources related to pension benefit payments to qualified firefighters and/or their beneficiaries.

Agency funds - used to account for assets held by the primary government as an agent for individuals, private organizations, other governments and/or other funds.

Payroll - To account for the payroll of City employees. Gross payroll is treated as expenditures in other City funds and transferred into this fund, which serves as a clearing account.

Escrow - To account for the tracking of fees that are deposited for vendor security bonds, maintenance bonds, and performance bonds. These bonds are normally held for specific length of time and then returned to the payee.

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF FIDUCIARY NET POSITION -
 FIDUCIARY FUNDS
 December 31, 2012

	Pension Trust Funds		
	Police Pension	Fire Pension	Totals
<u>Assets</u>			
Cash and cash equivalents	\$ 556,399	\$ 719,288	\$ 1,275,687
Total assets	556,399	719,288	1,275,687
<u>Net Position</u>			
Net position held in trust for: Employees' pension benefits	556,399	719,288	1,275,687
Total net position	\$ 556,399	\$ 719,288	\$ 1,275,687

CITY OF NOBLESVILLE
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
 NONMAJOR FIDUCIARY FUNDS
 For The Year Ended December 31, 2012

	Pension Trust Funds		
	Police Pension	Fire Pension	Totals
<u>Additions</u>			
Contributions:			
Employer	\$ -	\$ -	\$ -
Intergovernmental	214,061	328,893	542,954
Total contributions	<u>214,061</u>	<u>328,893</u>	<u>542,954</u>
Investment income:			
Interest	-	-	-
Total additions	<u>214,061</u>	<u>328,893</u>	<u>542,954</u>
<u>Deductions</u>			
Benefits	<u>236,000</u>	<u>446,105</u>	<u>682,105</u>
Changes in net position	(21,939)	(117,212)	(139,151)
Net position - beginning	<u>578,338</u>	<u>836,500</u>	<u>1,414,838</u>
Net position - ending	<u>\$ 556,399</u>	<u>\$ 719,288</u>	<u>\$ 1,275,687</u>

CITY OF NOBLESVILLE
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUND
For The Year Ended December 31, 2012

	<u>Payroll</u>	<u>Escrow</u>	<u>Totals</u>
Assets:			
Cash and cash equivalents, January 1, 2012	\$ 192,497	\$ 85,136	\$ 277,633
Additions	26,053,156	23,969	26,077,125
Deductions	<u>(26,234,621)</u>	<u>(1,500)</u>	<u>(26,236,121)</u>
Cash and cash equivalents, December 31, 2012	<u>\$ 11,032</u>	<u>\$ 107,605</u>	<u>\$ 118,637</u>
Liabilities:			
Performance deposits payable, January 1, 2012	\$ -	\$ 85,136	\$ 85,136
Additions	-	23,969	23,969
Deductions	<u>-</u>	<u>(1,500)</u>	<u>(1,500)</u>
Performance deposits payable, December 31, 2012	<u>\$ -</u>	<u>\$ 107,605</u>	<u>\$ 107,605</u>
Payroll withholdings payable, January 1, 2012	\$ 192,497	\$ -	\$ 192,497
Additions	26,053,156	-	26,053,156
Deductions	<u>(26,234,621)</u>	<u>-</u>	<u>(26,234,621)</u>
Payroll withholdings payable, December 31, 2012	<u>\$ 11,032</u>	<u>\$ -</u>	<u>\$ 11,032</u>

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	113-117
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	119-123
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	124-129
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	130-133
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	134-136

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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CITY OF NOBLESVILLE
 Net Position by Component
 As of December 31,

	2012	2011	2010	2009	2008	2007	2006 ^b	2005	2004	2003 [*]
Governmental Activities:										
Invested in capital assets, net of related debt	\$ 111,063,125	\$ 100,501,820	\$ 93,878,151	\$ 96,105,611	\$ 127,424,781	\$ 123,500,699	\$ 87,341,828	\$ 99,520,872	\$ 82,009,761	\$ 71,874,501
Restricted	31,638,300	33,519,810	25,626,888	30,658,397	25,929,821	14,871,782	1,607,990	1,356,836	6,731,844	7,864,532
Unrestricted	13,233,741	14,726,063	16,150,864	18,097,682	19,829,946	23,652,015	11,441,257	14,745,448	4,747,818	6,075,466
Total governmental activities net position	\$ 155,935,166	\$ 148,747,693	\$ 135,655,903	\$ 144,861,690	\$ 173,184,548	\$ 162,024,496	\$ 100,391,075	\$ 115,623,156	\$ 93,489,423	\$ 85,814,499
Business - Type Activities:										
Invested in capital assets, net of related debt	\$ 79,660,471	\$ 80,257,088	\$ 80,563,974	\$ 71,429,268	\$ 70,311,934	\$ 67,208,835	\$ 56,974,554	\$ 51,602,046	\$ 45,676,516	\$ 41,073,217
Restricted	4,669,581	3,903,753	4,639,898	1,523,784	2,065,804	23,419,114	1,717,275	1,654,786	1,408,424	1,524,961
Unrestricted	15,682,765	13,661,085	16,264,900	24,761,609	19,941,737	(380,408)	26,856,156	22,405,018	19,365,768	14,332,674
Total business - type activities net position	\$ 100,012,817	\$ 97,821,926	\$ 101,468,772	\$ 97,714,661	\$ 92,319,475	\$ 90,247,541	\$ 85,547,985	\$ 75,661,850	\$ 66,450,708	\$ 56,930,852
Primary government:										
Invested in capital assets, net of related debt	\$ 190,723,596	\$ 180,758,908	\$ 174,442,125	\$ 167,534,879	\$ 197,736,715	\$ 190,709,534	\$ 144,316,382	\$ 151,122,918	\$ 127,686,277	\$ 112,947,718
Restricted	36,307,881	37,423,563	30,266,786	32,182,181	27,995,625	38,290,896	3,325,265	3,011,622	8,140,268	9,389,493
Unrestricted	28,916,506	28,387,148	32,415,764	42,859,291	39,771,683	23,271,607	38,297,413	37,150,466	24,113,586	20,408,140
Total primary government net position	\$ 255,947,983	\$ 246,569,619	\$ 237,124,675	\$ 242,576,351	\$ 265,504,023	\$ 252,272,037	\$ 185,939,060	\$ 191,285,006	\$ 159,940,131	\$ 142,745,351

The City of Noblesville implemented GASB 63 for the fiscal year ended December 31, 2012. Prior to the implementation, net position was stated as net assets.

* Governmental Activities amounts for 2003 were restated in 2004 to include additional capital assets.

^a Approximately 33% of the 2005 net asset increase was due to one time payments of wastewater tap fees and developer contributions of wastewater collection system assets. Another 22% was due to capital assets and infrastructure contributed by developers and infrastructure acquired through annexation.

^b The 2006 balances were restated in 2007 to reflect certain prior period adjustments.

^c Capital assets for 2007 were restated in 2008 to include \$42.7 million of infrastructure assets from the 146th Street project.

^d Restricted funds from governmental activities include bond proceeds for debt service reserves and capitalized interest.

^e Restricted funds from business activities include new revenue bond proceeds for construction of improvements to wastewater utility facilities.

^f Capital assets for 2008 were restated in 2009 to include a prior period adjustment of \$34,431,662 due to overstatement of capital assets for infrastructure. This was offset by a \$5,591,065 adjustment to eliminate pension obligations assumed by the state.

