

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

FINANCIAL STATEMENT AND  
FEDERAL SINGLE AUDIT REPORT  
OF  
ELKHART COUNTY, INDIANA  
January 1, 2021 to December 31, 2021



**FILED**  
08/21/2023



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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August 21, 2023

To: The Officials of Elkhart County  
Elkhart County  
117 N Second St  
Goshen, IN 46526

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of Elkhart County. We have reviewed the audit report opined upon by CliftonLarsonAllen, LLP, Independent Public Accountants, for the period January 1, 2021 to December 31, 2021. Per the *Independent Auditors' Report*, the financial statements present fairly the financial condition of Elkhart County, as of December 31, 2021, and the results of its operations for the period then ended, on the basis of accounting described in the report.

We call your attention to the findings in the report. The findings appear on pages 13-21 of the Federal Single Audit Report, which is included after the Financial Report. Please refer to the Schedule of Findings and Questioned Costs for further detail. Management's Corrective Action Plan appears at the end of the report.

We call your attention to the Emphasis of Matter paragraph included in the *Independent Auditors' Report* and further detailed in Note 3.

In our opinion, CliftonLarsonAllen, LLP prepared the audit report in accordance with the guidelines established by the Indiana State Board of Accounts.

In addition to the report presented herein, a Supplemental Report for Elkhart County was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

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

Tammy R. White, CPA  
Deputy State Examiner

# **Elkhart County, IN**

Annual Financial Report

December 31, 2021

# Elkhart County, Indiana

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# Elkhart County, Indiana

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## INDEPENDENT AUDITORS' REPORT

County Officials  
Elkhart County, Indiana  
Goshen, Indiana

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

#### ***Qualified and Unmodified Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Elkhart County, Indiana (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Qualified Opinion on the Aggregate Discretely Presented Component Units***

In our opinion, except for the effects of the matters described in in the Basis for Qualified and Unmodified Opinions section of this report, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units of the County, as of December 31, 2021, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Unmodified Opinions on the Governmental Activities, Business-type Activities, Each Major Fund, and Aggregate Remaining Fund Information***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

As discussed in Note 3, in fiscal year ended December 31, 2021, several restatements of net position and fund balance were required to correct for custodial funds holding county funds and liability reclassification to net position; a receivable calculation correction; unavailable revenue correction; advance correction; and a long-term debt balance correction. In addition, there were restatements to the discretely presented component units beginning net position for the correction of errors in capital asset reporting. Our auditor's opinion was not modified with respect to the restatements.

***Basis for Qualified 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 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

*Matter Giving Rise to the Qualified Opinion on the Aggregate Discretely Presented Component Units*  
Management has not recorded a liability for compensated absences, accrued wages and withholdings in the aggregate discretely presented component units and, accordingly, has not recorded an expense for the current period change in these liabilities. Accounting principles generally accepted in the United States of America require that compensated absences, accrued wages and withholdings attributable to employee services already rendered and that are not contingent on a specific event that is outside the control of the employer or employee be accrued as liabilities and expenses as employees earn the right to these benefits which would increase liabilities, net position and expenses in the aggregate discretely presented component units. The amount by which this departure would affect the liabilities, reduce the net position, and change the expenses of the aggregate discretely presented component units has not been determined.

In addition, the County's records did not permit us to extend our audit procedures over the beginning balance of books and materials for Elkhart Public Library to obtain sufficient appropriate audit evidence about books and materials, stated as \$2,031,982, as of December 31, 2021, respectively in the accompanying statement of net position.

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

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

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

***Auditors' 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 auditors' 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 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 the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

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

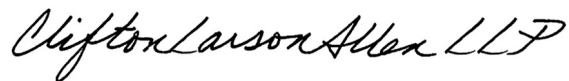
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, general fund budgetary comparison information, schedule of proportionate share net pension liability and related ratios – INPRS, schedule of changes in total OPEB liability, schedules of changes in net pension liabilities (assets), schedules of employer contributions, and schedule of investment returns – sheriff's retirement and benefit plans, 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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Indianapolis, Indiana  
May 10, 2023

# Elkhart County, Indiana

Management's Discussion and Analysis  
December 31, 2021

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As management of Elkhart County, Indiana, (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2021.

## Financial Highlights

- The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$464,594,729 (net position for governmental activities).
- The County's total net position increased by \$35,091,620 as compared to the 2020 total net position.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$203,659,235, an increase of \$12,127,301 compared to 2020.
- Approximately 11.41% of the total amount in the combined ending fund balances, \$23,238,109, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, the fund balance for the general fund was \$50,724,745, an increase of \$3,293,749 from 2020. This amount represents 88.28% of total general fund expenditures, excluding transfers out.
- Other post-employment benefit actuarial liabilities increased by \$3,546,009 to \$51,414,745
- Pension related actuarial liabilities decreased by \$11,246,000 to \$8,495,876.
- The County has a cash balance of \$19,533,469 in the ARP Coronavirus LFR Fund. These dollars will be used to address the financial effects of the Coronavirus pandemic.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all the County's assets, deferred outflow of resources, liabilities, and deferred inflows of resources, with the difference between these reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, highways and streets, health and welfare, culture and recreation, and interest on long term debt.

## Elkhart County, Indiana

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Management's Discussion and Analysis  
December 31, 2021

The government-wide financial statements start on page 1-2 of this report.

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

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

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

The County maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, ARP Coronavirus LFR Fund, Major Moves Construction, and 2020 Criminal Justice Bond which are considered to be major funds. Data for the remaining County governmental funds are combined into a single, aggregated presentation. Individual fund data for non-major governmental funds is provided in the form of combining statements elsewhere in the report. The County adopts an annual appropriated budget for its general fund, certain special revenue funds, debt service funds and certain capital projects funds. Budgetary comparison schedules have been provided for the general fund and major special revenues funds.

The governmental fund financial statements start on page 3 of this report.

**Proprietary funds.** The County maintains two types of proprietary funds. Enterprise funds are used to report functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its landfill operations and the stormwater operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses the internal service fund to account for health insurance/flexible spending. Because these services benefit the governmental-type functions, they have been included within the governmental activities on the Statement of Net Position in the government-wide financial statements.

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

The fund financial statements described above start on page 7 of this report.

# Elkhart County, Indiana

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Management's Discussion and Analysis  
December 31, 2021

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 12 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budgets for its General Fund and major special revenue funds as well as a reconciliation between the budget schedules and fund financial statements. In addition, the County's funding progress for its obligation to provide pension and other post-employment benefits to certain employees is included as supplementary information.

Required supplementary information begins on page 60 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on budgets. Combining and individual fund statements and schedules can be found beginning on page 79 of this report.

## Government-Wide Financial Analysis

Net position may serve, over time, as a useful indicator of government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows of resources by \$464,594,729 for governmental activities and \$45,639,329 for business type activities at the close of the most recent fiscal year.

By far the largest portion, \$353,439,749 (76.07%), of the County's governmental activities net position reflects the investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## Elkhart County, Indiana

Management's Discussion and Analysis  
December 31, 2021

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

	<b>Net Position as of December 31, 2021</b> (amounts expressed in thousands)			
	<b>2021</b>		<b>2020</b>	
	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Governmental Activities</b>	<b>Business- Type Activities</b>
Current and other assets	\$ 292,877	\$ 41,067	\$ 252,065	\$ 35,956
Capital assets	390,928	7,191	381,739	6,465
Total assets	683,805	48,258	633,804	42,421
Deferred outflows of resources	19,709	615	18,198	463
Current liabilities	28,437	247	6,682	857
Noncurrent liabilities	133,508	2,093	147,796	1,784
Total liabilities	161,945	2,340	154,478	2,641
Deferred inflows of resources	76,974	893	66,914	547
Net investment in capital assets	353,440	7,191	338,328	6,465
Restricted net position	124,042	-	110,960	-
Unrestricted net position	(12,887)	38,449	(18,678)	33,231
Total net position	\$ 464,595	\$ 45,640	\$ 430,610	\$ 39,696

An additional portion of the County's net position, \$124,042,149 (26.70%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors. A negative balance for unrestricted net position is more common for units of government like the County that utilize pay as you go policies for long-term debt, pensions and other post-employment benefits rather than accumulating assets in advance.

# Elkhart County, Indiana

Management's Discussion and Analysis  
December 31, 2021

## Governmental Activities

The following table provides a comparative summary of changes in net position for the County.

### Changes in Net Position for the Year Ended December 31, 2021 (Amounts expressed in thousands)

	2021		2020	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
Revenues				
Program revenues:				
Charges for services	\$ 12,296	\$ 9,386	\$ 9,916	\$ 7,338
Operating grants and contributions	31,245	-	31,969	-
General revenues:				
Property taxes	49,416	-	50,395	-
Income taxes	48,187	-	43,577	-
Other taxes	223	-	216	-
Other	13,759	4,105	28,182	3,398
Total revenues	155,126	13,491	164,255	10,736
Expenses:				
General government	57,202	-	80,262	-
Public safety	31,621	-	29,456	-
Highways and streets	13,322	-	18,069	-
Health and welfare	13,661	-	12,198	-
Culture and recreation	2,387	-	2,159	-
Landfill	-	4,460	-	5,572
Stormwater	-	3,087	-	3,106
Interest and fiscal charges	1,841	-	1,148	-
Total expenses	120,034	7,547	143,292	8,678
Change in net position	35,092	5,944	20,963	2,058
Net position, beginning	430,610	39,696	409,647	37,638
Prior period adjustment	(1,107)	-	-	-
Net position, December 31	\$ 464,595	\$ 45,640	\$ 430,610	\$ 39,696

# Elkhart County, Indiana

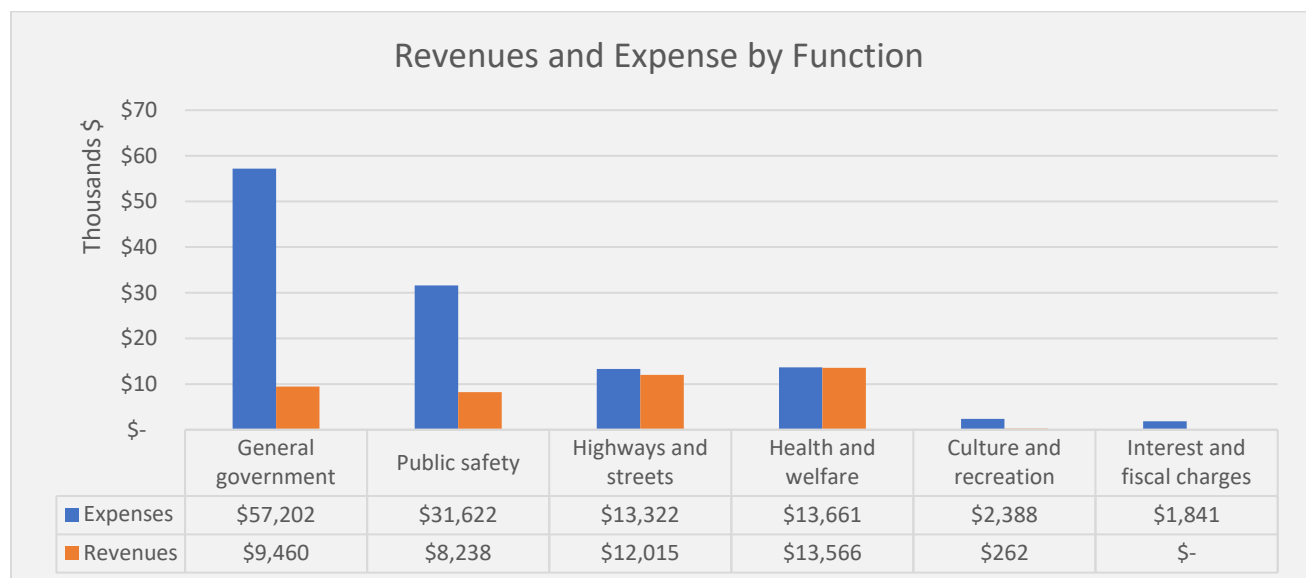
Management's Discussion and Analysis  
December 31, 2021

The County's net position from governmental activities, including the statement of net position increased by \$35,620,417, or 8.30% in 2021, over the net position of 2020. Notable governmental activities revenues and expenses in 2021 are:

- Program revenues (charge for services) reported a total amount of \$12,296,376. The total amount is comprised of general government revenue of \$3,561,595, public safety revenue of \$5,315,626, highway and streets revenue of \$1,550,656, health and welfare revenue of \$1,606,610, and culture and recreation revenue of \$261,889.
- Program revenues (operating grants and contributions) reported a total amount of \$31,244,762. The total amount is comprised of general government revenue of \$5,898,053, public safety revenue of \$2,922,688, highway and streets revenue of \$10,464,638, health and welfare revenue of \$11,959,383.
- Property, income, and other tax revenues in 2021 reported a total amount of \$49,416,375, \$48,187,157, and \$223,249, respectively.
- General government expenses reported a total amount of \$57,201,854.
- Public safety expenses reported a total amount of \$31,621,585.
- Highway and streets expenses reported a total amount of \$13,322,247.
- Health and welfare expenses reported a total amount \$13,660,997.
- Culture and recreation expenses reported a total amount \$2,387,688.
- Interest and fiscal charges reported a total amount \$1,841,195.
- Business-type activities generated net revenues of \$5,943,357 from Landfill and Stormwater operations.

The County's overall cash and cash equivalents position of \$275,044,110 is very strong. The County's property tax rate for 2021 decreased to \$.4495 from \$.4585 for 2020, per \$100 of assessed value.

The following displays the Expenses and Program Revenues of the County's governmental activities:



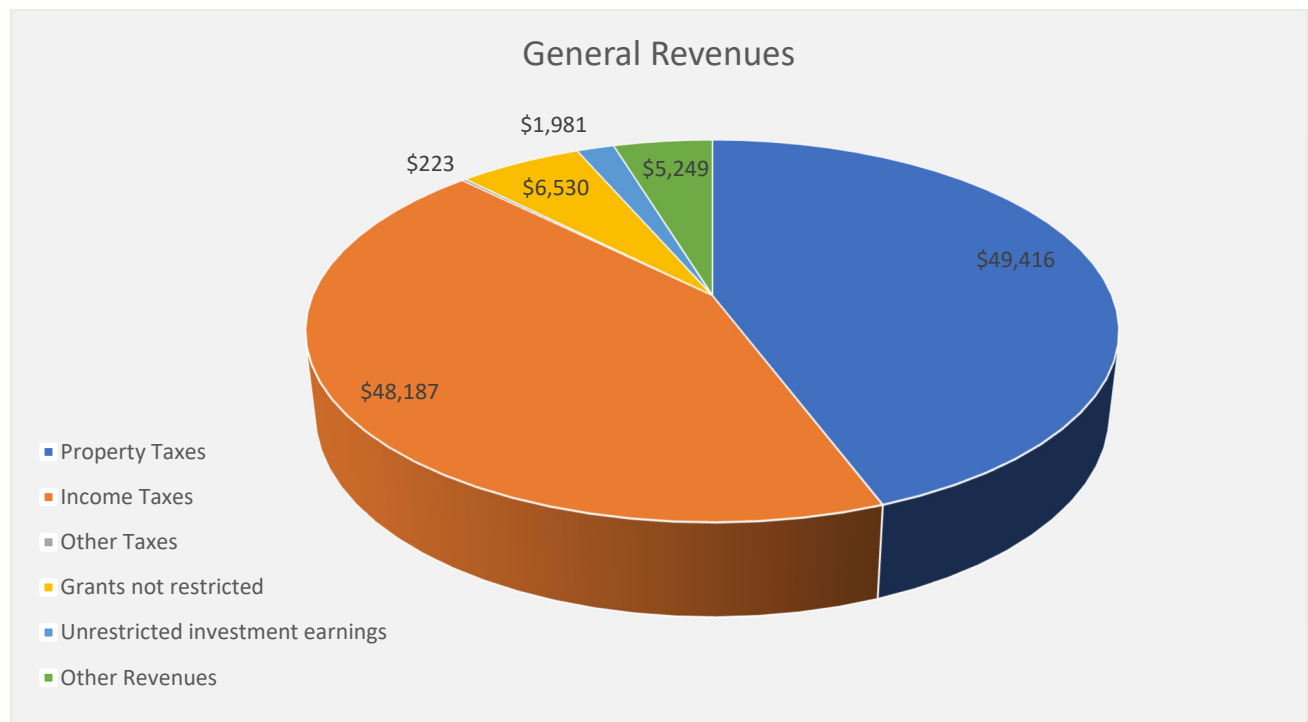
# Elkhart County, Indiana

Management's Discussion and Analysis  
December 31, 2021

## Program Revenue and Expenses – Governmental Activities

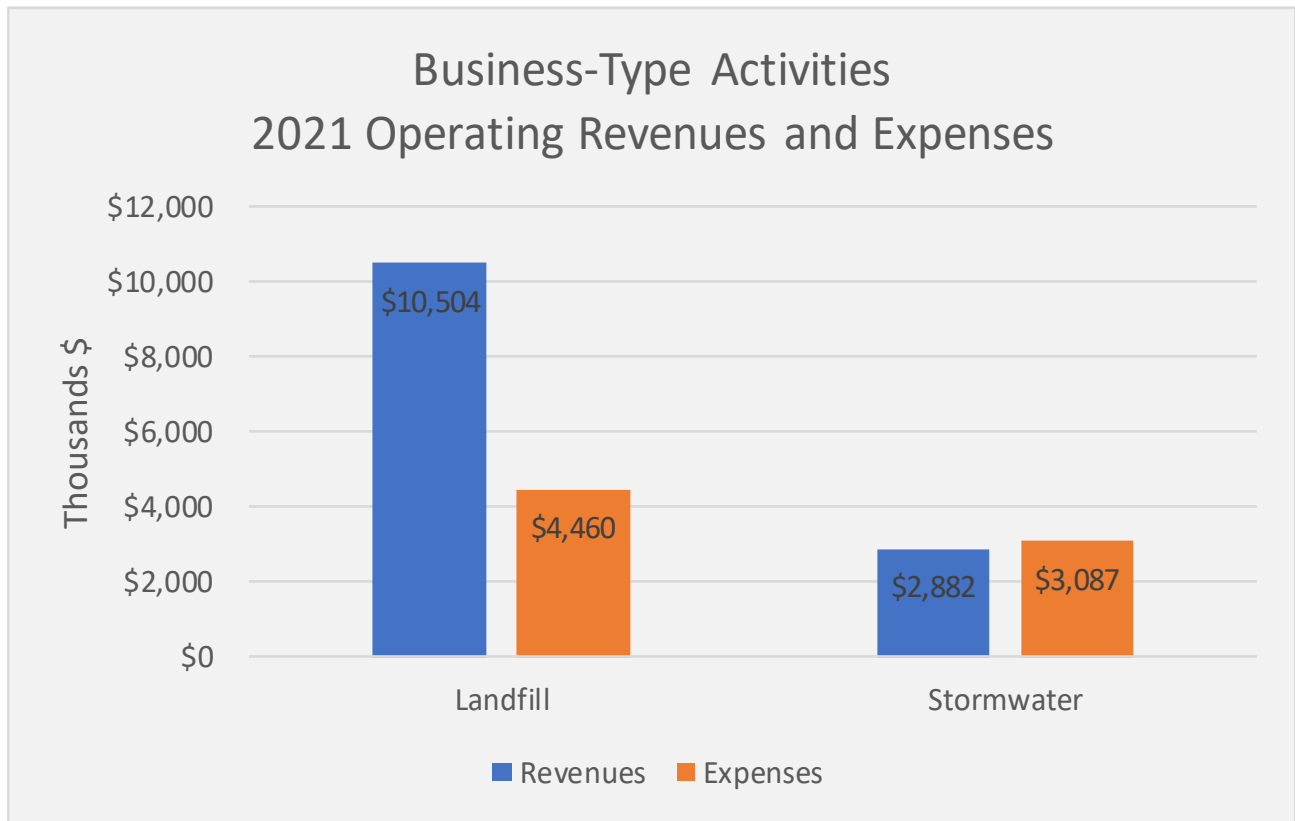
Taxes, as in prior years, were the County's major source of revenue supporting its activities, primarily in the area of public safety, health and welfare and general government. Other sources of revenue consisted primarily of unrestricted investment earnings, miscellaneous revenue, and local shared revenue. The following table displays program revenues as compared to program expenses. Deficits in programs are made up by general revenues.

