

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

FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF SALEM

WASHINGTON COUNTY, INDIANA

January 1, 2022 to December 31, 2022



**FILED**

08/14/2023



## TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials .....	2
Independent Auditor's Report .....	3-5
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	8-9
Notes to Financial Statement .....	10-15
Required Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis .....	18-38
Other Information:	
Schedule of Payables and Receivables .....	40
Schedule of Leases and Debt .....	41
Schedule of Capital Assets.....	42
Other Reports.....	43

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sally J. Hattabaugh	01-01-22 to 12-31-23
Mayor	Justin Green	01-01-22 to 12-31-23
President of the Board of Public Works	Justin Green	01-01-22 to 12-31-23
President Pro Tempore of the Common Council	Jody Smedley Steve Crane Danny Libka	01-01-22 to 10-31-22 11-01-22 to 12-31-22 01-01-23 to 12-31-23
Utility Office Manager	Edith Sutcliff	01-01-22 to 12-31-23



## INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF SALEM, WASHINGTON COUNTY, INDIANA

### **Report on the Audit of the Financial Statement**

#### ***Adverse and Unmodified Opinions***

We have audited the accompanying financial statement of the City of Salem (City), which comprises the financial position and results of operations as of and for the year ended December 31, 2022, and the related notes to the financial statement as listed in the Table of Contents.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse and Unmodified Opinions* section of our report, the financial statement referred to above does not present fairly, the financial position and results of operations of the City as of and for the year ended December 31, 2022, in accordance with accounting principles generally accepted in the United States of America.

#### ***Opinion on Regulatory Basis of Accounting***

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the respective financial position and results of operations of the City, as of and for the year ended December 31, 2022, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

#### ***Basis for Adverse and Unmodified Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial auditors 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 Statement* section of our report. We are required to be independent of the City, 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 opinions.

#### ***Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As discussed in Note 1 to the financial statement, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

INDEPENDENT AUDITOR'S REPORT  
(Continued)

***Responsibilities of Management for the Financial Statement***

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the financial reporting provisions of the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6). Management is responsible for and has determined that the regulatory basis of accounting, as established by the Indiana State Board of Accounts, is an acceptable basis of presentation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

***Auditor's Responsibilities for the Audit of the Financial Statement***

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 of a reasonable user based on the financial statement.

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

INDEPENDENT AUDITOR'S REPORT  
(Continued)

**Required Supplementary Information**

Financial reporting requirements established by the Indiana State Board of Accounts, as described in Note 1, require that the Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis be presented to supplement the basic financial statement. Such information is the responsibility of management and, although not a part of the basic financial statement, is required by reporting requirements established by the Indiana State Board of Accounts who considers it to be an essential part of financial reporting for placing the basic financial statement 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 statement, and other knowledge we obtained during our audit of the basic financial statement. 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 Financial Report. The other information comprises the Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, but does not include the basic financial statement and our auditor's report thereon. Our opinions on the basic financial statement 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 statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we concluded 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 July 26, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Beth Kelley, CPA, CFE  
Deputy State Examiner

July 26, 2023

(This page intentionally left blank.)

FINANCIAL STATEMENT AND ACCOMPANYING NOTES; REQUIRED  
SUPPLEMENTARY INFORMATION; AND OTHER INFORMATION

The financial statement and accompanying notes were approved by management of the City. The financial statement and notes are presented as intended by the City.

The City's Annual Financial Report information can be found on the Indiana Gateway for Government Units website: <https://gateway.ifionline.org/>.

Differences may be noted between the financial information presented in the financial statement contained in this report and the financial information presented in the City's Annual Financial Report referenced above. These differences, if any, are due to adjustments made to the financial information during the course of the audit. This is a common occurrence in any financial statement audit. The financial information presented in this report is audited information, and the accuracy of such information can be determined by reading the opinion given in the Independent Auditor's Report.

The other information presented was approved by management of the City. It is presented as intended by the City.

