

# 2021

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

Comprehensive Annual Financial Report  
For year ending December 31, 2021



# *IndyGo*<sup>SM</sup>

Indianapolis Public  
Transportation Corporation

Marion County, Indiana

A component unit of the consolidated City of Indianapolis-Marion County Government Reporting Entity

[www.IndyGo.net](http://www.IndyGo.net)



Indianapolis Public Transportation Corporation

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

**Annual Comprehensive Financial Report  
For the Year Ended December 31, 2021**

Inez Evans  
President and Chief Executive Officer

Prepared by: Department of Finance



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**December 31, 2021**

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**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**  
**December 31, 2021**

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## **Introductory Section (Unaudited)**





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June 29, 2022

The Citizens of Indianapolis and Marion County and  
the Board of Directors for the  
Indianapolis Public Transportation Corporation  
Indianapolis, Indiana

We are pleased to submit for your information and consideration the Annual Comprehensive Financial Report (ACFR) of the Indianapolis Public Transportation Corporation (IndyGo or “the company”) for the year ending December 31, 2021.

The ACFR has become the standard format used in presenting the results of the company's annual financial operations for the calendar year. We believe this report is presented in a manner that fairly discloses the financial position and results of the company's operations as measured by its financial activities. To the best of our knowledge and belief, the disclosures are accurate in all material respects.

The accompanying basic financial statements, supplemental schedules and statistical information are the representation of the company's management team, who bear the responsibility of documental accuracy and completeness. Our Independent Auditors' Report, prepared by FORVIS, LLP, is included along with other necessary disclosures for maximum understanding of the company's financial activities.

In evaluating and developing the accounting system, Federal Transit Administration (FTA) and General Accepted Accounting Principles (GAAP) accounting methods are applied to achieve an adequate system of internal accounting controls. These practices ensure assets are protected against unauthorized use or disposition and the data used to prepare financial statements is timely and reliable.

These controls are designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance is to make certain the cost of controls does not exceed the benefit. It also recognizes the evaluation of costs and benefits require estimates and judgments by management. We believe the company's internal controls adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded.



The independent audit of the accompanying basic financial statements of IndyGo was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the accompanying basic financial statements, but also on the audited agency's internal controls and legal requirements involving the administration of federal awards. These reports are available in the Indianapolis Public Transportation Corporation's separately issued Single Audit Report.

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

### **Reporting Entity**

IndyGo is a municipal corporation as defined by the Urban Mass Transportation Act of 1965. In 1973, the company was chartered by a city ordinance to acquire, provide and maintain an urban mass transportation system for the Indianapolis metropolitan area. IndyGo is a component unit of the Consolidated City of Indianapolis-Marion County Reporting Entity.

IndyGo is governed by a seven-member Board of Directors, which provides broad policy and financial decisions, setting direction for management. The Indianapolis Mayor and the City-County Council of Indianapolis and Marion County appoint the Board, which is bi-partisan. The mayor appoints three members, and the Council appoints four.

Each year, the Board of Directors adopts a budget in late summer for the next calendar year, which is subsequently approved or modified by the Council. Budgetary control is maintained for certain funds, at the object level of expenditures, by the encumbrance of purchase orders against available appropriations. The budget becomes the day-to-day control document over expenditures at the department level. Changes within major account classifications require Board approval, while departments are given authority to transfer between minor line items within the major accounts.

The Board meets monthly in public session to put policies into effect. These meetings also include executive management presentations regarding the operational and financial status of the corporation.

The company's reporting entity includes only transit operations and there is no other organization within the Indianapolis metropolitan area providing a similar scope of public transportation service.

### **Accomplishments**

IndyGo accomplished many significant triumphs in 2021, one of the biggest being our preparation and outreach for the upcoming Bus Rapid Transit route, the Purple Line. Countless hours were dedicated to this project from nearly every department of the agency, and thanks to our collective efforts last year and beyond, the project is becoming a reality. Along with faster, more convenient travel, the Purple Line will increase economic opportunity and quality of life for Indianapolis residents who need it most. The 15.2-mile project will connect Indianapolis to the City of Lawrence and will bring major infrastructure improvements, including nearly 10 miles of sidewalks, more than 350 ADA curb ramps, new street paving, a multi-use path, storm sewer separation and much more to advance the community. IndyGo broke ground on the BRT route in February 2022, with the route scheduled to open for service in 2024.



The COVID-19 pandemic hit the industry hardest in 2020, but the effects have lasted much longer, with IndyGo specifically suffering from a lack of coach operators. To replenish those employee numbers, IndyGo launched a coach operator recruitment campaign titled, “Why I Drive.”

For this campaign, IndyGo implemented a variety of tactics to reach potential operators. The agency ran ads in the most-read local outlets and created a “Why I Drive” video to showcase reasons why current operators love to drive for IndyGo, whether that be schedule flexibility, the job providing a sense of purpose, etc. The “Why I Drive” webpage houses other campaign tactics, including the video, coach operator testimonials, a list of job benefits, a mention of IndyGo’s Second Chance Hiring Initiative and a direct link to the agency’s employment page. Social media followers were also exposed to the campaign through posts that were published almost daily. Since that campaign launched in the Fall of 2021, IndyGo has hired more than 60 new coach operators.

Another way the agency helped alleviate the employment issue was through the implementation of its Second Chance Hiring initiative, which helps those with a criminal record re-enter the workforce while increasing the pool of qualified applicants from which IndyGo can hire. IndyGo recognizes there is a stigma associated with a criminal record and this has resulted in significant obstacles to obtain employment. This policy helps level the playing field for applicants who may be highly qualified but have had a criminal conviction.

Also in response to the pandemic, IndyGo partnered with the Marion County Public Health Department to host a vaccination clinic that offers free COVID-19 vaccines or boosters to any eligible individual who walked in the door. The clinic started at IndyGo’s east campus, but eventually moved to the Julia M. Carson Transit Center.

Finally, IndyGo formed a significant partnership with Lumin-Air to increase clean, breathable air in its buses. The companies worked together to equip IndyGo’s full fleet with a state-of-the-art active air filtration and UVC lighting system to help continuously remove pathogens, allergens and odors from the air riders breathe. IndyGo will be the first transit agency in the nation to install this system on its full fleet.

### **Factors Affecting Financial Condition**

Marion County and the Indianapolis metropolitan area have seen significant economic growth in the decade since the previous recession. The Indianapolis metropolitan statistical area saw a decrease in its year-over-year unemployment rate to 1.9%. The labor force decreased slightly, by 3,224, to 491,322. Population estimates for 2021 rank Marion County 1st in Indiana, with 971,102 residents. While not immune to the rising costs associated with the real estate market, a relatively low cost of living combined with an average home price of around \$231,000, make Indianapolis and Marion County an attractive option for both personal and corporate investment.

Nationally, the unemployment rate also decreased over the year, down to 3.9% at the end of 2021. The federal fuel tax rate remained unchanged at 18.4 cents per gallon of gasoline. Uncertainty relating to the nation’s pandemic recovery and rising inflation continues to have political and policy implications, the effects of which have the potential to be felt at the local level. In 2021, the Federal government continued to allocate formula-based funding to transit, as well as offer opportunities to apply for competitive grants which can be used for innovative projects that deliver exceptional transportation benefits.



For Indiana, property tax reform legislation was enacted and reinforced via a constitutional amendment for property tax caps and periodic revaluation of property values. The impact of these caps, known as the "circuit breaker," resulted in a reduction of property tax collections of approximately \$6.3 million in 2021. These caps have placed considerable strain on all levels of local government to reduce costs and become more efficient.

In April of 2011, legislation was enacted that eliminated dedicated funding for the Public Mass Transportation Fund (PMTF), which distributes state sales tax revenue to Indiana public transportation service providers. PMTF is now a budget line item instead of a dedicated source of state transit funding, subject to reductions and the biennial budget process. While no longer a dedicated source of funding, PMTF proceeds remain at a consistent level and have been budgeted accordingly.

Beginning in January of 2020, IndyGo was the focus of some Indiana State legislation that would have crippled IndyGo's ability to offer discounted rider programs and move forward with capital projects like the Purple and Blue lines. Thanks to grassroots efforts spearheaded by our local transit advocacy group, and the support of bi-partisan law makers, IndyGo was able to overcome that legislation and move forward.

Congress passed various support packages to ease the economic impacts of COVID-19 including the "Coronavirus Aid, Relief and Economic Security Act" or "CARES Act," which received final passage by Congress and was signed into law by the President on March 27, 2020. The CARES Act provides funding at a 100% Federal share, with no local match required, and is available to support operating, capital and other expenses incurred by transit agencies beginning on January 20, 2020, to prevent, prepare for and respond to the COVID-19 pandemic. IndyGo received \$44.6 million to help fund the costs of increased protective equipment, capital projects for employee protection and operational support.

On December 27, 2020, the President authorized additional coronavirus relief funding (CRRSAA) as part of the Consolidated Appropriations Act- 2021. IndyGo received \$21.1 million under this act.

The American Rescue Plan Act of 2021 (ARP), which the President signed on March 11, 2021, includes additional federal funding to support the nation's public transportation systems as they continue to respond to the COVID-19 pandemic. IndyGo was the recipient of \$49.6 million in appropriations under the ARPA.

### **Financial Updates**

Marion County residents voted to approve a 0.25% income tax dedicated to mass transit improvements in 2016. The Indianapolis-Marion County City-County Council approved the tax in the spring of 2017, with collections beginning the following October. Appropriated each year by Council, the revenue from this tax provides funding for IndyGo's operating, capital and debt service budgets. It is used for the purposes approved by Council and State Statute. As with any income tax, future collections are driven by factors largely outside IndyGo's immediate control.

The first bond issue (Series 2018A) for the Marion County Transit Plan in the amount of \$26 million was issued by IndyGo in November 2018. This round of bonds will finance Purple Line Rapid Transit Design Services, Blue Line Rapid Transit Design Services, Local Bus and Paratransit Infrastructure and Bus Fleet Replacement.



IndyGo issued another round of debt worth \$22.5 million in June of 2021 for the purchase of 27 hybrid buses. The funding for both bond issuances come from the 0.25% Local Income Tax. During the bonding process, IndyGo received a standalone AA- rating from S&P.

Macroeconomic factors play a significant role in IndyGo's financial health, as these factors impact primarily all sources of our revenue. As the uncertainty of these factors present unique challenges for sustaining a high level of quality transit service, IndyGo must continue to build strong community partnerships and identify alternative funding opportunities. However, with the excellent oversight of the IPTC Board of Directors, alongside the committed IndyGo team, we will maintain efficiencies that will allow IndyGo to provide the support and service our dedicated transit customers currently expect, while at the same time shaping the future of mobility for the city of Indianapolis and Marion County.

Estimating financial impact on the revenue sources has been very challenging as there are various factors that influence these projections while we are experiencing the COVID-19 pandemic.

Like other transit agencies, IndyGo is still experiencing lagging ridership and fare revenue due to the impact of the COVID-19 pandemic. IndyGo expects a lengthy recovery before ridership and revenue return to pre-COVID levels.

The Local Transit Income Tax distributions for fiscal year 2021 actually showed a growth of 6.7% over 2020 mainly because the distributions are determined and certified 18 months in arrears. The next couple years are going to show a very minimal growth rate for this revenue. IndyGo will continue to evaluate the service and expenditure levels and make necessary changes that can help IndyGo secure the fiscal sustainability for the years to come.

The federal stimulus funds will help offset some the sharp declines in the revenues in the future years. However, IndyGo is working towards long-term strategies that will alleviate the gaps between the revenues and expenses in the future years by way of medications in the service levels and avoidance in the discretionary spending. Efforts to secure additional capital funding from federal, state and local sources continues.

### **Recognition**

For the 19th straight year, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to IndyGo for its Annual Comprehensive Financial Report for the year ended December 31, 2020.

A Certificate of Achievement is valid for a period of one year only. To receive this award, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report in compliance with the GFOA policies, procedures, and program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.



## **Acknowledgment**

We wish to acknowledge the participation and professional contribution of the accountancy firm of FORVIS, LLP in providing technical assistance. In addition, we wish to recognize those Finance and Administrative staff members who contribute their time and efforts in preparing this document.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Inez Evans".

Inez Evans, CEO

IndyGo

A handwritten signature in cursive script, reading "Richard B. Brown".

Richard B. Brown, VP of Finance/CFO

IndyGo





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Indianapolis Public Transportation Corporation  
Indiana**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2020

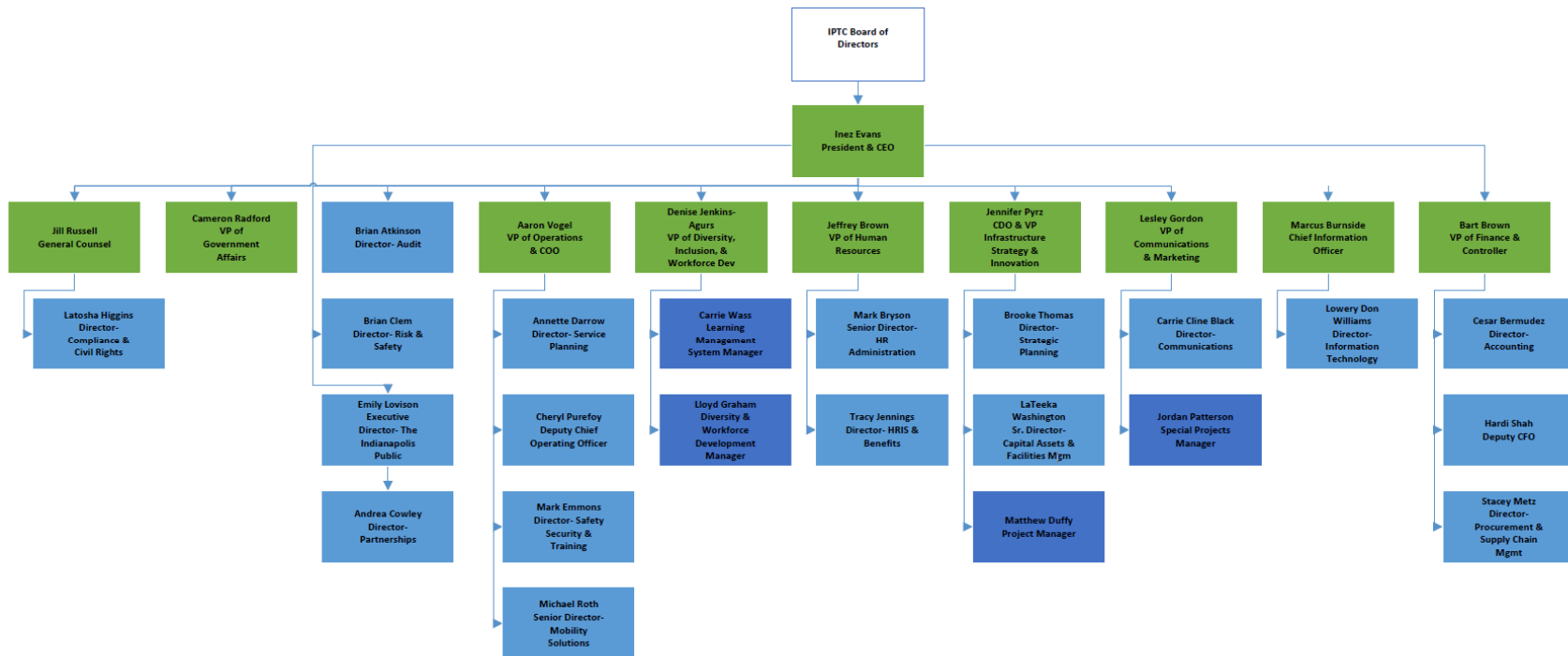
*Christopher P. Morill*

Executive Director/CEO



# Indianapolis Public Transportation Corporation

## Organizational Chart





# Indianapolis Public Transportation Corporation

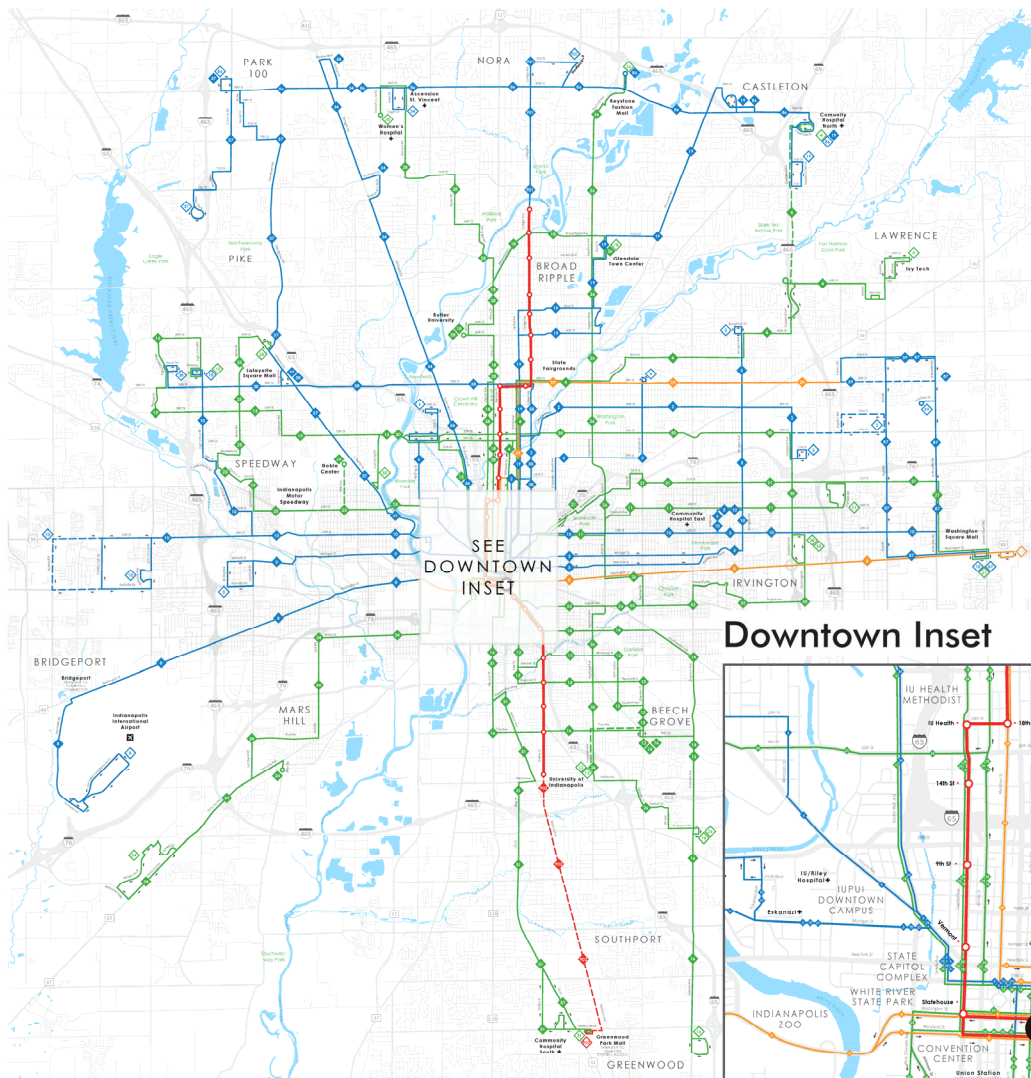
## Board of Directors, Principal Officials and Management

| Name  | Approximate Length of Service | Occupation  |
|---|-------------------------------|---|
| <u>Appointed Board of Directors</u>         |                               |   |
| Gregory Hahn, Chair (Council)               | 9 years 6 month               | President<br>Bose McKinney & Evans, LLP                   |
| Adairius Gardner, Vice Chair (Mayor)        | 3 years 9 month               | Director of Government Affairs, Indiana University Health |
| Lise Pace, Secretary (Council)              | 2 years 2 month               | VP – External Affairs<br>Bosma Enterprises                |
| Richard Wilson, Jr., Treasurer (Council)    | 3 years 6 months              | Retired   |
| Hydre Abdullah (Council)                    | 5 months                      |   |
| Mary Ann Fagan (Mayor)                      | 5 months                      |   |
| Vacant (Mayor)                              |                               |   |
| <u>Principal Officials &amp; Management</u> |                               |   |
| Inez Evans                                  | 3 years                       | President/CEO   |
| Jill D. Russell                             | 16 years                      | General Counsel   |
| Bart Brown                                  | 3 years                       | VP of Finance/CFO   |
| Emily Lovison                               | 2 year                        | Executive Director of IndyGo Foundation                   |
| Jeffery Brown                               | 3 ½ years                     | VP of Human Resources                                     |
| Lesley Gordon                               | 2 ½ years                     | VP of Communications and Marketing                        |
| Jennifer Pyrz                               | 2 year                        | VP of Planning & Capital Projects                         |
| Aaron Vogel                                 | 3 years                       | VP of Operations/COO                                      |
| Cam Radford                                 | 2 ½ years                     | VP of Government Affairs                                  |
| Marcus Burnside                             | 5 years                       | Chief Information Officer                                 |
| Denise Jenkins-Agurs                        | 2 years                       | VP of Diversity/Inclusion & Workforce Dev                 |