The following displays the General Revenues by source for the County's governmental activities. General revenues are used to help offset funding shortfalls related to governmental functions detailed in the preceding graph:



## Elkhart County, Indiana

Management's Discussion and Analysis  
December 31, 2021



### Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful to assess the County's financial requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Fund balances are the differences between assets, liabilities, and deferred inflows of resources in a governmental fund. The nonspendable fund balance includes amounts that are not in spendable form or amounts that are required to be maintained intact. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision-making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund and deficit fund balances in any other governmental fund.

## Elkhart County, Indiana

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Management's Discussion and Analysis  
December 31, 2021

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$203,659,235 an increase of \$12,127,301 compared to 2020. \$154,418,990 of the fund balance is restricted, \$1,450,901 is assigned, \$24,551,235 is committed, and \$23,238,109 is unassigned.

The general fund is the primary operating fund of the County. At the end of the current fiscal year, unassigned fund balance was \$24,722,609, committed fund balance was \$24,551,235, and \$1,450,901 was assigned. As a measure of the general fund's liquidity, it may be useful to compare total fund balance to total expenditures of \$57,456,306 excluding transfers. Total fund balance represents 88.28% of that same amount. The fund balance of the County general fund increased by \$3,293,749 during the current fiscal year. Key factors are as follows:

- Revenues exceeded expenditures by \$3,293,749 (excluding other financing sources and uses).
- The primary revenue of the general fund includes property taxes of \$28,801,689 and income taxes of \$19,499,538. All remaining revenues total \$12,573,056.
- Expenditure reported include general government of \$43,959,155, public safety of \$9,630,367, and health and welfare of \$2,517,787. A small amount, \$120,725 was charged to capital leases.
- The county has several other major funds that impacted the overall results of operations for 2021. In total these funds accounted for \$3,662,327 of net decrease in fund balance for 2021.
- Major Moves Construction carries receivables for external and internal loans for capital projects. This fund earns a return on those investments and had minimal operating costs in 2021.

### General Fund Budgetary Highlights

The County submits annual budgets to align planned spending with available revenues to ensure operational accountability over County resources. This process correlates with longer term fiscal planning to help ensure that the County can continue to provide services in all economic conditions. Assumptions used at the time of budget adoption are adjusted during the ensuing year through additional appropriations or budget reductions as circumstances dictate.

General Fund excess of revenues over expenditures in 2021, excluding other financing sources, was \$2,731,776. Key factors are briefly summarized below:

- Revenue exceeded budgeted revenue by \$2,581,182.
- Expenditures were under budget by \$3,628,807 as compared to the final budget. General government was under budget by \$4,491,446, public safety was over budget by \$1,310,808, and human health and welfare was under budget by \$448,149.

## Elkhart County, Indiana

Management's Discussion and Analysis  
December 31, 2021

### Capital Asset and Debt Administration

**Capital assets.** The County's capital assets for its governmental activities and business-type activities as of the 2021 fiscal year end amounts to \$390,927,920 and \$7,190,605 respectively (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment and infrastructure.

Major capital asset events during the current fiscal year included the following:

- During the year, the County had additions of land, machinery and equipment, and infrastructure of \$299,243, \$1,077,773, and \$20,971,505, respectively.
- The County removed \$2,623,867 of assets through sale, trade or disposal.
- The Business Type funds added \$1,254,165 of infrastructure and \$239,518 in machinery and equipment during 2021.

The following table displays the County's capital assets.

#### Capital Assets as of December 31, (amounts expressed in thousands)

	Governmental		Business-Type	
	2021	2020	2021	2020
Land	\$ 39,843	\$ 1,475	\$ 2,524	\$ 2,524
Buildings	123,871	123,870	2,766	2,766
Improvements	4,585	4,585	84	84
Machinery, equipment and vehicles	30,424	31,629	5,972	5,732
Infrastructure	512,409	529,847	1,254	-
Total capital assets	711,132	691,406	12,600	11,106
Accumulated depreciation	(320,204)	(309,668)	(5,410)	(4,642)
Net capital assets	<u>\$390,928</u>	<u>\$381,738</u>	<u>\$ 7,190</u>	<u>\$ 6,464</u>

**Long-term obligations.** At the end of the current fiscal year, the County had outstanding total long-term debt related liabilities (net of unamortized premiums and discounts) of \$133,507,522. Of the total amount, \$57,037,563 is related general obligation debt, \$3,775,125 relates to tax increment financing debt, and \$9,230,834 relates to lease rental bond debt.

## Elkhart County, Indiana

### Management's Discussion and Analysis

December 31, 2021

The remainder of the County's long-term obligations consist of \$8,495,876 of net pension liability and \$51,414,745 of other post-employment benefits liability. Additionally, the County is reporting \$1,711,507 related to compensated absences, and \$1,462,521 related to internal balances. Business type activities recorded \$270,266 for net pension liability and \$1,822,855 for other postemployment benefits liability. The following table reflects the County's long-term obligations and liabilities due within one year (as of December 31):

Changes in long-term (for governmental activities) include:

- The County repaid \$5,518,526 of principal on bond related debt during the current fiscal year.
- Other post-employment benefit actuarial liabilities increased by \$3,546,009 to \$51,414,745.
- Pension related actuarial liabilities decreased by \$11,246,000 to \$8,495,876.

The County maintains a long-term rating of "A+" on its outstanding general obligation bonds and building corporation first mortgage lease rental bonds (which are rated as a general obligation security) assigned by S&P Global Ratings.

Additional information of the County's long-term debt can be found in Note 3 of the Notes to the Financial Statements of this report.

	Governmental Activities		Business-Type Activities	
	2021	2020	2021	2020
General obligation bonds	\$ 54,945	\$ 61,650	\$ -	\$ -
TIF bonds	3,770	2,865	-	-
Lease rental bonds	8,850	8,850	-	-
Net (discounts)/premiums	2,479	3,068	-	-
Subtotal	70,044	76,433	-	-
Capital leases	379	571	-	-
Net pension liability	8,496	19,742	270	605
Advances from other funds	1,462	1,462	-	-
Compensated absences	1,712	1,718	-	-
Net other postemployment benefits liability	51,415	47,869	1,823	1,178
Subtotal	63,464	71,362	2,093	1,783
Total long-term liabilities	133,508	147,795	2,093	1,783
Less current portion	(5,754)	(7,294)	-	-
Net long-term obligations	\$ 127,754	\$ 140,501	\$ 2,093	\$ 1,783

# **Elkhart County, Indiana**

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Management's Discussion and Analysis  
December 31, 2021

## **Economic Factors and Next Year's Budget and Rates**

- The 2022 tax rates for the County decreased from \$.4495 in 2021 to a rate of \$.4442 per \$100 in assessed value. Overall, the County's assessed value increased by approximately 6.39% from 2021 to 2022.
- Property tax is the County's largest source of revenue. Local Income Tax (LIT) is the second largest source of the County's current governmental revenues. These funds can be used for capital projects as well as ongoing operating expenses.
- State-wide property tax caps (based upon a percent of gross AV by property class) became effective in 2009. For the 2021 budget year, the loss to the County due to the caps is \$3,548,779. 2022 expected losses of revenue due to circuit breaker is approximately \$4,462,792. Expenditure restraints and revenue diversification have been used to offset this loss.

All the above factors were considered in preparing the County's budget for the 2022 calendar year.

## **Request for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Elkhart County auditor's office located at 117 N 2nd St # 203, Goshen, IN 46526.

**Elkhart County, Indiana**

 Statement of Net Position  
 December 31, 2021

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>Assets and Deferred Outflows of Resources</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 224,481,186	\$ 36,376,839	\$ 260,858,025	\$ 17,201,650
Investments	2,218,629	3,227,098	5,445,727	-
Receivables:				
Accounts	331,012	-	331,012	2,298
Interest	13,333	-	13,333	-
Taxes	53,161,408	-	53,161,408	7,807,703
Intergovernmental	2,108,734	-	2,108,734	-
Loan	1,581,717	-	1,581,717	-
Internal receivables	-	1,462,521	-	-
Restricted assets:				
Net pension asset	239,533	-	239,533	-
Cash and cash equivalents	8,741,007	-	8,741,007	-
Capital assets:				
Land and construction in progress	39,842,956	2,524,714	42,367,670	2,277,059
Other capital assets, net of depreciation	351,084,964	4,665,891	355,750,855	7,676,891
<b>Total assets</b>	<b>683,804,479</b>	<b>48,257,063</b>	<b>730,599,021</b>	<b>34,965,601</b>
<b>Deferred Outflows of Resources</b>				
Deferred amount on refunding of debt	322,200	-	322,200	-
Pension related	8,712,856	236,196	8,949,052	950,590
OPEB related	10,673,911	378,433	11,052,344	-
<b>Total deferred outflows of resources</b>	<b>19,708,967</b>	<b>614,629</b>	<b>20,323,596</b>	<b>950,590</b>
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>				
<b>Liabilities</b>				
Accounts payable	5,958,659	169,006	6,127,665	214,839
Accrued payroll and withholdings payable	2,190,698	77,669	2,268,367	-
Accrued interest payable	185,030	-	185,030	-
Claims payable	585,299	-	585,299	-
Unearned revenue	19,517,575	-	19,517,575	-
<b>Noncurrent Liabilities</b>				
Due within one year:				
Capital lease obligations	176,333	-	176,333	-
General obligation bonds	5,525,000	-	5,525,000	469,488
TIF bonds	52,416	-	52,416	-
Due in more than one year:				
Capital lease obligations	203,018	-	203,018	-
General obligation bonds (net of discounts, premiums)	51,512,563	-	51,512,563	3,197,525
TIF bonds (net of discounts, premiums)	3,722,709	-	3,722,709	-
Lease rental bonds (net of discounts, premiums)	9,230,834	-	9,230,834	-
Compensated absences	1,711,507	-	1,711,507	-
Internal balances	1,462,521	-	-	-
Other long-term payables:				
Net pension liability	8,495,876	270,266	8,766,142	1,161,235
Total OPEB liability	51,414,745	1,822,855	53,237,600	-
<b>Total liabilities</b>	<b>161,944,783</b>	<b>2,339,796</b>	<b>162,822,058</b>	<b>5,043,087</b>
<b>Deferred Inflows of Resources</b>				
Pension related	16,575,767	418,549	16,994,316	1,833,718
OPEB related	13,369,963	474,018	13,843,981	-
Unavailable revenue	47,028,204	-	47,028,204	7,807,704
<b>Total deferred inflows of resources</b>	<b>76,973,934</b>	<b>892,567</b>	<b>77,866,501</b>	<b>9,641,422</b>
<b>Net Position</b>				
Net investment in capital assets	353,439,749	7,190,605	360,630,354	6,286,937
Net position, restricted for:				
Public safety	38,366,003	-	38,366,003	-
Highways and streets	7,870,043	-	7,870,043	-
Health and welfare	5,501,176	-	5,501,176	-
General government	5,890,421	-	5,890,421	-
Culture and recreation	1,981,682	-	1,981,682	-
Economic development	20,102,506	-	20,102,506	-
Capital projects	35,534,808	-	35,534,808	-
Debt service	8,555,977	-	8,555,977	-
Pension	239,533	-	239,533	-
Net position, unrestricted (deficit)	(12,887,169)	38,448,724	25,561,555	14,944,746
<b>Total net position</b>	<b>\$ 464,594,729</b>	<b>\$ 45,639,329</b>	<b>\$ 510,234,058</b>	<b>\$ 21,231,683</b>

See notes to financial statements

**Elkhart County, Indiana**

Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Component Units
				Governmental Activities	Business-Type Activities	
Primary government:						
Governmental activities:						
General government	\$ 57,201,854	\$ 3,561,595	\$ 5,898,053	\$ (47,742,206)	\$ -	\$ -
Public safety	31,621,585	5,315,626	2,922,688	(23,383,271)	-	-
Highways and streets	13,322,247	1,550,656	10,464,638	(1,306,953)	-	-
Health and welfare	13,660,997	1,606,610	11,959,383	(95,004)	-	-
Culture and recreation	2,387,688	261,889	-	(2,125,799)	-	-
Interest on long-term debt	1,841,195	-	-	(1,841,195)	-	-
Total primary government	<u>120,035,566</u>	<u>12,296,376</u>	<u>31,244,762</u>	<u>(76,494,428)</u>	<u>-</u>	<u>-</u>
Business-type activities:						
Landfill	4,460,075	9,266,412	-	-	4,806,337	-
Storm water management operating	<u>3,087,176</u>	<u>119,700</u>	<u>-</u>	<u>-</u>	<u>(2,967,476)</u>	<u>-</u>
Total business-type activities	<u>\$ 7,547,251</u>	<u>\$ 9,386,112</u>	<u>\$ -</u>	<u>-</u>	<u>1,838,861</u>	<u>-</u>
Component units	<u>\$ 11,196,455</u>	<u>\$ 121,963</u>	<u>\$ 50,782</u>	<u>-</u>	<u>-</u>	<u>(11,023,710)</u>
<b>General Revenues</b>						
Taxes:						
Property taxes				49,416,375	-	8,040,533
Income taxes				48,187,157	-	2,812,883
Other taxes				223,249	-	657,616
Local shared revenue				6,529,732	3,849,335	-
Other:						
Donations				-	-	18,316
Unrestricted investment earnings				1,980,775	104,590	37,873
Transfers				-	-	-
Sale of property				4,671	-	3,283
Miscellaneous				5,244,089	150,571	132,573
Total general revenues				<u>111,586,048</u>	<u>4,104,496</u>	<u>11,703,077</u>
Change in net position				35,091,620	5,943,357	679,367
<b>Net Position, Beginning as Previously Stated</b>				430,610,195	39,695,972	35,933,469
<b>Prior Period Adjustment (See Note 3)</b>				<u>(1,107,086)</u>	<u>-</u>	<u>(15,381,153)</u>
<b>Net Position, Beginning as Adjusted</b>				<u>429,503,109</u>	<u>39,695,972</u>	<u>20,552,316</u>
<b>Net Position, Ending</b>				<u>\$ 464,594,729</u>	<u>\$ 45,639,329</u>	<u>\$ 21,231,683</u>

See notes to financial statements

**Elkhart County, Indiana**

Balance Sheet - Governmental Funds

December 31, 2021

	<u>General Fund</u>	<u>ARP Coronavirus LFR Fund</u>	<u>Major Moves Construction</u>	<u>2020 Criminal Justice Bond</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>						
Cash and cash equivalents	\$ 49,007,310	\$ 19,533,469	\$ 16,834,936	\$ 32,612,502	\$ 97,853,378	\$ 215,841,595
Investments	-	-	2,218,629	-	-	2,218,629
Receivables:						
Taxes	33,240,234	-	-	-	19,921,174	53,161,408
Interest	-	-	13,333	-	-	13,333
Accounts	298,544	-	-	-	32,468	331,012
Intergovernmental	1,254,174	-	-	-	854,560	2,108,734
Loans	-	-	1,581,717	-	-	1,581,717
Restricted:						
Cash and cash equivalents	-	-	-	-	8,741,007	8,741,007
Interfund receivable:						
Advances to other funds	-	-	11,926,631	-	-	11,926,631
	<u>-</u>	<u>-</u>	<u>11,926,631</u>	<u>-</u>	<u>-</u>	<u>11,926,631</u>
Total assets	<u>\$ 83,800,262</u>	<u>\$ 19,533,469</u>	<u>\$ 32,575,246</u>	<u>\$ 32,612,502</u>	<u>\$ 127,402,587</u>	<u>\$ 295,924,066</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 348,804	\$ 15,894	\$ 665,054	\$ 2,508,094	\$ 2,249,185	\$ 5,787,031
Accrued payroll and withholdings payable	1,288,611	-	-	-	902,087	2,190,698
Interfund payable:						
Advances from other funds	-	-	-	-	13,389,152	13,389,152
Unearned revenue	-	19,517,575	-	-	-	19,517,575
	<u>-</u>	<u>19,517,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,517,575</u>
Total liabilities	<u>1,637,415</u>	<u>19,533,469</u>	<u>665,054</u>	<u>2,508,094</u>	<u>16,540,424</u>	<u>40,884,456</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	31,438,102	-	1,397,664	-	18,544,609	51,380,375
	<u>31,438,102</u>	<u>-</u>	<u>1,397,664</u>	<u>-</u>	<u>18,544,609</u>	<u>51,380,375</u>
Total deferred inflows of resources	<u>31,438,102</u>	<u>-</u>	<u>1,397,664</u>	<u>-</u>	<u>18,544,609</u>	<u>51,380,375</u>
<b>Fund Balances</b>						
Restricted	-	-	30,512,528	30,104,408	93,802,054	154,418,990
Committed	24,551,235	-	-	-	-	24,551,235
Assigned	1,450,901	-	-	-	-	1,450,901
Unassigned (deficit)	24,722,609	-	-	-	(1,484,500)	23,238,109
	<u>50,724,745</u>	<u>-</u>	<u>30,512,528</u>	<u>30,104,408</u>	<u>92,317,554</u>	<u>203,659,235</u>
Total fund balances	<u>50,724,745</u>	<u>-</u>	<u>30,512,528</u>	<u>30,104,408</u>	<u>92,317,554</u>	<u>203,659,235</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 83,800,262</u>	<u>\$ 19,533,469</u>	<u>\$ 32,575,246</u>	<u>\$ 32,612,502</u>	<u>\$ 127,402,587</u>	<u>\$ 295,924,066</u>

See notes to financial statements

## Elkhart County, Indiana

### Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position December 31, 2021