CITY OF SALEM  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2022

Fund	Cash and Investments 01-01-22	Receipts	Disbursements	Cash and Investments 12-31-22
GENERAL	\$ 4,285,888	\$ 4,428,369	\$ 4,173,651	\$ 4,540,606
MOTOR VEHICLE HIGHWAY	191,068	562,445	696,265	57,248
LOCAL ROAD AND STREET	133,960	52,579	24,282	162,257
MVH RESTRICTED	11,256	134,320	104,278	41,298
AVIATION	21,992	12,105	16,566	17,531
SANITATION	264,709	371,654	348,422	287,941
LOCAL LAW ENFORCEMENT CONTINUING EDUCATION FUND	25,931	14,181	1,130	38,982
UNSAFE BUILDING	11,609	6,685	-	18,294
RIVERBOAT	96,603	35,870	58,584	73,889
PARK AND RECREATION - OPERATING	158,525	235,486	236,949	157,062
RAINY DAY	40,932	375,000	-	415,932
LIT - ECONOMIC DEVELOPMENT (FORMERLY CREDIT)	762,729	561,011	648,196	675,544
LOIT SPECIAL DISTRIBUTION	5,414	-	-	5,414
CEMETERY OPERATING	6,291	132,422	64,009	74,704
CUMULATIVE CAPITAL DEVELOPMENT	15,236	50,717	54,750	11,203
CUMULATIVE CAPITAL IMPROVEMENT - CIGARETTE TAX	48,793	11,563	18,168	42,188
SELF-INSURANCE	157	69,332	68,861	628
POLICE PENSION	94,111	59,117	58,769	94,459
FIRE PENSION	67,600	37,768	25,597	79,771
LIT - PUBLIC SAFETY	716,562	527,591	395,612	848,541
PETTY CASH - GENERAL	500	-	-	500
CASH CHANGE - GENERAL	50	-	-	50
CASH CHANGE - AVIATION	100	-	-	100
OPIOID SETTLEMENT UNRESTRICTED	-	15,290	-	15,290
OPIOID SETTLEMENT RESTRICTED	-	35,677	-	35,677
CEM STONE REPAIR DONATION	1,079	-	-	1,079
CEMETERY CHAPEL DONATIONS	2,700	-	-	2,700
ANIMAL SHELTER DONATION	5,423	2,185	-	7,608
POLICE DONATION	2,253	1,900	3,718	435
FIRE DONATION	9,224	1,750	7,260	3,714
PROJECT DONATION	357	69,310	46,425	23,242
ARP CORONAVIRUS LOCAL FISCAL RECOVERY FUND	700,610	707,386	319,527	1,088,469
AIRPORT ARPA GRANT FUND	(1,000)	19,401	18,401	-
LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	242,080	582,180	670,516	153,744
POLICE GRANT	9	-	9	-
SALEM R.B.E.G. FUND	24,252	-	-	24,252
REGIONAL OPPORTUNITY INITIATIVE GRANT	-	-	30,000	(30,000)
BOAC ROTARY FUND	-	24,953	21,680	3,273
SALEM SIDEWALK	664	-	-	664
K-9 PROGRAM	1,530	36,909	1,000	37,439
CEMETERY PERM. MAINT.	118,817	9,135	-	127,952
EMERGENCY FLOOD 2017	14,063	-	-	14,063
URBAN BEAUTIFICATION	823	550	333	1,040
SALEM HOUSING REHAB RLF	14	-	-	14
STORM WATER USER FEE	6,121	-	-	6,121
AIRPORT IMPROVEMENT	294,611	3,000	3,000	294,611
BOAC RENTAL PROPERTY	52,202	59,937	37,617	74,522
ALLOCATION #1 U.E.Z.	248,080	1,180,685	1,232,255	196,510
SALEM ALLOCATION AREA #2	418,407	281,208	669,911	29,704
WAL-MART ALLOCATION AREA	144,631	280,967	282,342	143,256
AIRPORT GRANT-FEDERAL	-	165,857	165,857	-
GENERAL OBLIGATION BOND SERIES 2022 PROCEEDS	-	1,212,150	-	1,212,150

CITY OF SALEM  
STATEMENT OF RECEIPTS, DISBURSEMENTS,  
AND CASH AND INVESTMENT BALANCES -  
REGULATORY BASIS  
For the Year Ended December 31, 2022

Fund	Cash and Investments 01-01-22	Receipts	Disbursements	Cash and Investments 12-31-22
SINCLAIR MEM. MAUSOLEUM	16,692	29	-	16,721
PAYROLL	-	544,328	544,328	-
PAYROLL - FEDERAL W/H	-	281,946	281,946	-
PAYROLL - FICA	-	273,359	273,359	-
PAYROLL - MEDICARE	-	95,650	95,650	-
PAYROLL - STATE W/H	-	105,592	105,592	-
PAYROLL - COUNTY W/H	-	63,922	63,922	-
AMERICAN FAMILY LIFE	-	24,563	24,563	-
AUL 457	-	79,110	79,110	-
COMMUNITY FOUNDATION	-	432	432	-
BOSTON MUTUAL	-	1,912	1,912	-
PERF	-	300,201	300,201	-
COLONIAL LIFE	17	3,100	3,117	-
DIRECT DEPOSIT	-	1,946,434	1,946,434	-
IN STATE CENT COLL UNIT	-	22,807	22,807	-
GUARDIAN 125	-	19,582	19,582	-
HEALTH 125	-	69,148	69,148	-
LINCOLN LIFE	-	631	631	-
WASHINGTON NATIONAL LIFE	-	247	247	-
WASHINGTON CO. TREASURER	-	2,098	2,098	-
YMCA	-	2,475	2,475	-
FIRE PERF	-	93,958	93,958	-
POLICE PERF	-	143,947	143,947	-
LIBERTY NATIONAL 125	-	166	166	-
WASHINGTON CO. CLERK	-	2,309	2,309	-
CINTAS	-	1,053	1,053	-
WASHINGTON CO. F.O.P. LODGE 142	-	250	250	-
ANYTIME FITNESS	-	1,336	1,336	-
SEWAGE UTILITY OPERATING	58,552	1,581,360	1,543,238	96,674
SEWAGE METER DEPOSIT	99,990	27,390	23,980	103,400
SEWAGE UTILITY DEPRECIATION	126,275	114,853	161,666	79,462
SEWAGE UTILITY BOND AND INTEREST SINKING	19,185	216,400	215,319	20,266
SEWAGE DEBT SERVICE	208,548	7,560	-	216,108
SEWER BAN 2020	414,071	-	409,093	4,978
WASTEWATER CONSTRUCTION 2018	8	-	8	-
PETTY CASH - WASTEWATER	500	-	-	500
CASH CHANGE - WASTEWATER	50	-	-	50
WATER UTILITY OPERATING	84,592	2,874,752	3,100,245	(140,901)
WATER UTILITY DEPRECIATION	568,242	30,000	437,941	160,301
WATER UTILITY BOND AND INTEREST SINKING	676,172	471,720	583,384	564,508
WATER NON-REVERTING	16,049	12,348	945	27,452
WATER DEBT SERVICE	43,219	47,148	-	90,367
BECKS MILL WATER LINE EXT	609	-	-	609
WATER PLANT PROJECT	1,656	619,411	619,344	1,723
PETTY CASH - WATER	500	-	-	500
CASH CHANGE - WATER	50	-	-	50
Totals	<u>\$ 11,581,943</u>	<u>\$ 22,452,172</u>	<u>\$ 21,679,676</u>	<u>\$ 12,354,439</u>