CITY OF NOBLESVILLE
Changes in Net Position
For the years ended December 31,

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses:										
Governmental Activities:										
General Government	\$ 14,977,533	\$ 16,156,250	\$ 15,567,425	\$ 23,812,537	\$ 14,192,964	\$ 9,958,044	\$ 8,359,829	\$ 6,657,239	\$ 6,348,626	\$ 5,970,438
Public safety	24,141,504	24,179,519	23,105,515	22,963,366	23,282,769	21,691,988	18,782,406	18,071,974	14,889,511	13,884,319
Highways and streets	10,390,631	12,868,209	10,098,081	11,651,825	8,048,830	2,226,661	10,076,224	11,100,802	5,825,152	4,267,896
Culture and recreation	3,479,086	2,930,555	3,037,866	3,898,546	2,657,713	2,060,880	2,130,404	3,118,197	2,044,571	1,743,814
Economic Development	58,644	-	20,316	1,241,557	-	-	-	-	-	2,089,076
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	8,484,701	9,398,440	9,416,948	10,108,830	11,517,623	6,990,544	4,472,514	4,925,787	3,250,764	3,996,924
Total governmental activities expenses	61,532,099	65,532,973	61,246,151	73,676,661	59,699,899	42,928,117	43,821,377	43,873,999	32,358,624	31,952,467
Business-Type Activities:										
Wastewater	8,950,764	9,939,013	8,515,722	9,073,403	10,342,104	10,867,030	4,897,159	6,036,462	4,908,398	5,405,729
Total business-type activities expenses	8,950,764	9,939,013	8,515,722	9,073,403	10,342,104	10,867,030	4,897,159	6,036,462	4,908,398	5,405,729
Total primary government expenses	70,482,863	75,471,986	69,761,873	82,750,064	70,042,003	53,795,147	48,718,536	49,910,461	37,267,022	37,358,196
Program Revenues:										
Governmental Activities:										
Charges for services:										
General Government	1,503,676	1,762,854	1,956,741	3,079,111	3,256,605	3,251,548	1,920,314	1,843,666	2,660,519	1,711,218
Public Safety	3,369,859	3,479,598	3,856,827	2,829,023	2,093,103	2,259,777	2,044,568	2,163,480	1,757,397	1,661,158
Highways and streets	1,090,011	985,835	1,422,557	5,445,030	1,873,564	2,380,210	3,111,325	2,929,185	1,571,658	1,722,519
Culture and recreation	2,416,648	2,333,572	1,919,948	2,055,999	2,269,568	2,778,122	2,314,207	2,494,759	1,738,371	1,250,089
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
General Government	-	-	-	3,169	195,690	115,190	40,990	760,431	3,848	9,055,039
Public Safety	-	-	-	45,000	49,399	107,557	321,454	793,661	156,128	112,752
Highways and streets	2,057,868	1,727,122	1,612,725	5,379,422	5,863,335	2,276,912	4,297,129	4,207,127	1,472,769	1,603,351
Culture and recreation	-	-	-	-	-	39,582	119,298	734,666	123,967	83,907
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
General Government	-	-	-	-	-	352,550	424,803	3,330,430	73,127	4,243,170
Public Safety	-	-	-	-	-	53,371	52,067	74,482	43,463	40,318
Highways and streets	4,567,202	4,678,475	2,927,352	4,818,117	3,544,410	6,975,876	15,290,162	13,859,985	5,577,548	58,968
Culture and recreation	-	-	-	-	-	-	-	155,000	39,701	-
Total governmental activities revenues	15,005,264	14,967,456	13,696,150	23,654,871	19,145,674	20,590,695	29,936,317	33,346,872	15,218,496	21,542,489
Business-Type Activities:										
Wastewater:										
Charges for services	10,358,608	10,465,336	10,078,803	9,573,608	10,305,669	10,265,927	10,081,629	9,999,960	9,800,980	8,717,327
Operating grants and contributions	-	-	-	-	-	-	-	-	167	478
Capital grants and contributions	923,099	602,915	1,497,444	4,581,935	1,194,750	3,315,824	3,347,996	4,669,631	4,461,900	4,155,742
Total business-type activities revenues	11,281,707	11,068,251	11,576,247	14,155,543	11,500,419	13,581,751	13,429,625	14,669,591	14,263,047	12,873,547
Total primary government revenues	26,286,971	26,035,707	25,272,397	37,810,414	30,646,093	34,172,446	43,365,942	48,016,463	29,481,543	34,416,036
Net Revenues (expenses):										
Governmental activities:	(46,526,835)	(50,565,517)	(47,550,001)	(50,021,790)	(40,554,225)	(22,337,422)	(13,885,060)	(10,527,127)	(17,140,128)	(10,409,978)
Business-type activities	2,330,943	1,129,238	3,060,525	5,082,140	1,158,315	2,714,721	8,532,466	8,633,129	9,354,649	7,467,818
Total net revenues (expenses):	(44,195,892)	(49,436,279)	(44,489,476)	(44,939,650)	(39,395,910)	(19,622,701)	(5,352,594)	(1,893,998)	(7,785,479)	(2,942,160)

CITY OF NOBLESVILLE
Changes in Net Position
For the years ended December 31,
(continued)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property Taxes	\$ 33,518,336	\$ 33,429,880	\$ 31,499,986	\$ 30,726,558	\$ 31,297,880	\$ 21,496,817	\$ 18,938,695	\$ 17,690,397	\$ 13,622,792	\$ 11,487,257
Food and beverage tax	1,354,073	1,035,443	1,134,993	976,370	1,057,393	906,666	786,550	92,843	-	-
County Option income tax ^b	15,391,329	18,872,642	7,278,699	14,510,985	14,819,612	12,939,381	9,684,323	11,960,197	8,735,420	-
Financial institutions tax	85,525	89,317	103,537	111,783	113,471	68,756	69,533	75,661	-	-
Auto and aircraft excise tax ^b	2,005,476	1,948,698	1,860,137	2,037,471	1,914,759	1,158,011	961,210	1,002,165	1,015,497	-
Commercial vehicle excise tax	32,809	32,700	32,197	32,107	36,149	20,881	20,057	20,340	-	-
State cigarette tax ^b	175,426	143,823	146,638	153,567	34,900	37,660	42,882	23,932	146,725	-
Gaming tax	307,860	246,253	246,254	246,254	246,845	248,132	247,622	180,281	180,281	-
Other taxes	358,162	1,393,226	1,329,562	1,283,876	221,809	102,025	80,738	86,717	204,712	-
Other Miscellaneous	197,775	1,457,788	96,081	94,128	351,169	479,202	521,137	389,597	525,768	535,739
Unrestricted investment earnings	87,537	107,044	181,152	366,182	1,620,290	3,759,583	2,526,149	1,138,730	383,857	279,044
Transfers	200,000	4,900,493	-	-	-	-	-	-	-	-
Total Governmental activities:	53,714,308	63,657,307	43,909,236	50,539,281	51,714,277	41,217,114	33,878,896	32,660,860	24,815,052	24,851,798
Business - Type activities:										
Other Miscellaneous	59,948	124,409	84,208	313,046	913,619	470,461	6,507	19,937	2,285	2,785
Unrestricted investment earnings	(200,000)	(4,900,493)	-	-	-	1,514,374	1,347,162	558,076	162,922	185,920
Transfers	(140,052)	(4,776,084)	84,208	313,046	913,619	1,984,835	1,353,669	578,013	165,207	(12,361,053)
Total Business - Type activities:	53,574,256	58,881,223	43,993,444	50,852,327	52,627,896	43,201,949	35,232,565	33,238,873	24,980,259	12,490,745
Total Primary Government										
Change in net position	7,187,473	13,091,790	(3,640,765)	517,491	11,160,052	18,879,692	19,993,836	22,133,733	7,674,924	14,441,820
Governmental activities	2,190,891	(3,646,846)	3,144,733	5,395,186	2,071,934	4,699,556	9,886,135	9,211,142	9,519,856	(4,893,235)
Business-type activities	\$ 9,378,364	\$ 9,444,944	\$ (496,032)	\$ 5,912,677	\$ 13,231,986	\$ 23,579,248	\$ 29,879,971	\$ 31,344,875	\$ 17,194,780	\$ 9,548,585

Notes:

- ^aThe increase is due to infrastructure (roadways, right of ways, storm sewers) contributed by developers or acquired in annexations.
- ^bCertain tax revenues were reported as operating contributions prior to 2004.
- ^cThe food and beverage tax is a new local tax established in the last quarter of 2005.
- ^dVarious road maintenance and repair projects were completed in 2005 and 2006 that would interface with the Corporate Campus, 146th Street Extension and Hamilton Town Center.
- ^eIn 2007, the plant expansion was complete. Operating Expenses increased due to additional staff and treatment cost; growth in customer base and the maintaining of the Stormwater lines. A rate increase is planned beginning in 2008 to fund higher costs.
- ^fIn 2007, developers contributed a lower level of infrastructure assets.
- ^gThe increase in 2008 was a result of unusually low expenses in 2007. The majority of roadwork in 2007 included new bond funded capitalized infrastructure. Street repair and maintenance expenditures returned to historical norms in 2008.
- ^hThe increase in 2008 was due to interest incurred on three major bond issues in 2007, in addition the City reimbursed the County \$1.9 Million which paid a portion of the County's short term financing obligation for the 146th street project based on the terms of their interlocal agreement.
- ⁱIncrease due to additional tax increment revenues from growth in the City's economic development district and increase in the general levy to support the cost of services to growing areas.
- ^jThe increase is due to a \$2 million transfer to the wastewater utility and overstatement of capital additions in 2008 which was corrected in 2009 with a prior period adjustment.
- ^kThe increase in 2009 was due to pension obligations paid by the state that were received in the general fund and are expensed into the pension obligation funds.
- ^lThe decrease in COIT taxes is due to the recognition in 2010 of new State estimates of the balance in undistributed county option income taxes which now indicate distributions to the City exceed actual collections by \$5.2 million.
- ^mCOIT increased after State discovered previously reported excess distributions were erroneous.
- ⁿWastewater transferred \$4.7 million of infrastructure capital assets to the City related to the Maple Ave. project and \$200,000 in cash for payment of portion of 2009 COIT Bond payment.

CITY OF NOBLESVILLE
Fund Balances of Government Funds
As of December 31,

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund										
Reserved	\$ 195,808	\$ 412,644	\$ 340,366	\$ 788,475	\$ -	\$ -	\$ 438,066	\$ 404,161	\$ 181,262	\$ 264,185
Unreserved	14,414,375	10,611,369	3,390,856 ^b	10,054,004	11,365,305	9,575,844	8,429,043	7,126,256	5,588,667	4,243,336
Total general fund	<u>\$ 14,610,183</u>	<u>\$ 11,024,013</u>	<u>\$ 3,731,222</u>	<u>\$ 10,842,479</u>	<u>\$ 11,365,305</u>	<u>\$ 9,575,844</u>	<u>\$ 8,867,109</u>	<u>\$ 7,530,417</u>	<u>\$ 5,769,929</u>	<u>\$ 4,507,521</u>
All other governmental funds:										
Reserved	\$ 140,000	\$ 182,703	\$ 140,000	\$ 182,703	\$ 52,257	\$ 8,000	\$ 93,109	\$ 157,343	\$ 119,502	\$ 677,137
Unreserved, reported in:										
Special revenue funds	9,596,605	7,133,268	9,596,605	7,133,268	4,518,786	8,746,607	9,248,520	7,612,249	1,703,223	1,263,375
Debt service funds	16,577,470	21,535,866	16,577,470	21,535,866	16,705,425	13,796,356	15,539,652 ^a	8,202,844	8,479,147	8,530,397
Capital projects funds	33,861,901	34,733,159	33,861,901	34,733,159	39,471,780	37,923,233	52,345,426 ^a	27,084,780	26,516,138	32,872,739
Total all other governmental funds	<u>\$ 52,522,805</u>	<u>\$ 56,740,795</u>	<u>\$ 60,175,976</u>	<u>\$ 63,584,996</u>	<u>\$ 60,748,248</u>	<u>\$ 60,474,196</u>	<u>\$ 77,226,707</u>	<u>\$ 43,057,216</u>	<u>\$ 36,818,010</u>	<u>\$ 43,343,648</u>
Spendable										
Restricted	\$ 7,132,134	\$ 9,907,989	\$ 7,132,134	\$ 9,907,989	\$ 52,257	\$ 8,000	\$ 93,109	\$ 157,343	\$ 119,502	\$ 677,137
Committed	38,354,850	38,824,798	38,354,850	38,824,798	4,518,786	8,746,607	9,248,520	7,612,249	1,703,223	1,263,375
Assigned	7,063,957	8,031,407	7,063,957	8,031,407	16,705,425	13,796,356	15,539,652 ^a	8,202,844	8,479,147	8,530,397
Unassigned	(28,136)	(23,399)	(28,136)	(23,399)	39,471,780	37,923,233	52,345,426 ^a	27,084,780	26,516,138	32,872,739
Total all other governmental funds	<u>\$ 52,522,805</u>	<u>\$ 56,740,795</u>	<u>\$ 60,175,976</u>	<u>\$ 63,584,996</u>	<u>\$ 60,748,248</u>	<u>\$ 60,474,196</u>	<u>\$ 77,226,707</u>	<u>\$ 43,057,216</u>	<u>\$ 36,818,010</u>	<u>\$ 43,343,648</u>

(1) In fiscal year 2011, the City implemented GASB 54 which changed the reporting for Governmental Fund Balances. The table reflects the new reporting for fiscal years after 2010.

^a Increases due to unexpended bond proceeds from the \$65 million in 2006 tax increment bonds issued to fund road and infrastructure projects.

^b Due to \$7.2 million decrease in county option income tax revenue.

CITY OF NOBLESVILLE
Changes in Fund Balances of Governmental Funds
For the years ended December 31,

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Revenues										
Taxes	\$ 48,909,665	\$ 52,302,522	\$ 39,692,534	\$ 46,983,488	\$ 42,828,747	\$ 35,313,930	\$ 33,373,858	\$ 22,074,028	\$ 13,768,201	\$ 14,349,025
License and Permits	1,041,469	880,514	1,211,889	2,839,614	4,015,080	4,766,746	1,927,403	4,774,613	3,992,689	3,129,928
Intergovernmental	7,006,243	9,561,405	6,400,980	10,109,448	9,733,730	4,568,974	4,499,564	11,522,024	12,124,701	11,537,554
Charges for Services	4,608,884	4,968,841	4,266,662	3,391,410	3,498,977	4,255,528	3,488,269	7,400,288	3,136,888	2,722,277
Fines and Forfeits	1,360,929	1,229,212	1,510,745	871,529	529,368	226,955	472,565	437,111	555,854	489,444
Miscellaneous	1,024,593	2,397,883	2,643,998	6,035,727	3,420,874	9,514,350	9,246,271	6,333,400	1,099,802	954,215
Total Revenues	63,951,783	71,340,377	55,726,808	70,231,216	64,026,796	58,646,483	53,007,930	52,541,464	34,678,135	33,182,443
Expenditures										
General Government	10,608,113	9,595,888	10,886,951	12,313,353	10,549,024	9,456,041	7,642,116	6,124,743	5,955,690	5,584,024
Public Safety	22,732,098	22,662,721	21,521,289	21,644,333	20,476,142	15,608,097	17,752,179	15,047,287	12,634,594	12,361,224
Highways and Streets	3,170,642	2,955,128	3,736,184	4,894,379	4,909,892	4,981,030	5,859,767	2,523,005	2,087,222	3,235,819
Culture and Recreation	2,680,447	2,369,580	2,313,302	2,416,834	2,292,540	2,190,187	1,881,389	1,644,881	1,585,824	1,486,752
Economic Development	-	-	20,316	1,241,557	-	-	-	-	-	-
Capital Outlay	9,177,513	15,680,430	18,504,712	28,793,258	31,744,668	57,263,116	45,481,300	29,513,501	27,836,209	17,935,326
Debt Service:										
Principal	8,171,799	6,309,128	5,723,110	4,554,177	3,512,432	2,405,000	10,075,000	3,987,187	10,768,108	17,223,667
Interest	8,791,201	9,296,031	9,649,715	9,198,157	10,114,585	6,939,697	4,339,733	3,378,646	2,940,093	2,785,192
Issuance costs	274,708	-	373,748	581,322	498,100	144,714	281,300	283,596	432,775	952,318
Total Expenditures	65,606,521	68,868,906	72,729,327	85,637,370	84,097,383	98,987,882	93,312,784	62,502,846	64,240,515	61,564,522
Excess (deficiency) of revenues over (under) expenditures	(1,654,738)	2,471,471	(17,002,519)	(15,406,154)	(20,070,587)	(40,341,399)	(40,304,854)	(9,961,382)	(29,562,380)	(28,382,079)
Other Financing Sources (Uses)										
Financing by capital lease	181,330	1,186,139	162,527	3,118,161	438,435	176,861	926,182	234,705	3,101,586	-
Transfers in	16,254,913	20,957,273	15,955,695	15,776,830	11,662,418	7,915,290	6,434,805	1,336,881	11,478,444	21,983,242
Transfers out	(16,254,913)	(20,957,273)	(15,955,695)	(15,776,830)	(11,662,418)	(7,915,290)	(6,434,805)	(1,336,881)	(11,478,444)	(9,433,484)
Transfer from Proprietary Fund	200,000	200,000	-	-	-	-	-	-	-	-
Transfer to Wastewater Utility	-	-	-	(2,000,000)	-	-	-	-	-	-
Payment to refunded bond escrow	(23,982,202)	-	(15,337,538)	(4,226,832)	21,615,000	24,330,000	74,884,855	17,040,000	21,225,000	43,970,000
Issuance of debt	24,235,000	-	20,730,000	20,845,000	-	(209,238)	-	686,371	(27,436)	1,366,009
Premium (discount) on issuance of debt	388,790	-	927,253	(16,258)	80,665	-	-	-	-	-
Total other financing sources (uses)	1,022,918	1,386,139	6,482,242	17,720,071	22,134,100	24,297,623	75,811,037	17,961,076	24,299,150	57,885,767
Net change in fund balance	\$ (631,820)	\$ 3,857,610	\$ (10,520,277)	\$ 2,313,917	\$ 2,063,513	\$ (16,043,776)	\$ 35,506,183	\$ 7,999,694	\$ (5,263,230)	\$ 29,503,688
Debt service as a percentage of noncapital expenditures	30.1%	29.3%	28.4%	24.2%	26.0%	22.4%	30.1%	22.3%	37.7%	45.9%