<b>Fund Balance, Governmental Funds</b>		<b>\$ 203,659,235</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Land and construction in progress	\$ 39,842,956	
Other capital assets, net of depreciation	<u>351,084,964</u>	390,927,920
Pension and OPEB assets and liabilities are not paid from current financial resources and, therefore, are not shown in the funds.		
Net pension asset	239,533	
Total OPEB liability	(51,414,745)	
Net pension liability	<u>(8,495,876)</u>	(59,671,088)
Deferred outflows of resources on the loss on refunding of debt are not recognized in the governmental funds, but are recorded in the Statement of Net Position		322,200
Deferred outflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		8,712,856
Deferred outflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		10,673,911
Deferred inflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		(16,575,767)
Deferred inflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the Statement of Net Position		(13,369,963)
Unavailable revenues are not available to pay current liabilities and, therefore, are not reported as liabilities in the Statement of Net Position.		4,352,171
Internal service funds are used by management to charge the costs of insurance to General and Highway Funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.		7,882,664
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(1,711,507)
Accrued interest on bonds payable is not due and payable in the current period and, therefore, is not reported in the funds.		(185,030)
Long-term liabilities, including capital leases, are not due and payable in the current period and, therefore, are not reported in the funds		(379,351)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds	(57,037,563)	
Tax increment financing bonds	(3,775,125)	
Lease rental bonds	<u>(9,230,834)</u>	<u>(70,043,522)</u>
<b>Net Position of Governmental Activities</b>		<b><u>\$ 464,594,729</u></b>

See notes to financial statements

**Elkhart County, Indiana**

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

	<u>General Fund</u>	<u>ARP Coronavirus LFR Fund</u>	<u>Major Moves Construction</u>	<u>2020 Criminal Justice Bond</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>						
Taxes:						
Property	\$ 28,801,689	\$ -	\$ -	\$ -	\$ 22,603,885	\$ 51,405,574
Income	19,499,538	-	-	-	26,347,247	45,846,785
Other	-	-	-	-	223,249	223,249
Intergovernmental	4,890,932	522,085	-	-	30,535,817	35,948,834
Charges for services	3,620,842	-	-	-	7,887,022	11,507,864
Fines and forfeits	336,195	-	-	-	452,317	788,512
Investment earnings	1,766,488	-	550,484	-	(28,106)	2,288,866
Other:						
Miscellaneous	1,958,599	-	385,738	-	1,463,472	3,807,809
<b>Total revenues</b>	<u>60,874,283</u>	<u>522,085</u>	<u>936,222</u>	<u>-</u>	<u>89,484,903</u>	<u>151,817,493</u>
<b>Expenditures</b>						
Current:						
General government	43,959,155	-	-	-	13,503,259	57,462,414
Public safety	9,630,367	-	-	4,280,511	15,489,485	29,400,363
Highways and streets	-	-	-	-	6,093,993	6,093,993
Health and welfare	2,517,787	487,310	-	-	10,878,456	13,883,553
Culture and recreation	-	-	-	-	2,335,011	2,335,011
Debt service:						
Principal	-	-	-	-	5,518,526	5,518,526
Interest	-	-	-	-	2,685,349	2,685,349
Capital lease	120,725	-	-	-	71,024	191,749
Capital outlay:						
General government	793,572	-	-	-	11,576,050	12,369,622
Public safety	434,700	-	-	-	702	435,402
Highways and streets	-	-	318,038	-	8,312,788	8,630,826
Health and welfare	-	34,775	-	-	520,760	555,535
Culture and recreation	-	-	-	-	132,520	132,520
<b>Total expenditures</b>	<u>57,456,306</u>	<u>522,085</u>	<u>318,038</u>	<u>4,280,511</u>	<u>77,117,923</u>	<u>139,694,863</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,417,977</u>	<u>-</u>	<u>618,184</u>	<u>(4,280,511)</u>	<u>12,366,980</u>	<u>12,122,630</u>
<b>Other Financing Sources (Uses)</b>						
Sale of capital assets	4,671	-	-	-	-	4,671
Transfers in	13,804	-	-	-	8,153,637	8,167,441
Transfers out	(142,703)	-	-	-	(8,024,738)	(8,167,441)
<b>Total other financing sources and uses</b>	<u>(124,228)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>128,899</u>	<u>4,671</u>
<b>Net change in fund balances</b>	<u>3,293,749</u>	<u>-</u>	<u>618,184</u>	<u>(4,280,511)</u>	<u>12,495,879</u>	<u>12,127,301</u>
<b>Fund Balances, Beginning as previously stated</b>	<u>47,237,932</u>	<u>-</u>	<u>31,471,290</u>	<u>34,384,919</u>	<u>80,009,331</u>	<u>193,103,472</u>
<b>Prior Period Adjustment (See Note 3)</b>	<u>193,064</u>	<u>-</u>	<u>(1,576,946)</u>	<u>-</u>	<u>(187,656)</u>	<u>(1,571,538)</u>
<b>Fund Balances, Beginning as Adjusted</b>	<u>47,430,996</u>	<u>-</u>	<u>29,894,344</u>	<u>34,384,919</u>	<u>79,821,675</u>	<u>191,531,934</u>
<b>Fund Balances, Ending</b>	<u>\$ 50,724,745</u>	<u>\$ -</u>	<u>\$ 30,512,528</u>	<u>\$ 30,104,408</u>	<u>\$ 92,317,554</u>	<u>\$ 203,659,235</u>

See notes to financial statements

**Elkhart County, Indiana**

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

**Net Change in Fund Balances, Total Governmental Funds (Statement of Revenues, Expenditures  
and Changes in Fund Balances)**

Amounts reported for governmental activities in the Statement of Activities are different because:	\$ 12,127,301
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as in the current period:	
Capital outlays	22,123,905
Capital assets purchased from non capital accounts	224,615
Loss on disposal of capital assets	(108,966)
Depreciation expense	(13,050,248)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:	
Principal payments	\$ 5,518,526
Amortization of bond discount/premium and loss on refunding	590,160
Principal paid on capital lease	191,749
	<u>6,300,435</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Deferred inflows of resources, pensions	(8,891,104)
Deferred inflows of resources, OPEB	3,404,340
Unavailable revenue	2,180,086
Expenses in the Statement of Activities that do not provide current financial resources are not reported as expenditures in the funds:	
Deferred outflows of resources, pensions	3,275,269
Deferred outflows of resources, OPEB	(1,605,411)
Amortization of deferred amount on refunding's	(159,265)
Compensated absences reported in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds.	6,087
Accrued interest reported in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	105,169
Pension assets are considered revenues of the general government and, therefore, are not reported as current revenues in the funds.	26,388
Pension obligations are considered expenses of the general government and, therefore, are not reported as current expenditures in the funds.	11,246,000
OPEB liability reported in the Statement of Activities does not require the use of current resources and, therefore, are not reported as expenditures in governmental funds.	(3,546,009)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	<u>1,433,027</u>
<b>Change in Net Position of Governmental Activities (Statement of Activities)</b>	<u><u>\$ 35,091,620</u></u>

See notes to financial statements

# Elkhart County, Indiana

Statement of Net Position - Proprietary Funds  
December 31, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Landfill	StormWater Management Operating (Nonmajor)	Total	Internal Service Fund
<b>Assets and Deferred Outflows of Resources</b>				
<b>Current Assets</b>				
Cash and cash equivalents	\$ 31,858,893	\$ 4,517,946	\$ 36,376,839	\$ 8,639,591
Investments	3,227,098	-	3,227,098	-
<b>Advances to other funds</b>	1,462,521	-	1,462,521	-
<b>Capital Assets</b>				
Land and construction in progress	2,524,714	-	2,524,714	-
Other capital assets, net of depreciation	3,950,235	715,656	4,665,891	-
Total assets	43,023,461	5,233,602	48,257,063	8,639,591
<b>Deferred Outflows of Resources</b>				
Deferred outflows, pensions	173,194	63,002	236,196	-
Deferred outflows, OPEB	292,147	86,286	378,433	-
Total deferred outflows of resources	\$ 465,341	\$ 149,288	\$ 614,629	\$ -
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>				
<b>Current Liabilities</b>				
Accounts payable	114,585	54,421	169,006	171,628
Accrued payroll and withholdings payable	59,960	17,709	77,669	-
Claims payable	-	-	-	585,299
Total current liabilities	174,545	72,130	246,675	756,927
<b>Noncurrent Liabilities</b>				
Due in more than one year:				
Net pension liability	193,905	76,361	270,266	-
OPEB liability	1,407,229	415,626	1,822,855	-
Total liabilities	1,775,679	564,117	2,339,796	756,927
<b>Deferred Inflows of Resources</b>				
Deferred inflows, pension	300,293	118,256	418,549	-
Deferred inflows, OPEB	365,938	108,080	474,018	-
Total deferred inflows of resources	666,231	226,336	892,567	-
<b>Net Position</b>				
Net investment in capital assets	6,474,949	715,656	7,190,605	-
Unrestricted	34,571,943	3,876,781	38,448,724	7,882,664
Total net position	\$ 41,046,892	\$ 4,592,437	\$ 45,639,329	\$ 7,882,664

See notes to financial statements

## Elkhart County, Indiana

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

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities</b>
	<b>Landfill</b>	<b>StormWater Management Operating (Nonmajor)</b>	<b>Total</b>	<b>Internal Service Fund</b>
<b>Operating Revenues</b>				
Charges for services	\$ 9,266,412	\$ 119,700	\$ 9,386,112	\$ 14,959,951
Intergovernmental	1,200,978	2,648,357	3,849,335	-
Miscellaneous	36,919	113,652	150,571	951,896
Total operating revenues	<u>10,504,309</u>	<u>2,881,709</u>	<u>13,386,018</u>	<u>15,911,847</u>
<b>Operating Expenses</b>				
General government	-	-	-	14,168,921
Health and human services	3,878,543	2,900,817	6,779,360	309,899
Depreciation	581,532	186,359	767,891	-
Total operating expenses	<u>4,460,075</u>	<u>3,087,176</u>	<u>7,547,251</u>	<u>14,478,820</u>
Operating income (loss)	<u>6,044,234</u>	<u>(205,467)</u>	<u>5,838,767</u>	<u>1,433,027</u>
<b>Nonoperating Revenues (Expenses)</b>				
Interest and investment revenue	104,590	-	104,590	-
Total nonoperating revenues (expenses)	<u>104,590</u>	<u>-</u>	<u>104,590</u>	<u>-</u>
Change in net position	6,148,824	(205,467)	5,943,357	1,433,027
<b>Total Net Position, Beginning</b>	<u>34,898,068</u>	<u>4,797,904</u>	<u>39,695,972</u>	<u>6,449,637</u>
<b>Total Net Position, Ending</b>	<u>\$ 41,046,892</u>	<u>\$ 4,592,437</u>	<u>\$ 45,639,329</u>	<u>\$ 7,882,664</u>

See notes to financial statements

**Elkhart County, Indiana**

 Statement of Cash Flows - Proprietary Funds  
 Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Landfill	StormWater Management Operating (Nonmajor)	Total	Internal Service Fund
<b>Cash Flows From Operating Activities</b>				
Receipts from customers and users	\$ 10,504,309	\$ 2,881,709	\$ 13,386,018	\$ 14,960,151
Receipts from interfund services provided	-	-	-	951,896
Payments to suppliers	(4,578,318)	(2,849,590)	(7,427,908)	-
Payments to employees	458,317	82,637	540,954	-
Payments for interfund services used	-	-	-	(14,421,250)
Net cash provided by operating activities	<u>6,384,308</u>	<u>114,756</u>	<u>6,499,064</u>	<u>1,490,797</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Acquisition and construction of capital assets	<u>(591,668)</u>	<u>(902,015)</u>	<u>(1,493,683)</u>	<u>-</u>
Net cash used in capital and related financing	<u>(591,668)</u>	<u>(902,015)</u>	<u>(1,493,683)</u>	<u>-</u>
<b>Cash Flows From Investing Activities</b>				
Interest received	104,590	-	104,590	-
Sale of investments	<u>6,096,198</u>	<u>-</u>	<u>6,096,198</u>	<u>-</u>
Net cash provided by investing activities	<u>6,200,788</u>	<u>-</u>	<u>6,200,788</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	11,993,428	(787,259)	11,206,169	1,490,797
<b>Cash and Cash Equivalents, January 1</b>	<u>19,865,465</u>	<u>5,305,205</u>	<u>25,170,670</u>	<u>7,148,794</u>
<b>Cash and Cash Equivalents, December 31</b>	<u>\$ 31,858,893</u>	<u>\$ 4,517,946</u>	<u>\$ 36,376,839</u>	<u>\$ 8,639,591</u>
<b>Reconciliation to Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>				
<b>Operating Income (Loss)</b>	<u>\$ 6,044,234</u>	<u>\$ (205,467)</u>	<u>\$ 5,838,767</u>	<u>\$ 1,433,027</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	581,532	186,359	767,891	-
(Increase) decrease in assets:				
Accounts receivable	-	-	-	200
Increase (decrease) in liabilities:				
Accounts payable	(396,060)	51,227	(344,833)	54,472
Contracts payable	(303,715)	-	(303,715)	-
Accrued payroll and withholdings payable	30,251	7,658	37,909	-
Claims payable	-	-	-	3,098
(Increase) decrease in deferred outflows:				
Deferred outflows, pensions	(61,062)	(14,507)	(75,569)	-
Deferred outflows, OPEB	(66,321)	(9,891)	(76,212)	-
Increase (decrease) in deferred inflows:				
Deferred inflows, pension	205,194	78,846	284,040	-
Deferred inflows, OPEB	57,446	3,720	61,166	-
Increase (decrease) net pension liability	(234,078)	(101,002)	(335,080)	-
Increase (decrease) OPEB	<u>526,887</u>	<u>117,813</u>	<u>644,700</u>	<u>-</u>
Total adjustments	<u>340,074</u>	<u>320,223</u>	<u>660,297</u>	<u>57,770</u>
Net cash provided by operating activities	<u>\$ 6,384,308</u>	<u>\$ 114,756</u>	<u>\$ 6,499,064</u>	<u>\$ 1,490,797</u>

See notes to financial statements

**Elkhart County, Indiana**

## Statement of Fiduciary Net Position - Fiduciary Funds

December 31, 2021

	<b>Private-Purpose Trust Funds</b>	<b>Pension Trust Funds</b>	<b>Custodial Funds</b>
<b>Assets</b>			
<b>Cash and Cash Equivalents</b>	\$ 110,030	\$ 1,702,298	\$ 21,891,638
<b>Receivables</b>			
Taxes	-	-	244,845,304
Employer contributions	-	8,473	-
Accrued interest and dividends	-	42,847	-
Intergovernmental	-	-	7,192,762
Total receivables	-	51,320	252,038,066
<b>Investments at Fair Value</b>			
Fixed income securities	-	10,271,740	-
Domestic and foreign equities	-	19,723,388	-
Total investments	-	29,995,128	-
Total assets	110,030	31,748,746	273,929,704
<b>Liabilities, Deferred Inflows and Net Position</b>			
<b>Liabilities</b>			
Payable, net benefits due and unpaid/(overpaid)	-	27,168	-
Due to other governments	-	-	32,935,632
Total liabilities	-	27,168	32,935,632
<b>Deferred Inflows</b>			
Uncollected taxes	-	-	228,652,187
<b>Net Position</b>			
Restricted for:			
Trust fund	110,030	-	-
Pensions	-	31,721,578	-
Individuals, organizations, and other governments	-	-	12,341,885
Total	\$ 110,030	\$ 31,721,578	\$ 12,341,885

See notes to financial statements

**Elkhart County, Indiana**Statement of Changes in Fiduciary Net Position - Fiduciary Funds  
Year Ended December 31, 2021

	<b>Private-Purpose Trust Funds</b>	<b>Pension Trust Funds</b>	<b>Custodial Funds</b>
<b>Additions</b>			
Contributions:			
Employer contributions	\$ -	\$ 1,569,936	\$ -
Employee contributions	-	225,228	-
Total contributions	-	1,795,164	-
Investment income:			
Interest	-	522,529	-
Net increase (decrease) in fair value of investments	-	2,826,497	-
Total investment income	-	3,349,026	-
Taxes Collected for Other Governments	-	-	384,755,840
Miscellaneous	-	-	21,843,903
Total additions	-	5,144,190	406,599,743
<b>Deductions</b>			
Benefit payments (including refunds of employee contributions)	-	1,267,946	-
Other trust activities	1,835	192,614	18,553,776
Transfers out of trust	-	(162,768)	-
Administrative expense	-	116,350	-
Taxes distributed to other governments	-	-	383,659,287
Total deductions	1,835	1,414,142	402,213,063
Change in fiduciary net position	(1,835)	3,730,048	4,386,680
<b>Net Position, Beginning as Previously Stated</b>	111,865	27,991,530	-
<b>Prior Period Adjustment (See Note 3)</b>	-	-	7,955,205
<b>Net Position, Beginning as Adjusted</b>	111,865	27,991,530	7,955,205
<b>Net Position, Ending</b>	\$ 110,030	\$ 31,721,578	\$ 12,341,885

See notes to financial statements

# Elkhart County, Indiana

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December 31, 2021

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# Elkhart County, Indiana

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Notes to Financial Statements  
December 31, 2021

## 1. Summary of Significant Accounting Policies

Elkhart County, Indiana (the County or Primary Government) was established under the laws of the State of Indiana. The Primary Government operates under a council-commissioner form of government and provides the following services: public safety (police and fire), highways and streets, health, welfare and social services, culture and recreation, public improvements, planning and zoning, and general administrative services.

The accounting policies of the County conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

### Reporting Entity

This report includes all of the funds of the County. The reporting entity for the County consists of the Primary Government and its component units. Component units are legally separate organizations for which the Primary Government is financially accountable or other organizations for which the nature and significance of their relationship with the Primary Government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Primary Government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Primary Government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Primary Government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the Primary Government, its component units, or its constituents; (2) the Primary Government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the Primary Government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the Primary Government.

Component units are reported using one of three methods, discrete presentation, blended, or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the Primary Government using the blending method if it meets any one of the following criteria: (1) the Primary Government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the Primary Government and the component unit have substantively the same governing body and management of the Primary Government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the Primary Government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the Primary Government.

## **Blended Component Units**

The Elkhart County Redevelopment Authority is a blended component unit of the County. The Redevelopment Authority finances, constructs, and leases local public improvements to the Primary Government. The Primary Government appoints a voting majority of the Redevelopment Authority's board and a financial benefit/burden relationship exists between the County and the Redevelopment Authority. Although it is legally separate from the Primary Government, the Redevelopment Authority is reported as if it were a part of the Primary Government because it provides services entirely or almost entirely to the Primary Government and is not involved in the operation/maintenance of these assets/infrastructure. The debt of the Redevelopment Authority will be repaid entirely, or almost entirely, from resources of the Primary Government. The Elkhart County Redevelopment Authority does not issue separate financial statements. Financial information may be obtained by contacting the County Auditor office located at Room 203, 117 N. 2nd Street, Goshen, IN 46526. The Redevelopment Authority currently does not have any active bonds or financial activity to report.