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

CITY OF SALEM  
NOTES TO FINANCIAL STATEMENT

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

**A. Reporting Entity**

The City was established under the laws of the State of Indiana. The City operates under a Council-Mayor form of government and provides some or all of the following services: public safety (police and fire), highways and streets, health and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, wastewater, electric, gas, storm water, trash, aviation, and urban redevelopment and housing.

The accompanying financial statement presents the financial information for the City.

**B. Basis of Accounting**

The financial statement is reported on a regulatory basis of accounting prescribed by the Indiana State Board of Accounts in accordance with state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The basis of accounting involves the reporting of only cash and investments and the changes therein resulting from cash inflows (receipts) and cash outflows (disbursements) reported in the period in which they occurred.

The regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, in that receipts are recognized when received in cash, rather than when earned, and disbursements are recognized when paid, rather than when a liability is incurred.

**C. Cash and Investments**

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.

**D. Receipts**

Receipts are presented in the aggregate on the face of the financial statement. The aggregate receipts include the following sources:

*Taxes.* Amounts received from one or more of the following: property tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

*Licenses and permits.* Amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction, or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include the following: peddler licenses, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF SALEM  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Intergovernmental receipts.* Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: local income tax, federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

*Charges for services.* Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

*Fines and forfeits.* Amounts received from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

*Utility fees.* Amounts received from charges for current services.

*Penalties.* Amounts received from late payment fees.

*Other receipts.* Amounts received from various sources, including, but not limited to, the following: net proceeds from borrowings; interfund loan activity; transfers authorized by statute, ordinance, resolution, or court order; internal service receipts; and fiduciary receipts.

**E. Disbursements**

Disbursements are presented in the aggregate on the face of the financial statement. The aggregate disbursements include the following uses:

*Personal services.* Amounts disbursed for salaries, wages, and related employee benefits provided for all persons employed. In those units where sick leave, vacation leave, overtime compensation, and other such benefits are appropriated separately, such payments would also be included.

*Supplies.* Amounts disbursed for articles and commodities that are entirely consumed and materially altered when used and/or show rapid depreciation after use for a short period of time. Examples of supplies include, but are not limited to, the following: office supplies, operating supplies, and repair and maintenance supplies.

*Other services and charges.* Amounts disbursed for services including, but not limited to, the following: professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, and rental charges.

*Debt service - principal and interest.* Amounts disbursed for fixed obligations resulting from financial transactions previously entered into by the City. It includes all expenditures for the reduction of the principal and interest of the City's general obligation indebtedness.

CITY OF SALEM  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Capital outlay.* Amounts disbursed for land, infrastructure, buildings, improvements, and machinery and equipment having an appreciable and calculable period of usefulness.

*Utility operating expenses.* Amounts disbursed for operating the utilities.

*Other disbursements.* Amounts disbursed for various other purposes including, but not limited to, the following: interfund loan payments; loans made to other funds; internal service disbursements; and transfers out that are authorized by statute, ordinance, resolution, or court order.

**F. Interfund Transfers**

The City may, from time to time, make transfers from one fund to another. These transfers, if any, are included as a part of the receipts and disbursements of the affected funds and as a part of total receipts and disbursements. The transfers are used for cash flow purposes as provided by various statutory provisions.

**G. Fund Accounting**

Separate funds are established, maintained, and reported by the City. Each fund is used to account for amounts received from and used for specific sources and uses as determined by various regulations. Restrictions on some funds are set by statute while other funds are internally restricted by the City. The amounts accounted for in a specific fund may only be available for use for certain, legally-restricted purposes. Additionally, some funds are used to account for assets held by the City in a trustee capacity as an agent of individuals, private organizations, other funds, or other governmental units, and, therefore, the funds cannot be used for any expenditures of the unit itself.

**Note 2. Budgets**

The operating budget is initially prepared and approved at the local level. The fiscal officer of the City submits a proposed operating budget to the governing board for the following calendar year. The budget is advertised as required by law. Prior to adopting the budget, the governing board conducts public hearings and obtains taxpayer comments. Prior to November 1, the governing board approves the budget for the next year. The budget for funds for which property taxes are levied or highway use taxes are received is subject to final approval by the Indiana Department of Local Government Finance.