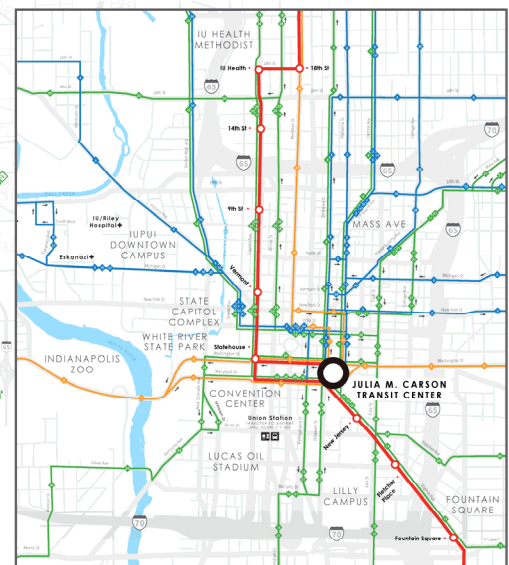


# Indianapolis Public Transportation Corporation

## 2021 Systems Map - Service Area and Routes



### Downtown Inset



### Key

- ◆ Red Line
- ◆ 15-Minute Frequency Route
- ◆ 16-30-Minute Frequency Route
- ◆ 60-Minute Frequency Route
- ◆ End of Line

### Routes

- |   |   |  |   |  |   |  |   |
|---|---|--|---|--|---|--|---|
| <b>15-Minute Routes</b>   |   |  |   |  |   |  |   |
| <span style="color: red;">◆</span> Red Line South (County Line)         | <span style="color: orange;">◆</span> Washington              | <span style="color: orange;">◆</span> East 38 <sup>th</sup> St |   |  |   |  |   |
| <b>30-Minute Routes</b>   |   |  |   |  |   |  |   |
| <span style="color: blue;">◆</span> Red Line North (9 <sup>th</sup> St) | <span style="color: blue;">◆</span> East 34 <sup>th</sup> St  | <span style="color: blue;">◆</span> Michigan St                | <span style="color: blue;">◆</span> East 25 <sup>th</sup> St      | <span style="color: blue;">◆</span> Harding                            | <span style="color: blue;">◆</span> 10 <sup>th</sup> St       | <span style="color: blue;">◆</span> Broad Ripple | <span style="color: blue;">◆</span> Castleton                 |
| <span style="color: blue;">◆</span> ML King/Michigan Rd                 | <span style="color: blue;">◆</span> Park 100                  | <span style="color: blue;">◆</span> West 38 <sup>th</sup> St   | <span style="color: blue;">◆</span> 86 <sup>th</sup> St Crosstown | <span style="color: blue;">◆</span> Eastside Circulator                |   |  |   |
| <b>60-Minute Routes</b>   |   |  |   |  |   |  |   |
| <span style="color: green;">◆</span> Fort Harrison                      | <span style="color: green;">◆</span> East 16 <sup>th</sup> St | <span style="color: green;">◆</span> Minnesota                 | <span style="color: green;">◆</span> Raymond St                   | <span style="color: green;">◆</span> Prospect                          | <span style="color: green;">◆</span> West 34 <sup>th</sup> St | <span style="color: green;">◆</span> Beech Grove | <span style="color: green;">◆</span> East 21 <sup>st</sup> St |
| <span style="color: green;">◆</span> Mars Hill                          | <span style="color: green;">◆</span> West 16 <sup>th</sup> St | <span style="color: green;">◆</span> Keystone Crosstown        | <span style="color: green;">◆</span> St. Vincent                  | <span style="color: green;">◆</span> 30 <sup>th</sup> Street Crosstown | <span style="color: green;">◆</span> Madison                  | <span style="color: green;">◆</span> English     |   |

Updated 6/7/2021



# Indianapolis Public Transportation Corporation

## Taxing Districts

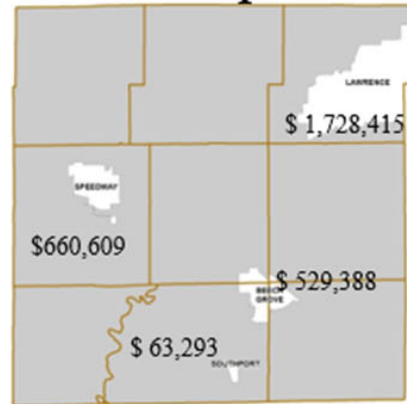
Map 1



**MARION COUNTY  
AND OTHER INCLUDED  
TOWNS**

Marion County \$46,796,021

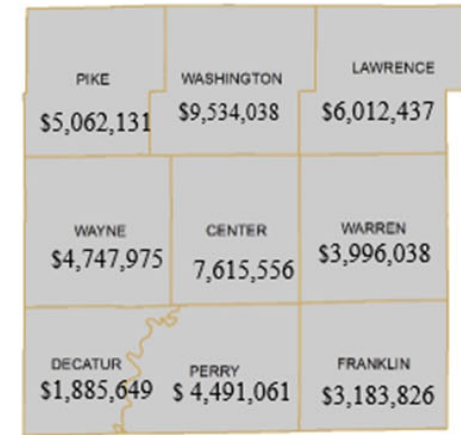
Map 2



**CONSOLIDATED  
CITY OF INDIANAPOLIS**

City of Indianapolis \$43,814,316  
Excluded Cities and Towns \$2,981,705

Map 3



**TOWNSHIPS**

**Note:** Map 2 is representative of the taxing districts for IPTC with the exception of Beech Grove.







## **Financial Section**



## Independent Auditor's Report

Board of Directors  
Indianapolis Public Transportation Corporation  
Indianapolis, Indiana

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the Indianapolis Public Transportation Corporation (IPTC), a component unit of Consolidated City of Indianapolis-Marion County, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise IPTC's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the IPTC as of December 31, 2021 and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

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

#### *Responsibilities of Management for the Financial Statements*

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

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



## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

## ***Required Supplementary Information***

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



## ***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2022, on our consideration of IPTC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of IPTC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering IPTC's internal control over financial reporting and compliance.

**FORVIS,LLP**

Indianapolis, Indiana  
June 29, 2022



# **Indianapolis Public Transportation Corporation**

## **A Component Unit of the Consolidated City of Indianapolis-Marion County**

### **Management's Discussion and Analysis**

#### ***Introduction***

This section of the financial statements presents a discussion and analysis of the Indianapolis Public Transportation Corporation's (IPTC's) financial performance for the year ended December 31, 2021. Please read this section in conjunction with IPTC financial statements in the section that follows. For more detailed information on long-term debt activity and capital asset activity, please refer to the relevant disclosures in the notes accompanying the basic financial statements.

#### ***Financial Highlights***

- IPTC's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at December 31, 2021 by \$353.7 million (net position). Of this amount, \$99.9 million (unrestricted net position) may be used to meet IPTC's ongoing obligations arising from providing transportation service to the community at December 31, 2021.
- Fare revenues for 2021 decreased 13% from 2020.
- FTA capital contributions for 2021 increased approximately \$2.7 million, or 20% from 2020. FTA operating and planning grants, and preventative maintenance funding decreased approximately \$20.2 million, or 38% from 2020.
- Net nonoperating revenues for 2021 decreased approximately \$9.4 million, or 5% from 2020.
- Operating expenses before depreciation for 2021 decreased approximately \$1.6 million, or 2% from 2020.
- Net position increased by approximately \$53.4 million or 18% in 2021.

#### ***Overview of the Financial Statements***

The financial statements consist of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements and required supplementary information.

The financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units operating as an Enterprise Fund. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the statements of revenue, expense and changes in net position. All assets and liabilities associated with the operation of IPTC are included in the statements of net position.

The financial statements provide both short and long-term information about IPTC's overall financial status. The financial statements include notes to provide more detailed information on important activities. Please refer to these notes for more in depth and detailed information.



## Financial Statement Analysis

### Net Position

IPTC's total assets and deferred outflows of resources at December 31, 2021 were approximately \$410.2 million. The changes discussed above represent an increase of approximately 21% in 2021. Total liabilities and deferred inflows of resources approximated \$56.5 million at December 31, 2021. These changes represent an increase of approximately 51% in 2021.

Approximately \$211.8 million, or 60%, of the net position reflects investments in capital assets, less related debt at December 31, 2021. Approximately \$35 million, or 10%, of the net position is restricted for future acquisition of capital assets and approximately \$6 million, or 2% is restricted to service IPTC's bonds payable at December 31, 2021. Approximately \$100 million, or 28%, may be used to meet IPTC's ongoing obligations arising from providing transportation services to the community at December 31, 2021.

**Table 1 - Net Position**

|   | 2021           | 2020           |
|---|----------------|----------------|
| <b>Assets</b>   |                |                |
| Current assets  | \$ 147,602,715 | \$ 109,437,911 |
| Capital assets (net)  | 241,127,784    | 222,069,551    |
| Other noncurrent assets   | 21,481,432     | 6,126,531      |
| Total assets  | 410,211,931    | 337,633,993    |
| <b>Liabilities</b>  |                |                |
| Current liabilities   | \$ 14,971,943  | \$ 14,034,561  |
| Noncurrent liabilities  | 40,130,613     | 21,146,566     |
| Total liabilities   | 55,102,556     | 35,181,127     |
| <b>Deferred Inflows of Resources</b>                              | 1,391,165      | 2,148,467      |
| Total liabilities and deferred inflows of resources               | 56,493,721     | 37,329,594     |
| <b>Net Position</b>   |                |                |
| Net investment in capital assets                                  | 211,815,905    | 210,496,450    |
| Restricted for capital assets acquisitions                        | 35,014,413     | 24,160,083     |
| Restricted for debt service reserve                               | 4,470,642      | 2,859,052      |
| Restricted for debt service                                       | 1,457,153      | 623,984        |
| Restricted for pension payments                                   | 1,108,689      |                |
| Unrestricted  | 99,851,408     | 62,164,830     |
| Total net position  | 353,718,210    | 300,304,399    |
| Total liabilities, deferred inflows of resources and net position | \$ 410,211,931 | \$ 337,633,993 |



## Changes in Net Position

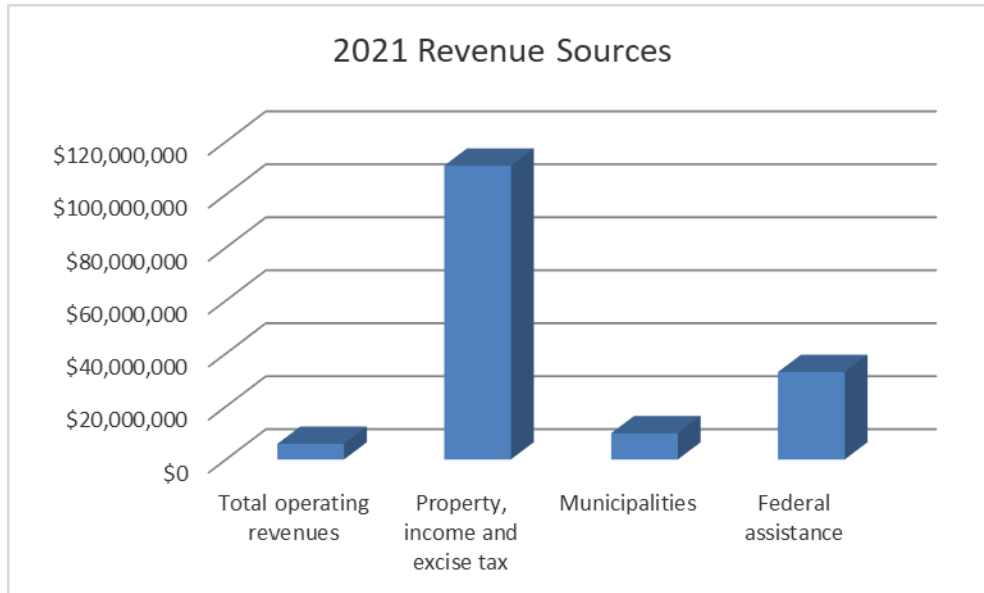
The change in net position for 2021 represents an increase of approximately \$53.4 million, or 18%. Total revenues for 2021 decreased approximately \$10.1 million, or 5%, primarily resulting from a decrease in federal COVID related funding during 2021. Overall operating expenses, excluding depreciation, decreased \$1.6 million, or 2%, in 2021, which was primarily attributed to the decrease in overtime and health costs due to illness or quarantine, additional cleaning services on buses and facilities, safety equipment purchases and installation, and other contracted services added due to the COVID-19 operating environment during 2020.

**Table 2 - Changes in Net Position**

|  | <b>2021</b>           | <b>2020</b>           |
|--|-----------------------|-----------------------|
| <b>Operating Revenues</b>                |                       |                       |
| Passenger fares                          | \$ 5,190,832          | \$ 5,991,647          |
| Advertising                              | 711,593               | 565,943               |
| Total operating revenues                 | <u>5,902,425</u>      | <u>6,557,590</u>      |
| <b>Nonoperating Revenues (Expenses)</b>  |                       |                       |
| Property, income and excise tax          | 110,896,076           | 101,476,572           |
| Municipalities                           | 9,900,559             | 11,372,796            |
| Federal assistance                       | 32,702,575            | 52,862,338            |
| Investment income                        | 84,474                | 317,028               |
| Contributions - capital grants           | 16,586,694            | 13,837,538            |
| Interest expense                         | (991,131)             | (807,494)             |
| Loss on disposal of capital assets       | (152,935)             | (25,372)              |
| Other expenses, net                      | 92,163                | (511,123)             |
| Total nonoperating revenues              | <u>169,118,475</u>    | <u>178,522,283</u>    |
| Total revenues                           | <u>175,020,900</u>    | <u>185,079,873</u>    |
| <b>Operating Expenses</b>                |                       |                       |
| Transportation                           | 55,973,418            | 57,593,046            |
| Maintenance of equipment, including fuel | 24,807,965            | 26,177,451            |
| Administrative and general               | 18,253,830            | 16,924,842            |
| Claims and insurance                     | 2,873,527             | 2,778,359             |
| Depreciation                             | 19,698,349            | 20,440,255            |
| Total operating expenses                 | <u>121,607,089</u>    | <u>123,913,953</u>    |
| <b>Change in Net Position</b>            | 53,413,811            | 61,165,920            |
| <b>Net Position, Beginning of Year</b>   | <u>300,304,399</u>    | <u>239,138,479</u>    |
| <b>Net Position, End of Year</b>         | <u>\$ 353,718,210</u> | <u>\$ 300,304,399</u> |

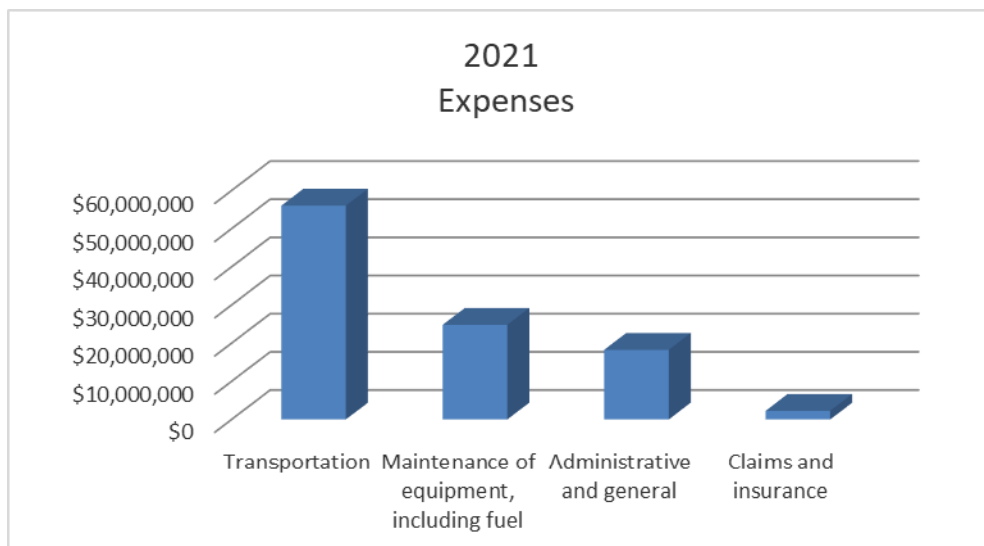


**Revenues:** For 2021, total operating revenues decreased approximately \$655 million or 10%. For 2021, nonoperating revenues excluding capital grant contributions and other revenue (expenses), decreased by approximately \$12.2 million, or 7%, primarily resulting from a decrease in federal COVID-related funding utilized during 2021.