The Elkhart County Correctional Complex Building Corporation is a blended component unit of the County. The Building Corporation finances, constructs, and leases local public improvements to the Primary Government. The Primary Government appoints a voting majority of the Building Corporation's board and a financial benefit/burden relationship exists between the County and the Building Corporation. Although it is legally separate from the Primary Government, the Building Corporation is reported as if it were a part of the Primary Government because it provides services entirely or almost entirely to the Primary Government and is not involved in the operation/maintenance of these assets/infrastructure. The debt of the Building Corporation will be repaid entirely, or almost entirely, from resources of the Primary Government. The Elkhart County Correctional Complex Building Corporation does not issue separate financial statements. Financial information may be obtained by contacting the County Auditor office located at Room 203, 117 N. 2nd Street, Goshen, IN 46526.

## **Discretely Presented Component Unit**

### **Elkhart Public Library**

The government wide financial statements include the Elkhart Public Library as a component unit. The Library is a legally separate organization. The County appoints a voting majority of the Board and is able to impose its will. The Library does have a separately issued regulatory financial statement.

### **Middlebury Community Public Library**

The government wide financial statements include the Middlebury Community Public Library as a component unit. The Library is a legally separate organization. The County appoints a voting majority of the Board and is able to impose its will. The Library does not have a separately issued regulatory financial statement.

### **Nappanee Public Library**

The government wide financial statements include the Nappanee Public Library as a component unit. The Library is a legally separate organization. The County appoints a voting majority of the Board and is able to impose its will. The Library does not have a separately issued regulatory financial statement.

## **Wakarusa-Olive & Harrison Township Public Library**

The government wide financial statements include the Wakarusa-Olive & Harrison Township Public Library as a component unit. The Library is a legally separate organization. The County appoints a voting majority of the Board and is able to impose its will. The Library does not have a separately issued regulatory financial statement.

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

### **Government-Wide Financial Statements**

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the Primary Government is reported separately from certain legally separate component units for which the Primary Government is financially accountable.

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

### **Fund Financial Statements**

Financial statements of the County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental statements. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the County believes is particularly important to financial statement users may be reported as a major fund.

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

## Elkhart County, Indiana

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Notes to Financial Statements  
December 31, 2021

The County reports the following major governmental funds:

General Fund accounts for the County's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund. The County's Rainy Day Fund has been combined with the General Fund for reporting purposes.

ARP Coronavirus LFR Fund accounts for funds received and disbursed under the American Rescue Recovery Plan.

Major Moves Construction Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures to improve and expand road network infrastructure.

2020 Criminal Justice Bond Fund is used to account for bond proceeds and capital outlays related to the construction of the criminal justice center.

The County reports the following major enterprise funds:

Stormwater Management Operating accounts for operations of the stormwater system

Landfill accounts for operations of the Elkhart County Landfill

The County reports the following nonmajor governmental funds:

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of long-term debt principal, interest, and related costs.

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

In addition, the County reports the following fund types:

Internal Service Funds are used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the County, or to other governmental units, on a cost-reimbursement basis.

Private-Purpose Trust Funds are used to account for and report any trust arrangement not properly reported in a pension trust fund or investment trust fund under which principal and income benefit individuals, private organizations, or other governments.

Pension Trust Funds are used to account for and report resources that are required to be held in trust for the members and beneficiaries of Sheriff Retirement Plan and Sheriff Benefit Plan.

Custodial Funds are used to account for and report assets controlled by the County and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

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

### Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

### Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the County is entitled the resources and the amounts are available. Amounts owed to the County which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

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

# Elkhart County, Indiana

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Notes to Financial Statements  
December 31, 2021

## All Financial Statements

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

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

### Deposits and Investments

For purposes of the statement of cash flows, the County considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

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

Nonparticipating certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost.

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

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

Indiana Code 5-13-9 authorizes the County to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of or interest in an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed fifty percent (50%) of the funds held by the County and available for investment.

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

## Elkhart County, Indiana

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Notes to Financial Statements  
December 31, 2021

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

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

See Note 3. for further information.

### Receivables

Property taxes levied are collected by the County Treasurer and are distributed to the Primary Government in June and in December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by January 15. These rates were based upon the preceding year's January 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Primary Government prior to December 31 of the year collected. Delinquent property taxes outstanding at year end for governmental funds are recorded as a receivable with an offset to deferred inflows of resources – unavailable revenue since the amounts are not considered available.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

### Capital Assets

#### Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$5,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

## Elkhart County, Indiana

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Notes to Financial Statements  
December 31, 2021

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	5-30 Years
Improvements other than buildings	10-60 Years
Machinery, equipment, and vehicles	3-15 Years
Infrastructure	10-100 Years

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

### Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

### Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time. The County is reporting deferred outflows of resources for pension and OPEB related items, and for deferred amount of refunding.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

### Compensated Absences

**Sick Leave:** Non-exempt employees accrue sick leave in hours at the close of each pay period in which the employee is actively employed for at least 36 hours. The amount of accrual depends on the employee's authorized work schedule. Exempt employees will accrue one day of paid sick leave at the completion of each month during which the employee is actively at work. Unused sick leave may be accumulated to no maximum. However, a maximum of 13 weeks of sick time is allowed for any one illness. This is to coincide with long term disability insurance.

**Holidays:** Employees are compensated for each holiday adopted by the Commissioners in any given year. New employees receive this benefit as soon as employment begins.

**Vacation:** The County provides employees with paid vacation time based upon the length of employment. Nonexempt employees will accrue vacation leave in hours at the close of each pay period in which the employee is actively employed for at least 36 work hours. The amount of accrual depends on the employee's authorized work schedule. For exempt employees, vacation is granted at the close of each month an employee is actively employed for at least ten days. New exempt employees begin accumulating vacation after their third month. All new employees will accrue vacation as listed above, but cannot take it until after six months of employment. New employees can accrue up to two weeks of vacation a year and additional vacation time begins to accrue after three years of employment.

## Elkhart County, Indiana

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Notes to Financial Statements  
December 31, 2021

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2021, are determined on the basis of current salary rates and include salary related payments.

### Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of bonds payable, pension liability, and OPEB liability.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the bond. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

### Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. The County is reporting deferred inflows of resources for pension and OPEB related items, and unavailable revenue associated with the tax levy approved in 2021.

### Equity Classifications

#### Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

#### Fund Statements

Governmental fund balances are displayed as follows:

- a. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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- b. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the County Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the County Council that originally created the commitment.
- c. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- d. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The County considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note 3. for further information.

Fiduciary fund net position is classified as restricted for pool participants, individuals, organizations, and other governments on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the County believes it is in compliance with all significant restrictions.

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

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the County OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

### **Pensions**

For purposes of measuring the total pension liability or asset, deferred outflows of resources, and deferred inflows of resources related to pension expense, information about the fiduciary net position of the Sheriff Retirement Plans, and the Indiana Public Employees' Retirement Fund (the plans) and additions to and deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, plan contributions are recognized as of employer paid dates and benefit payments and refunds are recognized when due and payable in accordance with benefit terms. Pension investments are reported at fair value.

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## 2. Stewardship, Compliance and Accountability

### Deficit Balances

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

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

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Homeland Security Grants	\$ 11,255	Payables
COVID Funds	16,502	Payables
Cumulative Voting System	725,466	Interfund payable
Emergency Telephone System	731,277	Interfund payable

### Budgetary Information

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

On or before August 31, the County Auditor submits to the County Council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the County Council to obtain taxpayer comments. In September of each year, the County Council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the County Auditor receives approval of the Indiana Department of Local Government Finance.

Indiana law restricts the County's maximum tax levy, with certain adjustments and exceptions. If the advertised budget, for funds for which property taxes are levied or for which highway use taxes are received, exceeds the spending and tax limits of the state control laws, and excess levy may be granted by the Indiana Department of Local Government Finance.

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

Expenditures did not exceed appropriations for any funds or any departments within the General Fund, which required legally-approved budgets.

## 3. Detailed Notes on All Funds

### Deposits and Investments

The County maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. IC 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision. The deposits and investments of the pension trust funds are held separately from those of other funds.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Checking accounts	\$ 215,716,754	\$ 218,210,291	Custodial credit risk
Money market accounts	74,526,439	74,648,730	Custodial credit risk
Certificates of deposit	8,505,032	8,505,032	Custodial credit risk
Equity securities	19,723,388	19,723,388	Custodial credit risk
Mutual funds, other than bonds	7,026,362	7,026,362	Custodial credit risk
US agencies	754,043	754,043	Custodial credit risk, credit risk, interest rate risk
State and local bonds	220,523	220,523	Credit risk, custodial credit risk, concentration of credit risk, interest rate risk
Corporate bonds	2,270,812	2,270,812	Credit risk, custodial credit risk, interest rate risk
Petty cash	<u>500</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$ 328,743,853</u>	<u>\$ 331,359,181</u>	

### Reconciliation to financial statements

#### Per statement of net position:

Unrestricted cash and investments \$ 266,303,752

Restricted cash and investments 8,741,007

#### Per statement of net position, fiduciary funds:

Private purpose trust 110,030

Pension trust 31,697,426

Custodial 21,891,638

Total deposits and investments \$ 328,743,853

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts. All other bank balances at December 31, 2021 were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

The valuation methods for recurring fair value measurements are as follows:

- Level 1 - Fixed income and equity securities are valued using unadjusted quoted prices in active markets for those securities.
- Level 2 - Fixed income securities are valued using a proprietary matrix pricing technique. This pricing technique defines the primary and secondary pricing sources to be used if the primary pricing source does not provide a value. The valuation techniques may include market participant's assumptions, quoted prices for similar securities, benchmark yield curves including but not limited to treasury benchmarks, LIBOR and swap curves, market corroborated inputs and other data inputs. Equity securities are valued using bid evaluations.
- Level 3 - Fixed income securities are valued using proprietary information. Equity securities are valued using proprietary information and independent appraisals. This results in using one or more valuation techniques, such as the market approach and or the income approach, for those securities for which sufficient and reliable data is available. Within this level, the use of the market approach generally consists of using comparable market transactions or other data, while the use of the income approach generally consists of the net present value of estimated future cash flows.

Investment Type	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 8,505,032	\$ -	\$ 8,505,032
Mutual funds, other than bonds	7,026,362	-	-	7,026,362
US agencies	-	754,043	-	754,043
State and local bonds	-	220,523	-	220,523
Corporate bonds	-	2,270,812	-	2,270,812
Equity securities	19,723,388	-	-	19,723,388
Total	<u>\$ 26,749,750</u>	<u>\$ 11,750,410</u>	<u>\$ -</u>	<u>\$ 38,500,160</u>

### Custodial Credit Risk

#### Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to the County. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds, and has a principal office or branch that qualifies to receive public funds of the political subdivision. The county's deposit policy for custodial credit risk is to comply with Indiana Code 5-13-8-1. At December 31, 2021, the County had deposit balances in the amount of \$218,210,291. The bank balances were insured by the Federal Deposit Insurance Corporation or the Indiana Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

#### Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

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

<u>S&amp; P Rating</u>	<u>Certificates of Deposit</u>	<u>Corporate Bonds</u>	<u>State and Local Bonds</u>	<u>US Agencies</u>
A	\$ -	\$ 316,655	\$ -	\$ -
A-	-	755,788	62,773	-
AA+	-	-	-	218,476
BBB	-	561,082	-	-
BBB+	-	637,287	-	-
Unrated	8,505,032	-	157,750	535,567
Total	<u>\$ 8,505,032</u>	<u>\$ 2,270,812</u>	<u>\$ 220,523</u>	<u>\$ 754,043</u>

<u>Moody's Rating</u>	<u>Certificates of Deposit</u>	<u>Corporate Bonds</u>	<u>State and Local Bonds</u>	<u>US Agencies</u>
A1	\$ -	\$ 101,958	\$ -	\$ -
A2	-	377,593	62,773	-
A3	-	557,406	-	-
Aaa	-	-	157,750	218,476
Baa1	-	567,027	-	-
Baa2	-	666,828	-	-
Unrated	8,505,032	-	-	535,567
Total	<u>\$ 8,505,032</u>	<u>\$ 2,270,812</u>	<u>\$ 220,523</u>	<u>\$ 754,043</u>

### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

The County does not have a policy regarding concentration of credit risk. United States of America government and United States of America governmental agency securities are exempt from the policy requirement.

At December 31, 2021, the investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
Merchants Bank	Certificate of Deposit	17.74%
Merchants Bank	Certificate of Deposit	6.26%

### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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

Investment Type	Fair Value	Maturity (In Months)			
		Less than 1	1-5 Years	6-10 Years	More than 10 Years
Certificates of Deposit	\$ 8,505,032	\$ 8,505,032	\$ -	\$ -	\$ -
Corporate Bonds	2,270,812	278,383	1,297,039	567,187	128,203
State and Local Bonds	220,523	-	62,773	-	157,750
US Agencies	754,043	-	-	218,476	535,567
Total	<u>\$ 11,750,410</u>	<u>\$ 8,783,415</u>	<u>\$ 1,359,812</u>	<u>\$ 785,663</u>	<u>\$ 821,520</u>

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

### Receivables

All of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report unavailable or unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	Unearned	Unavailable
Taxes receivable	\$ -	\$ 49,982,711
Loan receivable	-	1,397,664
ARPA funds not yet obligated	<u>19,517,575</u>	<u>-</u>
Total unavailable revenue for governmental funds	<u>\$ 19,517,575</u>	<u>\$ 51,380,375</u>

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Adjustments*</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Land	\$ 1,475,041	\$ 38,076,541	\$ 299,244	\$ 7,870	\$ 39,842,956
Total capital assets not being depreciated	<u>1,475,041</u>	<u>38,076,541</u>	<u>299,244</u>	<u>7,870</u>	<u>39,842,956</u>
Capital assets being depreciated:					
Buildings	123,870,855	-	-	-	123,870,855
Improvements other than buildings	4,585,227	-	-	-	4,585,227
Machinery, equipment and vehicles	31,629,107	-	1,077,773	2,283,136	30,423,744
Infrastructure	<u>529,846,542</u>	<u>(38,076,541)</u>	<u>20,971,503</u>	<u>332,861</u>	<u>512,408,643</u>
Total capital assets being depreciated	<u>689,931,731</u>	<u>(38,076,541)</u>	<u>22,049,276</u>	<u>2,615,997</u>	<u>671,288,469</u>
Total capital assets	<u>691,406,772</u>	<u>-</u>	<u>22,348,520</u>	<u>2,623,867</u>	<u>711,131,425</u>
Less accumulated depreciation for:					
Buildings	(69,414,644)	-	(3,529,143)	-	(72,943,787)
Improvements other than buildings	(4,495,509)	-	(65,464)	-	(4,560,973)
Machinery, equipment and vehicles	(20,516,185)	-	(2,825,426)	2,275,241	(21,066,370)
Infrastructure	<u>(215,241,820)</u>	<u>-</u>	<u>(6,630,215)</u>	<u>239,660</u>	<u>(221,632,375)</u>
Total accumulated depreciation	<u>(309,668,158)</u>	<u>-</u>	<u>(13,050,248)</u>	<u>2,514,901</u>	<u>(320,203,505)</u>
Net capital assets being depreciated	<u>380,263,573</u>	<u>(38,076,541)</u>	<u>8,999,028</u>	<u>101,096</u>	<u>351,084,964</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 381,738,614</u>	<u>\$ -</u>	<u>\$ 9,298,272</u>	<u>\$ 108,966</u>	<u>\$ 390,927,920</u>

\*An adjustment was made to reclassify Right of Way as Land.

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
General government	\$ 822,409
Public safety	4,702,468
Highways and streets	7,306,121
Health and welfare	71,332
Culture and recreation	147,918
Total governmental activities depreciation expense	<u>\$ 13,050,248</u>

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 2,524,714	\$ -	\$ -	\$ 2,524,714
Total capital assets not being depreciated	<u>2,524,714</u>	<u>-</u>	<u>-</u>	<u>2,524,714</u>
Capital assets being depreciated:				
Buildings	2,765,739	-	-	2,765,739
Improvements other than buildings	84,396	-	-	84,396
Machinery, equipment and vehicles	5,732,212	239,518	-	5,971,730
Infrastructure	<u>-</u>	<u>1,254,165</u>	<u>-</u>	<u>1,254,165</u>
Total capital assets being depreciated	<u>8,582,347</u>	<u>1,493,683</u>	<u>-</u>	<u>10,076,030</u>
Total capital assets	<u>11,107,061</u>	<u>1,493,683</u>	<u>-</u>	<u>12,600,744</u>
Less accumulated depreciation for:				
Buildings	(1,178,551)	(55,315)	-	(1,233,866)
Improvements other than buildings	(84,396)	-	-	(84,396)
Machinery, equipment and vehicles	(3,379,301)	(433,336)	-	(3,812,637)
Infrastructure	<u>-</u>	<u>(279,240)</u>	<u>-</u>	<u>(279,240)</u>
Total accumulated depreciation	<u>(4,642,248)</u>	<u>(767,891)</u>	<u>-</u>	<u>(5,410,139)</u>
Net capital assets being depreciated	<u>3,940,099</u>	<u>725,792</u>	<u>-</u>	<u>4,665,891</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 6,464,813</u>	<u>\$ 725,792</u>	<u>\$ -</u>	<u>\$ 7,190,605</u>

Depreciation expense was charged to functions as follows:

## Business-Type Activities

Storm	\$ 186,359
Landfill	<u>581,532</u>
Total business-type activities depreciation expense	<u>\$ 767,891</u>

## Interfund Advances and Transfers

### Advances

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
Major Moves Construction	Nonmajor governmental funds	\$ 11,926,631	\$ 9,226,592
Landfill	Cumulative Voting System	<u>1,462,521</u>	1,102,748
Total, fund financial statements		13,389,152	
Government wide financial statement eliminations		<u>(11,926,631)</u>	
Total, interfund advances, government-wide statement of net position		<u>\$ 1,462,521</u>	

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Nonmajor Governmental Funds	\$ 13,804	Excess levy transfer Transfer to parks and recreation
Nonmajor Governmental Funds	General Fund	142,703	
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>8,010,934</u>	Debt service
Total, fund financial statements		8,167,441	
Less government-wide eliminations		<u>(8,167,441)</u>	
Total transfers, government-wide statement of activities		<u>\$ -</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## Long-Term Obligations

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

	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>						
Bonds and notes payable:						
General obligation debt	\$ 61,650,000	\$ (1,370,000)	\$ -	\$ 5,335,000	\$ 54,945,000	\$ 5,525,000
Tax increment financing bonds	2,865,000	1,088,434	-	183,526	3,769,908	52,416
Lease rental bonds	8,850,000	-	-	-	8,850,000	-
(Discounts)/premiums	3,068,774	-	-	590,160	2,478,614	-
Subtotal	<u>76,433,774</u>	<u>(281,566)</u>	<u>-</u>	<u>6,108,686</u>	<u>70,043,522</u>	<u>5,577,416</u>
Other liabilities:						
Compensated absences	1,717,594	-	1,711,507	1,717,594	1,711,507	-
Capital leases	571,100	-	-	191,749	379,351	176,333
Other postemployment benefits	47,868,736	-	4,869,618	1,323,609	51,414,745	-
Net pension liability	19,741,876	-	6,187,005	17,433,005	8,495,876	-
Total other liabilities	<u>69,899,306</u>	<u>-</u>	<u>12,768,130</u>	<u>20,665,957</u>	<u>62,001,479</u>	<u>176,333</u>
Total governmental activities long-term liabilities	<u>\$146,333,080</u>	<u>\$ (281,566)</u>	<u>\$ 12,768,130</u>	<u>\$ 26,774,643</u>	<u>\$132,045,001</u>	<u>\$ 5,753,749</u>
<b>Business-Type Activities</b>						
Other liabilities:						
Other postemployment benefits	\$ 1,178,155	\$ -	\$ 685,636	\$ 40,936	\$ 1,822,855	\$ -
Net pension liability	605,346	-	247,480	582,560	270,266	-
Total other liabilities	<u>1,783,501</u>	<u>-</u>	<u>933,116</u>	<u>623,496</u>	<u>2,093,121</u>	<u>-</u>
Total business-type activities long-term liabilities	<u>\$ 1,783,501</u>	<u>\$ -</u>	<u>\$ 933,116</u>	<u>\$ 623,496</u>	<u>\$ 2,093,121</u>	<u>\$ -</u>

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the County. Notes and bonds in the governmental funds will be retired by property tax levies or tax increment financing accumulated by the debt service funds. The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

### Governmental Activities

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
2014 Corr Comp Ref Bonds	06/05/14	06/01/24	2.14%	\$ 12,335,000	\$ 2,690,000
2016 Corr. Comp Ref (direct placement)	09/15/16	12/01/23	3-5	23,045,000	9,730,000
2017 Corr. Complex (direct placement)	11/07/17	12/01/31	2.58	12,000,000	8,980,000
2020 Criminal Justice Facility Bonds	11/05/20	06/01/40	2-3	33,545,000	<u>33,545,000</u>
Total governmental activities, general obligation debt					<u>\$ 54,945,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ -	\$ 1,006,866
2023	-	1,006,866
2024	2,690,000	978,083
2025	-	949,300
2026	-	949,300
2027-2031	-	4,746,500
2032-2036	11,545,000	4,560,000
2037-2041	<u>22,000,000</u>	<u>1,345,875</u>
Total	<u>\$ 36,235,000</u>	<u>\$ 15,542,790</u>

<u>Years</u>	<u>Governmental Activities Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 5,525,000	\$ 637,739
2023	5,810,000	392,388
2024	705,000	185,760
2025	755,000	167,248
2026	925,000	146,673
2027-2031	<u>4,990,000</u>	<u>360,878</u>
Total	<u>\$ 18,710,000</u>	<u>\$ 1,890,686</u>

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Revenue Debt

The County has pledged future certified shares income tax revenues to repay revenue bonds issued in 2015. Proceeds from the bonds provided financing for the advance refunding of the outstanding first mortgage bonds issued in 2005 to finance construction of the correctional complex. The bonds are payable solely from income tax revenues and are payable through 2025. Annual principal and interest payments on the bonds are expected to require 1.84% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$10,057,700. Principal and interest paid for the current year and total gross revenues were \$348,000 and \$18,893,413, respectively.