^a Reflects increase in property taxes due to a combination of general levy increase to support growing areas, new debt service levies for fire station and road project bonds and additional tax increment revenues from growth in the City's economic development areas.

^b Increases in road and park impact fees from new development.

^c Reflects funds from the redevelopment authority for road maintenance and repair benefiting Corporate Campus.

^d City issued \$65 million in bonds for 146th Street extension and infrastructure improvements for Hamilton Town Center.

^e In 2006, County Option Income Tax was reclassified from Intergovernmental Revenue to Tax Revenue

^f City issued \$24 million for Hazel Dell Road extension.

^g Due to decline in local option income tax collections.

^h Discretionary capital outlay expenditures lowered in anticipation of lower tax revenues.

ⁱ Increase in County Option Income Tax due to State correcting previously understated tax collections and distributions.

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CITY OF NOBLESVILLE
Assessed Value and True Tax Value of Taxable Property
Last Ten Fiscal Years

	Real Property				Total Real Property
	Residential	Commercial	Industry	Other (3)	
2012	\$ 523,665,894	\$ 310,967,771	\$ 27,020,979	\$ 4,022,320	\$ 865,676,964
2011	519,476,575	316,341,707	24,909,933	3,353,651	864,081,866
2010	521,890,929	283,664,987	29,882,179	3,741,538	839,179,633
2009	519,754,416 (6)	261,839,660	19,503,459	4,391,530	805,489,065
2008	704,495,331	228,779,813	17,894,646	3,654,537	954,824,327
2007	641,280,191	195,884,750	14,517,472	3,484,120	855,166,533 (5)
2006	518,083,923	161,383,154	12,452,283	11,891,857	703,811,217
2005	458,934,979	148,180,303	11,288,347	5,103,277	623,506,906
2004	414,534,719	128,954,019	10,918,512	10,164,289	564,571,539
2003	383,619,883	122,778,565	10,546,267	11,659,066	528,603,781

	Personal Property	Total Real and Personal Property	Less Tax Increment District	Total		Total Direct Tax Rate
				Assessed Value (1)	True Tax Value (2)	
2012	\$ 53,115,341	\$ 918,792,305	\$ 152,789,786	\$ 766,002,519	\$ 2,298,007,557	\$ 1.1502
2011	63,449,760	927,531,626	175,867,017	751,664,609	2,254,993,827	1.0521
2010	53,872,349	893,051,982	160,326,332	732,725,650	2,198,176,950	1.0276
2009	49,676,897	855,165,962	138,069,674	717,096,288	2,151,288,862	1.0615
2008	44,880,451	999,704,778	108,682,282	891,022,496	2,673,067,486	0.7814
2007	41,141,530 (4)	896,308,063	86,201,737	810,106,326	2,430,318,978	0.7670
2006	63,145,279	766,956,497	63,356,882	703,599,615	2,110,798,844	0.8189
2005	64,091,379	687,598,285	47,533,315	640,064,970	1,920,194,910	0.7770
2004	55,550,934	620,122,472	41,890,670	578,231,803	1,734,695,408	0.7571
2003	57,457,355	586,061,136	35,266,875	550,794,261	1,652,382,783	0.7069

(1) Property reassessments were effective in 2003.

(2) True tax value is 3 times assessed value. Beginning in 2002, tax rates were based upon \$100 of true tax value. In prior years, the rate was per \$100 of assessed value.

(3) Includes adjustments due to appeals as well as assessed values from property classes of agriculture, exempt, utility and other as defined by the County Auditor's office.

(4) Decrease in 2007 due to elimination of business inventories from taxable property.

(5) Beginning in 2007 real property assessments were adjusted annually to market value based on sales data ("Trending").

(6) Decrease due to supplemental homestead deductions provided in 2009.

Source: Hamilton County Auditor's Office - Total Assessed and true tax values are those amounts that have been reported to and certified by the State each year.

CITY OF NOBLESVILLE
Direct and Overlapping Property Tax Rates *
Last Ten Fiscal Years

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
City Direct Rates					
Corporation General	\$ 0.7494	\$ 0.7234	\$ 0.6681	\$ 0.6127	\$ 0.4662
MVH	0.0936	0.1019	0.1115	0.1021	0.0673
Fire Pension	-	-	-	-	-
Police Pension	-	-	-	-	-
Cumulative Cap Development	0.0280	0.0299	0.0299	0.0300	0.0300
Park	0.0591	0.0598	0.0635	0.0581	0.0377
Debt Service	0.0070	0.0038	0.0051	0.0052	0.0032
Lease Rental	0.0869	0.0482	0.0572	0.0482	0.0338
Fire Building Debt	0.0345	0.0213	0.0231	0.0256	0.0210
Thoroughfare Bond	0.0321	0.0196	0.0213	0.0238	0.0193
Fire Equipment Debt	-	-	0.0005	0.0304	0.0255
Cum Fire Special	0.0185	0.0198	0.0198	0.0199	0.0199
Redevelopment Bonds #1	-	-	-	-	0.0200
Redevelopment Bonds #2	-	-	-	-	0.0100
Obligation Bond	-	-	-	0.0400	-
City Redevelopment TIF TIR	-	-	-	0.0339	0.0275
Debt Payment	0.0411	0.0244	0.0276	0.0316	-
Total Direct Rate	<u><u>\$ 1.1502</u></u>	<u><u>\$ 1.0521</u></u>	<u><u>\$ 1.0276</u></u>	<u><u>\$ 1.0615</u></u> (1)	<u><u>\$ 0.7814</u></u>
Overlapping Rates:					
State Rate	-	-	-	-	0.0024
County Rate	0.2901	0.2769	0.2724	0.2651	0.2046
Solid Waste	0.0032	0.0030	0.0030	0.0029	0.0023
Township Rates					
Noblesville	0.0076	0.0052	0.0073	0.0088	0.0073
Delaware	0.0224	0.0208	0.0226	0.0264	0.0086
Wayne	0.0161	0.0160	0.0160	0.0156	0.0129
Fall Creek	0.0079	0.0105	0.0110	0.0116	0.0077
Library Rates	0.0756	0.0615	0.0615	0.0615	0.0486
School Districts					
Noblesville School Corporation	1.3502	1.3686	1.1173	1.0750	1.5660
Hamilton Southeastern School Corp	1.1376	1.1263	1.1151	1.1041	1.5514

Source: Hamilton County Auditor's Office

(1) Increase in tax rate was due to decrease in taxable assessed value as a result of new supplemental homestead deductions.