The revenues and percentages presented above exclude “Contributions - capital grants” of \$16,586,694, “Investment income” of \$84,474 and “Other expenses, net” of \$92,163 for 2021.

**Expenses:** During 2021, total operating expenses, excluding depreciation, were approximately \$101.9 million. This is a decrease of \$1.6 million, or 2% from 2020. This decrease is primarily attributed to a decrease in costs associated with providing services during the COVID-19 pandemic in 2021.



The expenses and percentages presented above exclude “depreciation” expense of \$19,698,349 for 2021.



## Capital Asset and Debt Administration

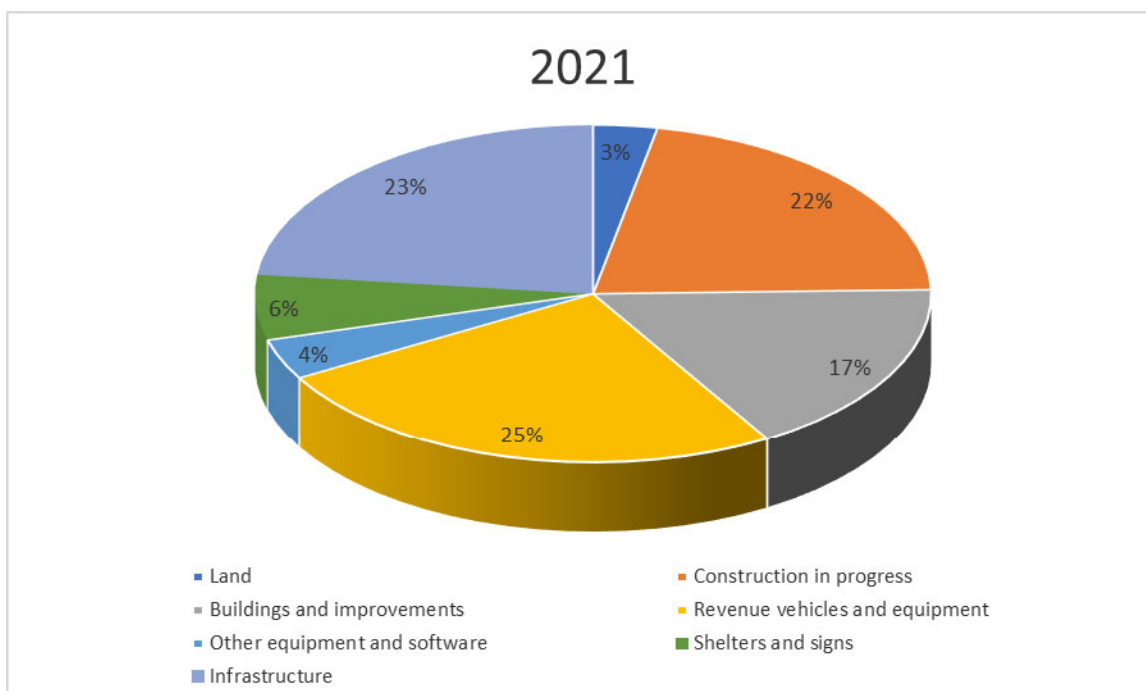
### Capital Assets

As of December 31, 2021, IPTC had invested approximately \$241.1 million in capital assets, net of accumulated depreciation. Compared to the prior year, capital assets increased by approximately \$19.1 million for the year ended December 31, 2021. Depreciable capital acquisitions and additions to construction in progress for 2021 were approximately \$39 million with a net loss on retirement of capital assets approximating \$153,000 recognized during 2021. Net increase in construction in progress was \$13 million for 2021, primarily resulting from IPTC's continued Marion County Transit Plan. Please refer to Note 3 of the financial statements included in the next section of this report for additional information regarding capital assets activity.

Management has concentrated on making capital investments in equipment and technology that can be effective in improving service and reducing operating costs. These projects can be implemented only because of the availability of Federal capital funding and the establishment of the cumulative capital fund to provide the local match for Federal capital grants.

Significant capital asset acquisitions and transfers during 2021 included new fleet software system and equipment totaling approximately \$2.9 million, 24 hybrid buses totaling approximately \$19 million, and continued development of the Purple Line totaling approximately \$2.6 million.

Percentage allocation invested in net capital assets:





## **Debt Disclosures**

As of December 31, 2021, IPTC had approximately \$43.2 million of bonds and the related premium. In November 2018, IPTC issued bonds in the amount of \$26 million primarily to be used for capital projects and in June 2021, IPTC issued bonds in the amount of \$20.9 million for the purchase of 27 hybrid buses. During 2021, bonds payable were repaid pursuant to the maturity schedule in place. As of December 31, 2021, IPTC had no financial restrictive covenants associated with its outstanding debt other than holding minimum debt service funds. Please refer to Note 6 of the financial statements included in the next section of this report for additional information regarding debt activity.

## **Currently Known Facts**

In the first quarter of 2020, the COVID-19 pandemic called for swift response in various areas of the economy, and public transportation was in faced with notable challenges when stay at home initiatives were put into place and travel was limited to essential only. The restrictions led to demand decline for public transit across the country. IndyGo incurred significant costs towards cleaning & sanitizing efforts, procuring PPE and safety equipment while COVID-related absenteeism/leaves due to the virus. IndyGo continues to incur these expenses to ensure the safety of our riders and employees.

Congress passed various support packages in 2020 and 2021 to ease the negative economic impacts of COVID-19 such as the “Coronavirus Aid, Relief and Economic Security Act” or “CARES Act”, which received final passage by Congress and was signed into law by the President on March 27, 2020. The CARES Act provides funding at a 100% Federal share, with no local match required, and is available to support operating, capital and other expenses incurred by transit agencies beginning on January 20, 2020 to prevent, prepare for, and respond to the COVID-19 pandemic. IndyGo received \$44.6 million to help fund the costs of increased protective equipment, capital projects for employee protection, and operational support.

On December 27, 2020, the President authorized additional coronavirus relief funding (CRRSAA) as part of the *Consolidated Appropriations Act, 2021*. IndyGo received \$21.1 million under this act.

*The American Rescue Plan Act of 2021* (ARP), which the President signed on March 11, 2021 includes additional federal funding to support the nation’s public transportation systems as they continue to respond to the COVID-19 pandemic. IndyGo was the recipient of \$49.6 million in appropriations under the ARPA.







**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Statement of Net Position**  
**December 31, 2021**

**Assets and Deferred Outflows of Resources**

**Current Assets**

|   |                    |
|---|--------------------|
| Cash and cash equivalents                           |                    |
| Unrestricted - working capital                      | \$ 81,585,117      |
| Unrestricted - liability reserve                    | 840,193            |
| Restricted - capital asset acquisitions             | 33,888,061         |
| Restricted - debt service and unspent bond proceeds | 22,142,281         |
| Total cash and cash equivalents                     | <u>138,455,652</u> |
| Receivables   |                    |
| Federal grants                                      | 4,291,028          |
| Operations receivables, net                         | 1,269,443          |
| Total receivables                                   | <u>5,560,471</u>   |
| Other current assets                                |                    |
| Materials and supplies inventory                    | 3,226,570          |
| Deposits and prepaid expenses                       | 360,022            |
| Total other current assets                          | <u>3,586,592</u>   |
| Total current assets                                | <u>147,602,715</u> |

**Noncurrent Assets**

|   |                       |
|---|-----------------------|
| Unrestricted investments - working capital          | 19,246,391            |
| Restricted investments - capital asset acquisitions | 1,126,352             |
| Net pension asset                                   | 1,108,689             |
| Capital assets                                      |                       |
| Nondepreciable assets                               |                       |
| Land  | 7,367,996             |
| Construction in progress                            | 51,974,733            |
| Total nondepreciable assets                         | <u>59,342,729</u>     |
| Depreciable assets                                  |                       |
| Buildings and improvements                          | 95,714,715            |
| Revenue vehicles and equipment                      | 107,657,615           |
| Other equipment and software                        | 24,229,931            |
| Shelters and signs                                  | 20,790,689            |
| Infrastructure                                      | 60,548,134            |
| Total depreciable assets                            | <u>308,941,084</u>    |
| Total capital assets                                | <u>368,283,813</u>    |
| Accumulated depreciation                            | (127,156,029)         |
| Capital assets, net of depreciation                 | <u>241,127,784</u>    |
| Total noncurrent assets                             | <u>262,609,216</u>    |
| Total assets  | <u>\$ 410,211,931</u> |



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Statement of Net Position (continued)**  
**December 31, 2021**

**Liabilities, Deferred Inflows of Resources and Net Position**

**Current Liabilities**

|  |                   |
|--|-------------------|
| Accounts and contract services payable   | \$ 6,455,156      |
| Accrued payroll and benefits             | 1,751,849         |
| Unearned fare revenue                    | 194,761           |
| Bonds payable, current portion           | 4,765,424         |
| Risk management - unpaid claim estimates | 1,714,908         |
| Other unearned revenue                   | 89,845            |
| Total current liabilities                | <u>14,971,943</u> |

**Noncurrent Liabilities**

|   |                   |
|---|-------------------|
| Risk management - unpaid claim estimate, net of current portion | 724,083           |
| Bonds payable, net of current portion                           | 38,393,409        |
| Other postemployment benefit liability (OPEB)                   | 1,013,121         |
| Total noncurrent liabilities                                    | <u>40,130,613</u> |

|                   |                   |
|-------------------|-------------------|
| Total liabilities | <u>55,102,556</u> |
|-------------------|-------------------|

**Deferred Inflows of Resources**

|                             |                  |
|-----------------------------|------------------|
| Deferred inflows - pensions | <u>1,391,165</u> |
|-----------------------------|------------------|

**Net Position**

|  |                    |
|--|--------------------|
| Net investment in capital assets           | 211,815,905        |
| Restricted for capital assets acquisitions | 35,014,413         |
| Restricted for debt service reserve        | 4,470,642          |
| Restricted for debt service                | 1,457,153          |
| Restricted for pension payments            | 1,108,689          |
| Unrestricted                               | 99,851,408         |
| Total net position                         | <u>353,718,210</u> |

|                                    |                              |
|------------------------------------|------------------------------|
| Total liabilities and net position | <u><u>\$ 410,211,931</u></u> |
|------------------------------------|------------------------------|



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Year Ended December 31, 2021**

**Operating Revenues**

|                          |                  |
|--------------------------|------------------|
| Passenger fares          | \$ 5,190,832     |
| Advertising              | 711,593          |
| Total operating revenues | <u>5,902,425</u> |

**Operating Expenses**

|  |                    |
|--|--------------------|
| Transportation                           | 55,973,418         |
| Maintenance of equipment, including fuel | 24,807,965         |
| Administrative and general               | 18,253,830         |
| Claims and insurance                     | 2,873,527          |
| Depreciation                             | 19,698,349         |
| Total operating expenses                 | <u>121,607,089</u> |

|                       |                      |
|-----------------------|----------------------|
| <b>Operating Loss</b> | <u>(115,704,664)</u> |
|-----------------------|----------------------|

**Nonoperating Revenues (Expenses)**

|  |                    |
|--|--------------------|
| Operating assistance   |                    |
| Property, income and excise tax  | 110,896,076        |
| Municipalities   | 9,900,559          |
| Federal and local operating and planning grants, and<br>preventative maintenance funding | 32,702,575         |
| Investment income  | 84,474             |
| Interest expense   | (991,131)          |
| Loss on disposal of capital assets   | (152,935)          |
| Other expenses, net  | 92,163             |
| Total nonoperating revenue   | <u>152,531,781</u> |

|  |            |
|--|------------|
| <b>Change in Net Position Before Capital Contributions</b> | 36,827,117 |
|--|------------|

|                                |                   |
|--------------------------------|-------------------|
| Contributions - capital grants | <u>16,586,694</u> |
|--------------------------------|-------------------|

|                               |            |
|-------------------------------|------------|
| <b>Change in Net Position</b> | 53,413,811 |
|-------------------------------|------------|

|  |                    |
|--|--------------------|
| <b>Net Position, Beginning of Year</b> | <u>300,304,399</u> |
|--|--------------------|

|                                  |                       |
|----------------------------------|-----------------------|
| <b>Net Position, End of Year</b> | <u>\$ 353,718,210</u> |
|----------------------------------|-----------------------|



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Statement of Cash Flows**  
**Year Ended December 31, 2021**

**Cash Flows From Operating Activities**

|   |                     |
|---|---------------------|
| Receipts from customers                               | \$ 6,129,656        |
| Payments for transportation                           | (59,702,145)        |
| Payments for maintenance of equipment, including fuel | (23,809,669)        |
| Payments for administrative and general               | (18,319,724)        |
| Claims and insurance paid to external parties         | (2,298,076)         |
| Net cash used in operating activities                 | <u>(97,999,958)</u> |

**Cash Flows From Noncapital Financing Activities**

|  |                    |
|--|--------------------|
| Property, income and excise tax distributions        | 92,404,560         |
| Assistance from municipalities                       | 9,900,559          |
| Federal operating assistance                         | 32,702,575         |
| Federal grants passed to subrecipients               | (116,896)          |
| Net cash provided by noncapital financing activities | <u>134,890,798</u> |

**Cash Flows From Capital and Related Financing Activities**

|   |                   |
|---|-------------------|
| Transit tax distributions for capital                         | 18,491,516        |
| Capital grant receipts  | 18,309,526        |
| Purchases of capital assets                                   | (37,567,181)      |
| Proceeds from sale of capital assets                          | 66,436            |
| Proceeds from issuance of bonds                               | 24,566,266        |
| Principal paid on bonds payable                               | (3,410,000)       |
| Interest paid   | (1,459,593)       |
| Net cash provided by capital and related financing activities | <u>18,996,970</u> |

**Cash Flows From Investing Activities**

|                                       |                     |
|---------------------------------------|---------------------|
| Purchases of investments              | (18,475,680)        |
| Proceeds from sale of investments     | 3,390,000           |
| Interest received                     | 84,474              |
| Net cash used in investing activities | <u>(15,001,206)</u> |

**Net Change in Cash and Cash Equivalents** 40,886,604

**Cash and Cash Equivalents, Beginning of Year** 97,569,046

**Cash and Cash Equivalents, End of Year** \$ 138,455,652



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Statement of Cash Flows (Continued)**  
**Year Ended December 31, 2021**

**Reconciliation of Operating Loss to Net Cash Used in Operating Activities**

|   |                               |
|---|-------------------------------|
| Operating loss  | \$ (115,704,664)              |
| Adjustments to reconcile operating loss to net cash<br>used in operating activities |                               |
| Depreciation expense  | 19,698,349                    |
| Other income, net   | 209,059                       |
| Changes in assets and liabilities   |                               |
| Other receivables   | 41,906                        |
| Materials and supplies inventory  | 998,296                       |
| Deposits and prepaid expense  | (41,232)                      |
| OPEB liability  | (65,894)                      |
| Deferred inflows of resources - pensions  | (757,302)                     |
| Net pension liability/asset   | (269,221)                     |
| Accounts and contract services payable  | (1,435,945)                   |
| Accrued payroll and benefits  | (1,225,027)                   |
| Unearned fare revenue   | (23,734)                      |
| Risk management   | 575,451                       |
|   | <hr/>                         |
| Net cash used in operating activities   | <u><u>\$ (97,999,958)</u></u> |

**Noncash Investing, Capital and Financing Activities**

|  |              |
|--|--------------|
| Capital assets in accounts payable                             | \$ 2,367,532 |
| Loss on disposal of capital assets                             | 152,935      |
| Change in capital grants/contributions included in receivables | (1,722,832)  |



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Notes to Financial Statements**  
**December 31, 2021**

**Note 1: Nature of Operations and Summary of Significant Accounting Policies**

***Nature of Operations and Reporting Entity***

Indianapolis Public Transportation Corporation (IPTC) operates in the public transportation industry with the purpose of acquiring, providing and maintaining an urban mass transportation system for the metropolitan Indianapolis area. IPTC d/b/a IndyGo was formed on August 7, 1973 by City-Council General Ordinance No. 36 as a municipal corporation, which has no stockholder, under the provisions of IC 36-9-4. Management of the Consolidated City of Indianapolis-Marion County has determined that IPTC is a component unit of the Consolidated City of Indianapolis-Marion County, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 and amended by Statement No. 61 and IPTC is considered financially accountable to such reporting entity.

The Board of Directors of IPTC consists of seven members, three of whom are appointed by the Mayor of the City of Indianapolis and four of whom are appointed by the City of Indianapolis-Marion County Council (Council). The IPTC Board designates the management of IPTC, namely the CEO/President, Vice Presidents and other principal members of the management staff. The IPTC Board adopts the budget, tax levy and the issuance of debt. In addition, the Council approves the budget, tax levy and issuance of debt.

On August 27, 2018, IPTC established a nonprofit corporation, the Indianapolis Public Transportation Foundation, Inc. (Foundation), which is legally separate from IPTC and whose purpose is to promote mobility for the citizens in the Indianapolis-area community by connecting resources and investing in programs and services that enhance accessibility and quality of life. The Foundation is considered a blended component unit and is therefore reported as if it is part of IPTC.

As of December 31, 2021, the Foundation had total assets of \$115,733 and no liabilities. Total revenue and expense for 2021 were \$448,038 and \$409,982, respectively, with approximately \$227,568 of revenue and expense related to IPTC that was eliminated when blended into the financial statements.



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Notes to Financial Statements**  
**December 31, 2021**

***Basis of Accounting and Presentation***

IPTC is accounted for as a single-purpose, business-type entity since its operations are financed and operated in a manner similar to a private business. IPTC's financial statements have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows of resources from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated or voluntary nonexchange transactions (principally federal and state grants and government appropriations) are recognized when all applicable eligibility requirements are met. Operating revenues are primarily the result of passenger fares, as well as fees collected from advertisements on IPTC property. Operating expenses for IPTC include the costs of operating the transit system, administrative expenses and depreciation on capital assets. Government-mandated or voluntary nonexchange transactions that are not program specific (such as government appropriations), property taxes, and income taxes, investment income and interest on capital assets-related debt are included in nonoperating revenues and expenses. IPTC first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

***Use of Estimates***

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

***Cash Equivalents***

IPTC considers all liquid investments (including restricted assets) with original maturities of three months or less to be cash equivalents. At December 31, 2021, cash equivalents consisted of demand and money market deposit accounts, as well as money market mutual funds.