Revenue debt payable at December 31, 2021, consists of the following:

### Governmental Activities Revenue Debt

<u>Revenue Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
Bldg Corp 2015 LR Bonds	04/29/15	11/15/25	3-4%	\$ 8,850,000	\$ 8,850,000
Total governmental activities, revenue debt					<u>\$ 8,850,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Revenue Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ -	\$ 348,000
2023	200,000	346,500
2024	2,910,000	340,500
2025	<u>5,740,000</u>	<u>172,700</u>
Total	<u>\$ 8,850,000</u>	<u>\$ 1,207,700</u>

## Tax Increment Financing Bonds

Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

The County has pledged future tax increment revenues to repay TIF bonds issued in 2018. Proceeds from the bonds provided financing for the Northwest Gateway project. The bonds are payable solely from tax increment revenues and are payable through 2043. Annual principal and interest payments on the bonds are expected to require 11.53% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,290,130. Principal and interest paid for the current year and total net revenues were \$64,513 and \$559,655, respectively.

The County has pledged future tax increment revenues, net of specified operating expenses, to repay revenue bonds issued in 2017. Proceeds from the bonds provided financing for the Love's Project. The bonds are payable solely from TIF revenues and are payable through 2040. Annual principal and interest payments on the bonds are expected to require 80.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,534,908. Principal and interest paid for the current year and total customer net revenues were \$83,453 and \$104,316, respectively.

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

The County has pledged future tax increment revenues, net of specified operating expenses, to repay revenue bonds issued in 2015. Proceeds from the bonds provided financing for the Northeast Corridor project. The bonds are payable solely from TIF revenues and are payable through 2040. Annual principal and interest payments on the bonds are expected to require 4.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,908,176. Principal and interest paid for the current year and total customer net revenues were \$146,463 and \$3,741,985, respectively.

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

## Governmental Activities

<u>Tax Increment Financing Bonds</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
2018 TIF, NW Gateway	12/20/18	01/15/43	3%-4%	\$ 1,000,000	\$ 935,000
2017 TIF, Love's Project	09/14/17	01/15/40	0	1,900,000	1,534,908
2015 TIF Northeast Corridor Project	06/30/15	01/15/40	4.5%-6%	1,675,000	1,300,000
Total governmental activities tax increment financing bonds					<u>\$ 3,769,908</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Tax Increment Financing Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 50,000	\$ 53,856
2023	100,000	104,450
2024	115,000	100,000
2025	120,000	94,912
2026	120,000	89,412
2027-2031	740,000	342,541
2032-2036	710,000	149,165
2037-2041	235,000	27,282
2042-2043	45,000	1,688
Total	<u>\$ 2,235,000</u>	<u>\$ 963,306</u>

<u>Years</u>	<u>Governmental Activities Tax Increment Financing Bonds - Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,416	\$ -
2027-2031	1,532,492	-
Total	<u>\$ 1,534,908</u>	<u>\$ -</u>

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Lease Disclosures

### Lessee, Capital Leases

The County has entered into multiple agreements to acquire capital assets through lease/purchase agreements. The gross amount of these assets under capital leases is included in capital assets in the governmental activities. The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2021, are as follows:

<u>Years</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 176,333	\$ 751	\$ 177,084
2023	171,462	751	172,213
2024	27,875	751	28,626
2025	3,681	688	4,369
Total	<u>\$ 379,351</u>	<u>\$ 2,941</u>	<u>\$ 382,292</u>

### Net Position/Fund Balances

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

#### Governmental Activities

Net investment in capital assets:	
Land and construction in progress	\$ 39,842,956
Other capital assets, net of accumulated depreciation	351,084,964
Less long-term debt outstanding	(70,043,522)
Plus unspent capital related debt proceeds	32,612,502
Plus loss on refunding of debt	322,200
Less capital leases outstanding	<u>(379,351)</u>
Total net investment in capital assets	<u>\$ 353,439,749</u>

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Governmental Funds

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

	<u>General Fund</u>	<u>Major Moves Construction</u>	<u>2020 Criminal Justice Bond</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<b>Fund Balances</b>					
<b>Restricted for:</b>					
Health and welfare	\$ -	\$ -	\$ -	\$ 5,414,577	\$ 5,414,577
Culture and recreation	-	-	-	1,917,420	1,917,420
Economic development	-	-	-	19,391,721	19,391,721
Highways and streets	-	-	-	7,870,043	7,870,043
Public safety	-	-	30,104,408	7,470,495	37,574,903
Capital projects	-	30,512,528	-	37,128,363	67,640,891
Debt service	-	-	-	8,741,007	8,741,007
General government	-	-	-	5,868,428	5,868,428
Subtotal	<u>-</u>	<u>30,512,528</u>	<u>30,104,408</u>	<u>93,802,054</u>	<u>154,418,990</u>
<b>Committed to:</b>					
General government	<u>24,005,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,005,756</u>
Subtotal	<u>24,005,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,005,756</u>
<b>Assigned to:</b>					
General government	<u>1,450,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,450,901</u>
Subtotal	<u>1,450,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,450,901</u>
<b>Unassigned:</b>	<u>25,268,088</u>	<u>-</u>	<u>-</u>	<u>(1,484,500)</u>	<u>23,783,588</u>
Total fund balances	<u>\$ 50,724,745</u>	<u>\$ 30,512,528</u>	<u>\$ 30,104,408</u>	<u>\$ 92,317,554</u>	<u>\$ 203,659,235</u>

## Business-Type Activities

Net investment in capital assets:

Land and construction in progress \$ 2,524,714

Other capital assets, net of accumulated depreciation 4,665,891

Total net investment in capital assets \$ 7,190,605

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Restatement of Fund Balances/Net Position

Fund balance has been restated to correct an errors as summarized below:

#### General Fund

General fund balance - December 31, 2020 (as reported)	\$ 47,237,932
Add cash from settlement fund owed to the County	799,189
Less correction in LIT accounts receivable calculation	<u>(606,125)</u>
Fund balance - December 31, 2020 (as restated)	<u>\$ 47,430,996</u>

#### Major Moves Construction Fund

Major moves construction fund balance, December 31, 2020 (as reported)	\$ 31,471,290
Add advance to jail commissary (nonmajor)	187,656
Less unavailable revenue not reported in prior year	<u>(1,764,602)</u>
Fund balance, December 31, 2020 (as restated)	<u>\$ 29,894,344</u>

#### Nonmajor Governmental Fund Balance

Nonmajor governmental fund balance, December 31, 2020 (as reported)	\$ 80,009,331
Less jail commissary advance from major moves construction fund	<u>(187,656)</u>
Fund balance, December 31, 2020 (as restated)	<u>\$ 79,821,675</u>

Custodial Fund Net Position - December 31, 2020 (as reported)	\$ -
Add net position for funds that previously reported a zero net position	<u>7,955,205</u>
Net position - December 31, 2020 (as restated)	<u>\$ 7,955,205</u>

#### Governmental Activities

Governmental activities net position, December 31, 2020 (as reported)	\$ 430,610,195
Add previous debt payments not reported in prior year	281,566
cash from settlement fund added to general fund	799,189
Less unavailable revenue not reported in prior year	(1,581,716)
correction in LIT accounts receivable calculation for General Fund	<u>(606,125)</u>
Net position, December 31, 2020 (as restated)	<u>\$ 429,503,109</u>

#### Component Units

Component units net position, December 31, 2020 (as reported)	\$ 35,933,469
Less corrections of errors in capital assets	<u>(15,381,153)</u>
Net position, December 31, 2020 (as restated)	<u>\$ 20,552,316</u>

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## 4. Other Information

### Employees' Retirement System

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

	<u>Net Pension (Asset)</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
PERF	\$ -	\$ 8,579,856	\$ 7,571,785	\$ 13,287,250	\$ (123,790)
Sheriff's Retirement Plan	-	186,286	1,351,649	3,560,104	(156,070)
Sheriff's Benefit Plan	<u>(239,533)</u>	<u>-</u>	<u>25,618</u>	<u>146,962</u>	<u>10,327</u>
Total	<u>\$ (239,533)</u>	<u>\$ 8,766,142</u>	<u>\$ 8,949,052</u>	<u>\$ 16,994,316</u>	<u>\$ (269,533)</u>

### Public Employees' Retirement Fund

#### Plan Description

The County participates in the Public Employees' Retirement Fund, a cost-sharing multiple-employer defined benefit plan effective July 1, 2013 based on 35 IAC 21-1-1, 35 IAC 21-1-2 and amended IC 5-10.2-2-11(b). PERF was established to provide retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan, and certain INPRS employees. Political subdivisions mean a county, city, town, township, political body corporate, public school corporation, public library, public utility of a county, city, town, township, and any department of, or associated with, a county, city, town, or township, which department receives revenue independently of, or in addition to, funds obtained from taxation.

#### PERF Hybrid Plan Description

The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10.2, IC 5-10.3, and IC 5-10.5. There are two (2) aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the Public Employees' Hybrid Members Defined Contribution Account (DC Account), formerly known as the Annuity Savings Account (ASA), which that supplements the defined benefit at retirement.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report is available online at [www.in.gov/inprs](http://www.in.gov/inprs) or may be obtained by contacting:

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

## Contributions

Members are required to contribute 3% of their annual covered salary to their defined contribution account. The current employer funding rate for 2021 is 11.2%. The contribution requirements of plan members and the Primary Government are established and may be amended by the INPRS Board of Trustees. The actuarial amount, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the PERF plan from the County were \$4,134,490 for the calendar year ended December 31, 2021.

## Retirement Benefits

The PERF Hybrid Plan retirement benefit consists of the sum of a defined pension benefit provided by employer contributions plus the amount credited to the member's a DC Account. Pension benefits vest after 10 years of creditable service. The vesting period is eight (8) years for certain elected officials. Members are immediately vested in their annuity savings account. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's annuity savings account, receive the amount as an annuity, or leave the contributions invested with INPRS. Vested PERF members leaving a covered position, who wait 30 days after termination, may withdraw their DC account and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the DC Account. A non-vested member who terminates employment prior to retirement may withdraw his/her DC Account after 30 days, but by doing so, forfeits his/her creditable service. A member who returns to covered service and works no less than six (6) months in a covered position may reclaim his/her forfeited creditable service.

A member who has reached age 65 and has at least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit component. This annual pension benefit is equal to 1.1% times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) different groups. For PERF members who serve as an elected official, the highest one (1) year (total of four (4) consecutive quarters) of annual compensation is used. Member contributions paid by the employer on behalf of the member and severance pay up to \$2,000 are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100% of the benefits as described above.

A member who has reached at least age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89%. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84%) to age 50 being 44%.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly.

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Disability and Survivor Benefits

The PERF Hybrid Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is \$180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years of creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member had been married for two (2) or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death in service after January 1, 2007, of a member who was at least 65 years of age and had at least 10 but not more than 14 years of creditable service.

## Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the fiscal year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for Public Employee's Retirement Fund was 25.46%.

## Net Pension Liability

At December 31, 2021, the County reported a liability of \$8,579,856 for its proportionate share of the net pension liability. The County's proportion of the total was measured on the ratio of the wages reported by employers relative to the collective wages of the plan. This basis of allocation measures the proportionate relationship of an employer to all employers and is consistent with the manner in which contributions to the pension plan are determined. The plan does not have a special funding situation, as there is not a non-employer contributing entity legally responsible for making contributions that are used to provide pension benefits to members of the pension plan. At June 30, 2021, the County's proportion was 0.65204% as compared to .63828% as of June 30, 2020. The net pension liability for fiscal year 2021 is calculated as set forth in the following table:

	<b>PERF Plan Total</b>
Net pension liability, December 31, 2020	\$ 19,278,573
Differences between expected and actual experience	39,421
Net difference between projected and actual investment	(12,790,088)
Change of assumptions	6,405,376
Changes in proportionate share of contributions	(212,904)
Pension expense/Income	(123,790)
Contributions	(4,016,732)
	<hr/>
Net pension liability, December 31, 2021	\$ 8,579,856

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Deferred Outflows of Resources and Deferred Inflows of Resources

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 293,456	\$ 171,314
Changes in assumptions	4,315,722	1,927,197
Net differences between projected and actual earnings on pension plan investments	-	11,140,157
Changes in proportion and differences between employer contributions and proportionate share of contributions	767,651	48,582
Employer contributions subsequent to the measurement date	<u>2,194,956</u>	<u>-</u>
Total	<u>\$ 7,571,785</u>	<u>\$ 13,287,250</u>

\$2,194,956 reported as deferred outflows related to pension resulting from the Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (1,894,450)
2023	(1,747,401)
2024	(1,084,175)
2025	(3,184,393)

### Pension Expense

The County recognized pension expense for the following proportionate share of pension expense:

<u>Pension Expense</u>	
Proportionate share of plan pension expense	\$ (740,765)
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	<u>616,975</u>
Total	<u>\$ (123,790)</u>

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Key Methods and Assumptions

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Valuation Date	June 30, 2021
Assets	June 30, 2020 - Member census data as of June 30, 2020 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2020 and June 30, 2021. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2020 to the June 30, 2021 measurement date.
Liabilities	
Actuarial Cost Method	Entry Age Normal (Level percent of payroll)
Experience Study Date	Period of 5 years ended June 30, 2019
Investment Rate of Return	6.25%, net of investment expense, including inflation
Cost of Living Increases	Beginning January 1, 2024 - 0.40% Beginning January 1, 2034 - 0.50% Beginning January 1, 2039 - 0.60%
Salary increases, including inflation	2.65% - 8.65%
Inflation	2.00%
Mortality:	
Healthy	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Disabled	Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.
Funding policy location	<a href="http://www.in.gov/inprs/files/INPRS_Funding_Policy.pdf">www.in.gov/inprs/files/INPRS_Funding_Policy.pdf</a>

### Change in Assumptions

- The Interest Rate / Investment Return assumption changed from 6.75% to 6.25%.
- The inflation assumption changed from 2.25% to 2.00%.
- The Future Salary Scale assumption changed from 2.75% - 8.75% to 2.65% - 8.65%.

### Changes in Actuarial Methods

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

### Plan Amendments

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

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Long-Term Return Expectation

The long-term return expectation has been determined by using a building-block approach and assumes a time horizon, as defined by INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established and the long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes.

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

### Discount Rate

The discount rate used to measure the total pension liability was 6.25% as of June 30, 2021 and is equal to the long-term expected return on plan investments.

### Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.25%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	<b>1% Decrease to Discount Rate (5.25%)</b>	<b>Current Discount Rate (6.25%)</b>	<b>1% Increase to Discount Rate (7.25%)</b>
County's proportionate share of the net pension liability	\$22,440,078	\$8,579,856	\$(2,981,409)

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued INPRS Comprehensive Annual Financial Report and Actuarial Valuations. These reports can be found at:

[https://www.in.gov/inprs/files/2021ActuarialReport\\_PERF.pdf](https://www.in.gov/inprs/files/2021ActuarialReport_PERF.pdf)  
[https://www.in.gov/inprs/files/INPRSConsolidatedAR\\_FY21.pdf](https://www.in.gov/inprs/files/INPRSConsolidatedAR_FY21.pdf)

## Sheriff's Retirement Plan

### Plan Description

The Elkhart County Police Retirement Plan (Plan) is a single-employer defined benefit pension plan established to provide retirement, termination/severance, disability, and survivor benefits for a person employed by the Elkhart County Sheriff's Department (Employer) as a County Policeman, Sheriff, or Deputy Sheriff with full police power (Employee), as such terms are used in Indiana Code. Indiana Code 36-8-10-12 grants the authority to the Employer and a trustee to establish and amend the benefit terms to the Plan with approval of the County fiscal body. The Plan was established on November 1, 1967 and is administered by the Committee. The composition of the Committee, according to the Plan legal document, shall be the Sheriff and the Merit Board (the Merit Board, per IC 36-8-10-3, consists of five (5) members, three (3) members appointed by the Sheriff, and two (2) members elected by a majority vote of the members of the county police force).