CITY OF NOBLESVILLE
Direct and Overlapping Property Tax Rates *
Last Ten Fiscal Years
(continued)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
City Direct Rates					
Corporation General	\$ 0.4652	\$ 0.5009	\$ 0.5061	\$ 0.4961	\$ 0.4530
MVH	0.0606	0.0571	0.0697	0.0760	0.0906
Fire Pension	0.0082	0.0094	0.0104	0.0172	0.0181
Police Pension	0.0037	0.0047	0.0052	0.0051	0.0054
Cumulative Cap Development	0.0300	0.0309	0.0309	0.0309	0.0309
Park	0.0393	0.0358	0.0299	0.0331	0.0343
Debt Service	0.0048	0.0044	0.0052	0.0095	0.0068
Lease Rental	0.0387	0.0500	-	-	-
Fire Building Debt	0.0236	0.0318	0.0236	-	0.0042
Thoroughfare Bond	0.0219	0.0241	0.0219	-	-
Fire Equipment Debt	0.0273	0.0294	0.0376	0.0519	0.0285
Cum Fire Special	0.0199	0.0205	0.0205	0.0205	0.0205
Redevelopment Bonds #1	-	-	-	-	-
Redevelopment Bonds #2	-	-	-	-	-
Obligation Bond	-	-	-	-	-
City Redevelopment TIF TIR	0.0238	0.0199	0.0160	0.0168	0.0146
Debt Payment	-	-	-	-	-
Total Direct Rate	<u>\$ 0.7670</u>	<u>\$ 0.8189</u>	<u>\$ 0.7770</u>	<u>\$ 0.7571</u>	<u>\$ 0.7069</u>
Overlapping Rates:					
State Rate	0.0024	0.0024	0.0024	0.0024	0.0033
County Rate	0.2191	0.2338	0.2375	0.2305	0.2193
Solid Waste	0.0024	0.0027	0.0028	0.0029	-
Township Rates					
Noblesville	0.0087	0.0068	0.0087	0.0092	0.0081
Delaware	0.0088	0.0153	0.0205	0.0125	0.0118
Wayne	0.0135	0.0148	0.0035	0.0037	0.0046
Fall Creek	0.0090	0.0103	0.0118	0.0137	0.0142
Library Rates	0.0572	0.0611	0.0565	0.0430	0.0414
School Districts					
Noblesville School Corporation	1.4703	1.4946	1.4928	1.4721	1.3894
Hamilton Southeastern School Corp	1.4990	1.5904	1.5146	1.4323	1.4323

CITY OF NOBLESVILLE
Principal Taxpayers
Current and Nine Years Ago

Taxpayer	2012			2003		
	Assessed Value	Rank	Percent of Total City Assessed Value *	Assessed Value	Rank	Percent of Total City Assessed Value *
Hamilton Town Center LLC	\$ 21,126,033	1	2.76%			
Pedcor Property Acquisition LLC / Lions Creek Associates Ltd.	11,323,467	2	1.48%	\$ 8,344,517	1	1.51%
Prairie Lakes Apartments LLC	10,323,467	3	1.35%			
Autumn Breeze Apartment Homes LLC	7,592,077	4	0.99%			
Inland Southeast Stoney Creek LLC/Inland Real Estate Corp./Inland Real Estate BSC LLC	6,374,367	5	0.83%			
Meijer Stores LP	6,281,023	6	0.82%			
SMC Corporation	4,869,667	7	0.64%			
Rg Indiana LLC	4,805,900	8	0.63%			
Village of Pebblebrook Apts	4,703,867	9	0.61%	4,261,700	5	0.77%
Lowes	4,524,553	10	0.59%			
Wayne R. Nelson Association				5,849,637	2	1.06%
Wal-Mart Stores, Inc.				5,655,910	3	1.03%
Marsh/Village Pantry/Mundy Realty				4,457,787	4	0.81%
Home Depot				4,210,470	6	0.76%
Apts, Noble Manor				4,102,690	7	0.74%
River's Edge Apts, An Indiana Partnership				3,862,660	8	0.70%
Hare Holding Corp./ W. Hare & Sons				3,691,723	9	0.67%
Palmer Properties/Pebble Brook				3,622,427	10	0.66%
	<u>\$ 81,924,421</u>		<u>10.70%</u>	<u>\$ 48,059,521</u>		<u>8.71%</u>

Source: Hamilton County Auditor's Office

* Based on City's assessed values as reported on assessed value table.

CITY OF NOBLESVILLE
Property Tax Levied and Collected
Last Ten Fiscal Years

	Total Taxes Levied for the Current Fiscal Year	Collection of Current Fiscal Year Tax Levy (A)	% of Levy	Collections of Prior Year Levies (B)	Total Collections	
					Amount (C)	% of Levy
2012	\$ 22,203,527	\$ 21,399,097	96.38%	\$ 1,013,643	\$ 22,412,740	100.94%
2011	20,186,694	18,828,498	93.27%	799,275	19,627,773	97.23%
2010	20,344,472	18,857,208	92.69%	1,420,632	20,277,840	99.67%
2009	22,951,944	21,555,699	93.92%	1,333,751	22,889,450	99.73%
2008	20,967,522	N/A	N/A	N/A	20,729,792	98.87%
2007	18,697,437	N/A	N/A	N/A	18,636,739	99.68%
2006	17,301,765	N/A	N/A	N/A	17,118,116	98.94%
2005	14,897,090	N/A	N/A	N/A	14,862,144	99.77%
2004	13,154,493	N/A	N/A	N/A	13,178,161	100.18%
2003	11,444,927	N/A	N/A	N/A	11,303,520	98.76%

- (A) Amount represents collections of tax levy due in the reporting year. For 2008 and years prior, the data to segregate collections for the current year levy from collections of prior levy's is not available.
- (B) Collections of prior year levies represents any collections for years prior to the reporting year. The data to segregate collections by year billed in unavailable.
- (C) Total collections in the reporting year is the total of taxes due and collected in reporting year and any delinquent taxes collected in reporting year.

Note: Hamilton County Auditor's Office system is not set-up to track collections by year levied. As of the end of 2012, total delinquent property tax due to the City for 2012 and all prior years was approximately \$1,321,862.

Source: Hamilton County Auditor's Office

CITY OF NOBLESVILLE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities					
Property Tax			Revenue Bonds		
	Building Corporation Bonds	Redevelopment Bonds	COIT Bonds	Tax Increment Bonds	Capital Leases
2012	\$ 28,865,000	\$ 5,565,000	\$ 6,090,000	\$ 152,925,000	\$ 2,446,531
2011	30,465,000	5,860,000	6,680,000	155,890,000	3,171,999
2010	31,875,000	6,145,000	7,095,000	159,105,000	2,969,988
2009	32,980,000	7,435,000	7,490,000	154,970,000	3,840,026
2008	33,580,000	8,690,000	3,370,000	144,070,000	1,702,034
2007	25,130,000	9,900,000	3,670,000	132,280,000	1,942,674
2006	25,580,000	11,075,000	3,960,000	108,440,000	2,469,229
2005	25,905,000	12,095,000	4,240,000	43,670,000	2,106,817
2004	8,930,000	12,995,000	4,500,000	44,225,000	2,814,035
2003	1,300,000	6,430,000	4,755,000	44,225,000	665,557