**Note 3. Property Taxes**

Property taxes levied are collected by the County Treasurer and are scheduled to be distributed to the City in June and December; however, situations can arise which would delay the distributions. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the City is issuing debt after December 1 or intends on filing a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1. Taxable property is assessed at 100 percent of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which normally become delinquent if not paid by May 10 and November 10, respectively.

CITY OF SALEM  
NOTES TO FINANCIAL STATEMENT  
(Continued)

**Note 4. Deposits and Investments**

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the City to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

**Note 5. Risk Management**

The City may be exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents; and natural disasters.

These risks can be mitigated through the purchase of insurance, establishment of a self-insurance fund, and/or participation in a risk pool. The purchase of insurance transfers the risk to an independent third-party. The establishment of a self-insurance fund allows the City to set aside money for claim settlements. The self-insurance fund would be included in the financial statement. The purpose of participation in a risk pool is to provide a medium for the funding and administration of the risks.

**Note 6. Pension Plans**

*A. Public Employees' Retirement Fund*

*Plan Description*

The Indiana Public Employees' Retirement Fund Defined Benefit Plan (PERF DB) is a cost-sharing multiple-employer defined benefit plan and provides retirement, disability, and survivor benefits to plan members. PERF DB is administered through the Indiana Public Retirement System (INPRS) Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the City authority to contribute to the plan.

The Public Employees' Hybrid Plan (PERF Hybrid) consists of two components: PERF DB, the employer-funded monthly defined benefit component, and the Public Employees' Hybrid Members Defined Contribution Account, the defined contribution component.

*Financial Report*

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

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (844) 464-6777

CITY OF SALEM  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Contributions*

Members' contributions are set by state statute at 3 percent of compensation for the defined contribution component of PERF Hybrid. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid. Contributions to the PERF DB are determined by INPRS Board based on actuarial valuation.

*B. 1925 Police Officers' Pension Plan*

*Plan Description*

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

*Funding Policy*

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute.

*On Behalf Payments*

The 1925 Police Officers' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

*C. 1937 Firefighters' Pension Plan*

*Plan Description*

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

*Funding Policy*

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute.

*On Behalf Payments*

The 1937 Firefighters' Pension Plan is funded by the State of Indiana through the Indiana Public Retirement System as provided under Indiana Code 5-10.3-11.

CITY OF SALEM  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*D. 1977 Police Officers' and Firefighters' Pension and Disability Fund*

*Plan Description*

The 1977 Police Officers' and Firefighters' Pension and Disability Fund is a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS) for all police officers and firefighters hired after April 30, 1977, providing retirement, disability, and survivor benefits.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting, and requirements for contributions by employers and by employees. Covered employees may retire at age 52 with 20 years of service. An employee with 20 years of service may leave service, but will not receive benefits until reaching age 52.

*Financial Report*

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

Indiana Public Retirement System  
One North Capitol, Suite 001  
Indianapolis, IN 46204  
Ph. (844) 464-6777

*Contributions*

The contribution requirements of plan members and the City are established by the Board of Trustees of INPRS based on actuarial valuation. Employers may pay all or part of the member contribution for the member.

**Note 7. Cash Balance Deficits**

The financial statement contains some funds with deficits in cash. This is a result of one fund being set up for a reimbursable grant, and not receiving reimbursements until after the audit period. The Water Utility Operating fund also contained a cash balance deficit due to large expenditures, as well as a rate study, in which the new rates have not yet been implemented.

**Note 8. Holding Corporation**

The City has entered into a capital lease with the City of Salem Government Facility Building Corporation (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related-party of the City. Lease payments during the year 2022 totaled \$111,000.

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	GENERAL	MOTOR VEHICLE HIGHWAY	LOCAL ROAD AND STREET	MVH RESTRICTED	AVIATION
Cash and investments - beginning	\$ 4,285,888	\$ 191,068	\$ 133,960	\$ 11,256	\$ 21,992
Receipts:					
Taxes	1,767,003	383,524	-	-	-
Licenses and permits	39,062	-	-	-	-
Intergovernmental receipts	2,303,852	176,217	52,579	134,320	-
Charges for services	158,205	1,512	-	-	10,540
Fines and forfeits	3,993	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	156,254	1,192	-	-	1,565
Total receipts	<u>4,428,369</u>	<u>562,445</u>	<u>52,579</u>	<u>134,320</u>	<u>12,105</u>
Disbursements:					
Personal services	2,825,572	486,846	-	-	-
Supplies	143,026	49,673	-	-	8,019
Other services and charges	561,947	17,740	24,282	-	8,547
Debt service - principal and interest	-	-	-	-	-
Capital outlay	62,151	142,006	-	104,278	-
Utility operating expenses	-	-	-	-	-
Other disbursements	580,955	-	-	-	-
Total disbursements	<u>4,173,651</u>	<u>696,265</u>	<u>24,282</u>	<u>104,278</u>	<u>16,566</u>
Excess (deficiency) of receipts over disbursements	<u>254,718</u>	<u>(133,820)</u>	<u>28,297</u>	<u>30,042</u>	<u>(4,461)</u>
Cash and investments - ending	<u>\$ 4,540,606</u>	<u>\$ 57,248</u>	<u>\$ 162,257</u>	<u>\$ 41,298</u>	<u>\$ 17,531</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	SANITATION	LOCAL LAW ENFORCEMENT CONTINUING EDUCATION FUND	UNSAFE BUILDING	RIVERBOAT	PARK AND RECREATION - OPERATING
Cash and investments - beginning	\$ 264,709	\$ 25,931	\$ 11,609	\$ 96,603	\$ 158,525
Receipts:					
Taxes	150,476	-	-	-	154,913
Licenses and permits	-	8,740	685	-	-
Intergovernmental receipts	16,438	-	-	35,870	16,923
Charges for services	202,526	3,494	-	-	35,860
Fines and forfeits	-	697	-	-	-
Utility fees	-	-	-	-	-
Other receipts	2,214	1,250	6,000	-	27,790
Total receipts	371,654	14,181	6,685	35,870	235,486
Disbursements:					
Personal services	70,424	-	-	51,054	144,343
Supplies	1,046	-	-	-	47,966
Other services and charges	276,952	1,130	-	-	17,559
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	7,530	26,901
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	180
Total disbursements	348,422	1,130	-	58,584	236,949
Excess (deficiency) of receipts over disbursements	23,232	13,051	6,685	(22,714)	(1,463)
Cash and investments - ending	\$ 287,941	\$ 38,982	\$ 18,294	\$ 73,889	\$ 157,062