***Property and Income Taxes***

IPTC records property taxes as earned in the year they are due and payable. Taxes are levied separately for operations, capital asset acquisitions and debt service. All taxable property located within the IPTC taxing district is assessed annually March 1<sup>st</sup>. In mid-April of the year subsequent to the assessment, individual property tax statements are to be mailed by the Marion County Treasurer to the owners of the record as of the assessed valuation date. Taxes are payable to the Treasurer in equal installments on or before May 10<sup>th</sup> and November 10<sup>th</sup> of the year subsequent to assessment. The Marion County Treasurer remits collections to IPTC and other governmental units within the county.



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Notes to Financial Statements**  
**December 31, 2021**

IPTC has not recorded any receivable balance for property taxes as of December 31, 2021 as management of IPTC does not believe they are legally entitled to the subsequent year property tax collections until the fiscal year begins January 1.

***Risk Management***

IPTC is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than personal injury claims. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

IPTC is self-insured for a portion of its exposure to risk of loss from property damage claims (\$50,000 deductible) and personal injury matters. Annual estimated provisions are accrued for the self-insured portion of claims and include an estimate of the ultimate costs for both reported claims and claims incurred but not yet reported.

***Investments***

In accordance with Indiana Code, it is the policy of IPTC to deposit public funds into the depositories approved by the Marion County Board of Finance. IPTC is further authorized by statute to invest in obligations of the U.S. obligations and issues of federal agencies, secured repurchase agreements fully collateralized by the U.S. Government or U.S. Government agency securities, municipal securities of Indiana issuers that have not defaulted during the previous 20 years, and open-ended money market mutual funds. It is the internal policy of IPTC to invest funds with local, federally insured banks that have a principal office within the county and have been approved by the County Board of Finance. Investments are stated at fair value.

***Receivables***

IPTC reports receivables for amounts due and unpaid as of year-end and receivable balances are shown net of allowance, if any, for uncollectible balances. IPTC provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions. Management has recorded an allowance of approximately \$200,000 for potentially uncollectible operating receivable balances at December 31, 2021. Management has not made a provision for an allowance for uncollectible property tax receivables or federal grants receivable.

***Restricted and Designated Assets***

Certain cash, cash equivalents and investment balances are restricted or designated as follows:

- Unspent Bond Proceeds: Funds deposited with trustee from bond issuances for capital expenditures



# Indianapolis Public Transportation Corporation

## A Component Unit of the Consolidated City of Indianapolis-Marion County

### Notes to Financial Statements

#### December 31, 2021

- Debt Service: Funds deposited in these accounts are set aside to be used for the purpose of payment on outstanding debt, primarily as a result of requirements from bond and debt ordinance requirements
- Liability Reserve (designated only): Funds are set aside from the general operations of IPTC and used only for the payment of claims arising from accidents involving IPTC that exceed \$100,000.
- Capital Asset Acquisition: Capital asset acquisition funds generated as a separate tax (cumulative funds) are restricted to expenditures for the acquisition of additional revenue vehicles and other capital equipment.

### ***Supplies***

Supply inventories are stated at cost, determined using the first-in, first-out method. Management reviews supply inventories regularly for obsolete inventory, which is written off when determined to no longer be of value to IPTC.

### ***Capital Assets***

Major items of capital assets acquired with federal, state and local funds are capitalized at cost. IPTC adheres to the Federal Transit Administration (FTA) circular regarding capitalization of assets by capitalizing all assets with a value in excess of \$5,000 per unit and a useful life in excess of one year and IPTC adheres to the FTA capitalization policy as appropriate for items which are (a) homogenous and not individually identifiable; (b) may or may not have a unit cost meeting the threshold level for a capitalized asset but where the practice is to purchase in groups and capitalize the total group; and (c) will be maintained together or in the same general area, should be listed by homogeneous grouping. Expenditures for maintenance and repairs are charged to operations as incurred. IPTC recognizes depreciation on capital assets on a straight-line basis over the estimated useful lives of the assets, as follows:

|   | <u>Years</u> |
|---|--------------|
| Land improvements                       | 10           |
| Buildings and shelters                  | 10 to 25     |
| Coaches:                                |              |
| Large bus                               | 12           |
| Body on chassis                         | 3 to 5       |
| Autos and trucks                        | 3 to 10      |
| Fare handling and maintenance equipment | 3 to 10      |
| Office furniture and equipment          | 2 to 20      |
| Infrastructure                          | 30           |
| Software                                | 5 to 10      |



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

IPTC reports a consumption of net assets that is applicable to a future reporting period as deferred outflows of resources in a separate section of its statement of net position.

IPTC reports an acquisition of net assets that is applicable to a future reporting period as deferred inflows of resources in a separate section of its statement of net position.

***Compensated Absences***

IPTC policies permit essentially all employees to accumulate benefits for vacation, holidays, illness and certain other qualifying absences that may be realized as paid time off or, in limited circumstances, as a cash payment. The number of days compensated for the various categories of absence is based generally on length of service. Expense and the related liability are recognized as vacation benefits are earned and vested whether the employee is expected to realize the benefit as time off or in cash. Expense and the related liability for sick leave benefits are recognized when earned to the extent the employee is expected to realize the benefit in cash determined using the termination payment method. Compensation for holiday and other qualifying absences is not accrued in the accompanying financial statements because rights to compensation amounts either do not accumulate or they do not vest. Accumulated unused sick leave benefits are nonvesting and are only paid out upon retirement. The maximum accumulation per employee is 1,800 hours and the maximum paid out per employee is 540 hours. Accumulated unused sick leave benefits are accrued based upon historical experience, for employees with at least one year of service regardless of age. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the balance sheet date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

***Defined-Benefit Pension Plan***

IPTC has a single-employer defined-benefit pension plan known as the Indianapolis Public Transportation Corporation Pension Plan (Plan). For purposes of measuring the net pension (asset) liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



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***Postemployment Benefits Other Than Pensions (OPEB)***

IPTC has a single-employer defined-benefit other postemployment benefit (OPEB) plan, Postemployment Medical and Life Benefits Plan (the OPEB Plan). For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, amounts have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms.

***Net Position***

Net position of IPTC is classified in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted net position consists of external constraints placed on net position imposed by creditors, grantors, donors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position. If both restricted and unrestricted resources are to be used for the same purpose, restricted resources will be applied first.

***Revenue and Expense Recognition***

Passenger fare revenues are recorded as revenue at the time such services are performed and revenues pass through the fare box. Sales of tickets are recorded initially as unredeemed fares and recognized as income upon passage through the fare box.

IPTC receives a significant portion of their revenues from capital and operating grants. Certain expenditures for capital acquisitions, improvements and development of an urban mass transportation system have received significant federal funding through the FTA. The balance of such expenditures is funded through state and local sources. Funds provided by governmental authorities for capital and operating assistance are recorded by IPTC when earned.

Expenses have been classified using functional and activity classifications using direct costs and estimated indirect cost allocations based upon time allocation and benefit.

***Future Adoption of New Accounting Standards***

GASB has issued GASB Statement No. 87, *Leases*; GASB Statement No. 91, *Conduit Debt Obligations*; GASB Statement No. 93, *Replacement of Interbank Offered Rates*; GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*; GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*; GASB Statement No. 99, *Omnibus*; GASB Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62; and GASB Statement No. 101, *Compensated Absences*. IPTC intends to adopt these GASB Statements, as applicable, on their respective effective dates.



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**Note 2: Deposits and Investments**

***Summary of Carrying Values***

The carrying values of deposits and investments included in the statement of net position are classified as follows:

|   | <b>2021</b>           |
|---|-----------------------|
| Current Assets                                      |                       |
| Cash and cash equivalents                           |                       |
| Unrestricted - working capital                      | \$ 81,585,117         |
| Unrestricted - liability reserve                    | 840,193               |
| Restricted - capital asset acquisitions             | 33,888,061            |
| Restricted - debt service and unspent bond proceeds | 22,142,281            |
| Noncurrent Assets                                   |                       |
| Unrestricted investments - working capital          | 19,246,391            |
| Restricted investments - capital asset acquisitions | 1,126,352             |
|   | <u>\$ 158,828,395</u> |
| Cash and cash equivalents                           | \$ 138,455,652        |
| Investments   | <u>20,372,743</u>     |
|   | <u>\$ 158,828,395</u> |

The carrying amount of deposits and investments, by type of holding are:

|                                  | <b>2021</b>           |
|----------------------------------|-----------------------|
| Deposits                         |                       |
| Cash deposits                    | <u>\$ 74,170,134</u>  |
| Investments                      |                       |
| Money market mutual funds        | 64,285,518            |
| Government-backed mortgage notes | 18,494,543            |
| Municipal bonds                  | 1,878,200             |
| Total investments                | <u>84,658,261</u>     |
| Total deposits and investments   | <u>\$ 158,828,395</u> |



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***Deposits***

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

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

***Investment Policy***

Indiana statutes generally authorize IPTC to invest in U.S. obligations and issues of federal agencies, secured repurchase agreements fully collateralized by the U.S. Government or U.S. Government agency securities, municipal securities of Indiana issuers that have not defaulted during the previous 20 years, certificates of deposit and open-ended money market mutual funds. It is the policy of IPTC to deposit public funds into the depositories approved by the Marion County Board of Finance. IPTC does not have specific investment policies on interest rate risk, credit risk, concentration of credit risk, custodial credit risk or foreign currency risk.

At December 31, 2021, IPTC had the following investments and maturities:

|                                  | <b>Fair Value</b>    | <b>Maturities (in Years)</b> |                      |
|----------------------------------|----------------------|------------------------------|----------------------|
|                                  |                      | <b>Less Than 1</b>           | <b>1 to 5</b>        |
| Government-backed mortgage notes | \$ 18,494,543        | \$ 8,428,814                 | \$ 10,065,729        |
| Municipal bonds                  | 1,878,200            | 1,878,200                    | -                    |
|                                  | <u>\$ 20,372,743</u> | <u>\$ 10,307,014</u>         | <u>\$ 10,065,729</u> |

***Interest Rate Risk*** - As a means of limiting its exposure to fair value losses arising from rising interest rates, IPTC is limited to investing in municipal securities of Indiana issuers that have not defaulted during the previous 20 years and other securities with a stated maturity of not more than two years after the date of purchase or entry into a repurchase agreement, as defined by Indiana Code.



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**Credit Risk** - Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. IPTC complies with the provisions of Indiana statutes. At December 31, 2021, IPTC's investments were rated by Moody's Investor Services or Standard and Poor's as follows:

|                                  | <b>Fair Value</b>    | <b>AAA</b>          | <b>AA+</b>           | <b>AA</b>   |
|----------------------------------|----------------------|---------------------|----------------------|-------------|
| Government-backed mortgage notes | \$ 18,494,543        | \$ 8,428,814        | \$ 10,065,729        | \$ -        |
| Municipal bonds                  | 1,878,200            | -                   | 1,878,200            | -           |
|                                  | <u>\$ 20,372,743</u> | <u>\$ 8,428,814</u> | <u>\$ 11,943,929</u> | <u>\$ -</u> |

**Custodial Credit Risk** - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, IPTC will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At December 31, 2021, IPTC's investments in government-backed mortgage notes and municipal bonds were exposed to custodial credit risk. These investments were uninsured and the collateral was held by the pledging financial institution's trust department or agent but not in IPTC's name. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized or collateralized with securities held by the pledging financial institution. The money market mutual funds were not subject to custodial credit risk at December 31, 2021.

**Concentration of Credit Risk** - Concentration of credit risk is the risk of loss that may arise in the event of default by a single issuer. IPTC places no limit on the amount that may be invested in any one issuer. The following table shows investment in issuers and the representative percentage of total investments at December 31, 2021.

|                                  | <b>Fair Value</b>    | <b>%<br/>Rounded</b> |
|----------------------------------|----------------------|----------------------|
| Money market mutual funds        | \$ 64,285,518        | 75.9%                |
| Government-backed mortgage notes | 18,494,543           | 21.8%                |
| Municipal bonds                  | <u>1,878,200</u>     | 2.3%                 |
|                                  | <u>\$ 84,658,261</u> |                      |

**Foreign Currency Risk** - This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. All IPTC deposits and investments are denominated in United States currency and is prohibited from investing in foreign investments.



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**Note 3: Capital Assets**

Capital assets activity for the year ended December 31 was:

|                                       | January 1,<br>2021    | Additions/<br>Transfers | Disposals/<br>Transfers | December 31,<br>2021  |
|---------------------------------------|-----------------------|-------------------------|-------------------------|-----------------------|
| <b>Capital Assets Cost</b>            |                       |                         |                         |                       |
| Nondepreciable capital assets         |                       |                         |                         |                       |
| Land                                  | \$ 7,367,996          | \$ -                    | \$ -                    | \$ 7,367,996          |
| Construction in progress*             | 38,983,048            | 17,930,230              | (4,938,545)             | 51,974,733            |
| Total nondepreciable capital assets   | <u>46,351,044</u>     | <u>17,930,230</u>       | <u>(4,938,545)</u>      | <u>59,342,729</u>     |
| Depreciable capital assets            |                       |                         |                         |                       |
| Buildings and improvements            | 95,373,947            | 468,231                 | (127,463)               | 95,714,715            |
| Revenue vehicles and equipment        | 99,008,554            | 19,792,823              | (11,143,762)            | 107,657,615           |
| Other equipment and software          | 21,136,572            | 5,450,525               | (2,357,166)             | 24,229,931            |
| Shelters and signs                    | 22,412,031            | -                       | (1,621,342)             | 20,790,689            |
| Infrastructure                        | 60,275,443            | 272,691                 | -                       | 60,548,134            |
| Total depreciable capital assets      | <u>298,206,547</u>    | <u>25,984,270</u>       | <u>(15,249,733)</u>     | <u>308,941,084</u>    |
| Less: accumulated depreciation for    |                       |                         |                         |                       |
| Buildings and improvements            | (52,507,047)          | (2,859,498)             | 127,463                 | (55,239,082)          |
| Revenue vehicles and equipment        | (46,576,705)          | (11,000,323)            | 10,992,020              | (46,585,008)          |
| Other equipment and software          | (14,678,849)          | (2,547,897)             | 2,294,525               | (14,932,221)          |
| Shelters and signs                    | (6,046,531)           | (1,263,330)             | 1,616,352               | (5,693,509)           |
| Infrastructure                        | (2,678,908)           | (2,027,301)             | -                       | (4,706,209)           |
| Total accumulated depreciation        | <u>(122,488,040)</u>  | <u>(19,698,349)</u>     | <u>15,030,360</u>       | <u>(127,156,029)</u>  |
| Total depreciable capital assets, net | <u>175,718,507</u>    | <u>6,285,921</u>        | <u>(219,373)</u>        | <u>181,785,055</u>    |
| Total capital assets, net             | <u>\$ 222,069,551</u> | <u>\$ 24,216,151</u>    | <u>\$ (5,157,918)</u>   | <u>\$ 241,127,784</u> |

\*Construction in progress also includes capital assets not placed in service yet, such as revenue vehicles and equipment.

**Note 4: Tax Abatements**

The City of Indianapolis (City) promotes a series of real and personal property tax abatement programs available under Indiana law, including:

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

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



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***Personal Property Tax Abatement (I.C. 6-1.1-12.1)***

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

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

***Tax Exemption for Enterprise Information Technology Equipment (I.C. 6-1.1-10.44)***

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

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

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

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

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

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



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In return for such abatements, the City generally commits to permit, zoning and job training assistance. Included in each abatement agreement are provisions specifying certain damages, among which may include a clawback of some or all of the taxes previously abated. If a company ceases operations or announces the cessation of operations at the facility for which the abatement was granted, termination of the abatement agreement is warranted and 100% clawback is required. Other clawbacks are calculated based on the highest level of noncompliance among the measured categories for that project.

***Impact of Abatements on Revenues***

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

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

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

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

The estimated gross amount, on an accrual basis, by which IPTC's property tax revenues were reduced as a result of the aforementioned City abatement programs totaled \$560,000. However, the actual extent of lost revenues is something less than this amount and cannot be easily determined due to the application of circuit breaker credits.



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**Note 5: Risk Management**

IPTC is exposed to various risks of loss related to theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which IPTC carries third-party insurance and retains certain risks. IPTC is self-insured for workers' compensation without limitation. Detail of the estimated claims liability is provided below, which is made up of claims reported before the issuance of the financial statements for which it is probable that a liability has been incurred at the date of the financial statements and the amount of the liability can be reasonably estimated. The liability is estimated based upon historical experience. It is reasonably possible that IPTC's estimate will change by a material amount in the near term. There were no significant reductions in insurance coverage during 2021 and there were no settlements that exceeded insurance coverage during the past three years for those risks that IPTC purchased insurance. Activity for the year ended December 31, 2021 was as follows for those risks for which IPTC bears risk:

|  | <b>2021</b>         | <b>2020</b>         |
|--|---------------------|---------------------|
| Unpaid claims, beginning of year               | \$ 1,863,540        | \$ 1,891,667        |
| Incurred claims and changes in claim estimates | 3,487,810           | 2,238,802           |
| Claim payments                                 | <u>(2,912,359)</u>  | <u>(2,266,929)</u>  |
| Unpaid claims, end of year                     | <u>\$ 2,438,991</u> | <u>\$ 1,863,540</u> |
| Current portion                                | \$ 1,714,908        | \$ 1,425,702        |
| Noncurrent portion                             | <u>724,083</u>      | <u>437,838</u>      |
| Unpaid claims, end of year                     | <u>\$ 2,438,991</u> | <u>\$ 1,863,540</u> |

During 1986, IPTC's Board of Directors approved the establishment of a nonreverting fund (Liability Reserve Account) for payment of personal injury and property damage claims in excess of \$100,000. For claims in excess of \$100,000, the amount of the claim exceeding \$100,000 will be paid out of the liability reserve accounts. Claims up to \$100,000 will be paid out of the general accounts of IPTC.