	Total Governmental Activities	Business Activities Sewage Revenue Bonds	Total Primary Government	Percentage of Personal Income ¹	Debt per Capita ¹
2012	\$ 195,891,531	\$ 40,190,000	\$ 236,081,531	8.25%	4,274
2011	202,066,999	41,475,000	243,541,999	9.21%	4,486
2010	207,189,988	30,710,000	237,899,988	10.05%	4,578
2009	206,715,026	31,890,000	238,605,026	9.99%	4,741
2008	191,412,034	33,025,000	224,437,034	11.39%	5,281
2007	172,922,674	33,675,000	206,597,674	10.88%	4,971
2006	151,524,229	17,950,000	169,474,229	9.53%	4,225
2005	88,016,817	13,905,000	101,921,817	5.93%	2,590
2004	73,464,035	14,835,000	88,299,035	5.82%	2,433
2003	57,375,557	15,735,000	73,110,557	4.87%	2,065

¹ Population and personal income data can be found in the Demographics and Economic Schedule

CITY OF NOBLESVILLE
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

	Building Corporation Bonds	Redevelopment Bonds	Total	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value*	Net Bonded Debt Per Capita*
2012	\$ 28,865,000	\$ 5,565,000	\$ 34,430,000	\$ 3,861,745	\$ 30,568,255	3.99%	553
2011	30,465,000	5,860,000	36,325,000	7,571,067	28,753,933	3.83%	530
2010	31,875,000	6,145,000	38,020,000	7,427,748	30,592,252	4.18%	589
2009	32,980,000	7,435,000	40,415,000	9,970,223	30,444,777	4.25%	605
2008	33,580,000	8,690,000	42,270,000	7,649,437	34,620,563	3.89%	815
2007	25,130,000	9,900,000	35,030,000	3,133,891	31,896,109	3.94%	767
2006	25,580,000	11,075,000	36,655,000	2,975,356	33,679,644	4.79%	840
2005	25,905,000	12,095,000	38,000,000	2,620,442	35,379,558	5.53%	899
2004	8,930,000	12,995,000	21,925,000	567,681	21,357,319	3.69%	588
2003	1,300,000	6,430,000	7,730,000	238,058	7,491,942	1.36%	212

* The City's population can be found in the Demographics and Economics Schedule and the assessed value can be found on the Assessed Value Schedule.

Notes:

- 1) This schedule includes only debt repaid with property taxes. It excludes bonds payable from income taxes and tax increment financing bonds.
- 2) The bonded debt on this schedule which is outstanding at December 31, 2012 is not reflected on the computation of legal debt margin because it was issued as lease rental obligations which are exempt from the 2% limitation.
- 3) Based on the assumptions described above, outstanding balances from the following bond issues included in the ratios above: \$660,000 2001 Building Corp. Lease Rental Bonds; \$5,650,000 2004A Building Corporation 1st Mortgage Bonds; \$5,565,000 2004 Redevelopment Authority Economic Development Lease Rental Bonds; \$14,540,000 2005 Building Corporation First Mortgage Bonds; \$8,015,000 2008 Building Corporation 1st Mortgage Bonds.

CITY OF NOBLESVILLE
Direct and Overlapping Debt
At December 31, 2012

<u>Governmental Unit</u>	<u>Outstanding Debt</u>	<u>Percent Applicable to Noblesville</u>	<u>Amount Applicable to Noblesville</u>
Direct Debt:			
City of Noblesville	\$ 195,891,531	100.00%	\$ 195,891,531
Overlapping Debt Paid with Property Taxes:			
Hamilton Southeastern School Corporation	306,574,155	4.01%	12,293,624
Noblesville Schools	161,074,516	85.27%	137,348,240
Noblesville Southeastern Public Library	20,730,000	28.51%	5,910,123
Hamilton County	70,147,202	13.39%	9,392,710
Other Overlapping Debt:			
Hamilton County Tax Increment Bonds	67,145,000	13.39%	8,990,716
Hamilton County - County Option Income Tax	26,125,000	13.39%	3,498,138
Hamilton County - Revenue Bonds	<u>3,330,000</u>	13.39%	<u>445,887</u>
Subtotal Overlapping Debt	<u>\$ 655,125,873</u>		<u>\$ 177,879,438</u>
Total Direct and Overlapping Debt			<u><u>\$ 373,770,969</u></u>

Note: The percentage of overlapping debt applicable is estimated using assessed values. The percentages are calculated by deterring the portion of another governmental unit's assessed value that is within the City's corporate boundaries and dividing it by each unit total assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF NOBLESVILLE

Legal Debt Margin

December 31, 2012

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed value	\$ 766,002,519
Debt Limit (2% of assessed value)	15,320,050
Debt applicable to limit (A)	<u>4,365,000</u>
Legal debt margin	<u><u>\$ 10,955,050</u></u>

	<u>Debt Limit</u>	<u>Total net debt applicable to limit</u>	<u>Legal debt margin</u>	<u>Total net debt applicable to the limit as a percentage of debt limit</u>
2012	\$ 10,955,050	\$ 4,365,000	\$ 6,590,050	39.84%
2011	15,033,292	4,745,000	10,288,292	31.56%
2010	14,654,513	5,110,000	9,544,513	34.87%
2009	14,341,926	5,470,000	8,871,926	38.14%
2008	17,820,450	1,210,000	16,610,450	6.79%
2007	16,202,127	1,380,000	14,822,127	8.52%
2006	14,071,992	1,545,000	12,526,992	10.98%
2005	12,801,299	1,705,000	11,096,299	13.32%
2004	11,564,636	1,855,000	9,709,636	16.04%
2003	11,015,885	2,000,000	9,015,885	18.16%

(A) All other outstanding debt of the City is structured as lease transactions or tax increment district bonds. Neither of these types of obligations are subject to the 2% limitation shown above. Currently the only outstanding debt subject to the City's statutory debt limit are the 1998 COIT Revenue Bonds and the 2009 COIT Bonds.

CITY OF NOBLESVILLE
 Governmental Activities Pledged Revenue Coverage
 Last Ten Fiscal Years

	County Option Income Tax			Tax Increment Bonds ¹				
	COIT Revenue	Debt Service Principal	Interest	Coverage	Tax Increment	Debt Service Principal	Interest	Coverage
2012	\$ 11,016,101	\$ 590,000	\$ 256,438	13.01	\$ 11,494,982	\$ 3,960,000	\$ 6,763,649	1.07
2011	12,636,365	415,000	252,312	18.94	13,763,302	3,215,000	7,191,746	1.32
2010	12,884,599	360,000	232,605	21.74	12,070,518	2,065,000	7,030,611	1.33
2009	13,183,558	365,000	304,121	19.70	9,202,134	1,500,000	7,050,948	1.08
2008	12,159,501	305,000	185,778	24.78	7,079,079	1,115,000	5,613,033	1.05
2007	11,069,152	295,000	200,353	22.35	5,807,060	495,000	4,019,340	1.29
2006	10,225,147	280,000	214,135	20.69	3,718,543	480,000	943,670	2.61
2005	7,802,524	265,000	226,904	15.86	2,948,383	460,000	963,670	2.07
2004	8,735,420	255,000	238,914	17.69	1,819,541	310,000	982,623	1.41
2003	11,064,553	245,000	250,858	22.31	1,248,647	-	265,713	4.70

Source: Pledged revenue data provided by the County Auditor is based upon actual annual COIT and Tax Increment distributions to the City.

¹ The tax increment bonds have other back up security for debt service payments in the event tax increment is not sufficient. These include, depending on the bond, tax payer agreements, COIT and special benefits tax levies.

CITY OF NOBLESVILLE
 Business - Type Activities Pledged Revenue Coverage
 Last Ten Fiscal Years

	<u>Gross Revenue (1)</u>	<u>Direct Operating Expenses (2)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Sewage Revenue Bond Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2012	\$ 10,418,556	\$ 4,720,032	\$ 5,698,524	\$ 1,285,000	\$ 1,882,563	\$ 3,167,563	1.80
2011	10,589,745	5,686,411	4,903,334	1,235,000	1,752,587	2,987,587	1.64
2010	10,163,011	5,064,162	5,098,849	1,180,000	1,433,450	2,613,450	1.95
2009	9,886,654	5,848,823	4,037,831	670,000	1,478,525	2,148,525	1.88
2008	11,219,288	6,846,590	4,372,698	650,000	1,500,275	2,150,275	2.03
2007	11,780,301	8,500,192	3,280,109	630,000	1,069,339	1,699,339	1.93
2006	11,435,298	3,230,805	8,204,493	3,325,000 (4)	504,290	3,829,290	2.14
2005	10,698,092	3,861,404	6,836,688	930,000	651,737	1,581,737	4.32
2004	9,966,354	2,664,374	7,301,980	900,000	701,307	1,601,307	4.56
2003	8,906,510	3,095,581	5,810,929	6,365,000 (3)	706,922	7,071,922	0.82

(1) Gross Revenues include sewage works operating and non-operating revenues.