At December 31, 2021, Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	67
Inactive plan members entitled to but not yet receiving benefits	11
Active plan members	<u>71</u>
Total	<u><u>149</u></u>

### Benefits Provided

The Plan provides that the monthly retirement benefit shall be a pension payable for the member's lifetime equal to two and one-half percent (2-1/2%) of the member's average monthly wage received during the highest paid sixty (60) consecutive calendar months before retirement plus one dollar (\$1.00); this sum multiplied by the member's years of credited service up to twenty (20) years; plus an additional two percent (2%) of the member's average monthly wage, as outlined above, multiplied by the member's years of credited service in excess of twenty (20) years up to an additional twelve (12) years. Members are eligible to retire as of normal retirement for an unreduced benefit upon attainment of age fifty-five (55) and completion of at least ten (10) years of service (age fifty (50) for participants hired prior to January 1, 2018).

A reduced early retirement benefit is available to members with at least twenty (20) years of credited service with the reduction being the equivalent actuarial value to the deferred pension at his normal retirement date to reflect the period by which the date the member's early retirement pension begins precedes his normal retirement date.

## Elkhart County, Indiana

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Notes to Financial Statements  
December 31, 2021

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

The severance benefit payable to a member prior to completion of ten (10) years of credited service (five (5) years of credited service for participants hired prior to January 1, 2018) is a lump sum payment of the net amount of contributions (including interest) plus the amount transferred by the member for the purchase of credited service. After completion of ten (10) years of credited service (five (5) years of credited service for participants hired prior to January 1, 2018), a member may elect to receive either a lump sum, as outlined above, or a monthly benefit equal to the amount earned under the normal retirement benefit formula, using credited service as of his date of severance, with payments commencing on the member's normal retirement date.

If a member separates employment due to disability, he shall receive a lump sum payment of the net amount of contributions (including interest) plus the amount transferred by the member or the purchase of credited service.

In the event an unmarried member dies prior to the commencement of any benefit from the Plan, the designated beneficiary shall be entitled to receive a death benefit which shall be a lump sum equal to his net amount of contributions (including interest) and a plus the amount transferred by the member for the purchase of credited service.

In the event a member survived by a spouse or dependent child(ren) under eighteen (18) years of age dies prior to the commencement of any benefit from the Plan, the surviving spouse shall be entitled to a lump sum equal to the net amount of contributions (including interest) and a lump sum equal to the equivalent actuarial value of the Employer-funded portion of the accrued benefit multiplied by the appropriate vesting percentage. Such benefit shall be payable first to a surviving spouse, in any, and if no spouse is then living, then in equal amounts to the dependent child(ren).

### **Contributions**

Plan member's contributions are authorized by state statute (IC 36-8-10-12) and may not exceed 6% of the employee's average monthly wages. The plan member's contributions are paid by the employer. The Employer intends to contribute to the Plan each year such amounts as may be required to operate the Plan on a sound actuarial basis. The minimum annual contribution by the department must be sufficient, as determined by the pension engineers to prevent deterioration in the actuarial status of the trust during the year. According to IC 36-8-10-12(e), if the County fails to make minimum contributions for three (3) successive years, the pension trust terminates and the trust fund shall be liquidated. For the year ending December 31, 2021, the actuarially determined Employer's contribution rate was 27.64 of annual payroll, \$1,350,870 which was contributed by the County.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Investment Policy

The pension plan's policy regarding the allocation of invested assets is established and may be amended by the Committee (per Plan legal document) by a majority vote of its members. It is the policy of the Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over the short time spans. The Committee's revised the asset allocation policy on August 22, 2016:

<u>Asset Class</u>	<u>Target Asset Allocation %</u>
Fixed Income	35%
Equity	60
Alternative	5

### Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan expense was 12.42%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Deferred Retirement Option Program

The Deferred Retirement Option Program (DROP) for the Plan was established on January 1, 2018 pursuant to the Plan's legal document and is governed by the Employer and a trustee. Members of the Plan that are eligible to retire with an unreduced benefit may elect to accumulate a DROP benefit while continuing to work. At the time of their election, the member executes an irrevocable election to retire on a DROP retirement date and remain in active service, but the member does not contribute to the fund during the DROP period.

A member who has attained age fifty-five (55) and completed at least ten (10) years of service (age fifty (50) for participants hired prior to January 1, 2018) may irrevocably elect to enter the DROP for a period not longer than three (3) years and shall not extend beyond the date the member is credited with thirty-two (32) years of service. From the date the member enters the DROP, he will not be credited with any additional years of service. The member's DROP frozen benefit will be equal to the monthly pension benefit calculated under the standard benefit formula based upon the member's salary and years of credited service as of the DROP entry date. Upon actual severance of employment by retirement at any time after the DROP entry date, the member will receive their DROP benefit accumulation in the available form/option elected by the member in addition to the DROP frozen benefit to be paid as a monthly annuity. As of December 31, 2021, the balance of the amounts held by the plan pursuant to the DROP is \$0.

### Net Pension Liability

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

Total pension liability	\$ 30,439,327
Plan fiduciary net position	<u>(30,253,041)</u>
Plan's net pension liability	<u>\$ 186,286</u>
Plan fiduciary net position as a % of the total pension liability	<u>99.39%</u>

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Pension Expense of the Plan

Pension expense of \$(156,070) was recognized for fiscal year ending December 31, 2021.

### Significant Actuarial Assumptions

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Measurement Date	December 31, 2021
Valuation Date	
Assets	December 31, 2021
Liabilities	December 31, 2021, Actual member census data as of December 31, 2021 was used in the valuation
Inflation Rate	3.00% per annum
Future Salary increases	4.00% per annum, (3.00% for inflation and 1.00% for seniority)
Investment Rate of Return	6.50%, net of pension plan investment expenses, including inflation
Cost of Living	Not Applicable
Mortality Assumption	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables)

### Discount Rate

The discount rate used to measure the total pension liability was 6.50% as of December 31, 2021 and is equal to the long-term expected return on plan investments. The projected cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with IC 38-8-10-12(e) to prevent the deterioration in the actuarial status of the trust. The future contribution assumption was based upon review of recent employer contribution history compared to the corresponding actuarially determined contributions.

Based on this assumption, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

### Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the plan, calculated using the discount rate of 6.50%, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	<b>1% Decrease to Discount Rate (5.50%)</b>	<b>Current Discount Rate (6.50%)</b>	<b>1% Increase to Discount Rate (7.50%)</b>
Total pension liability	\$ 34,505,469	\$ 30,439,327	\$ 27,092,089
Plan fiduciary net position	<u>(30,253,041)</u>	<u>(30,253,041)</u>	<u>(30,253,041)</u>
Net pension liability/(asset)	<u>\$ 4,252,428</u>	<u>\$ 186,286</u>	<u>\$ (3,160,952)</u>

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Deferred Outflows of Resources and Deferred Inflows of Resources

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 401,333	\$ 685,847
Changes in assumptions	950,316	49,924
Net differences between projected and actual earnings on pension plan investments	<u>-</u>	<u>2,824,333</u>
Total	<u>\$ 1,351,649</u>	<u>\$ 3,560,104</u>

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

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (520,389)
2023	(977,803)
2024	(618,312)
2025	(217,462)
2026	125,511

### Amortization Periods

The changes in total pension liability due to liability experience losses/(gains) and changes in assumptions for the most current year have been amortized over 5.581 years, the average remaining service of all members with any liability in the plan as of January 1, 2021. The change in net pension liability due to investment losses/(gains) has been amortized over 5.000 years as prescribed.

### Assumption Changes

The changes in assumptions for base year ending December 31, 2021 reflect the change from the use of the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) and a discount rate of 6.75% to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) and a discount rate of 6.50%.

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

## Sheriff's Benefit Plan

### Plan Description

The Elkhart County, Indiana Sheriff Benefit Plan (Plan) is a single-employer defined benefit pension plan established to provide disability, death, and survivor/dependent benefits for a person employed by the Elkhart County, Indiana Sheriff's Department (Employer) as a County Policeman, Sheriff, or Deputy Sheriff with full police power (Employee), as such terms are used in Indiana Code. Indiana Code 36-8-10 Sections 14, 15, 16, and 17 grant the authority to the Employer and trustee to establish and amend the benefit terms to the Plan with the approval of the County fiscal body. The Plan was established on January 1, 1976 and is administered by the Committee. The composition of the Committee, according to the Plans legal document, shall be the Sheriff and the Merit Board (the Merit Board, per IC 36-8-10-3, consist of five members, three members appointed by the Sheriff and two members elected by the majority vote of the members of county police force).

At December 31, 2021, Plan membership consisted of the following:

Active plan members	<u>71</u>
Total	<u><u>71</u></u>

If an eligible member becomes disabled, the benefit payable prior to age sixty-five (65) shall be determined in accordance with the contract issued by the insurance company provided for the member by the Plan. A member receiving an insurance benefit who attains his sixty-fifth (65th) birthday, whereupon the benefit provided under the insurance contract terminates, shall be entitled to a monthly benefit from the Plan for life in the amount of the monthly benefit to which the member would have been entitled under the Retirement Plan had he remained in service until his normal retirement date and continued to earn a salary at the same rate that was in effect as of the date the disability commenced.

Each eligible member shall be insured by a life insurance contract in an amount not to exceed one and one-half (1-1/2) times basic annual earnings, with a matching amount of accidental death insurance. The purchase and maintenance of the insurance contract is provided by the Plan.

In the event that an eligible member dies prior to the termination of his employment for whatever reason, there shall be payable a two hundred dollar (\$200) monthly benefit to such member's surviving spouse to whom he was married on the date of his death for the spouse's remaining lifetime.

In addition to the surviving spouse's death benefit, a monthly benefit shall be payable on behalf of each dependent child under the age of eighteen (18) years of such deceased member in an amount equal to thirty dollars (\$30) per month. The dependent child's monthly benefit will cease upon the earlier of the child's eighteenth (18th) birthday or date of death.

### Contributions

The Employer intends to contribute to the Plan each year such amounts as may be required to operate the Plan on a sound actuarial basis. The minimum annual contribution by the County must be sufficient, as determined by the pension engineers, to prevent deterioration in the actuarial status of the trust fund during the year. According to IC 36-8-10-12(e), if the County fails to make minimum contributions for three (3) successive years, the pension trust terminates and the trust fund shall be liquidated. For the year ending December 31, 2021, the actuarially determined Employer's contribution rate was .58% of annual payroll, \$28,274 which was contributed by the County.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Investment Policy

The pension plan's policy regarding the allocation of invested assets is established and may be amended by the Committee (per the Plans legal document) by a majority vote of its members. It is the policy of the Committee to pursue an investment strategy that reduces risk. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over the short time spans. The Committee's revised the asset allocation policy on August 22, 2016:

<u>Asset Class</u>	<u>Target Asset Allocation %</u>
Equities	35%
Fixed income	60
Non-traditional assets	5

### Net Pension Asset

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

Total pension liability	\$ 148,242
Plan fiduciary net position	<u>(387,775)</u>
Plan's net position liability/(asset)	<u>\$ (239,533)</u>
Plan fiduciary net position as a % of the total pension liability	<u>261.58%</u>

### Pension Expense of the Plan

Pension expense of \$10,327 was recognized for fiscal year ending December 31, 2021.

### Significant Actuarial Assumptions

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Measurement Date	December 31, 2021
Valuation Date	
Assets	December 31, 2021
Liabilities	December 31, 2021, Actual member census data as of December 31, 2021, was used in the valuation.
Inflation Rate	3.00% per annum
Future Salary increases	4.00% per annum, (3.00% for inflation and 1.00% for seniority)
Investment Rate of Return	6.50%, net of pension plan investment expenses, including inflation
Cost of Living	Not Applicable
Mortality Assumption	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables)

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Discount Rate

The discount rate used to measure the total pension liability was 6.50% as of December 31, 2021 and is equal to the long-term expected return on plan investments. The projected cash flows used to determine the discount rate assumed that employer contributions would be made at the actuarially calculated rate computed in accordance with IC 38-8-10-12(e) to prevent the deterioration in the actuarial status of the trust. The future contribution assumption was based upon review of recent employer contribution history compared to the corresponding actuarially determined contributions.

Based on this assumption, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

### Sensitivity of the County's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the plan, calculated using the discount rate of 6.50%, as well as what the plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	<b>1% Decrease to Discount Rate (5.50%)</b>	<b>Current Discount Rate (6.50%)</b>	<b>1% Increase to Discount Rate (7.50%)</b>
Total pension liability	\$ 190,584	\$ 148,242	\$ 115,898
Plan fiduciary net position	<u>(387,775)</u>	<u>(387,775)</u>	<u>(387,775)</u>
Net pension liability/(asset)	<u>\$ (197,191)</u>	<u>\$ (239,533)</u>	<u>\$ (271,877)</u>

### Deferred Outflows of Resources and Deferred Inflows of Resources

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 2,300	\$ 99,580
Changes in assumptions	23,318	4,582
Net differences between projected and actual earnings on pension plan investments	<u>-</u>	<u>42,800</u>
Total	<u>\$ 25,618</u>	<u>\$ 146,962</u>

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (21,412)
2023	(26,467)
2024	(19,700)
2025	(15,778)
2026	(10,430)
Thereafter	(27,557)

### Amortization Periods

The changes in total pension liability due to liability experience losses/(gains) and changes in assumptions for the most current year have been amortized over 11.56 years, the average remaining service of all members with any liability in the plan as of January 1, 2021. The change in net pension liability (asset) due to investment losses/(gains) has been amortized over 5.000 years as prescribed.

### Assumption Changes

The changes in assumptions for base year ending December 31, 2021 reflect the change from the use of the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) and a discount rate of 6.75% to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables) and a discount rate of 6.50%

### Statement of Fiduciary Net Position

	<u>Sheriff's Retirement Plan</u>	<u>Sheriff's Benefit Plan</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 615,594	\$ 5,944
Receivables:		
Employee contributions	8,473	-
Interest	42,713	134
Investments at fair value:		
Fixed income securities	10,152,104	119,636
Domestic and foreign equities	19,461,327	262,061
Total assets	<u>30,280,211</u>	<u>387,775</u>
<b>Liabilities</b>		
Accounts payable and other liabilities	<u>27,168</u>	<u>-</u>
Total liabilities	<u>27,168</u>	<u>-</u>
Net position restricted for pensions	<u>\$ 30,253,043</u>	<u>\$ 387,775</u>

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Statement of Changes in Fiduciary Net Position

	<u>Sheriff's Retirement Plan</u>	<u>Sheriff's Benefit Plan</u>
<b>Additions</b>		
Contributions:		
Employer contributions	\$ 1,350,870	\$ 28,274
Employee contributions	225,228	-
Investment income:		
Interest	517,611	4,918
Net increase in fair value of assets	<u>2,783,670</u>	<u>42,827</u>
 Total additions	 <u>4,877,379</u>	 <u>76,019</u>
<b>Deductions</b>		
Benefit payments (including refunds of employee contributions)	1,267,946	-
Administrative expense	93,543	22,807
Transfers out of trust	(154,171)	(8,597)
Other	<u>182,441</u>	<u>10,173</u>
 Total deductions	 <u>1,389,759</u>	 <u>24,383</u>
 Change in fiduciary net position	 3,487,620	 51,636
 <b>Net Position, Beginning</b>	 <u>26,765,423</u>	 <u>336,139</u>
 <b>Net Position, Ending</b>	 <u>\$ 30,253,043</u>	 <u>\$ 387,775</u>

### Statement of Changes in Fiduciary Net Pension Liabilities (Assets)

	<u>Sheriff's Retirement Plan</u>	<u>Sheriff's Benefit Plan</u>
Service costs	\$ 782,308	\$ 23,464
Interest	1,885,247	9,886
Difference between expected and actual experience	282,249	(17,258)
Change in assumptions	923,397	9,155
Benefit payments	<u>(1,267,946)</u>	<u>-</u>
 Net change in total pension liability	 2,605,255	 25,247
 <b>Total Pension Liability, Beginning</b>	 <u>27,834,072</u>	 <u>122,995</u>
 <b>Total Pension Liability, Ending</b>	 <u>\$ 30,439,327</u>	 <u>\$ 148,242</u>
 <b>Plan Fiduciary Net Position, Ending</b>	 <u>\$ 30,253,041</u>	 <u>\$ 387,775</u>
 <b>Net Pension Liability (Asset), Ending</b>	 <u>\$ 186,286</u>	 <u>\$ (239,533)</u>

### Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, for claims over self-insured limits.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Self Insurance

For Property claims, the uninsured risk of loss is \$100,000 for a policy year. The County has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

For Liability claims, the uninsured risk of loss is \$200,000 for a policy year. The County has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

For Worker's Compensation claims, the uninsured risk of loss is \$400,000 for a policy year. The County has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

For Health Insurance claims, the uninsured risk of loss is \$155,000 per incident and \$12,827,148 in the aggregate for a policy year. The County has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the County participate in the risk management program. Amounts payable to the self-insurance fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The County does not allocate overhead costs or other non-incremental costs to the claims liability.

### Claims Liability

	<u>Current Year</u>	<u>Prior Year</u>
Unpaid claims, beginning of year	\$ 582,201	\$ 959,053
Current year claims and changes in estimates	11,541,981	14,100,248
Claim payments	<u>(11,538,883)</u>	<u>(14,477,100)</u>
Unpaid claim, end of year	<u>\$ 585,299</u>	<u>\$ 582,201</u>

### Commitments and Contingencies

From time to time, the County is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the County's financial position or results of operations.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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

Major funds:	
General fund	\$ 1,450,901
Major moves	2,237,095
ARP fund	365,225
Nonmajor funds	<u>29,170,457</u>
Total	<u>\$ 33,223,678</u>

### Other Postemployment Benefits

The County administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The plan provides health insurance benefits for eligible retirees and their spouses through the County's group health insurance plan, which covers both active and retired members. At December 31, 2021, there were 973 plan members. Plan members are not required to contribute a percentage of covered salary. The County is required to contribute 1.18% of annual covered payroll. For the year ended December 31, 2021, \$0 was contributed by plan members and \$640,039 was contributed by the employer. Plan provisions and contribution requirements are established and may be amended by the County council.

### General Information about the OPEB Plan

#### Plan Description and Benefits

The County's plan provides comprehensive lifetime medical benefits to eligible retirees once they are sixty-five with four years of service (for all employees), for members of Indiana Public Retirement System (INPRS), the earlier of age sixty-two with ten years of service or age fifty with fifteen years of service. Merit and PSCC employees must be age fifty with twenty years of service to be eligible. For pre-Medicare retirees, there is no spouse coverage upon retiree's death as spouses are only eligible for COBRA coverage. Coverage continues to surviving spouse upon retiree's death for Medicare retirees.

#### Employees Covered by Benefit Terms

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	167
Active plan members	<u>806</u>
Total	<u><u>973</u></u>

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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### Total OPEB Liability

The County's total OPEB liability of \$53,237,600 was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

### Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date	December 31, 2021
Actuarial Valuation Date	December 31, 2021; Liabilities as of January 1, 2021 are based on January 1, 2020 actuarially rolled forward to January 1, 2021
Inflation	2.75% per year
Salary increases	2.75% plus merit increases
Healthcare cost trend rates	Health care trend rates have been updated to an initial rate of 8.0% decreasing by 0.5% annually to an ultimate rate of 4.5%. Dental trend rates have been reset to an initial rate of 5.0% decreasing by 0.25% annually to an ultimate rate of 4.0%. These changes have caused a slight decrease in liabilities.
Discount Rate	2.25% as of December 31, 2021 and 2.12% as of January 1, 2021

The discount rate was based on a range of indices, including the Bond Buyer 20-Bond GO index, the S&P Municipal Bond 20 Year High Grade Rate Index, and Fidelity 20 Year GO Municipal Bond Index.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of a census data provided in January 2022.