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**Note 6: Long-Term Obligations**

The following is a summary of long-term obligation transactions for IPTC for the year ended December 31:

|                                    | January 1,<br>2021 | Additions     | Reductions     | December 31,<br>2021 | Current      | Noncurrent    |
|------------------------------------|--------------------|---------------|----------------|----------------------|--------------|---------------|
| <b>Long-Term Debt</b>              |                    |               |                |                      |              |               |
| Series 2021D bonds payable         | \$ -               | \$ 20,855,000 | \$ (885,000)   | \$ 19,970,000        | \$ 1,475,000 | \$ 18,495,000 |
| Series 2018A bonds payable         | 20,445,000         | -             | (2,525,000)    | 17,920,000           | 2,655,000    | 15,265,000    |
| Unamortized bond premium           | 2,026,029          | 3,711,266     | (468,462)      | 5,268,833            | 635,424      | 4,633,409     |
| Total bonds and notes payable      | 22,471,029         | 24,566,266    | (3,878,462)    | 43,158,833           | 4,765,424    | 38,393,409    |
| <b>Other Long-Term Liabilities</b> |                    |               |                |                      |              |               |
| Risk management payable            | 1,863,540          | 3,487,810     | (2,912,359)    | 2,438,991            | 1,714,908    | 724,083       |
| OPEB liability                     | 1,079,015          | 32,660        | (98,554)       | 1,013,121            | -            | 1,013,121     |
| Net pension liability (asset)      | (839,468)          | 592,353       | (861,574)      | (1,108,689)          | -            | (1,108,689)   |
| Total other long-term liabilities  | 2,103,087          | 4,112,823     | (3,872,487)    | 2,343,423            | 1,714,908    | 628,515       |
| Total long-term obligations        | \$ 24,574,116      | \$ 28,679,089 | \$ (7,750,949) | \$ 45,502,256        | \$ 6,480,332 | \$ 39,021,924 |

**Series 2018A Bonds Payable**

The Indianapolis Local Public Improvement Bond Bank Local Income Tax Revenue Bonds, Series 2018A, dated November 21, 2018, were issued in the aggregate principal amount of \$26,000,000. The Series 2018A bond proceeds were used for IPTC's rapid transit plan as well as paratransit infrastructure and bus replacement. The bonds bear interest at 5.0%, payable on January 15 and July 1 annually, beginning in 2019 and ending January 15, 2028. The trust indenture includes minimum debt service reserve requirements to be held on deposit.

**Series 2021D Bonds Payable**

The Indianapolis Local Public Improvement Bond Bank Local Income Tax Revenue Bonds, Series 2021D, dated June 2, 2021, were issued in the aggregate principal amount of \$20,855,000. The Series 2021D bond proceeds are planned to be used to fund the purchase of 27 hybrid buses. The bonds include serial bonds maturing through 2033 and a term bond, which matures in 2031. The bonds bear interest at 4.0%, payable on January 15 and July 1 annually, beginning in 2021 and ending July 15, 2033. The trust indenture includes minimum debt service reserve requirements to be held on deposit.

At December 31, 2021, bonds payable consisted of the following:

|                               |                      |
|-------------------------------|----------------------|
| Series 2018A bonds payable    | \$ 17,920,000        |
| Series 2021D bonds payable    | 19,970,000           |
| Plus: net unamortized premium | 5,268,833            |
| Total bonds payable           | 43,158,833           |
| Less: current maturities      | (4,765,424)          |
|                               | <u>\$ 38,393,409</u> |



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The scheduled debt service requirements on the bonds payable for years subsequent to December 31, 2021 are as follows:

|             | Principal            | Interest            | Total                |
|-------------|----------------------|---------------------|----------------------|
| 2022        | \$ 4,130,000         | \$ 1,620,550        | \$ 5,750,550         |
| 2023        | 4,295,000            | 1,453,725           | 5,748,725            |
| 2024        | 4,500,000            | 1,252,100           | 5,752,100            |
| 2025        | 4,710,000            | 1,040,525           | 5,750,525            |
| 2026        | 4,935,000            | 819,100             | 5,754,100            |
| 2027 - 2033 | 15,320,000           | 1,737,700           | 17,057,700           |
|             | <u>\$ 37,890,000</u> | <u>\$ 7,923,700</u> | <u>\$ 45,813,700</u> |

***Line of Credit***

In May 2020, IPTC entered into a new line of credit agreement with a financial institution to fund future operating costs for \$20 million. The line originally matured on December 31, 2021 and interest was payable upon maturity at a rate equal to the greater of (A) one-month LIBOR or (B) 50 basis points, plus 160 basis points has a \$20 million line of credit agreement with a financial institution to fund future operating costs. IPTC terminated the line of credit agreement with the financial institution on February 22, 2021.

**Note 7: Benefit Plans - Defined-Contribution and Deferred Compensation**

***Defined Contribution Plan***

IPTC maintains a defined-contribution plan for the benefit of substantially all of its employees. All employees who are regularly scheduled to work at least 30 hours per week become eligible to participate in the plan.

- (a) Nonunion Employees. Are eligible to participate in the plan upon the first day of the month following 30 days of employment or at any time during their employment.
- (b) Eligible Union Employees. A Union Employee will become a participant upon employment pursuant to the collective bargaining agreement with the Union, which is the first of the month following six months of employment.



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The defined-contribution plan is administered by the Pension Fund Committee (Committee), a joint labor-management body and is subject to collective bargaining. It is comprised of four members, two labor and two management, and has historically been chaired by the ranking Labor member. The plan requirements for union employees through June 30, 2020 was governed by an arbitration award effective until June 30, 2018. IPTC was operating under the old arbitration award until a new agreement was finalized. Prior to July 1, 2020, the award required union and nonunion employees to contribute 3.5% of their compensation to the 401(a) in order to receive the 3.5% employer match. Effective July 1, 2020, a new arbitration award was issued through December 31, 2022. The new award requires union and nonunion employees to contribute 4.5% of their compensation in order to receive the 4.5% employer match, with 0.50% directed to fund the defined-benefit plan until such time the funded ratio meets the 110% requirement to return the 0.50% back to the defined-contribution plan. Employer contributions to the defined-contribution plan during 2021 were \$1,382,568.

***Deferred Compensation Plan***

IPTC maintains an IRS Code Section 457 plan for the benefit of substantially all of its employees. Employees become eligible to participate in the plan on the first day of the second month following commencement of employment or completion of any applicable probationary period. The plan allows for employee contributions only and plan assets are held in a trust separate from IPTC's assets.

**Note 8: Benefit Plan – Defined Benefit Pension**

***Plan Description***

IPTC provides pension benefits through a single-employer defined benefit exempt governmental pension plan known as the Indianapolis Public Transportation Corporation Pension Plan (Plan). The Plan is part of the collective bargaining agreement between IPTC and the Amalgamated Transit Union (ATU), Local 1070. All full-time IPTC employees who agree to make employee contributions in accordance with the Plan are covered by the Plan after working 60 days of continuous employment. After December 31, 1997, no new employees entered the Plan. Effective December 31, 1997, all benefits were frozen by plan amendment, and effective December 31, 1997, the Plan was amended to remove the disability benefit provisions. Requirements for administering both the Defined Benefit Pension Plan and the Defined Contribution Plan for union employees through June 30, 2020 were governed by an arbitration award issued by Samuel Stone that was effective until June 30, 2018. IPTC was operating under the old arbitration award until a new agreement was finalized. Effective July 1, 2020, a new arbitration award issued by Jules Crystal was effective for both the Defined Benefit Pension Plan and the Defined Contribution Plan for union employees through December 31, 2022. The Plan issues a separate audit report that includes financial statements and required supplementary information for the Plan, which can be obtained by writing to Indianapolis Public Transportation Corporation, 1501 West Washington Street, Indianapolis Indiana 46222.



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**Benefits Provided**

The Plan provides retirement and death benefits to plan members and their beneficiaries. The retirement benefit is payable monthly during the life of the retired employee. If, at death, the retired employee has not received total benefits at least equal to his/her contributions to the Plan (plus interest accumulated at 2% per year), his/her beneficiary or estate will be paid a sum equal to his/her total contributions plus interest, less the aggregate of the benefits he/she has received. Death benefits or termination of employment prior to retirement, result in the return of all employee contributions plus interest at 2% to be made. Normal retirement benefits are payable for employees who have attained age 65 and completed 15 years of service. Early retirement benefits are available for employees with 20 years of continuous employment as of January 1, 2006 who have not attained age 65.

The employees covered by the Plan at December 31, 2021, are:

|  |             |
|--|-------------|
| Inactive employees or beneficiaries currently receiving benefits | 113         |
| Inactive employees entitled to but not yet receiving benefits    | 6           |
| Active employees   | 16          |
|  | <hr/>       |
|  | 135         |
|  | <hr/> <hr/> |

**Contributions**

The Pension Fund Committee has the authority to establish and amend the contribution requirements of the IPTC and active employees only through negotiation or arbitration. As of January 2006, all vested active union employees who remained in the Plan contributed 4.5% of the total compensation received by such employee and IPTC contributed 3.5% of their pay, as documented in the arbitration award in effect through and until June 30, 2018, which automatically continued in effect until June 30, 2020. Effective July 1, 2020, a new arbitration award came into effect through December 31, 2022. All vested active union employees who remained in the Plan and IPTC are now required to contribute 4.5% of their pay as well as IPTC making an additional \$225,000 contribution to the Plan annually on July 1 until 2022. Employer contributions for 2021 were \$186,757.



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**Net Pension Liability**

IPTC's net pension liability was measured as of December 31, 2021, for the year ended December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of December 31, 2021.

For the total pension liability at December 31, 2021, actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

|                                   |  |
|-----------------------------------|--|
| Inflation                         | 2.20%  |
| Salary increases                  | None   |
| Ad hoc cost of living adjustments | None   |
| Investment rate of return         | 5.5%, net of pension plan investment expense,<br>including inflation |
| Retirement age                    | 65 years   |
| Turnover                          | Crocker-Sarason T4 table   |

Mortality rates were based on the Pri-2012 Blue Collar Mortality for Employees, Healthy Annuitants, Surviving Spouses and Disabled Annuitants with generational projection per Scale MP-2021.

The actuarial assumptions used in the December 31, 2021 valuations were not based on the results of an actuarial experience study.

The building-block method which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The long-term expected rate of return on pension plan investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| <b>Asset Class</b> | <b>Target Allocation</b> | <b>Long-Term Expected Real Rate of Return</b> |
|--------------------|--------------------------|---|
| Domestic equity    | 77%                      | 4.81%   |
| Non-US equity      | 9%                       | 6.57%   |
| Fixed income       | 10%                      | 1.03%   |
| Cash               | 4%                       | 0.00%   |
| Total              | 100%                     |   |



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**Discount Rate**

The discount rate used to measure the total pension liability was 5.50%, for the year ended December 31, 2021. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that IPTC contributions will be made at contractually determined contribution rates. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return applied to benefit payments.

Changes in the total pension liability, plan fiduciary net position and the net pension liability (asset) for 2021 are:

|   | Increase (Decrease)         |                                 |   |
|---|-----------------------------|---------------------------------|---|
|   | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (Asset) (a) - (b) |
| <b>Balances at January 1, 2021</b>                            | \$ 9,976,587                | \$ 10,816,055                   | \$ (839,468)                            |
| <b>Changes for the year</b>                                   |                             |                                 |   |
| Interest  | 521,548                     | -                               | 521,548                                 |
| Effect of economic/demographic gains (losses)                 | (222,256)                   | -                               | (222,256)                               |
| Effect of assumptions, changes or inputs                      | 31,942                      | -                               | 31,942                                  |
| Benefit payments, including refunds of employee contributions | (1,001,200)                 | (1,001,200)                     | -                                       |
| Contributions - employer                                      | -                           | 186,757                         | (186,757)                               |
| Contributions - employee                                      | -                           | 54,644                          | (54,644)                                |
| Net investment income   | -                           | 397,917                         | (397,917)                               |
| Administrative expense  | -                           | (38,863)                        | 38,863                                  |
| Net changes   | (669,966)                   | (400,745)                       | (269,221)                               |
| <b>Balances at December 31, 2021</b>                          | \$ 9,306,621                | \$ 10,415,310                   | \$ (1,108,689)                          |

The net pension asset of IPTC has been calculated using a discount rate of 5.50% at December 31, 2021. The following presents the net pension asset using a discount rate of 1% higher and 1% lower than the current rate.

|                          | 1% Decrease (4.50%) | Current Discount Rate (5.50%) | 1% Increase (6.50%) |
|--------------------------|---------------------|-------------------------------|---------------------|
| IPTC's net pension asset | \$ (435,679)        | \$ (1,108,689)                | \$ (1,701,938)      |



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***Pension Plan Fiduciary Net Position***

Detailed information about the pension plan's fiduciary net position, or fair value of Plan assets, at December 31, 2021 is as follows:

|                              |                             |
|------------------------------|-----------------------------|
| Cash and cash equivalents    | \$ 2,171,900                |
| Receivable investment income | 4,988                       |
| Fixed income investments     | 1,040,861                   |
| Domestic equities            | <u>7,197,561</u>            |
|                              | <u><u>\$ 10,415,310</u></u> |

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended December 31, 2021, IPTC recognized a contra pension expense of \$(839,766). At December 31, 2021, IPTC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | <b>Deferred<br/>Outflows of<br/>Resources</b> | <b>Deferred<br/>Inflows of<br/>Resources</b> |
|--|---|--|
| Net difference between projected and actual earnings on pension plan investments | <u>\$ -</u>                                   | <u>\$ (1,391,165)</u>                        |
|  | <u><u>\$ -</u></u>                            | <u><u>\$ (1,391,165)</u></u>                 |

Amounts reported as deferred outflows of resources and deferred inflows of resources at December 31, 2021, related to pensions will be recognized in pension expense (reduction in pension expense) as follows:

| <b>Year Ending December 31:</b> | <b>Amount</b>                |
|---------------------------------|------------------------------|
| 2022                            | \$ (462,233)                 |
| 2023                            | (663,127)                    |
| 2024                            | (300,866)                    |
| 2025                            | <u>35,061</u>                |
|                                 | <u><u>\$ (1,391,165)</u></u> |



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***Payable to the Pension Plan***

At December 31, 2021, IPTC had \$225,000 accrued for contributions owed to the pension plan required for the year.

**Note 9: Other Postemployment Benefit Plan**

***Plan Description and Benefits Provided***

IPTC maintains and provides postemployment medical and life insurance benefits (OPEB) to retirees, through a single-employer defined-benefit plan, which IPTC administers. Retirees under the 1997 program and their spouses under the age of 65 not covered by Medicare are eligible under the provisions to continue these benefits but must pay 20% of the medical premium. COBRA eligible, or employees who are not receiving pay from IPTC must submit the employee's portion, or the COBRA premiums, to Human Resources no later than the first day of the month the premium is due to retain insurance coverage. IPTC will pay \$75 per month towards the COBRA continuation or conversion of group health insurance retained by any employee who retires early or is on disability with IPTC pension. If, after the 18<sup>th</sup> month of continuation group coverage, the retiree is still under the age of 65, IPTC reimburses the retiree up to a maximum of \$225 on a quarterly basis towards the cost of the premiums. Retirees also qualify for a life insurance policy with benefits of \$5,500 if they retire on or after the age of 55 with at least 15 years of service. This plan does not issue a stand-alone financial report and no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The employees covered by the benefit terms at the measurement date of December 31, 2021 are:

|   |             |
|---|-------------|
| Inactive employees or beneficiaries currently<br>receiving benefit payments | 87          |
| Active employees  | 17          |
|   | <hr/>       |
|   | 104         |
|   | <hr/> <hr/> |



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**December 31, 2021**

***Total OPEB Liability***

The IPTC's total OPEB liability of \$1,013,121 was measured as of December 31, 2021 for the year ended December 31, 2021, and was determined by an actuarial valuation as of that date. The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

|                              |                                |
|------------------------------|--------------------------------|
| Inflation                    | 2.20%                          |
| Discount rate                | 2.06%                          |
| Salary increases             | N/A                            |
| Employee turnover/withdrawal | Crocker-Sarason T-4 Table      |
| Life insurance premium       | \$4.07/mo./\$1,000 of coverage |

Retirement rates are shown below:

| <b>Age</b> | <b>Rates</b> |
|------------|--------------|
| 55         | 2.5%         |
| 56-59      | 1.0%         |
| 60         | 5.0%         |
| 61         | 1.0%         |
| 62         | 30.0%        |
| 63         | 10.0%        |
| 64         | 20.0%        |
| 65+        | 100.0%       |

The discount rate was based on the Bond Buyer General Obligation 20 – Bond Municipal Index.

Mortality rates were based on the Pri-2012 Blue Collar mortality rates for employees, retirees, contingent survivors, with generational improvement using Scale MP-2021.

***Changes in the Total OPEB Liability***

Changes in the total OPEB liability are:

|  |                     |
|--|---------------------|
| Balance, beginning of year             | <u>\$ 1,079,015</u> |
| Changes for the year:                  |                     |
| Service cost                           | 1,507               |
| Interest                               | 22,236              |
| Effect of economic/demographic losses  | (34,879)            |
| Effect of assumption changes or inputs | 8,917               |
| Benefit payments                       | <u>(63,675)</u>     |
| Net change                             | <u>(65,894)</u>     |
| Balance, end of year                   | <u>\$ 1,013,121</u> |



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Changes of assumptions and other inputs reflect a change in the discount rate from 2.12% at December 31, 2020 to 2.06% at December 31, 2021.

***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Health Care Cost Trend Rates***

The total OPEB liability of the IPTC has been calculated using a discount rate of 2.06%. The following presents the total OPEB liability using a discount rate 1% higher and 1% lower than the current discount rate.

|                             | <b>1% Decrease<br/>(1.06%)</b> | <b>Current<br/>Discount<br/>Rate<br/>(2.06%)</b> | <b>1% Increase<br/>(3.06%)</b> |
|-----------------------------|--------------------------------|--|--------------------------------|
| IPTC's Total OPEB liability | \$ 1,103,575                   | \$ 1,013,121                                     | \$ 934,905                     |

Health Care Cost Trend Rates, the rates of change in per capita health claims over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments, are not applicable due to the nature of the plan benefits.

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

For the year ended December 31, 2021, IPTC recognized an OPEB contra expense (reduction) of \$(2,219). At December 31, 2021, IPTC did not have any reported deferred outflows of resources or deferred inflows of resources related to OPEB because the closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period was less than one year for the applicable OPEB items.



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**Note 10: Disclosures About Fair Value of Assets and Liabilities**

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

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

***Recurring Measurements***

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2021:

| Type                             | Fair Value    | Fair Value Measurement Using                                   |   |   |               | Investments Measured at NAV (A) |
|----------------------------------|---------------|--|---|---|---------------|---------------------------------|
|                                  |               | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |               |                                 |
| Money market mutual funds        | \$ 64,285,518 | \$ -   | \$ -  | \$ -                                      | \$ 64,285,518 |                                 |
| Government-backed mortgage notes | 18,494,543    | 18,494,543   | -   | -   | -             |                                 |
| Municipal bonds                  | 1,878,200     | -  | 1,878,200                                     | -   | -             |                                 |

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



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Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2021.