(2) Operating Expenses include all sewage works expenses except interest on debt, depreciation and amortization.

(3) The wastewater utility redeemed the outstanding balance of its 1993 Revenue Bonds during 2003.

(4) The wastewater utility redeemed the outstanding balance of its 1998 Revenue Bonds during 2006.

CITY OF NOBLESVILLE
Demographic and Economic Statistics
Last Ten Years

	City of Noblesville					Hamilton County (3)		
	Population (1)	School Enrollment (2)	Unemployment Rate (3)	Personal Income (millions of dollars) (4)	Per Capita Personal Income (4)	Population	Personal Income (millions of dollars)	Per Capita Personal Income
2012	55,243	9,516	6.7%	\$ 2,862.9	\$ 51,824	289,495	\$ 15,002.8	\$ 51,824
2011	54,295	9,181	7.9%	2,643.7	48,692	276,452	13,461.0	48,692
2010	51,969	9,009	9.3%	2,367.5	45,556	274,569	12,723.1	45,556
2009	50,329	8,989	8.6%	2,388.4	47,456	279,287	12,857.6	47,456
2008	42,500	8,779	5.6%	1,971.1	46,378	269,785	12,512.1	46,378
2007	41,561	8,536	3.7%	1,898.3	45,676	261,661	11,509.4	45,676
2006	40,110	8,334	3.3%	1,779.0	44,354	250,979	10,677.0	44,354
2005	39,350	7,775	4.1%	1,719.6	43,701	240,732	9,989.5	43,701
2004	36,294	7,448	3.9%	1,516.6	41,786	230,064	9,233.0	41,786
2003	35,398	7,144	3.9%	1,499.8	42,369	220,973	8,780.0	42,369

Sources:

- 1) Population for 2010 is per official 2010 U.S. census. Estimated population for 2001 - 2004 & 2008 & 2009 are from the Noblesville Planning Department. Population for 2005 is based on a special census. Population for 2006, 2007 & 2011 are U.S. Census Bureau, estimates.
- 2) State of Indiana, Department of Education for students attending Noblesville School Corporation schools.
- 3) State of Indiana, Department of Workforce Development (IDWD). Hamilton County Personal Income and Per Capita Income figures are for the prior calendar year.
- 4) Personal Income and per capita income statistics are not maintained by the State for municipalities. Personal income data is available through the Indiana Department of Workforce Development, however, the smallest unit of government for which this can be obtained is the county level. In order to provide personal income data for the required ratios outlined in GASB 44, we have used Hamilton County data, as displayed above, from the IDWD. We have assumed that the per capital personal income for the County is reasonably representative of Noblesville per capita personal income. Personal income for the City shown above is calculated using City population estimates times the County per capita personal income.

CITY OF NOBLESVILLE
Principal Employers
Current year and nine years ago

<u>Employer</u>	<u>2012</u>			<u>2003</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment *</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment *</u>
Riverview Hospital (1)	1,278	1	5.10%	900	1	4.75%
Hamilton County	900	2	3.59%	619	4	3.27%
Noblesville School Corporation	897	3	3.58%	872	2	4.61%
SMC Corporation of America	610	4	2.43%			
King Systems, Inc.	428	5	1.71%	365	6	1.93%
City of Noblesville	373	6	1.49%	301	7	1.59%
Ryan Fire Protection Inc.	195	7	0.78%			
Industrial Dielectrics, Inc.	170	8	0.68%	150	8	0.79%
Riverwalk Village	150	9	0.60%			
Helmer Inc.	149	10	0.59%			
Wal-Mart				650	3	3.43%
Firestone Industrial Corporation				375	5	1.98%
Lowe's				150	9	0.79%
Noblesville-Southeastern Library				140	10	0.74%
Total	<u>5,150</u>		<u>20.55%</u>	<u>4,522</u>		<u>23.88%</u>

* Total employment as used above represents the total employment of all employers located within City limits. Total Employment for 2012 and 2003 was 25,064 and 18,935 respectively.

(1) Includes full and part time employment

Source: Noblesville Department of Economic Development

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CITY OF NOBLESVILLE
 Full-Time-Equivalent City Government Employees by Function/Program
 Last Ten Years

	Full-time Equivalent Employees as of December 31,									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Government										
Board of Works	3	3	3	3	6	5	3	3	3	3
Mayor	6	6	6	6	6	6	4	4	4	4
Clerk-Treasurer	5	5	5	5	5	5	4	4	4	4
Planning	13	13	15	17	19	21	18	17	16	16
Court	3	3	3	3	3	3	3	3	3	3
Network Administrator	3	3	3	3	3	3	2	2	2	2
Council	7	7	7	7	7	7	7	7	7	7
Human Resources	2	2	2	2	2	2	2	2	2	1
Economic Development	5	3	3	3	4	4	2	2	1	1
Engineering	10	10	10	10	11	11	8	8	8	7
Public Safety										
Police										
Officers	72	72	72	75	73	67	66	66	66	66
Civilians	10	10	9	11	12	11	10	10	14	14
Fire										
Firefighters and Officers	126	125	125	130	124	124	124	117	110	85
Civilians	5	5	5	6	6	6	5	5	4	3
Emergency Medical Services										
Volunteer Police	0	0	0	0	0	0	1	1	1	1
Communications	4	19	19	19	19	17	17	17	16	15
Highway and Streets	34	33	34	37	37	37	33	31	31	31
Parks and recreation	21	19	16	20	20	19	17	17	16	16
Wastewater	35	35	36	38	41	38	32	31	31	31
TOTAL	<u>364</u>	<u>373</u>	<u>373</u>	<u>395</u>	<u>398</u>	<u>386</u>	<u>358</u>	<u>347</u>	<u>339</u>	<u>310</u>

Source: Year End Reports of City Departments

CITY OF NOBLESVILLE
Operating Indicators by Function/Program
Last Ten Years

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Government					
Building Permits Issued:					
Residential (Single/Multi Families)	398	409	408	718	1,000
Commercial	12	12	13	11	45
Estimated Property Value of Building Permits Issued	\$ 148,893,479	\$ 129,969,200	\$ 74,865,132	\$ 97,321,243	\$ 196,201,736
Public Safety					
Police:					
Calls for Service	43,859	41,107	40,753	44,244	47,378
Physical Arrests	1,501	1,399	1,398	1,435	1,290
Citations Issued	2,800	3,090	3,120	3,043	4,269
Fire:					
Emergency Medical Responses	3,590	3,440	3,190	3,117	3,181
Fire Runs	1,204	1,273	1,380	1,188	1,303
Highway and Streets					
Total miles of public streets	246.9	242.8	239.8	236.65	231.36
Parks and recreation					
Golf Rounds Played	40,164	39,875	44,706	47,171	45,313
Number of reservations at Forest Park Inn	125 *	327	359	438	288
Wastewater					
Average daily sewage treatment (millions of gallons)	4.896	4.930	4.930	5.010	4.600
Number of customers served	17,874	17,501	17,097	16,753	16,267

* Starting in 2012, reservations recorded are paid reservations.