#### Mortality Assumptions:

- General employees and retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021
- Law enforcement employees and retirees: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021
- Surviving Spouses: SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

### Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at December 31, 2020	\$ 49,046,891
Changes for the year:	
Service cost	3,060,036
Interest	1,097,918
Differences between expected and actual experience	1,397,301
Changes in assumptions or other inputs	(724,507)
Benefit payments	<u>(640,039)</u>
Net changes	<u>4,190,709</u>
Balances at December 31, 2021	<u>\$ 53,237,600</u>

### Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current discount rate:

	<u>1% Decrease (1.25%)</u>	<u>Discount Rate (2.25%)</u>	<u>1% Increase (3.25%)</u>
Total OPEB liability	\$ 67,537,886	\$ 53,237,600	\$ 42,660,823

### Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.00% decreasing to 3.50%) or 1-percentage-point higher (9.00% decreasing to 5.50%) than the current healthcare cost trend rates:

	<u>1% Decrease (7.00% Decreasing to 3.50%)</u>	<u>Healthcare Cost Trend Rates (8.00% Decreasing to 4.50%)</u>	<u>1% Increase (9.00% Decreasing to 5.50%)</u>
Total OPEB liability	\$ 41,723,186	\$ 53,237,600	\$ 69,309,775

# Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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

For the year ended December 31, 2021, the County recognized OPEB expense of \$3,016,772. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,164,417	\$ 13,240,225
Changes of assumptions or other inputs	<u>9,887,927</u>	<u>603,756</u>
Total	<u>\$ 11,052,344</u>	<u>\$ 13,843,981</u>

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

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (1,141,182)
2023	(1,141,182)
2024	(1,141,186)
2025	519,783
2026	112,129

## Subsequent Events

### Bond Issuance

On February 17, 2022 the Elkhart County Building Corporation issued lease rental revenue bonds in the amount of \$44,500,000 for the purpose of financing all or any portion of the costs of the acquisition of real estate and the construction and equipping of new court and other criminal justice facilities of the County. The County will start making payments on the bond in 2022.

### ARPA Funds

The County received \$20,039,660 on June 9, 2022 for their second installment of ARPA funding.

## Tax Abatement

Under the state statute, IC 6-1.1-12.1 the County provides tax abatements for rehabilitation or redevelopment of real property in economic revitalization areas. Economic revitalization area (ERA) means an area which is within the corporate limits of a city, town or county which has become undesirable for, or impossible of, normal development and occupancy because of lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The tax abatements under this statute are for real property tax and personal property tax.

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

The abatements are obtained through application by the property owner, approval by the County Council, and a signed agreement between the parties. The agreement is usually for a ten-year period in which the County is willing to forgo tax revenues (real property tax) and the property owner promises to take specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments. Each year of the agreement's time frame the property owner must verify that they have met the commitments set forth in the agreement. The County must also agree that the commitments have been met. The County then allows the percentage of reduction to be applied to the eligible assessed value.

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

The County Council approves the tax abatements for personal property tax. Once approval is granted the taxpayer must file forms with the County Assessor each year of the abatement. The forms used, depending on the type of property, are 103-ERA, State form 52503; CF-1/PP, State form 51765; SB-1/PP, State form 51764; and form 103-EL, State form 52515 that accompanies the ERA. After the forms are filed, the County Assessor calculated the minimum value ratio (MVR) which is the Total True Tax Value, from Schedule A divided by 30% of Adjusted Cost, from Schedule A. The adjusted cost is multiplied by the True Tax Value percentage for the property pool by year of purchase of the asset, then times the MVR. Each year of the agreement's time frame the property owner must verify that they have met the commitments set forth in the agreement. The County must also agree that the commitments have been met. The County then allows the reduction in personal property tax to be applied.

## **Vacant Building Abatement (I.C. 6-1.1-12.1-4.8)**

Up to a two year real property tax abatement is available to a company, according to local qualifications, based on occupying a building that has been vacant for more than a year. The building must be used for commercial or industrial purposes and be located in a designated Economic Revitalization Area, as designated by the Council. Prior approval of the Council must occur before occupying the facility and the Council determines the time period for the abatement. All of these programs are designed to spur job creation and retention, grow the income and property tax base, support the redevelopment of areas experiencing a cessation of growth, attract and retain businesses in targeted industries, and assist distressed businesses, among other objectives. Minimum eligibility criteria for such abatements vary by program, as noted above, but generally require that an investment in real or personal property be projected to increase assessed value, create or retain jobs and/or promote economic revitalization. In return for such abatements, the County generally commits to permit, zoning and job training assistance. Included in each abatement agreement are provisions specifying certain damages, among which may include a clawback of some or all of the taxes previously abated. If a company ceases operations or announces the cessation of operations at the facility for which the abatement was granted, termination of the abatement agreement is warranted and 100% clawback is required. Other clawbacks are calculated based on the highest level of non-compliance among the measured categories for that project.

## **Impact of Abatements on Revenues**

Indiana property tax laws complicate the calculation of the exact impact of property tax abatements on the tax revenues of a given unit of local government. Constraints on the growth of the annual tax levy and constitutional limitations on taxes (also known as property tax caps) are the chief complicating factors. The increase in the annual tax levy is limited to the growth in the 6-year moving average of nonfarm personal income growth, which is known as the Assessed Value Growth Quotient (AVGQ). Statutory property tax caps for homesteads, agricultural and other residential and commercial are equal to 1%, 2% and 3%, respectively, of associated assessed valuations.

## Elkhart County, Indiana

Notes to Financial Statements  
December 31, 2021

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 County estimated gross amount, on an accrual basis, by which the County's property tax revenues (payable 2021 taxes) were reduced are also affected by abatements approved by other taxing units in Elkhart County. The estimated allocated portion of abatements approved by Elkhart County totaled \$372,173. Abatements from other taxing districts in Elkhart County are considered immaterial.

Tax abatements are comprised of the following programs:

Real property tax abatement	\$	191,495
Vacant building abatements		-
Personal property tax abatements		<u>180,678</u>
Total	\$	<u><u>372,173</u></u>

While the County has calculated the potential impact of existing tax abatements on its property tax revenues for 2021 to approximate \$372,173, the actual extent of lost revenues is something less than this amount and cannot be reasonably determined due to the application of circuit breaker credits.

**REQUIRED SUPPLEMENTARY INFORMATION**

## Elkhart County, Indiana

### Schedule of County's Proportionate Share Net Pension Liability and Related Ratios - INPRS (PERF)

Available Data Last 10 Years\*

<u>Year Ended**</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Actual Covered Member Payroll</u>	<u>Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</u>
June 30, 2021	0.65204%	\$ 8,579,856	\$ 35,949,978	23.87%	92.5%
June 30, 2020	0.63828%	19,278,573	34,548,077	55.80%	81.4%
June 30, 2019	0.63076%	20,847,020	32,863,346	63.44%	80.1%
June 30, 2018	0.59865%	20,336,411	30,546,665	66.57%	78.9%
June 30, 2017	0.58586%	26,138,399	29,065,504	89.93%	72.7%
June 30, 2016	0.57898%	26,276,686	27,748,353	94.70%	71.2%

#### Notes to Schedule:

\*Information presented for the years information is available.

\*\* The data provided in the schedule is based as of the measurement date of INPRS (PERF) net pension liability.

## Elkhart County, Indiana

### Schedule of Employer Contributions - INPRS (PERF)

Available Data Last 10 Years\*

<u>Year Ended **</u>	<u>Statutorily Required Contribution Percentage</u>	<u>Actual Employer Contributions</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2021	11.20%	\$ 4,134,490	36,915,089	11.20%
December 31, 2020	11.20%	4,028,592	35,969,571	11.20%
December 31, 2019	11.20%	3,742,798	33,417,839	11.20%
December 31, 2018	11.20%	3,682,215	32,876,920	11.20%
December 31, 2017	11.20%	3,155,766	28,176,482	11.20%

#### Notes to Schedule:

\*Information presented for the years information is available.

\*\* The data provided in the schedule is based on the county's fiscal year.

**Elkhart County, Indiana**

Schedule of Changes in the County's Net Pension Liability and Related Ratios - Sheriff's Retirement Plan

Available Data Last 10 Years\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>								
Service cost	\$ 782,308	\$ 824,700	\$ 739,465	\$ 732,291	\$ 576,709	\$ 551,403	\$ 505,313	\$ 407,771
Interest	1,885,247	1,863,409	1,722,577	1,627,572	1,417,185	1,419,103	1,339,561	1,287,677
Changes in plan provisions	-	-	-	-	1,917,703	-	-	-
Differences between expected and actual experience	282,249	(1,045,193)	275,327	198,356	(98,652)	(816,372)	165,070	94,935
Changes in assumptions	923,397	(53,401)	417,422	(57,817)	203,380	(170,354)	159,150	573,514
Benefit payments	<u>(1,267,946)</u>	<u>(1,171,203)</u>	<u>(1,132,875)</u>	<u>(1,061,327)</u>	<u>(1,047,678)</u>	<u>(1,025,460)</u>	<u>(1,050,174)</u>	<u>(965,744)</u>
Net change in total pension liability	2,605,255	418,312	2,021,916	1,439,075	2,968,647	(41,680)	1,118,920	1,398,153
<b>Total Pension Liability, Beginning</b>	<u>27,834,072</u>	<u>27,415,760</u>	<u>25,393,844</u>	<u>23,954,769</u>	<u>20,986,122</u>	<u>21,027,802</u>	<u>19,908,882</u>	<u>18,510,729</u>
<b>Total Pension Liability, Ending (1)</b>	<u>\$ 30,439,327</u>	<u>\$ 27,834,072</u>	<u>\$ 27,415,760</u>	<u>\$ 25,393,844</u>	<u>\$ 23,954,769</u>	<u>\$ 20,986,122</u>	<u>\$ 21,027,802</u>	<u>\$ 19,908,882</u>
<b>Plan Fiduciary Net Position</b>								
County contributions	\$ 1,350,870	\$ 1,327,071	\$ 1,312,940	\$ 1,248,427	\$ 1,006,415	\$ 772,778	\$ 564,870	\$ 523,290
Employee contributions	225,228	236,842	218,108	205,694	116,728	110,132	103,137	91,932
Net transfers into (out of) trust	154,171	(154,171)	-	-	-	-	-	1,444
Net investment income	3,301,279	3,438,689	3,662,995	(840,740)	2,500,149	1,330,364	87,287	807,795
Benefit payments	(1,267,946)	(1,171,203)	(1,132,875)	(1,061,327)	(1,047,678)	(1,025,460)	(1,050,174)	(965,744)
Administrative expenses	(93,543)	(108,426)	(101,373)	(97,875)	(103,684)	(88,206)	(89,325)	(47,643)
Other	<u>(182,441)</u>	<u>154,171</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,845)</u>
Net change in plan fiduciary net position	3,487,618	3,722,973	3,959,795	(545,821)	2,471,930	1,099,608	(384,205)	409,229
<b>Plan Fiduciary Net Position, Beginning</b>	<u>26,765,423</u>	<u>23,042,450</u>	<u>19,082,655</u>	<u>19,628,476</u>	<u>17,156,546</u>	<u>16,056,938</u>	<u>16,441,143</u>	<u>16,031,914</u>
<b>Plan Fiduciary Net Position, Ending (2)</b>	<u>\$ 30,253,041</u>	<u>\$ 26,765,423</u>	<u>\$ 23,042,450</u>	<u>\$ 19,082,655</u>	<u>\$ 19,628,476</u>	<u>\$ 17,156,546</u>	<u>\$ 16,056,938</u>	<u>\$ 16,441,143</u>
<b>Net Pension Liability (Asset), Ending (1) - (2)</b>	<u>\$ 186,286</u>	<u>\$ 1,068,649</u>	<u>\$ 4,373,310</u>	<u>\$ 6,311,189</u>	<u>\$ 4,326,293</u>	<u>\$ 3,829,576</u>	<u>\$ 4,970,864</u>	<u>\$ 3,467,739</u>
Plan fiduciary net position as a percentage of the total pension liability	99.39%	96.16%	84.05%	75.15%	81.94%	81.75%	76.36%	82.58%
Covered payroll	\$ 4,887,394	\$ 4,448,507	\$ 4,694,424	\$ 4,206,774	\$ 4,102,702	\$ 3,796,945	\$ 3,769,583	\$ 3,434,701
County's net pension liability as a percentage as a percentage of covered payroll	3.81%	24.02%	93.16%	150.02%	105.45%	100.86%	131.87%	100.96%

**Notes to Schedule:**

\*Information presented for the years information is available.

See notes to required supplementary information

**Elkhart County, Indiana**

Schedule of Changes in the County's Net Pension Liability and Related Ratios - Sheriff's Benefit Plan  
Available Data Last 10 Years\*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Total Pension Liability</b>								
Service cost	\$ 23,464	\$ 22,788	\$ 20,602	\$ 18,319	\$ 14,529	\$ 14,135	\$ 12,107	\$ 9,544
Interest	9,886	9,962	10,037	8,274	6,437	7,249	6,793	4,932
Differences between expected and actual experience	(17,258)	(34,811)	(28,175)	(2,567)	(19,676)	(33,107)	(16,998)	7,956
Changes in assumptions	9,155	257	(5,761)	(184)	22,137	(706)	2,825	5,187
Net change in total pension liability	25,247	(1,804)	(3,297)	23,842	23,427	(12,429)	4,727	27,619
<b>Total Pension Liability, Beginning</b>	<u>122,995</u>	<u>124,799</u>	<u>128,096</u>	<u>104,254</u>	<u>80,827</u>	<u>93,256</u>	<u>88,529</u>	<u>60,910</u>
<b>Total Pension Liability, Ending (1)</b>	<u>\$ 148,242</u>	<u>\$ 122,995</u>	<u>\$ 124,799</u>	<u>\$ 128,096</u>	<u>\$ 104,254</u>	<u>\$ 80,827</u>	<u>\$ 93,256</u>	<u>\$ 88,529</u>
<b>Plan Fiduciary Net Position</b>								
County contributions	\$ 28,274	\$ 24,936	\$ 20,961	\$ 14,906	\$ 45,199	\$ 24,318	\$ 21,149	\$ 22,810
Net transfers into (out of) trust	8,597	(8,597)	(15,807)	(27,077)	-	-	(3,635)	(1,444)
Net investment income	47,744	43,682	50,126	(8,199)	30,324	17,393	(528)	6,830
Administrative expenses	(22,807)	(23,522)	(21,769)	(21,605)	(21,009)	(16,121)	(38,845)	(21,798)
Other	(10,173)	8,597	15,807	27,077	-	36,882	3,635	1,845
Net change in plan fiduciary net position	51,635	45,096	49,318	(14,898)	54,514	62,472	(18,224)	8,243
<b>Plan Fiduciary Net Position, Beginning</b>	<u>336,140</u>	<u>291,044</u>	<u>241,726</u>	<u>256,624</u>	<u>202,110</u>	<u>139,638</u>	<u>157,862</u>	<u>149,619</u>
<b>Plan Fiduciary Net Position, Ending (2)</b>	<u>\$ 387,775</u>	<u>\$ 336,140</u>	<u>\$ 291,044</u>	<u>\$ 241,726</u>	<u>\$ 256,624</u>	<u>\$ 202,110</u>	<u>\$ 139,638</u>	<u>\$ 157,862</u>
<b>Net Pension Liability (Asset), Ending (1) - (2)</b>	<u>\$ (239,533)</u>	<u>\$ (213,145)</u>	<u>\$ (166,245)</u>	<u>\$ (113,630)</u>	<u>\$ (152,370)</u>	<u>\$ (121,283)</u>	<u>\$ (46,382)</u>	<u>\$ (69,333)</u>
Plan fiduciary net position as a percentage of the total pension liability	261.58%	273.30%	233.21%	188.71%	246.15%	250.05%	149.74%	178.32%
Covered payroll	\$ 4,887,394	\$ 4,448,507	\$ 4,694,424	\$ 4,206,774	\$ 4,102,702	\$ 3,796,945	\$ 3,769,583	\$ 3,434,701
County's net pension liability (asset) as a percentage of covered payroll	-4.90%	-4.79%	-3.54%	-2.70%	-3.71%	-3.19%	-1.23%	-2.02%

**Notes to Schedule:**

\*Information presented for the years information is available.

See notes to required supplementary information

**Elkhart County, Indiana**

Schedule of County Contributions - Sheriff's Retirement Plan  
Available Data Last 10 Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution**	\$ 1,298,897	\$ 1,189,299	\$ 1,180,116	\$ 925,002	\$ 948,001	\$ 731,805	\$ 538,245	\$ 505,673	\$ 469,536	\$ 405,400
Contributions in relation to the actuarially determined contribution	1,350,870	1,327,071	1,312,940	1,248,427	1,006,415	772,778	564,870	523,290	477,831	408,777
Contribution deficiency (excess)	<u>(51,973)</u>	<u>(137,772)</u>	<u>(132,824)</u>	<u>(323,425)</u>	<u>(58,414)</u>	<u>(40,973)</u>	<u>(26,625)</u>	<u>(17,617)</u>	<u>(8,295)</u>	<u>(3,377)</u>
Covered payroll**	<u>\$ 4,887,394</u>	<u>\$ 4,448,507</u>	<u>\$ 4,694,424</u>	<u>\$ 4,206,774</u>	<u>\$ 4,102,702</u>	<u>\$ 3,796,945</u>	<u>\$ 3,769,583</u>	<u>\$ 3,434,701</u>	<u>\$ 2,848,022</u>	<u>\$ 2,979,532</u>
Contributions as a percentage of covered payroll	27.64%	29.83%	27.97%	29.68%	24.53%	20.35%	14.98%	15.24%	16.78%	13.72%

**Notes to Schedule:**

Valuation date:

\*\*Actuarially determined contributions rates are calculated as of January 1, two years prior to the end of the fiscal year in which contributions are required.

Methods and assumptions used to determine most current contribution rate above:

Actuarial cost method	Entry Age Normal Cost
Amortization method	Level percentage of payroll, closed
Remaining amortization period	25 years
Asset valuation method	5-Year Asset Smoothing limited to 80% and 120% of market value
Inflation	3.00%
Salary increases	4.00% average, including inflation
Investment rate of return	6.75%
Retirement age	The later of age 55 and 10 years of service (age 50 for participants hired prior to January 1, 2018) or one year from the valuation date
Mortality	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables)

Other information:

None

See notes to required supplementary information

**Elkhart County, Indiana**

Schedule of County Contributions - Sheriff's Benefit Plan  
Available Data Last 10 Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution**	\$ 28,274	\$ 24,936	\$ 20,961	\$ 14,906	\$ 45,199	\$ 24,318	\$ 21,149	\$ 22,810	\$ 24,648	\$ 21,797
Contributions in relation to the actuarially determined contribution	28,274	24,936	20,961	14,906	45,199	24,318	21,149	22,810	24,648	21,797
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered payroll**	\$ 4,887,394	\$ 4,448,507	\$ 4,694,424	\$ 4,206,774	\$ 4,102,702	\$ 3,796,945	\$ 3,769,583	\$ 3,434,701	\$ 2,848,022	\$ 2,979,532
Contributions as a percentage of covered payroll	0.58%	0.56%	0.45%	0.35%	1.10%	0.64%	0.56%	0.66%	0.87%	0.73%

**Notes to Schedule:**

Valuation date:

\*\*Actuarially determined contributions rates are calculated as of January 1, two years prior to the end of the fiscal year in which contributions are required.