***Investments***

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

***Investments at NAV***

Money market mutual funds invest in short-term debt securities and seeks to provide greater returns than cash deposits. There are no unfunded commitments or restrictions on redemptions.

**Note 11: Commitments and Contingencies**

***Litigation***

In the normal course of business, IPTC is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by IPTC's self-insurance program or by commercial insurance. IPTC evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of the amount of ultimate expected loss, if any, for each. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

***Commitments***

Through December 31, 2021, the IPTC Board of Directors awarded a number of contracts related to the Marion County Transit Plan - Purple Line BRT project. The total remaining contract activity for the Design, Engineering and Construction Management services was approximately \$14.5 million as of December 31, 2021.



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Through December 31, 2021, the IPTC Board of Directors awarded a contract related to the Marion County Transit Plan - Blue Line BRT project for Design and Engineering services. The total remaining contract activity was approximately \$4.4 million as of December 31, 2021.

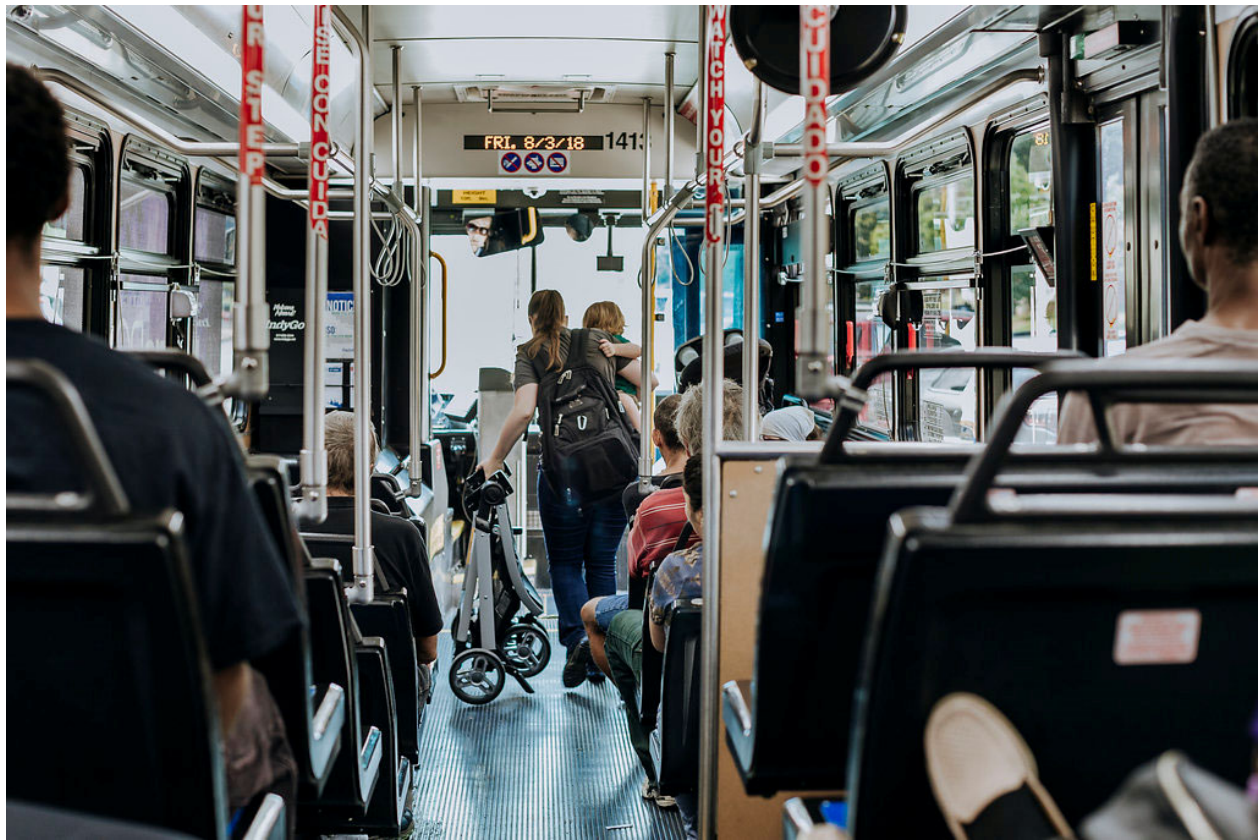
**COVID-19**

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of IPTC. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

**Note 12: Subsequent Event**

In March 2022, IPTC issued \$65,000,000 of Local Income Tax Revenue Bonds, Series 2022D, which will be used to fund construction, renovation and equipment purchases at various IPTC operating sites along with the purchase of 22 electric buses. The bonds include term bonds maturing through 2042. The bonds bear interest at a rate of 4.0% to 5.0%.







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**Schedule of Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability (Asset) and Related Ratios**

|   | 2021                  | 2020                | 2019                | 2018                | 2017                  | 2016               | 2015              |
|---|-----------------------|---------------------|---------------------|---------------------|-----------------------|--------------------|-------------------|
| <b>Total Pension Liability</b>  |                       |                     |                     |                     |                       |                    |                   |
| Interest on total pension liability   | \$ 521,548            | \$ 547,802          | \$ 548,001          | \$ 575,531          | \$ 605,983            | \$ 602,323         | \$ 623,493        |
| Service cost  | -                     | -                   | -                   | 21,125              | -                     | -                  | -                 |
| Effect of plan changes  | -                     | -                   | 897,915             | 1,567,592           | -                     | -                  | -                 |
| Effect of economic/demographic gains (losses)                                     | (222,256)             | 162,516             | (60,360)            | (183,410)           | (85,848)              | (499,484)          | (268,255)         |
| Effect of assumptions, changes or inputs  | 31,942                | (61,764)            | 204,880             | 705,896             | (81,629)              | (8,303)            | 333,067           |
| Benefit payments, including refunds of employee contributions                     | (1,001,200)           | (1,283,153)         | (2,005,124)         | (972,804)           | (884,818)             | (999,235)          | (964,637)         |
| Net change in total pension liability   | (669,966)             | (634,599)           | (414,688)           | 1,713,930           | (446,312)             | (904,699)          | (276,332)         |
| Total pension liability - beginning   | 9,976,587             | 10,611,186          | 11,025,874          | 9,311,944           | 9,758,256             | 10,662,955         | 10,939,287        |
| Total pension liability - ending (a)  | 9,306,621             | 9,976,587           | 10,611,186          | 11,025,874          | 9,311,944             | 9,758,256          | 10,662,955        |
| <b>Plan Fiduciary Net Position</b>  |                       |                     |                     |                     |                       |                    |                   |
| Contributions - employer  | 186,757               | 334,591             | 60,835              | 61,809              | 124,276               | 159,746            | 164,076           |
| Contributions - employee  | 54,644                | 68,851              | 78,220              | 79,473              | 88,269                | 88,923             | 96,872            |
| Net investment income (loss)  | 397,917               | 2,266,123           | 2,339,208           | (362,116)           | 1,214,040             | 823,838            | (44,197)          |
| Benefit payments, including refunds of employee contributions                     | (1,001,200)           | (1,283,153)         | (2,005,124)         | (972,804)           | (884,818)             | (999,235)          | (964,637)         |
| Administrative expense  | (38,863)              | (51,604)            | (62,722)            | (53,589)            | (37,156)              | (29,504)           | (21,917)          |
| Net change in plan fiduciary net position   | (400,745)             | 1,334,808           | 410,417             | (1,247,227)         | 504,611               | 43,768             | (769,803)         |
| Plan fiduciary net position - beginning   | 10,816,055            | 9,481,247           | 9,070,830           | 10,318,057          | 9,813,446             | 9,769,678          | 10,539,481        |
| Plan fiduciary net position - ending (b)  | 10,415,310            | 10,816,055          | 9,481,247           | 9,070,830           | 10,318,057            | 9,813,446          | 9,769,678         |
| <b>IPTC's Net Pension Liability (Asset) - Ending (a) - (b)</b>                    | <u>\$ (1,108,689)</u> | <u>\$ (839,468)</u> | <u>\$ 1,129,939</u> | <u>\$ 1,955,044</u> | <u>\$ (1,006,113)</u> | <u>\$ (55,190)</u> | <u>\$ 893,277</u> |
| <b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b> | 111.91%               | 108.41%             | 89.35%              | 82.27%              | 110.80%               | 100.57%            | 91.62%            |
| <b>Covered Payroll</b>  | \$ 1,084,499          | \$ 1,656,561        | \$ 1,870,497        | \$ 1,936,383        | \$ 2,069,769          | \$ 2,106,365       | \$1,994,058       |
| <b>IPTC's Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>    | -102.23%              | -50.68%             | 60.41%              | 100.96%             | -48.61%               | -2.62%             | 44.80%            |

**Notes to Schedule:**

*Required supplementary information is not available for the preceding three years. IPTC is presenting information for those years for which information is available until a full ten years of information is available.*

**Benefit changes.** No significant changes

**Changes of assumptions.** The mortality improvement scale assumption has been changed from Scale MP-2020 to Scale MP-2021.



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**Schedule of Required Supplementary Information**  
**Schedule of IPTC Pension Contributions**

|   | 2021                     | 2020                | 2019                | 2018                | 2017                | 2016                | 2015               |
|---|--------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
| Contractually required contribution   | \$ 411,757               | 334,591             | \$ 60,835           | \$ 61,809           | \$ 124,276          | \$ 159,746          | \$ 164,076         |
| Contributions in relation to the contractually required contribution                    | <u>(186,757)</u>         | <u>\$ (334,591)</u> | <u>(60,835)</u>     | <u>(61,809)</u>     | <u>(124,276)</u>    | <u>(159,746)</u>    | <u>(164,076)</u>   |
| Annual contribution deficiency (excess)   | <u><u>\$ 225,000</u></u> | <u><u>-</u></u>     | <u><u>\$ -</u></u>  | <u><u>\$ -</u></u>  | <u><u>\$ -</u></u>  | <u><u>\$ -</u></u>  | <u><u>\$ -</u></u> |
| IPTC's contributions as a percentage of contractually required contribution for pension | 220%                     | 100%                | 100%                | 100%                | 100%                | 100%                | 100%               |
| IPTC's covered payroll  | <u>\$ 1,084,499</u>      | <u>1,656,561</u>    | <u>\$ 1,870,497</u> | <u>\$ 1,936,383</u> | <u>\$ 2,069,769</u> | <u>\$ 2,106,365</u> | <u>\$1,994,058</u> |
| Contributions as a percentage of covered payroll  | 17.2%                    | 20.2%               | 3.3%                | 3.2%                | 6.0%                | 7.6%                | 8.2%               |

**Notes to Schedule:**

*Required supplementary information is not available for the preceding three years. IPTC is presenting information for those years for which information is available until a full ten years of information is available.*

Valuation date: December 31, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry age normal

Amortization method: Level dollar

Remaining amortization period: N/A

Asset valuation method: Zero years smoothing period with no corridor

Inflation: 2.20%

Salary increases: Not applicable

Investment rate of return: 5.5%

Retirement age: 65

Mortality: Pri-2012 Blue Collar Mortality for Employees, Healthy Annuitants, Surviving Spouses, and Disabled Annuitants with generational projection per Scale MP-2021

Contributions: Based on the 2020 Arbitration Agreement, IPTC is required to contribute 4.5% of union employees pay as well as making an additional \$225,000 contribution to the Plan annually on July 1 until 2022 (2021 contribution accrued at December 31, 2021).



**Indianapolis Public Transportation Corporation**  
**A Component Unit of the Consolidated City of Indianapolis-Marion County**  
**Schedule of Required Supplementary Information**  
**Schedule of Changes in IPTC's Total OPEB Liability and Related Ratios**

|   | <u>2021</u>                | <u>2020</u>                | <u>2019</u>                | <u>2018</u>                |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Total OPEB Liability</b>   |                            |                            |                            |                            |
| Service cost  | \$ 1,507                   | \$ 1,152                   | \$ 680                     | \$ 1,238                   |
| Interest  | 22,236                     | 29,783                     | 40,567                     | 38,970                     |
| Effect of economic/demographic losses                                   | (34,879)                   | (49,988)                   | (28,867)                   | (59,107)                   |
| Effect of assumption changes or inputs                                  | 8,917                      | 44,129                     | 148,699                    | (59,000)                   |
| Benefit payments  | <u>(63,675)</u>            | <u>(63,300)</u>            | <u>(64,579)</u>            | <u>(65,362)</u>            |
| <b>Net Change in Total OPEB Liability</b>                               | (65,894)                   | (38,224)                   | 96,500                     | (143,261)                  |
| <b>Total OPEB Liability - Beginning</b>                                 | <u>1,079,015</u>           | <u>1,117,239</u>           | <u>1,020,739</u>           | <u>1,164,000</u>           |
| <b>Total OPEB Liability - Ending</b>                                    | <u><u>\$ 1,013,121</u></u> | <u><u>\$ 1,079,015</u></u> | <u><u>\$ 1,117,239</u></u> | <u><u>\$ 1,020,739</u></u> |
| <b>IPTC's Covered-Employee Payroll</b>                                  | \$ 1,084,499               | \$ 1,528,354               | \$ 1,729,827               | \$ 1,738,898               |
| <b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b> | 93.4%                      | 70.6%                      | 64.6%                      | 58.7%                      |

**Notes to Schedule:**

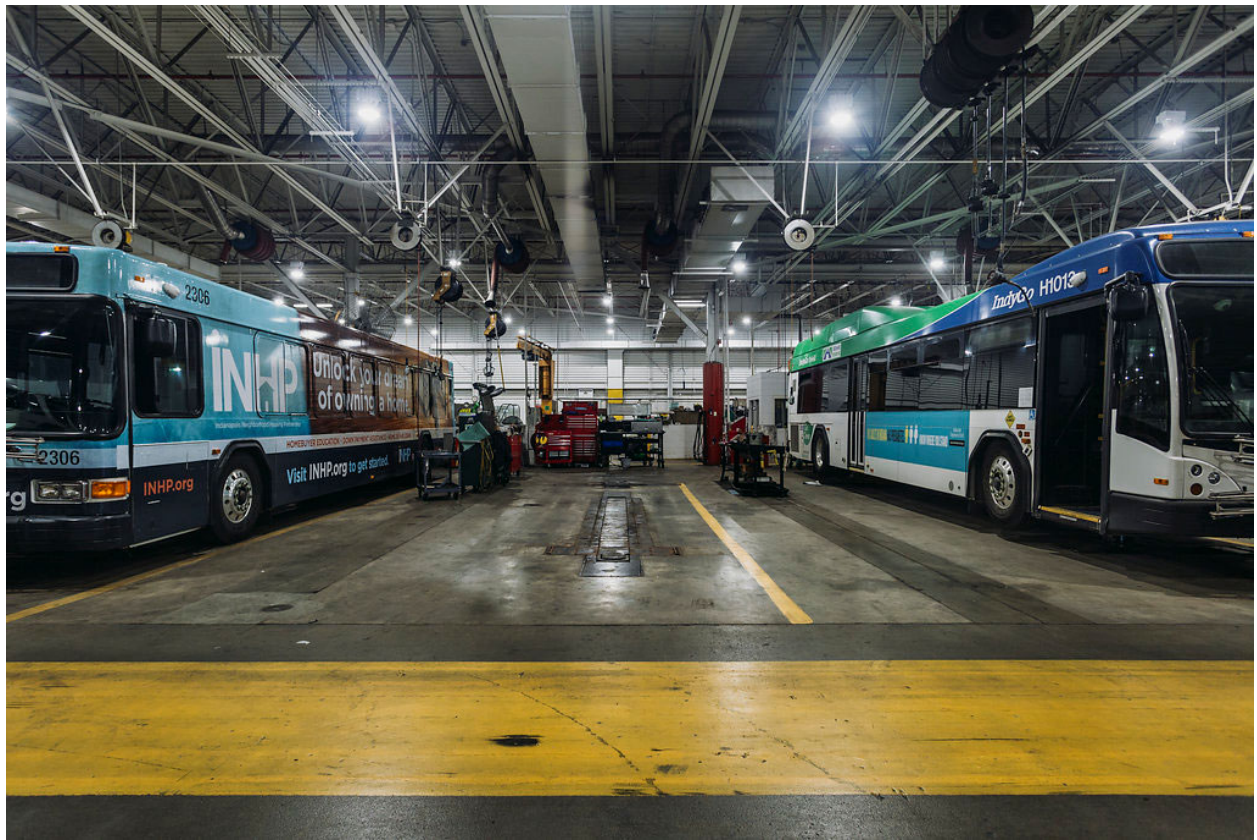
*Required supplementary information is not available for the preceding six years. IPTC is presenting information for those years for which information is available until a full ten years of information is available.*

**Benefit changes.** No significant changes

**Changes of assumptions.** Discount rate changed from 2.12% at December 31, 2020 to 2.06% at December 31, 2021. The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.

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







## **Statistical Section (Unaudited)**



# **Indianapolis Public Transportation Corporation**

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

### **Statistical Section (Unaudited)**

#### **Table of Contents**

The statistical section of this report presents detailed information in order to understand what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

#### **Financial Trends**

**Tables I-III** contain trend information to help the reader understand how the IPTC's financial performance and well-being have changed over time.

#### **Revenue Capacity**

**Tables IV-VII** contain information to help the reader assess one of the IPTC's most significant sources of revenue, property taxes.

#### **Debt Capacity**

**Tables VIII - Table X** contain information to help the reader assess IPTC's ability to take on debt and service it over time.