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	RAINY DAY	LIT - ECONOMIC DEVELOPMENT (FORMERLY CEDIT)	LOIT SPECIAL DISTRIBUTION	CEMETERY OPERATING
Cash and investments - beginning	\$ 40,932	\$ 762,729	\$ 5,414	\$ 6,291
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	531,011	-	-
Charges for services	-	-	-	130,915
Fines and forfeits	-	-	-	-
Utility fees	-	-	-	-
Other receipts	375,000	30,000	-	1,507
Total receipts	<u>375,000</u>	<u>561,011</u>	<u>-</u>	<u>132,422</u>
Disbursements:				
Personal services	-	32,914	-	40,729
Supplies	-	-	-	7,433
Other services and charges	-	470,939	-	5,847
Debt service - principal and interest	-	-	-	-
Capital outlay	-	144,343	-	10,000
Utility operating expenses	-	-	-	-
Other disbursements	-	-	-	-
Total disbursements	<u>-</u>	<u>648,196</u>	<u>-</u>	<u>64,009</u>
Excess (deficiency) of receipts over disbursements	<u>375,000</u>	<u>(87,185)</u>	<u>-</u>	<u>68,413</u>
Cash and investments - ending	<u>\$ 415,932</u>	<u>\$ 675,544</u>	<u>\$ 5,414</u>	<u>\$ 74,704</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	CUMULATIVE CAPITAL DEVELOPMENT	CUMULATIVE CAPITAL IMPROVEMENT - CIGARETTE TAX	SELF-INSURANCE	POLICE PENSION
Cash and investments - beginning	\$ 15,236	\$ 48,793	\$ 157	\$ 94,111
Receipts:				
Taxes	45,722	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	4,995	11,563	-	58,777
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	-	-	-
Other receipts	-	-	69,332	340
Total receipts	<u>50,717</u>	<u>11,563</u>	<u>69,332</u>	<u>59,117</u>
Disbursements:				
Personal services	-	-	-	500
Supplies	-	-	-	395
Other services and charges	-	-	-	57,874
Debt service - principal and interest	-	-	-	-
Capital outlay	54,750	18,168	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	-	68,861	-
Total disbursements	<u>54,750</u>	<u>18,168</u>	<u>68,861</u>	<u>58,769</u>
Excess (deficiency) of receipts over disbursements	<u>(4,033)</u>	<u>(6,605)</u>	<u>471</u>	<u>348</u>
Cash and investments - ending	<u>\$ 11,203</u>	<u>\$ 42,188</u>	<u>\$ 628</u>	<u>\$ 94,459</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	FIRE PENSION	LIT - PUBLIC SAFETY	PETTY CASH - GENERAL	CASH CHANGE - GENERAL	CASH CHANGE - AVIATION
Cash and investments - beginning	\$ 67,600	\$ 716,562	\$ 500	\$ 50	\$ 100
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	37,483	495,258	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	285	32,333	-	-	-
Total receipts	<u>37,768</u>	<u>527,591</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:					
Personal services	-	257,171	-	-	-
Supplies	377	-	-	-	-
Other services and charges	25,220	11,296	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	127,145	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	<u>25,597</u>	<u>395,612</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>12,171</u>	<u>131,979</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 79,771</u>	<u>\$ 848,541</u>	<u>\$ 500</u>	<u>\$ 50</u>	<u>\$ 100</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	OPIOID SETTLEMENT UNRESTRICTED	OPIOID SETTLEMENT RESTRICTED	CEM STONE REPAIR DONATION	CEMETERY CHAPEL DONATIONS	ANIMAL SHELTER DONATION
Cash and investments - beginning	\$ -	\$ -	\$ 1,079	\$ 2,700	\$ 5,423
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	15,290	35,677	-	-	2,185
Total receipts	15,290	35,677	-	-	2,185
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	15,290	35,677	-	-	2,185
Cash and investments - ending	\$ 15,290	\$ 35,677	\$ 1,079	\$ 2,700	\$ 7,608