CITY OF NOBLESVILLE
Operating Indicators by Function/Program
Last Ten Years
(continued)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Building Permits issued:					
Residential (Single/Multi Families)	633	1,457	1,355	1,099	1,119
Commercial	59	43	24	43	27
Estimated Property Value of Building Permits issued	\$ 224,490,136	\$ 284,319,846	\$ 320,264,582	\$ 255,135,726	\$ 204,397,649
Public Safety					
Police:					
Calls for Service	46,589	48,033	41,730	37,558	37,270
Physical arrests	1,427	1,619	1,516	1,374	1,206
Citations Issued	3,407	3,876	3,618	3,906	4,054
Fire:					
Emergency Medical responses	2,931	2,695	2,638	2,194	1,890
Fire Runs	1,116	1,057	1,018	851	1,139
Highway and Streets					
Total miles of public streets	224.95	204.44	191.44	170.41	161.86
Parks and recreation					
Golf Rounds Played	46,633	47,557	48,409	48,987	83,233
Number of reservations at Forest Park Inn	313	575	472	522	432
Wastewater					
Average daily sewage treatment (million of gallons)	4.450	4.175	4.028	2.978	3.111
Number of customers served	15,604	14,810	13,758	12,547	11,662

Source: Year End Reports of City Departments

CITY OF NOBLESVILLE
 Capital Asset Statistics by Function/Program
 Last Ten Fiscal Years

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	7	7	7	7	6	6	6	6	4	4
Other public works										
Highways / Streets (miles)	246.90	242.80	239.80	236.65	231.26	212.2	204.44	191.44	170.41	161.86
Traffic signals	19	19	18	18	11	11	10	8	8	8
Street Lights	857	857	774	727	717 ^a	296	379	347	281	251
Parks and recreation										
Number of Parks	4	4	4	4	4	4	4	3	3	3
Acreage	852.36	833.7	833.7	899.3	899.3	899.3	615.57	526.67	526.67	526.67
Playgrounds	6	6	6	6	6	6	4	4	4	4
Baseball/softball diamonds	3	3	3	3	3	3	3	3	3	3
Soccer/football fields	22	22	22	9	9	9	7	7	7	7
Basketball Courts	12	12	12	12	12	12	14	14	14	14
Public Golf Courses	2	2	2	2	2	2	2	2	2	2
Public Pool *	1	1	1	1	1	1	1	1	1	1
Wastewater										
Sanitary sewers (miles)	258.74	256.29	254.6	251.27	246	241.59	232.73	224.1	212.13	200.69
Storm sewers (miles)	197.65	193.18	187.2	183.42	173	164.93	158.67	146.59	128.4	115.63

* Dillon Park opened a spray park in 2007

^a The increase in 2008 was a result of the implementation of GIS resulting in a more accurate tracking of street lights.

Source: Year End Reports of City Departments

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS
CITY OF NOBLESVILLE
HAMILTON COUNTY, INDIANA
January 1, 2012 to December 31, 2012



FILED
08/22/2013

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	3-4
Supplemental Audit of Federal Awards:	
Independent Auditor's Report on Compliance For The Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133	6-8
Schedule of Expenditures of Federal Awards	10
Note to Schedule of Expenditures of Federal Awards.....	11
Schedule of Findings and Questioned Costs	12
Auditee Prepared Schedule:	
Summary Schedule of Prior Audit Findings	13-15
Exit Conference.....	16

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Janet Jaros	01-01-12 to 12-31-15
Mayor	John Ditslear	01-01-12 to 12-31-15
President of the Board of Public Works	John Ditslear	01-01-12 to 12-31-15
President of the Common Council	Greg O'Connor Roy Johnson	01-01-12 to 12-31-12 01-01-13 to 12-31-13



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Noblesville (City), as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 13, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*
(Continued)

provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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



Bruce Hartman
State Examiner

June 13, 2013

SUPPLEMENTAL AUDIT OF
FEDERAL AWARDS



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for The Major Federal Program

We have audited the City of Noblesville (City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on its major federal program for the year ended December 31, 2012. The City's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on The Major Federal Program

In our opinion, the City complied in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2012.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133
(Continued)

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of *OMB Circular A-133*. Accordingly, this report is not suitable for any other purpose. In accordance with Indiana Code 5-11-5-1, this report is a part of the public records of the State Board of Accounts and of the office examined.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise City's basic financial statements. We issued our report thereon dated June 13, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
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REQUIRED BY OMB CIRCULAR A-133
(Continued)

statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditure of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Bruce Hartman
State Examiner

June 13, 2013

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

The Schedule of Expenditures of Federal Awards and accompanying note presented were prepared by management of the City. The schedule and note are presented as intended by the City.

CITY OF NOBLESVILLE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2012

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Federal CFDA Number	Pass-Through Entity (or Other) Identifying Number	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Pass-Through Indiana Department of Natural Resources Cooperative Forestry Assistance	10.664	FY 2012	<u>\$ 5,000</u>
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>			
Pass-Through Hamilton County CDBG - Entitlement Grants Cluster Community Development Block Grants/Entitlement Grants	14.218	HCCDBG-11-5	<u>120,252</u>
<u>U.S. DEPARTMENT OF THE INTERIOR NATIONAL PARK SERVICE</u>			
Direct Grant Historic Preservation Fund Grants - In-Aid Preserve America	15.904	18-10-AP-5038	<u>5,402</u>
<u>U.S. DEPARTMENT OF JUSTICE</u>			
Direct Grant Bulletproof Vest Partnership Program	16.607	FY 2012	<u>4,074</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>			
Pass-Through Indiana Department of Transportation Highway Planning and Construction Cluster Highway Planning and Construction	20.205	EDS #A249-11-320732	<u>1,800,000</u>
Pass-Through Hamilton County Highway Safety Cluster State and Community Highway Safety DUI Task Force	20.600	FY 2010 - FY 2013	<u>19,459</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I Aggressive Driving Big County/Big City Seatbelt	20.601	FY 2010 - FY 2013 FY 2010 - FY 2013	<u>4,132</u> <u>9,922</u>
Total for program			<u>14,054</u>
Total for cluster			<u>33,513</u>
Total for federal grantor agency			<u>1,833,513</u>
<u>U.S. DEPARTMENT OF ENERGY</u>			
Direct Grant ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)	81.128	DE-EE0002199	<u>52,440</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Direct Grant Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2008-FF-00200	<u>84,540</u>
Total federal awards expended			<u>\$ 2,105,221</u>

The accompanying note is an integral part of the Schedule of Expenditures of Federal Awards.

CITY OF NOBLESVILLE
NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Noblesville and is presented in accordance with the cash and investment basis of accounting used in the preparation of the financial statements. Accordingly, the amount of federal awards expended is based on when the disbursement related to the award occurs except when the federal award is received on a reimbursement basis. In these instances the federal awards are considered expended when the reimbursement is received.



CITY OF NOBLESVILLE
JANET S. JAROS
CLERK - TREASURER

Finding Number 2011-01

Original SBA Audit Report Number: B41061

Fiscal Year 2011

Auditee Contact Person Janet S. Jaros

Title of Contact Person Clerk-Treasurer

Phone Number 317-776-6328

Status of Finding corrected

Janet S. Jaros
Clerk - Treasurer

2-11-2013





CITY OF NOBLESVILLE
JANET S. JAROS
CLERK - TREASURER

Finding Number 2011-02

Original SBA Audit Report Number: B41061

Fiscal Year 2011

Auditee Contact Person Janet S. Jaros

Title of Contact Person Clerk-Treasurer

Phone Number 317-776-6328

Status of Finding corrected

Janet S. Jaros
Clerk - Treasurer

2-11-2013



*Serving Noblesville
ONE person at a time.*



CITY OF NOBLESVILLE
JANET S. JAROS
CLERK - TREASURER

Finding Number 2011-03

Original SBA Audit Report Number: B41061

Fiscal Year 2011

Auditee Contact Person Janet S. Jaros

Title of Contact Person Clerk-Treasurer

Phone Number 317-776-6328

Status of Finding corrected

Janet S. Jaros
Clerk - Treasurer

2-10-2013



16 SOUTH 10TH STREET, SUITE 270
NOBLESVILLE, INDIANA 46060
PHONE 317.776.6328 • FAX 317.776.6369

CITY OF NOBLESVILLE
EXIT CONFERENCE

The contents of this report were discussed on July 2, 2013, with Janet Jaros, Clerk Treasurer, and John Ditslear, Mayor. Our audit disclosed no material items that warrant comment at this time.