#### **Demographic and Economic Information**

**Tables XI - Table XIII** offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

#### **Operating Information**

**Tables XIV-XVI** contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the IPTC provides and the activities it performs.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table I**  
**Net Position by Component - Accrual Basis of Accounting**  
**Last Ten Years**  
**(amounts in thousands)**

|                                    | Fiscal Year      |                  |                  |                   |                   |                   |                   |                   |                   |                   |
|------------------------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                    | 2012             | 2013             | 2014             | 2015              | 2016              | 2017              | 2018              | 2019              | 2020              | 2021              |
| Net investment in capital assets   | \$ 33,289        | \$ 36,110        | \$ 42,647        | \$ 80,425         | \$ 98,024         | \$ 109,604        | \$ 124,210        | \$ 186,723        | \$ 210,496        | \$ 211,816        |
| Restricted                         | 18,281           | 16,092           | 17,760           | 14,655            | 9,530             | 7,589             | 20,187            | 32,765            | 27,643            | 42,051            |
| Unrestricted                       | 10,473           | 13,578           | 12,961           | 15,456            | 14,152            | 8,460             | 31,613            | 19,650            | 62,165            | 99,851            |
| Total IPTC activities net position | <u>\$ 62,043</u> | <u>\$ 65,780</u> | <u>\$ 73,368</u> | <u>\$ 110,536</u> | <u>\$ 121,706</u> | <u>\$ 125,653</u> | <u>\$ 176,010</u> | <u>\$ 239,138</u> | <u>\$ 300,304</u> | <u>\$ 353,718</u> |

Note: 2018 and forward reflects the impact of adoption of GASB Statement No. 75. 2015 and forward reflects the impact of adoption of GASB Statement No. 68.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table II**  
**Operating Expenses by Type**  
**Last Ten Years**

| <b>Calendar<br/>Year</b> | <b>Transportation</b> | <b>Maintenance of<br/>Equipment<br/>Including Fuel</b> | <b>Administrative<br/>and General</b> | <b>Claims and<br/>Insurance</b> | <b>Subtotal<br/>Expenses Before<br/>Depreciation</b> | <b>Depreciation</b> | <b>Total<br/>Operating<br/>Expenses</b> |
|--------------------------|-----------------------|--|---------------------------------------|---------------------------------|--|---------------------|---|
| 2012                     | \$ 28,619,510         | \$ 15,434,962  | \$ 6,915,103                          | \$ 1,800,777                    | \$ 52,770,352  | \$ 8,253,598        | \$ 61,023,950                           |
| 2013                     | 29,733,176            | 17,098,609   | 10,208,449                            | 1,334,836                       | 58,375,070   | 7,293,959           | 65,669,029                              |
| 2014                     | 32,424,781            | 18,932,576   | 10,311,180                            | 1,566,982                       | 63,235,519   | 7,883,516           | 71,119,035                              |
| 2015                     | 29,787,891            | 16,952,267   | 9,833,426                             | 1,322,196                       | 57,895,780   | 7,750,331           | 65,646,111                              |
| 2016                     | 35,205,033            | 16,837,683   | 11,842,475                            | 1,547,474                       | 65,432,665   | 9,105,197           | 74,537,862                              |
| 2017                     | 38,377,545            | 16,708,390   | 12,123,381                            | 2,288,866                       | 69,498,182   | 10,303,582          | 79,801,764                              |
| 2018                     | 45,696,369            | 21,471,248   | 17,453,459                            | 1,754,005                       | 86,375,081   | 12,052,443          | 98,427,524                              |
| 2019                     | 51,432,242            | 25,183,296   | 17,489,243                            | 2,837,323                       | 96,942,104   | 12,569,083          | 109,511,187                             |
| 2020                     | 57,591,629            | 26,177,451   | 16,926,259                            | 2,778,359                       | 103,473,698  | 20,440,255          | 123,913,953                             |
| 2021                     | 55,973,418            | 24,807,965   | 18,253,830                            | 2,873,527                       | 101,908,740  | 19,698,349          | 121,607,089                             |



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table III**  
**Changes in Net Position**  
**Last Ten Years**

| <b>Calendar<br/>Year</b> |    | <b>Operating<br/>Revenue</b> |    | <b>Operating<br/>Expense</b> |    | <b>Operating<br/>Loss</b> |    | <b>Nonoperating<br/>Revenue</b> |    | <b>Income (Loss)<br/>Before Capital<br/>Contributions</b> |    | <b>Capital<br/>Contributions</b> |    | <b>Change<br/>in Net<br/>Position</b> |
|--------------------------|----|------------------------------|----|------------------------------|----|---------------------------|----|---------------------------------|----|---|----|----------------------------------|----|---------------------------------------|
| 2012                     | \$ | 11,661,120                   | \$ | 61,023,950                   | \$ | (49,362,830)              | \$ | 50,265,991                      | \$ | 903,161   | \$ | 3,710,587                        | \$ | 4,613,748                             |
| 2013                     |    | 11,738,207                   |    | 65,669,029                   |    | (53,930,822)              |    | 54,831,342                      |    | 900,520   |    | 2,836,387                        |    | 3,736,907                             |
| 2014                     |    | 12,136,882                   |    | 71,119,035                   |    | (58,982,153)              |    | 54,548,834                      |    | (4,433,319)   |    | 12,021,795                       |    | 7,588,476                             |
| 2015                     |    | 11,724,021                   |    | 65,646,111                   |    | (53,922,090)              |    | 58,447,464                      |    | 4,525,374   |    | 33,040,761                       |    | 37,566,135                            |
| 2016                     |    | 11,105,202                   |    | 74,537,862                   |    | (63,432,660)              |    | 64,881,873                      |    | 1,449,213   |    | 9,721,628                        |    | 11,170,841                            |
| 2017                     |    | 10,628,556                   |    | 79,801,764                   |    | (69,173,208)              |    | 63,216,860                      |    | (5,956,348)   |    | 9,903,586                        |    | 3,947,238                             |
| 2018                     |    | 10,923,994                   |    | 98,427,524                   |    | (87,503,530)              |    | 108,098,321                     |    | 20,594,791  |    | 31,355,362                       |    | 51,950,153                            |
| 2019                     |    | 9,880,452                    |    | 109,511,187                  |    | (99,630,735)              |    | 120,133,891                     |    | 20,503,156  |    | 42,625,457                       |    | 63,128,613                            |
| 2020                     |    | 6,557,590                    |    | 123,913,953                  |    | (117,356,363)             |    | 164,684,745                     |    | 47,328,382  |    | 13,837,538                       |    | 61,165,920                            |
| 2021                     |    | 5,902,425                    |    | 121,607,089                  |    | (115,704,664)             |    | 152,531,781                     |    | 36,827,117  |    | 16,586,694                       |    | 53,413,811                            |



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table IV**  
**Operating Revenues by Source**  
**Last Ten Years**

| <b>Calendar<br/>Year</b> | <b>Passenger<br/>Fares</b> | <b>Advertising</b> | <b>Total</b>  |
|--------------------------|----------------------------|--------------------|---------------|
| 2012                     | \$ 11,266,129              | \$ 394,991         | \$ 11,661,120 |
| 2013                     | 11,354,576                 | 383,631            | 11,738,207    |
| 2014                     | 11,617,150                 | 519,732            | 12,136,882    |
| 2015                     | 11,232,694                 | 491,327            | 11,724,021    |
| 2016                     | 10,387,232                 | 717,970            | 11,105,202    |
| 2017                     | 9,990,230                  | 638,326            | 10,628,556    |
| 2018                     | 10,287,454                 | 636,540            | 10,923,994    |
| 2019                     | 9,224,816                  | 655,636            | 9,880,452     |
| 2020                     | 5,991,647                  | 565,943            | 6,557,590     |
| 2021                     | 5,190,832                  | 711,593            | 5,902,425     |



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table V**  
**Nonoperating Revenues and Expenses**  
**Last Ten Years**

| <b>Calendar Year</b> |     | <b>Property and Income Tax</b> | <b>Municipalities</b> | <b>FTA Operating Assistance</b> | <b>Other, net</b> | <b>Total Nonoperating Revenue and Expenses</b> |
|----------------------|-----|--------------------------------|-----------------------|---------------------------------|-------------------|--|
| 2012                 |     | \$ 27,029,782                  | \$ 10,883,600         | \$ 12,320,606                   | \$ 32,003         | \$ 50,265,991                                  |
| 2013                 |     | 33,105,656                     | 10,842,244            | 11,017,598                      | (134,156)         | 54,831,342                                     |
| 2014                 |     | 31,729,423                     | 10,877,058            | 11,855,317                      | 87,036            | 54,548,834                                     |
| 2015                 |     | 34,110,139                     | 10,996,469            | 13,265,041                      | 75,815            | 58,447,464                                     |
| 2016                 |     | 39,000,284                     | 11,021,036            | 11,792,142                      | 3,068,411         | 64,881,873                                     |
| 2017                 |     | 39,254,016                     | 11,002,081            | 13,331,008                      | (370,245)         | 63,216,860                                     |
| 2018                 | (1) | 91,732,257                     | 11,386,129            | 5,243,143                       | (263,208)         | 108,098,321                                    |
| 2019                 |     | 97,092,434                     | 11,251,928            | 12,755,339                      | (965,810)         | 120,133,891                                    |
| 2020                 | (2) | 101,476,572                    | 11,372,796            | 52,862,338                      | (1,026,961)       | 164,684,745                                    |
| 2021                 |     | 110,896,076                    | 9,900,559             | 32,702,575                      | (967,429)         | 152,531,781                                    |

(1) Effective 2018, IPTC began receiving additional local income tax for public transportation via ordinance.

(2) Effective 2020, IPTC began receiving additional CARES Act funding from the Federal Transit Administration



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table VI**  
**Assessed Value and Estimated Actual Value of Taxable Property (1)**  
**Last Ten Years**

| <b>Calendar<br/>Year</b> | <b>Real<br/>Property<br/>Assessed<br/>Value</b> | <b>Personal<br/>Property<br/>Assessed<br/>Value</b> | <b>Total Taxable<br/>Assessed<br/>Value</b> | <b>Total<br/>Direct Tax<br/>Rate</b> | <b>Taxable<br/>Assessed<br/>Value as a<br/>% of Actual<br/>Taxable Value</b> |
|--------------------------|---|---|---|--------------------------------------|--|
| 2012                     | \$ 30,767,449,975                               | \$ 4,966,628,437                                    | \$ 35,734,078,412                           | 0.0803 %                             | 100 %  |
| 2013                     | 28,895,562,176                                  | 5,076,078,757                                       | 33,971,640,933                              | 0.1031                               | 100  |
| 2014                     | 29,672,648,271                                  | 5,152,942,345                                       | 34,825,590,616                              | 0.0938                               | 100  |
| 2015                     | 29,582,373,258                                  | 5,148,642,743                                       | 34,731,016,001                              | 0.0983                               | 100  |
| 2016                     | 30,090,249,074                                  | 5,471,602,908                                       | 35,561,851,982                              | 0.1120                               | 100  |
| 2017                     | 31,662,059,780                                  | 5,816,440,516                                       | 37,478,500,296                              | 0.1074                               | 100  |
| 2018                     | 33,189,915,211                                  | 5,641,338,056                                       | 38,831,253,267                              | 0.1044                               | 100  |
| 2019                     | 34,318,475,936                                  | 5,824,733,758                                       | 40,143,209,694                              | 0.1029                               | 100  |
| 2020                     | 36,230,086,348                                  | 5,800,307,300                                       | 42,030,393,648                              | 0.1000                               | 100  |
| 2021                     | 38,382,415,527                                  | 6,058,477,663                                       | 44,440,893,190                              | 0.0976                               | 100  |

(1) Source: Indiana Department of Local Government Finance.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table VII**  
**Property Tax Levies and Collections (1, 2 & 3)**  
**Last Ten Years**

| Year<br>Ended<br>December 31 | Taxes Levied<br>for the<br>Year | Collected Within the<br>Fiscal Year of the Levy |                       | Collections<br>of Taxes Levied<br>in Prior Years | Total Collections to Date |                       |
|------------------------------|---------------------------------|---|-----------------------|--|---------------------------|-----------------------|
|                              |                                 | Amount  | Percentage<br>of Levy |  | Amount                    | Percentage<br>of Levy |
| 2012 (5)                     | \$ 25,732,422                   | \$ 25,055,800                                   | 97.37%                | \$ 957,259                                       | \$ 26,013,059             | 101.09%               |
| 2013                         | 28,011,096                      | 26,490,971                                      | 94.57%                | 1,157,889  | 27,648,860                | 98.71%                |
| 2014 (4) (6)                 | 25,292,892                      | 26,426,781                                      | 104.48%               | 1,001,691  | 27,428,472                | 108.44%               |
| 2015                         | 29,823,911                      | 28,690,763                                      | 96.20%                | 1,025,882  | 29,716,645                | 99.64%                |
| 2016                         | 33,521,071                      | 33,164,540                                      | 98.94%                | 942,355  | 34,106,895                | 101.75%               |
| 2017                         | 33,174,179                      | 32,980,034                                      | 99.41%                | 1,144,468  | 34,124,502                | 102.86%               |
| 2018                         | 33,975,127                      | 33,582,649                                      | 98.84%                | 958,308  | 34,540,957                | 101.67%               |
| 2019                         | 34,404,784                      | 34,991,721                                      | 101.71%               | 941,006  | 35,932,727                | 104.44%               |
| 2020                         | 35,160,685                      | 34,807,403                                      | 99.00%                | 1,154,229  | 35,961,632                | 102.28%               |
| 2021                         | 36,063,977                      | 35,874,849                                      | 99.48%                | 1,201,484  | 37,076,333                | 102.81%               |

- (1) Includes operating, cumulative capital and debt service funds.
- (2) Data presented on the cash basis of accounting.
- (3) Source of information is Indiana Department of Local Government Finance.
- (4) Beginning in 2008, the effect of property tax caps has impacted the value of taxes levied.
- (5) Collected more delinquent tax in 2012.
- (6) The Tax Levy for 2014 was cut \$3.9 million.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table VIII**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Years**

| Calendar Year | Total General Bonded Debt Outstanding | Total Notes Payable Outstanding | Less: Amounts Available in Debt Service Fund | Total         | Per Capita Debt (1) | Per Capita Personal Income (3) | Total Debt as a Percentage of Per Personal Income | Actual Taxable Value of Property (2) | Percentage of Actual Taxable Value of Property |
|---------------|---------------------------------------|---------------------------------|--|---------------|---------------------|--------------------------------|---|--------------------------------------|--|
| 2012          | \$ 6,425,000                          | \$ 6,621,748                    | \$ 5,543                                     | \$ 13,041,205 | \$ 14.18            | \$ 46,011                      | 0.00037   | \$ 35,734,078,412                    | 0.036%   |
| 2013          | 4,675,000                             | 1,549,420                       | -  | 6,224,420     | 6.69                | 45,197                         | 0.00020   | 33,971,640,933                       | 0.018%   |
| 2014          | 2,925,000                             | 1,336,688                       | -  | 4,261,688     | 4.55                | 46,290                         | 0.00010   | 34,825,590,616                       | 0.012%   |
| 2015          | 1,680,000                             | 967,155                         | -  | 2,647,155     | 2.82                | 48,238                         | 0.00007   | 34,731,016,001                       | 0.008%   |
| 2016          | 1,680,000                             | 719,124                         | -  | 2,399,124     | 2.54                | 49,357                         | 0.00006   | 35,561,851,982                       | 0.007%   |
| 2017          | -                                     | 621,977                         | -  | 621,977       | 0.65                | 50,211                         | 0.00001   | 37,478,500,296                       | 0.002%   |
| 2018          | 28,559,064                            | 284,265                         | 3,859,052                                    | 24,984,277    | 26.17               | 52,815                         | 0.00049   | 38,831,253,267                       | 0.064%   |
| 2019          | 26,280,947                            | -                               | 3,942,811                                    | 22,338,136    | 23.16               | 54,405                         | 0.00044   | 40,143,209,694                       | 0.056%   |
| 2020          | 22,471,029                            | -                               | 3,483,036                                    | 18,987,993    | 19.43               | 59,264                         | 0.00036   | 42,030,393,648                       | 0.045%   |
| 2021          | 43,158,833                            | -                               | 5,927,795                                    | 37,231,038    | 38.34               | 59,264                         | 0.00063   | 44,440,893,190                       | 0.084%   |

(1) Data presented are per the U.S. Department of Commerce, Bureau of Economic Analysis.

(2) The legal debt limit for IPTC general obligation bonds is two percent of the actual taxable value of property.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table IX**  
**Direct and Overlapping Property Tax Rates (1, 3, & 4)**  
**Last Ten Years**

| Year | Direct Rates (2) |              |                    |                   | Overlapping Rates |        |                 |        |        | Total (2) |
|------|------------------|--------------|--------------------|-------------------|-------------------|--------|-----------------|--------|--------|-----------|
|      | Basic Rate       | Debt Service | Cumulative Capital | Total Direct Rate | City              | County | Other Muni Corp | School | Other  | Total     |
| 2012 | 0.0656           | 0.0051       | 0.0096             | 0.0803            | 1.0034            | 0.4007 | 0.3155          | 1.2711 | 0.0670 | 3.1380    |
| 2013 | 0.0870           | 0.0061       | 0.0100             | 0.1031            | 0.9802            | 0.3932 | 0.3283          | 1.4829 | 0.0607 | 3.3484    |
| 2014 | 0.0781           | 0.0057       | 0.0100             | 0.0938            | 0.7667            | 0.4034 | 0.3402          | 1.2889 | 0.0620 | 2.9550    |
| 2015 | 0.0847           | 0.0044       | 0.0092             | 0.0983            | 0.7069            | 0.3825 | 0.3222          | 1.3504 | 0.0607 | 2.9210    |
| 2016 | 0.0983           | 0.0044       | 0.0093             | 0.1120            | 0.7136            | 0.3883 | 0.3334          | 1.4170 | 0.0630 | 3.0273    |
| 2017 | 0.0981           | 0.0000       | 0.0093             | 0.1074            | 0.7316            | 0.3940 | 0.3443          | 0.9735 | 0.0619 | 2.6127    |
| 2018 | 0.0951           | 0.0000       | 0.0093             | 0.1044            | 1.0279            | 0.3893 | 0.3444          | 0.8300 | 0.0587 | 2.7547    |
| 2019 | 0.0936           | 0.0000       | 0.0093             | 0.1029            | 0.7092            | 0.3906 | 0.3467          | 1.5032 | 0.0563 | 3.1089    |
| 2020 | 0.0907           | 0.0000       | 0.0093             | 0.1000            | 0.7040            | 0.3869 | 0.3383          | 1.4284 | 0.0568 | 3.0144    |
| 2021 | 0.0883           | 0.0000       | 0.0093             | 0.0976            | 0.6973            | 0.3931 | 0.3392          | 1.3785 | 0.0559 | 2.9616    |

(1) Rate is per \$100 of assessed valuation.

(2) Rate of District 101 (Indpls-Center Township), which rate includes all major service.

(3) Taxable property was assessed at thirty-three and one-third of this assessed value as per the Marion County Auditor's abstract. In 2002, a change in State law modified the use of free market value as taxable assessed value. The effect of this change reduced the effective tax rate by two-thirds.