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	POLICE DONATION	FIRE DONATION	PROJECT DONATION	ARP CORONAVIRUS LOCAL FISCAL RECOVERY FUND	AIRPORT ARPA GRANT FUND
Cash and investments - beginning	\$ 2,253	\$ 9,224	\$ 357	\$ 700,610	\$ (1,000)
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	705,307	19,401
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	1,900	1,750	69,310	2,079	-
Total receipts	<u>1,900</u>	<u>1,750</u>	<u>69,310</u>	<u>707,386</u>	<u>19,401</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	3,718	7,260	46,425	319,527	18,401
Total disbursements	<u>3,718</u>	<u>7,260</u>	<u>46,425</u>	<u>319,527</u>	<u>18,401</u>
Excess (deficiency) of receipts over disbursements	<u>(1,818)</u>	<u>(5,510)</u>	<u>22,885</u>	<u>387,859</u>	<u>1,000</u>
Cash and investments - ending	<u>\$ 435</u>	<u>\$ 3,714</u>	<u>\$ 23,242</u>	<u>\$ 1,088,469</u>	<u>\$ -</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	POLICE GRANT	SALEM R.B.E.G. FUND	REGIONAL OPPORTUNITY INITIATIVE GRANT
Cash and investments - beginning	\$ 242,080	\$ 9	\$ 24,252	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	436,635	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	-	-	-
Other receipts	145,545	-	-	-
Total receipts	<u>582,180</u>	<u>-</u>	<u>-</u>	<u>-</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	670,516	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	9	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	-	-	30,000
Total disbursements	<u>670,516</u>	<u>9</u>	<u>-</u>	<u>30,000</u>
Excess (deficiency) of receipts over disbursements	<u>(88,336)</u>	<u>(9)</u>	<u>-</u>	<u>(30,000)</u>
Cash and investments - ending	<u>\$ 153,744</u>	<u>\$ -</u>	<u>\$ 24,252</u>	<u>\$ (30,000)</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	BOAC ROTARY FUND	SALEM SIDEWALK	K-9 PROGRAM	CEMETERY PERM. MAINT.	EMERGENCY FLOOD 2017
Cash and investments - beginning	\$ -	\$ 664	\$ 1,530	\$ 118,817	\$ 14,063
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	24,953	-	-	9,135	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	36,909	-	-
Total receipts	24,953	-	36,909	9,135	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	21,680	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	1,000	-	-
Total disbursements	21,680	-	1,000	-	-
Excess (deficiency) of receipts over disbursements	3,273	-	35,909	9,135	-
Cash and investments - ending	\$ 3,273	\$ 664	\$ 37,439	\$ 127,952	\$ 14,063

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	URBAN BEAUTIFICATION	SALEM HOUSING REHAB RLF	STORM WATER USER FEE	AIRPORT IMPROVEMENT
Cash and investments - beginning	\$ 823	\$ 14	\$ 6,121	\$ 294,611
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	-	-	-
Other receipts	550	-	-	3,000
Total receipts	<u>550</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Utility operating expenses	-	-	-	-
Other disbursements	333	-	-	3,000
Total disbursements	<u>333</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Excess (deficiency) of receipts over disbursements	<u>217</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 1,040</u>	<u>\$ 14</u>	<u>\$ 6,121</u>	<u>\$ 294,611</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	BOAC RENTAL PROPERTY	ALLOCATION #1 U.E.Z.	SALEM ALLOCATION AREA #2	WAL-MART ALLOCATION AREA	AIRPORT GRANT-FEDERAL
Cash and investments - beginning	\$ 52,202	\$ 248,080	\$ 418,407	\$ 144,631	\$ -
Receipts:					
Taxes	-	817,545	131,208	280,967	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	165,857
Charges for services	58,000	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	1,937	363,140	150,000	-	-
Total receipts	<u>59,937</u>	<u>1,180,685</u>	<u>281,208</u>	<u>280,967</u>	<u>165,857</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	479,202	72,772	-	-
Debt service - principal and interest	-	-	-	282,342	-
Capital outlay	-	753,053	447,139	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	37,617	-	150,000	-	165,857
Total disbursements	<u>37,617</u>	<u>1,232,255</u>	<u>669,911</u>	<u>282,342</u>	<u>165,857</u>
Excess (deficiency) of receipts over disbursements	<u>22,320</u>	<u>(51,570)</u>	<u>(388,703)</u>	<u>(1,375)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 74,522</u>	<u>\$ 196,510</u>	<u>\$ 29,704</u>	<u>\$ 143,256</u>	<u>\$ -</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	GENERAL OBLIGATION BOND SERIES 2022 PROCEEDS	SINCLAIR MEM. MAUSOLEUM	PAYROLL	PAYROLL - FEDERAL W/H	PAYROLL - FICA
Cash and investments - beginning	\$ -	\$ 16,692	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	1,212,150	29	544,328	281,946	273,359
Total receipts	1,212,150	29	544,328	281,946	273,359
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	544,328	281,946	273,359
Total disbursements	-	-	544,328	281,946	273,359
Excess (deficiency) of receipts over disbursements	1,212,150	29	-	-	-
Cash and investments - ending	\$ 1,212,150	\$ 16,721	\$ -	\$ -	\$ -

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	PAYROLL - MEDICARE	PAYROLL - STATE W/H	PAYROLL - COUNTY W/H	AMERICAN FAMILY LIFE	AUL 457
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	95,650	105,592	63,922	24,563	79,110
Total receipts	95,650	105,592	63,922	24,563	79,110
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	95,650	105,592	63,922	24,563	79,110
Total disbursements	95,650	105,592	63,922	24,563	79,110
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	COMMUNITY FOUNDATION	BOSTON MUTUAL	PERF	COLONIAL LIFE	DIRECT DEPOSIT
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ 17	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	432	1,912	300,201	3,100	1,946,434
Total receipts	432	1,912	300,201	3,100	1,946,434
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	432	1,912	300,201	3,117	1,946,434
Total disbursements	432	1,912	300,201	3,117	1,946,434
Excess (deficiency) of receipts over disbursements	-	-	-	(17)	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	IN STATE CENT COLL UNIT	GUARDIAN 125	HEALTH 125	LINCOLN LIFE	WASHINGTON NATIONAL LIFE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	22,807	19,582	69,148	631	247
Total receipts	<u>22,807</u>	<u>19,582</u>	<u>69,148</u>	<u>631</u>	<u>247</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	22,807	19,582	69,148	631	247
Total disbursements	<u>22,807</u>	<u>19,582</u>	<u>69,148</u>	<u>631</u>	<u>247</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	WASHINGTON CO. TREASURER	YMCA	FIRE PERF	POLICE PERF	LIBERTY NATIONAL 125
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	2,098	2,475	93,958	143,947	166
Total receipts	2,098	2,475	93,958	143,947	166
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	2,098	2,475	93,958	143,947	166
Total disbursements	2,098	2,475	93,958	143,947	166
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	WASHINGTON CO. CLERK	CINTAS	WASHINGTON CO. F.O.P. LODGE 142	ANYTIME FITNESS	SEWAGE UTILITY OPERATING
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 58,552
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	1,355,397
Other receipts	2,309	1,053	250	1,336	225,963
Total receipts	2,309	1,053	250	1,336	1,581,360
Disbursements:					
Personal services	-	-	-	-	311,972
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	38,220
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	851,338
Other disbursements	2,309	1,053	250	1,336	341,708
Total disbursements	2,309	1,053	250	1,336	1,543,238
Excess (deficiency) of receipts over disbursements	-	-	-	-	38,122
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 96,674

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	SEWAGE METER DEPOSIT	SEWAGE UTILITY DEPRECIATION	SEWAGE UTILITY BOND AND INTEREST SINKING	SEWAGE DEBT SERVICE
Cash and investments - beginning	\$ 99,990	\$ 126,275	\$ 19,185	\$ 208,548
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	27,390	3,000	-	-
Other receipts	-	111,853	216,400	7,560
Total receipts	<u>27,390</u>	<u>114,853</u>	<u>216,400</u>	<u>7,560</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	215,319	-
Capital outlay	-	161,666	-	-
Utility operating expenses	-	-	-	-
Other disbursements	23,980	-	-	-
Total disbursements	<u>23,980</u>	<u>161,666</u>	<u>215,319</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>3,410</u>	<u>(46,813)</u>	<u>1,081</u>	<u>7,560</u>
Cash and investments - ending	<u>\$ 103,400</u>	<u>\$ 79,462</u>	<u>\$ 20,266</u>	<u>\$ 216,108</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	SEWER BAN 2020	WASTEWATER CONSTRUCTION 2018	PETTY CASH - WASTEWATER	CASH CHANGE - WASTEWATER	WATER UTILITY OPERATING
Cash and investments - beginning	\$ 414,071	\$ 8	\$ 500	\$ 50	\$ 84,592
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	2,566,395
Other receipts	-	-	-	-	308,357
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>308,357</u>
Total receipts	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,874,752</u>
Disbursements:					
Personal services	-	-	-	-	583,988
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	54,207
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	8	-	-	-
Utility operating expenses	-	-	-	-	1,581,115
Other disbursements	409,093	-	-	-	880,935
	<u>409,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>880,935</u>
Total disbursements	<u>409,093</u>	<u>8</u>	<u>-</u>	<u>-</u>	<u>3,100,245</u>
Excess (deficiency) of receipts over disbursements	<u>(409,093)</u>	<u>(8)</u>	<u>-</u>	<u>-</u>	<u>(225,493)</u>
Cash and investments - ending	<u>\$ 4,978</u>	<u>\$ -</u>	<u>\$ 500</u>	<u>\$ 50</u>	<u>\$ (140,901)</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	WATER UTILITY DEPRECIATION	WATER UTILITY BOND AND INTEREST SINKING	WATER NON-REVERTING	WATER DEBT SERVICE
Cash and investments - beginning	\$ 568,242	\$ 676,172	\$ 16,049	\$ 43,219
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	-	25	-
Other receipts	30,000	471,720	12,323	47,148
Total receipts	<u>30,000</u>	<u>471,720</u>	<u>12,348</u>	<u>47,148</u>
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	583,384	-	-
Capital outlay	437,941	-	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	-	945	-
Total disbursements	<u>437,941</u>	<u>583,384</u>	<u>945</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(407,941)</u>	<u>(111,664)</u>	<u>11,403</u>	<u>47,148</u>
Cash and investments - ending	<u>\$ 160,301</u>	<u>\$ 564,508</u>	<u>\$ 27,452</u>	<u>\$ 90,367</u>