(4) Sources: Marion County Treasurer's Office "Notice to the Taxpayers of Marion County of Tax Rates Charged"



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table X**  
**Direct and Overlapping Bonded Debt and Bonding Limit**  
**December 31, 2021**  
**(amounts in thousands)**

|   | <b>Bonded<br/>Debt<br/>Limit (1)</b> | <b>Bonds<br/>Outstanding (2)</b> |
|---|--------------------------------------|----------------------------------|
| <b>Overlapping Debt</b>   |                                      |                                  |
| City of Indianapolis  | \$ 2,734,094                         | \$ 1,750,560                     |
| Marion County   | 313,533                              | -                                |
| Other Municipal Corporations                                      | 1,249,706                            | 238,625                          |
| Public Schools  | 313,533                              | 149,466                          |
| Other Cities and Towns  | 19,977                               | 5,241                            |
| Other Misc City and Town Township                                 | 316,167                              | 1,708                            |
| Total Overlapping Debt  | <u>4,947,010</u>                     | <u>2,145,600</u>                 |
| <b>Direct Debt</b>  |                                      |                                  |
| Indianapolis Public Transportation Corporation                    | <u>297,103</u>                       | <u>43,159</u>                    |
| Total Direct and Overlapping Debt                                 | <u><u>\$ 5,244,113</u></u>           | <u><u>\$ 2,188,759</u></u>       |
| <br><b>IPTC's Percentage of Total Direct and Overlapping Debt</b> | <br>5.67%                            | <br>1.97%                        |

(1) Source: Marion County Auditor's Abstract.

(2) Source: Indianapolis City Controller's Office.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table XI**  
**Demographic and Economic Statistics**  
**Last Ten Years**

| <b>Calendar<br/>Year</b> | <b>Population (1)</b> | <b>Per<br/>Capita<br/>Personal<br/>Income (2)</b> | <b>Median<br/>Age (3)</b> | <b>Student<br/>Enrollment (4)</b> | <b>Unemployment<br/>Rate (5)</b> |   |
|--------------------------|-----------------------|---|---------------------------|-----------------------------------|----------------------------------|---|
| 2012                     | 919,453               | \$ 46,011   | 33.7                      | 146,175                           | 9.4                              | % |
| 2013                     | 929,722               | 45,197  | 33.9                      | 149,697                           | 7.0                              |   |
| 2014                     | 935,745               | 46,290  | 34.1                      | 130,007                           | 5.8                              |   |
| 2015                     | 940,235               | 48,238  | 34.3                      | 130,371                           | 4.6                              |   |
| 2016                     | 944,034               | 49,357  | 34.4                      | 131,754                           | 3.9                              |   |
| 2017                     | 950,082               | 50,211  | 34.5                      | 132,596                           | 3.1                              |   |
| 2018                     | 954,670               | 52,815  | 34.5                      | 132,838                           | 3.4                              |   |
| 2019                     | 964,582               | 54,405  | 34.2                      | 131,292                           | 2.9                              |   |
| 2020                     | 977,203               | 59,264  | 34.4                      | 131,830                           | 5.7                              |   |
| 2021                     | 971,102               | 59,264 (6)  | 34.4 (7)                  | 127,552                           | 1.9                              |   |

(1) Source: U.S. Census Bureau

(2) Data presented are per the U.S. Department of Commerce, Bureau of Economic Analysis.

(3) Data presented by Stats Indiana.

(4) Data presented is for all Marion County Public Schools. Source: Indiana Department of Education.

(5) Data presented is for Unemployment rate, nonseasonally adjusted, annual average, Marion County, IN. Source: Bureau of Labor Statistic as of December 2020.

(6) This information will be released by the Bureau of Economic Analysis at a future date; therefore, prior year numbers were utilized.

(7) This information will be released by the U.S. Census Bureau at a future date; therefore, prior year numbers were utilized.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table XII**  
**Principal Employers**  
**Current Year and Nine Years Ago**

| 2021                        |           |       |   | 2012                                    |                    |       |   |
|-----------------------------|-----------|-------|---|---|--------------------|-------|---|
| Employer (2)                | Employees | Rank  | Percentage of<br>Total City<br>Employment (1) | Employer (3)                            | Total<br>Employees | Rank  | Percentage of<br>Total City<br>Employment (1) |
| Indiana University Health   | 23,187    | 1     | 4.81%   | Eli Lilly and Company                   | 11,550             | 1     | 2.73%   |
| Ascension St. Vincent       | 17,398    | 2     | 3.61%   | St. Vincent Hospitals & Health Services | 11,075             | 2     | 2.62%   |
| Community Health Network    | 15,000    | 3     | 3.11%   | Community Health Network                | 8,079              | 3     | 1.91%   |
| IUPUI                       | 14,000    | 4     | 2.90%   | IUPUI                                   | 7,066              | 4     | 1.67%   |
| Eli Lilly and Company       | 10,317    | 5     | 2.14%   | Rolls-Royce                             | 4,316              | 5     | 1.02%   |
| Wal-Mart                    | 9,582     | 6     | 1.99%   | Fedex                                   | 4,311              | 6     | 1.02%   |
| Kroger                      | 7,520     | 7     | 1.56%   | Roche Diagnostic Corporation            | 4,300              | 7     | 1.02%   |
| Federal Express Corporation | 6,500     | 8     | 1.35%   | WellPoint Inc.                          | 3,950              | 8     | 0.94%   |
| Anthem                      | 4,870     | 9     | 1.01%   | St. Francis Hospital & Health Centers   | 3,628              | 9     | 0.86%   |
| Meijer                      | 4,707     | 10    | 0.98%   | Allison Transmission/Div of GMC         | 3,400              | 10    | 0.81%   |
|                             |           | Total | 23.46%  |   |                    | Total | 14.60%  |

- (1) Percentage of total City employment is calculated using total Employment Labor Force, which can be found at [www.stats.indiana.edu](http://www.stats.indiana.edu).  
(2) Largest employers can be found at [www.indypartnership.com](http://www.indypartnership.com) (Indy Partnership).  
(3) 2012 largest employers data can be found in IPTC 2012 Annual Report.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table XIII**  
**Principal Property Tax Payers (3)**  
**Current Year and Nine Years Ago**  
**(amounts in thousands)**

| 2021                                   |                            |      |   | 2012                                    |                                |      |   |
|--|----------------------------|------|---|---|--------------------------------|------|---|
| Taxpayer                               | Taxable Assessed Value (1) | Rank | Percentage of Total City Taxable Assessed Value | Taxpayer                                | Taxable Assessed Value (2) (4) | Rank | Percentage of Total City Taxable Assessed Value |
|  |                            |      |   |   |                                |      |   |
| 1 Eli Lilly and Company                | \$ 1,388,552               | 1    | 2.657%  | Eli Lilly and Company                   | \$ 1,038,078                   | 1    | 2.654%  |
| 2 Citizens Energy Group                | 511,463                    | 2    | 0.979%  | Indianapolis Power & Light Co.          | 280,605                        | 2    | 0.717%  |
| 3 Federal Express Corporation          | 254,753                    | 3    | 0.488%  | Federal Express Corporation             | 191,125                        | 3    | 0.489%  |
| 4 White Legacy Properties, LLC         | 208,680                    | 4    | 0.399%  | Convention Headquarters Hotels, LLC     | 156,907                        | 4    | 0.401%  |
| 5 Allison Transmission Inc.            | 178,039                    | 5    | 0.341%  | Allison Transmission Inc.               | 143,606                        | 5    | 0.367%  |
| 6 SFT Property LLC                     | 156,989                    | 6    | 0.300%  | Macquarie Office Monument Center I, LLC | 117,671                        | 6    | 0.301%  |
| 7 Indianapolis Power and Light Company | 156,313                    | 7    | 0.299%  | Indiana Bell Telephone Company, Inc.    | 81,452                         | 7    | 0.208%  |
| 8 Rolls-Royce Corporation              | 124,979                    | 8    | 0.239%  | SVC Manufacturing Inc.                  | 77,263                         | 8    | 0.198%  |
| 9 G&I IX MJW Keystone Crossing, LLC    | 106,125                    | 9    | 0.203%  | Rolls Royce                             | 76,161                         | 9    | 0.195%  |
| 10 SVC Manufacturing Inc.              | 91,987                     | 10   | 0.176%  | Hub Properties GA, LLC                  | 73,706                         | 10   | 0.188%  |
|  | <u>\$ 3,177,880</u>        |      | <u>6.081%</u>                                   |   | <u>\$ 2,236,574</u>            |      | <u>5.718%</u>                                   |

- (1) Represents the January 1, 2020 valuations for taxes due and payable in 2021 as represented by the taxpayer.  
(2) Represents the March 1, 2011 valuations for taxes due and payable in 2012 as represented by the taxpayer.  
(3) Taxable assessed value was determined using public records from the Marion County Treasurer's Office.  
(4) Data presented as originally published in the IPTC 2012 annual report.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table XIV**  
**Operating Information**  
**Last Ten Years**

|                                       | 2021       | 2020       | 2019       | 2018       | 2017       | 2016       | 2015       | 2014       | 2013       | 2012       |
|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| <b>EMPLOYEE DATA</b>                  |            |            |            |            |            |            |            |            |            |            |
| Number of Employees (1)               |            |            |            |            |            |            |            |            |            |            |
| Full Time                             |            |            |            |            |            |            |            |            |            |            |
| Operators                             | 411        | 477        | 525        | 408        | 379        | 327        | 332        | 341        | 380        | 301        |
| Other Transportation                  | 100        | 69         | 62         | 87         | 68         | 59         | 47         | 35         | 7          | 19         |
| Maintenance                           | 117        | 121        | 131        | 100        | 101        | 96         | 88         | 85         | 69         | 79         |
| Administrative & Other                | 134        | 158        | 152        | 83         | 71         | 52         | 43         | 43         | 41         | 58         |
| Total full-time employees             | 762        | 825        | 870        | 678        | 619        | 534        | 510        | 504        | 497        | 457        |
| Part Time                             |            |            |            |            |            |            |            |            |            |            |
| Operators                             | 3          | 2          | 2          | 2          | 2          | 2          | 2          | 4          | 5          | -          |
| Other                                 | 1          | 2          | 2          | 4          | 4          | 5          | 6          | 5          | 4          | -          |
| Total part-time employees             | 4          | 4          | 4          | 6          | 6          | 7          | 8          | 9          | 9          | -          |
| Total Employees                       | 766        | 829        | 874        | 684        | 625        | 541        | 518        | 513        | 506        | 457        |
| <b>PASSENGER DATA</b>                 |            |            |            |            |            |            |            |            |            |            |
| Passengers (2)                        | 5,203,919  | 5,841,803  | 9,556,169  | 9,115,875  | 9,064,093  | 9,494,784  | 9,951,627  | 10,574,895 | 10,526,681 | 10,248,603 |
| Number of Fixed Routes (3)            | 32         | 32         | 30         | 31         | 31         | 31         | 31         | 31         | 31         | 30         |
| Annual Vehicle Miles (2)              | 11,077,544 | 12,244,966 | 12,638,190 | 12,738,058 | 11,719,245 | 11,510,632 | 11,359,866 | 11,535,338 | 11,062,831 | 10,759,404 |
| Annual Vehicle Hours (2)              | 788,446    | 764,466    | 789,200    | 758,689    | 562,192    | 764,275    | 739,029    | 635,693    | 710,253    | 624,219    |
| Number of Coaches (4)                 | 283        | 296        | 280        | 262        | 257        | 268        | 243        | 220        | 233        | 227        |
| Number of ADA Accessible vehicles (4) | 283        | 296        | 280        | 262        | 257        | 268        | 243        | 220        | 233        | 227        |
| Fare (Single Ride) (3)                | \$ 1.75    | \$ 1.75    | \$ 1.75    | \$ 1.75    | \$ 1.75    | \$ 1.75    | \$ 1.75    | \$ 1.75    | \$ 1.75    | \$ 1.75    |

(1) Source: National Transportation Database (NTD) Form R-10. Includes both motor bus and demand response modes.

(2) Source: NTD Form S-10. Includes both motor bus and demand response modes.

(3) Source: IPTC Transportation Department.

(4) Source: NTD Form A-30. Includes both motor bus and demand response modes.



# Indianapolis Public Transportation Corporation

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

### Table XV

### Schedule of Insurance in Force

### December 31, 2021

| Type of Coverage  | Company   | Term   | Expiration Date | Limit                   | Deductible   |
|---|---|--------|-----------------|-------------------------|--------------|
| GL, AL, Public Officials:                                     | The Princeton Excess and Surplus<br>Lines Insurance Company | 1 year | January 1       |                         |              |
| General Liability   |   |        |                 | \$ 5,000,000            | \$ 1,000,000 |
| Wrongful Acts   |   |        |                 | \$ 5,000,000            | \$ 1,000,000 |
| Auto Liability  |   |        |                 | \$ 5,000,000            | \$ 1,000,000 |
| Employee Benefits Liability                                   |   |        |                 | \$ 5,000,000            | \$ 1,000,000 |
| Sexual Abuse  |   |        |                 | \$ 5,000,000            | \$ 1,000,000 |
| Public Official   | RSUI Indemnity Company                                      | 1 year | January 1       | \$100,000 - \$2,000,000 | \$0-\$75,000 |
| Fiduciary Liability   | Travelers   | 1 year | January 1       | \$100,000 - \$2,000,000 | \$ -         |
| Property:   |   |        |                 |                         |              |
| Building & Contents   |   |        |                 | \$ 264,396,228          |              |
| Prime   | Great American  | 1 year | January 1       | \$ 100,000,000          | \$ 100,000   |
| Property Tower  | RSUI  | 1 year | January 1       | \$ 50,000,000           |              |
| Property Tower  | Homeland  | 1 year | January 1       | \$ 61,498,738           |              |
| Property Tower  | Hallmark  | 1 year | January 1       | \$ 22,028,244           |              |
| Property Tower  | Mitsui  | 1 year | January 1       | \$ 30,869,246           |              |
| Building & Business Personal Property Damage - Per Occurrence |   |        |                 |                         | \$ 50,000    |
| Property in Transit   |   |        |                 |                         | \$ 50,000    |
| EDP Mechanical Breakdown                                      |   |        |                 |                         | \$ 50,000    |
| Windstorm/Hail Flat Deductible                                |   |        |                 |                         | \$ 500,000   |
| Earthquake  |   |        |                 | \$ 25,000,000           | \$ 100,000   |
| Flood   |   |        |                 | \$ -                    | \$ -         |
| Brands & LabelsExpen  |   |        |                 |                         | \$ 5,000     |
| Fine Arts   |   |        |                 |                         | \$ 25,000    |
| Debris Removal  |   |        |                 |                         | \$ 100,000   |
| New Acquired or Constructed Locations Building                |   |        |                 |                         | \$ 500,000   |
| New Acquired or Constructed Locations Personal Property       |   |        |                 |                         | \$ 250,000   |
| Crime:  | AIG   | 1 year | January 1       |                         |              |
| Employee Theft  |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Forgery or Alteration   |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Inside of Premises - Theft of Money & Securities              |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Inside of Premises - Robbery & Safe Burglary                  |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Outside of Premise  |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Computer Fraud  |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Funds Transfer Fraud  |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Money Orders and Counterfeit Paper Currency                   |   |        |                 | \$ 1,000,000            | \$ 15,000    |
| Cyber:  | Coalition   | 1 year | January 1       |                         |              |
| Third-Party Liability Coverages                               |   |        |                 |                         |              |
| Network and Information Security Liability                    |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Regulatory Defense Penalties                                  |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Multimedia Content Liability                                  |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| PCI Fines and Assessments                                     |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| First Party Liability Coverages                               |   |        |                 |                         |              |
| Breach Response   |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Crisis Management and Public Relations                        |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Cyber Extortion   |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Business Interruption and Extra Expense                       |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Digital Asset Restoration                                     |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Funds Transfer Fraud  |   |        |                 | \$ 100,000              | \$ 25,000    |
| Coverage by Endorsement                                       |   |        |                 |                         |              |
| Reputation Repair   |   |        |                 | \$ 3,000,000            | \$ 25,000    |
| Computer Replacement  |   |        |                 | \$ 1,000,000            | \$ 25,000    |
| Service Fraud   |   |        |                 | \$ 100,000              | \$ 25,000    |
| Reputational Harm Loss  |   |        |                 | \$ 1,000,000            | \$ 25,000    |
| Breach Response Separate Limits                               |   |        |                 | \$ 3,000,000            | \$ 25,000    |

\*\*For more information, refer to Note 5 (Risk Management) accompanying the basic financial statements.

Source: "Summary of Insurance" report from Aon Risk Services Central, Inc.



**Indianapolis Public Transportation Corporation**  
**(A Component Unit of the Consolidated City of Indianapolis - Marion County)**

**Table XVI**  
**Schedule of Transit Vehicles (4)**  
**December 31, 2021**

| No. of Vehicles | Year (2)                | Manufacturer | Engine Type | Seating Capacity | Lift/Ramp Equipped |
|-----------------|-------------------------|--------------|-------------|------------------|--------------------|
| Large Bus       |                         |              |             |                  |                    |
| 12              | 2000                    | ZEPS         | Electric    | 39+2wc           | Yes(Lift)          |
| 21              | 2010                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 4               | 2013                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 13              | 2014                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 13              | 2015                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 13              | 2016                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 16              | 2017                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 17              | 2018                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 16              | 2019                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 31              | 2019                    | BYD          | Electric    | 47+2wc           | Yes(Lift)          |
| 28              | 2020                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| 24              | 2020                    | Gillig       | Diesel      | 38+2wc           | Yes(Lift)          |
| <u>208</u>      | Total Large Buses       |              |             |                  |                    |
| Body on Chassis |                         |              |             |                  |                    |
| 16              | 2017                    | Ford         | Gasoline    | 10+2wc           | Yes(Lift)          |
| 15              | 2018                    | Ford         | Gasoline    | 9+3wc            | Yes(Lift)          |
| 5               | 2019                    | Dodge        | Gasoline    | 5+1wc            | Yes(Lift)          |
| 26              | 2019                    | Ford         | Gasoline    | 9+3wc            | Yes(Lift)          |
| 4               | 2019                    | Dodge        | Gasoline    | 5+1wc            | Yes(Lift)          |
| 6               | 2021                    | Ford         | Gasoline    | 9+3wc            | Yes(Lift)          |
| 3               | 2021                    | Ford         | Gasoline    | 9+3wc            | Yes(Lift)          |
| <u>75</u>       | Total Body on Chassis   |              |             |                  |                    |
| <u>283</u>      | Vehicles in Total Fleet |              |             |                  |                    |

- (1) Used exclusively for demand response and flexible service, IPTC policy precludes standees on these vehicles.
- (2) Average age of equipment is 9.5 years.
- (3) Please refer to Note 3 of the financial statements for additional information regarding capital assets.
- (4) Source: IPTC Operations Department





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