CITY OF SALEM  
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,  
 AND CASH AND INVESTMENT BALANCES -  
 REGULATORY BASIS  
 For the Year Ended December 31, 2022

	BECKS MILL WATER LINE EXT	WATER PLANT PROJECT	PETTY CASH - WATER	CASH CHANGE - WATER	Totals
Cash and investments - beginning	\$ 609	\$ 1,656	\$ 500	\$ 50	\$ 11,581,943
Receipts:					
Taxes	-	-	-	-	3,731,358
Licenses and permits	-	-	-	-	48,487
Intergovernmental receipts	-	-	-	-	5,202,486
Charges for services	-	-	-	-	635,140
Fines and forfeits	-	-	-	-	4,690
Utility fees	-	-	-	-	3,952,207
Other receipts	-	619,411	-	-	8,877,804
Total receipts	-	619,411	-	-	22,452,172
Disbursements:					
Personal services	-	-	-	-	4,805,513
Supplies	-	-	-	-	279,615
Other services and charges	-	-	-	-	2,794,250
Debt service - principal and interest	-	-	-	-	1,081,045
Capital outlay	-	619,344	-	-	3,116,432
Utility operating expenses	-	-	-	-	2,432,453
Other disbursements	-	-	-	-	7,170,368
Total disbursements	-	619,344	-	-	21,679,676
Excess (deficiency) of receipts over disbursements	-	67	-	-	772,496
Cash and investments - ending	\$ 609	\$ 1,723	\$ 500	\$ 50	\$ 12,354,439

OTHER INFORMATION

CITY OF SALEM  
 SCHEDULE OF PAYABLES AND RECEIVABLES  
 December 31, 2022

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 502,281	\$ 19,610
Wastewater	37,083	128,821
Water	<u>88,018</u>	<u>216,631</u>
Totals	<u>\$ 627,382</u>	<u>\$ 365,062</u>

CITY OF SALEM  
SCHEDULE OF LEASES AND DEBT  
December 31, 2022

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
City of Salem Govt. Building Corp.	Lease for City Hall	\$ 110,500	2/26/2014	7/15/2024
First Harrison Bank	Lease for 2022 Caterpillar	21,295	10/7/2022	10/7/2025
First Harrison Bank	Lease for 2022 Freightline/VaCal Combo Truck	42,440	7/19/2022	7/20/2027
New Washington State Bank	Lease for 2022 Dodge Charger	26,025	12/28/2022	1/2/2027
New Washington State Bank	Lease for 2019 Dodge Durango Police Car	2,037	3/13/2019	3/13/2023
New Washington State Bank	Lease for 2019 Dodge Charger Police Car	2,484	3/29/2019	4/5/2023
New Washington State Bank	Lease for 2021 Dodge Charger Police Car	11,853	9/13/2021	9/13/2025
New Washington State Bank	Lease for 2019 Dodge Charger Police Car	<u>6,838</u>	8/15/2019	8/15/2023
Total governmental activities		<u>223,472</u>		
Total of annual lease payments		<u>\$ 223,472</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal Due Within One Year
Governmental activities:			
General Obligation Bonds	General Obligation Bonds - Series 2022	\$ 1,295,000	\$ 205,000
Other	Walmart TIF	<u>1,447,000</u>	<u>172,000</u>
Total governmental activities		<u>2,742,000</u>	<u>377,000</u>
Wastewater:			
Revenue bonds	Wastewater Utility	2,020,000	150,000
Notes and Loans Payable	Sewer BAN 2020	<u>2,000,000</u>	<u>2,000,000</u>
Total Wastewater		<u>4,020,000</u>	<u>2,150,000</u>
Water:			
Revenue bonds	Waterworks Revenue and Refunding Bonds of 2021 Series A	8,659,000	286,670
Revenue bonds	Waterworks Revenue Bonds of 2021 Series B	3,740,000	124,504
Revenue bonds	Waterworks Revenue Bonds of 2021 Series C	<u>1,823,000</u>	<u>60,668</u>
Total Water		<u>14,222,000</u>	<u>471,842</u>
Totals		<u>\$ 20,984,000</u>	<u>\$ 2,998,842</u>

CITY OF SALEM  
 SCHEDULE OF CAPITAL ASSETS  
 December 31, 2022

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

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 2,970,370
Infrastructure	19,145,316
Buildings	943,928
Improvements other than buildings	972,949
Machinery, equipment, and vehicles	<u>2,507,704</u>
Total governmental activities	<u>26,540,267</u>
Wastewater:	
Land	159,265
Infrastructure	944,949
Buildings	5,170,144
Improvements other than buildings	3,855,260
Machinery, equipment, and vehicles	<u>2,002,752</u>
Total Wastewater	<u>12,132,370</u>
Water:	
Land	848,577
Infrastructure	2,622,382
Buildings	14,052,754
Improvements other than buildings	4,536,384
Machinery, equipment, and vehicles	<u>7,231,916</u>
Total Water	<u>29,292,013</u>
Total capital assets	<u>\$ 67,964,650</u>

## OTHER REPORTS

In addition to this report, other reports may have been issued for the City. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.