Methods and assumptions used to determine most current contribution rate above:

Actuarial cost method	Aggregate Level
Amortization method	Not Applicable
Remaining amortization period	Not Applicable
Asset valuation method	5-Year Asset Smoothing limited to 80% and 120% of market value
Inflation	3.00%
Salary increases	4.00% average, including inflation
Investment rate of return	6.75%
Retirement age	The later of age 55 and 10 years of service (age 50 for participants hired prior to January 1, 2018) or one year from the valuation date
Mortality	Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male & female tables)

Other information:

None

See notes to required supplementary information

## Elkhart County, Indiana

Schedule of Investment Returns - Sheriff's Retirement and Benefit Plans  
Available Data Last 10 Fiscal Years\*

	Annual Money-Weighted Rate of Return	
	<u>Sheriff's Retirement Plan</u>	<u>Sheriff's Benefit Plan</u>
2021	12.42%	13.51%
2020	14.89%	13.91%
2019	19.47%	20.64%
2018	-4.38%	-3.62%
2017	14.88%	14.39%
2016	8.53%	9.79%
2015	0.27%	-0.85%
2014	5.01%	4.64%
2013	9.90%	9.20%
2012	5.80%	NA

**Notes to Schedule:**

\*Information presented for the years information is available.

## Elkhart County, Indiana

### Schedule of Changes In Total OPEB Liability - Elkhart County's OPEB Plan

Available Data Last 10 Years\*

	<u>2021</u>	<u>2020</u>
<b>Total OPEB Liability</b>		
Service cost	\$ 3,060,036	\$ 2,546,278
Interest	1,097,918	1,480,859
Differences between expected and actual experience	1,397,301	(8,396,583)
Changes in assumptions	(724,507)	10,842,473
Benefit payments	<u>(640,039)</u>	<u>(605,106)</u>
Net change in total pension liability	4,190,709	5,867,921
<b>Total OPEB Liability, Beginning</b>	<u>49,046,891</u>	<u>43,178,970</u>
<b>Total OPEB Liability, Ending (1)</b>	<u><u>\$ 53,237,600</u></u>	<u><u>\$ 49,046,891</u></u>
<b>Plan Fiduciary Net Position</b>		
Contributions	\$ 640,039	\$ 605,106
Benefit payments	<u>(640,039)</u>	<u>(605,106)</u>
Net change in plan fiduciary net position	-	-
<b>Plan Fiduciary Net Position, Beginning</b>	<u>-</u>	<u>-</u>
<b>Plan Fiduciary Net Position, Ending (2)</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Net OPEB Liability (Asset), Ending (1) - (2)</b>	<u><u>\$ 53,237,600</u></u>	<u><u>\$ 49,046,891</u></u>

#### Notes to Schedule:

\*Information presented for the years information is available.

**Elkhart County, Indiana**

Non-GAAP Budgetary Comparison Schedule

General Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes:				
Property	\$ 28,937,178	\$ 28,937,178	\$ 29,122,793	\$ 185,615
Income	17,720,152	18,261,609	18,261,609	-
Intergovernmental	4,257,682	3,896,476	5,026,076	1,129,600
Charges for services	2,137,732	2,137,732	3,646,806	1,509,074
Fines, forfeitures, and fees	470,561	470,561	341,114	(129,447)
Interest	2,185,010	2,185,010	1,473,326	(711,684)
Miscellaneous	1,313,892	1,313,892	1,911,916	598,024
<b>Total revenues</b>	<b>57,022,207</b>	<b>57,202,458</b>	<b>59,783,640</b>	<b>2,581,182</b>
<b>Expenditures:</b>				
General government:				
Clerk:				
Personal services	1,735,247	1,745,460	1,621,971	123,489
Supplies	61,400	60,600	40,271	20,329
Other services and charges	155,400	154,450	127,579	26,871
Capital outlays	-	1,750	1,349	401
Auditor:				
Personal services	611,291	603,220	555,547	47,673
Supplies	11,000	11,000	8,288	2,712
Other services and charges	119,650	169,650	154,303	15,347
Treasurer:				
Personal services	305,898	292,778	277,745	15,033
Supplies	24,025	12,025	8,919	3,106
Other services and charges	77,700	64,700	63,917	783
Capital outlays	-	76,000	76,000	-
Recorder:				
Personal services	167,507	168,482	156,988	11,494
Surveyor:				
Personal services	359,773	356,739	307,349	49,390
Supplies	12,100	12,100	5,972	6,128
Other services and charges	36,525	36,525	6,507	30,018
Prosecuting attorney:				
Personal services	2,762,711	2,765,075	2,550,908	214,167
Supplies	62,500	62,500	62,165	335
Other services and charges	128,875	128,875	128,609	266
Assessor:				
Personal services	959,729	940,396	838,858	101,538
Supplies	15,350	15,350	9,916	5,434
Other services and charges	55,350	53,850	39,755	14,095
Capital outlays	-	1,500	433	1,067
Concord township assessor:				
Personal services	417,584	395,342	361,257	34,085
Supplies	7,000	14,572	13,844	728
Other services and charges	13,286	5,714	4,145	1,569
Council:				
Personal services	141,591	141,591	141,153	438
Supplies	350	350	102	248
Other services and charges	8,190	8,190	810	7,380

See notes to required supplementary information

**Elkhart County, Indiana**

Non-GAAP Budgetary Comparison Schedule

General Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Commissioners:				
Personal services	\$ 15,780,577	\$ 15,780,577	\$ 14,976,035	\$ 804,542
Supplies	10,300	30,300	19,745	10,555
Other services and charges	5,809,600	6,139,329	5,917,711	221,618
Capital outlays	-	1,634,707	640,663	994,044
Code enforcement:				
Personal services	539,074	526,035	518,419	7,616
Supplies	22,050	22,050	20,135	1,915
Other services and charges	107,288	166,928	127,165	39,763
Plan commission:				
Personal services	440,410	440,578	404,051	36,527
Supplies	4,500	4,500	4,247	253
Other services and charges	115,458	340,458	103,796	236,662
Debt service	25	25	-	25
Buildings and grounds:				
Personal services	996,885	876,940	786,626	90,314
Supplies	178,200	178,200	162,947	15,253
Other services and charges	1,128,000	1,268,000	1,232,096	35,904
Human resources:				
Personal services	286,662	298,371	291,260	7,111
Supplies	10,450	10,450	4,735	5,715
Other services and charges	53,050	53,050	27,782	25,268
Archive & microfilm:				
Personal services	229,729	225,724	225,863	(139)
Supplies	2,500	2,730	1,975	755
Other services and charges	7,360	7,010	1,574	5,436
Solid and water:				
Personal services	122,417	133,563	130,723	2,840
Supplies	5,825	5,825	4,096	1,729
Other services and charges	15,750	15,750	6,342	9,408
Capital outlays	50,000	50,000	-	50,000
County extension:				
Personal services	186,956	186,249	185,412	837
Supplies	12,500	6,525	3,556	2,969
Other services and charges	384,824	384,824	356,380	28,444
Capital outlays	-	5,975	5,722	253
PTABOA Board:				
Personal services	25,000	25,000	13,400	11,600
Other services and charges	25,000	25,000	25,000	-
Circuit Court:				
Personal services	505,725	523,398	444,467	78,931
Supplies	12,700	12,700	6,083	6,617
Other services and charges	39,050	39,050	12,309	26,741
Capital outlays	25,000	25,000	12,672	12,328
Circuit Court, Juvenile:				
Personal services	320,609	318,053	264,843	53,210
Supplies	3,000	3,000	2,639	361
Other services and charges	64,765	64,765	60,934	3,831
Superior Court 1:				
Personal services	335,795	342,955	312,920	30,035
Supplies	19,500	25,500	21,476	4,024
Other services and charges	31,620	31,620	18,605	13,015

See notes to required supplementary information

**Elkhart County, Indiana**

Non-GAAP Budgetary Comparison Schedule

General Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Superior Court 2:				
Personal services	\$ 243,759	\$ 241,857	\$ 224,996	\$ 16,861
Supplies	7,900	10,900	8,910	1,990
Other services and charges	15,507	21,507	17,950	3,557
Superior Court 3:				
Personal services	407,728	420,574	355,002	65,572
Supplies	47,500	48,077	25,113	22,964
Other services and charges	37,790	37,790	14,835	22,955
Superior Court 4:				
Personal services	288,350	287,822	266,339	21,483
Supplies	13,275	12,625	4,714	7,911
Other services and charges	8,100	8,750	5,020	3,730
Superior Court 5:				
Personal services	467,229	449,966	422,055	27,911
Supplies	13,000	12,750	5,705	7,045
Other services and charges	23,880	23,880	18,579	5,301
Capital outlays	-	250	225	25
Superior Court 6:				
Personal services	250,339	243,339	193,925	49,414
Supplies	5,215	5,215	1,314	3,901
Other services and charges	25,249	25,249	13,716	11,533
Debt service	7,600	10,100	7,085	3,015
Court Magistrate, Goshen:				
Personal services	41,738	41,738	40,743	995
Supplies	2,150	2,150	968	1,182
Other services and charges	5,480	5,480	2,183	3,297
Court services:				
Personal services	3,531,701	3,536,679	3,357,271	179,408
Supplies	54,000	54,000	45,629	8,371
Other services and charges	267,400	267,400	154,533	112,867
Court Magistrate, Elkhart:				
Personal services	48,709	41,534	39,403	2,131
Supplies	14,780	14,780	2,989	11,791
Other services and charges	2,480	2,480	583	1,897
IV-D Court:				
Personal services	394,706	405,386	339,002	66,384
Supplies	3,504	3,504	-	3,504
Other services and charges	15,414	15,414	8,874	6,540
Debt service	4,108	4,108	3,583	525
Public defender:				
Personal services	2,102,429	2,137,429	1,972,711	164,718
Supplies	24,700	24,700	13,983	10,717
Other services and charges	72,500	92,500	60,924	31,576
Capital outlays	3,500	-	-	-
Debt service	-	3,500	3,469	31
Election Board:				
Supplies	-	-	70	(70)
<b>Total general government</b>	<b>44,609,906</b>	<b>47,042,931</b>	<b>42,551,465</b>	<b>4,491,466</b>

See notes to required supplementary information

**Elkhart County, Indiana**

Non-GAAP Budgetary Comparison Schedule

General Fund

Year Ended December 31, 2021

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Public safety:				
Sheriff:				
Personal services	\$ 6,824,035	\$ 6,833,934	\$ 6,344,927	\$ 489,007
Supplies	25,000	25,000	16,797	8,203
Other services and charges	1,461,431	1,501,431	1,478,976	22,455
Capital outlays	500,000	500,000	499,960	40
Drainage Board:				
Personal services	7,850	7,850	7,100	750
Other services and charges	250	250	-	250
Weights and measures:				
Personal services	71,599	71,599	64,777	6,822
Supplies	3,500	3,500	2,950	550
Other services and charges	3,480	3,480	2,330	1,150
Emergency Management:				
Personal services	192,530	194,435	170,768	23,667
Supplies	7,750	31,917	30,964	953
Other services and charges	13,625	10,187	9,698	489
Capital outlays	-	15,375	538	14,837
Victim Assistance Grant:				
Personal services	419,391	418,610	397,256	21,354
Supplies	4,726	4,726	1,418	3,308
Other services and charges	10,926	10,926	6,035	4,891
Capital outlays	1,200	1,200	1,200	-
Work Release Corrections:				
Personal services	907,303	899,327	826,581	72,746
Other services and charges	160,517	160,517	60,517	100,000
Administrative:				
Personal services	-	-	200	(200)
Other services and charges	-	-	2,058,183	(2,058,183)
Capital outlays	-	-	23,897	(23,897)
Total public safety	<u>10,615,113</u>	<u>10,694,264</u>	<u>12,005,072</u>	<u>(1,310,808)</u>
Health and Human Services:				
Coroner:				
Personal services	119,860	119,860	118,886	974
Supplies	5,850	3,678	3,182	496
Other services and charges	293,985	287,825	207,449	80,376
Capital outlays	-	8,448	8,066	382
Veterans Services:				
Personal services	129,911	129,911	125,234	4,677
Supplies	9,440	14,440	13,736	704
Other services and charges	36,300	31,300	20,175	11,125

See notes to required supplementary information

**Elkhart County, Indiana**

Non-GAAP Budgetary Comparison Schedule

General Fund

Year Ended December 31, 2021

	<b>Budgeted Amounts</b>		<b>Actual Budgetary Basis Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
Title IV-D Grant:				
Personal services	\$ 2,088,296	\$ 2,070,814	\$ 1,734,387	\$ 336,427
Supplies	23,250	23,250	12,275	10,975
Other services and charges	253,950	253,950	251,937	2,013
Total health and human services	<u>2,960,842</u>	<u>2,943,476</u>	<u>2,495,327</u>	<u>448,149</u>
Total expenditures	<u>58,185,861</u>	<u>60,680,671</u>	<u>57,051,864</u>	<u>3,628,807</u>
Excess (deficiency) of revenues over (under) expenditure	(1,163,654)	(3,478,213)	2,731,776	6,209,989
Other Financing Sources (Uses):				
Transfers in	-	-	13,804	13,804
Transfers out	-	(1,595)	(142,703)	(141,108)
Total other financing sources (uses)	<u>-</u>	<u>(1,595)</u>	<u>(128,899)</u>	<u>(127,304)</u>
Net change in fund balances	(1,163,654)	(3,479,808)	2,602,877	6,082,685
<b>Fund Balance, Beginning</b>	<u>20,856,478</u>	<u>20,856,478</u>	<u>20,856,478</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 19,692,824</u>	<u>\$ 17,376,670</u>	<u>\$ 23,459,355</u>	<u>\$ 6,082,685</u>

*See notes to required supplementary information*

## Elkhart County, Indiana

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Budget/GAAP Reconciliation

General Fund

Year Ended December 31, 2021

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

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

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

	<u>General</u>
Net changes in fund balances (budgetary basis)	\$ 2,602,877
Adjustments:	
To adjust revenues for accruals	549,836
To adjust expenditures for accruals	(404,443)
To adjust expenditures for Rainy Day Fund activity	<u>545,479</u>
Net change in fund balances (GAAP basis)	<u><u>\$ 3,293,749</u></u>

# Elkhart County, Indiana

Notes to Required Supplementary Information  
December 31, 2021

## 1. Budgets and Budgetary Accounting

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

On or before August 31, the County auditor submits to the County council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the County council to obtain taxpayer comments. In September of each year, the County council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the County receives approval of the Indiana Department of Local Government Finance.

Indiana law restricts the County's maximum tax levy, with certain adjustments and exceptions. If the advertised budget, for funds for which property taxes are levied or for which highway use taxes are received, exceeds the spending and tax limits of the state control laws, an excess levy may be granted by the Indiana Department of Local Government Finance.

The legal level of budgetary control is by object or department within the fund for the General fund, and by object within the fund for all other budgeted funds. The County's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the County Council. Any revisions to the appropriations for any fund or any department of the General fund must be approved by the County Council and, in some instances, by the Indiana Department of Local Government Finance.

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

### Major Funds

General, Major Moves Construction

### Special Revenue Funds

Election/Registration, 2015 Reassessment, Highway, Local Road and Street, Health, Communications Center, Emergency Telephone System, Parks and Recreation, LIT - Economic Development, Special Projects (Pros Atty), Public Defender Supplemental, Adult Probation User Fees, Juvenile Probation User Fees, Electronic Maps (GIS), Records Perpetuation, County Seizure of Assets, LIT Public Safety, Adult Probation Administration, LIT Special Purpose

### Debt Service Funds

Debt Service, 2015 Bond Fund, NW Gateway Bond Reserve

### Capital Project Funds

Cumulative Bridge, Cumulative Drainage, Cumulative Capital Development, Road Maintenance & Construction, Major Bridge

### Enterprise Funds

Landfill, Storm Water Management Operating

## Elkhart County, Indiana

Notes to Required Supplementary Information  
December 31, 2021

### 2. Financial Reporting, Pension Plans

#### PERF Plan:

Actuarial cost method	Entry age normal (level percent of payroll)
Experience study date	Period of 5 years ended June 30, 2019
Investment rate of return	6.25%, net of investment expense, including inflation
Asset valuation method	Fair market value adjusted for a 5-year phase-in of asset gains and losses
Inflation	2.00%
Salary increases	2.65% to 8.65% based on age
Mortality	Pubs 2010 Public Retirement Plans Mortality Table with fully generational improvements using SOA scale MP-2019

#### *Change in Assumptions:*

- The Interest Rate / Investment Return assumption changed from 6.75% to 6.25%.
- The inflation assumption changed from 2.25% to 2.00%.
- The Future Salary Scale assumption changed from 2.75% - 8.75% to 2.65% - 8.65%.

*Changes in Actuarial Methods:* There were no changes to the actuarial methods during the fiscal year.

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

#### **Sheriff Retirement and Benefit Plans:**

- a) The changes in assumptions for base year ending December 31, 2021 reflect the change from the use of the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor and disabled retiree tables and male & female tables) and a discount rate of 6.75% to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor and disabled retiree tables and male & female tables) and a discount rate of 6.50%.
- b) The changes in assumptions for base year ending December 31, 2020 reflect the change from the use of the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male and female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2020 (separate employee, retiree, contingent survivor, and disabled retiree tables and male and female tables).
- c) The changes in assumptions for base year ending December 31, 2019 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee and annuitant tables and male and female tables) to the Pub-2010 Safety Amount-Weighted Mortality Projected Generationally with Scale MP-2019 (separate employee, retiree, contingent survivor, and disabled retiree tables and male and female tables).

## Elkhart County, Indiana

Notes to Required Supplementary Information  
December 31, 2021

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- d) The changes in assumptions for base year ending December 31, 2018 reflect the change from the use of the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee and annuitant tables and male and female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2018 (separate employee and annuitant tables and male and female tables).
- e) The changes in assumptions for base year ending December 31, 2017 reflect the change from the use of the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee and annuitant tables and male and female tables) to the RP-2014 Adjusted to 2006 Total Dataset Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2017 (separate employee and annuitant tables and male and female tables).
- f) The changes in assumptions for base year ending December 31, 2016 reflect the change from the use of the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2015 (separate employee and annuitant tables and male and female tables) to the RP-2014 Adjusted to 2006 Blue Collar Mortality with Two Dimensional Generational Mortality Improvement Scale MP-2016 (separate employee and annuitant tables and male and female tables).

### **Sheriff Retirement and Benefit Plans**

Inflation	3.00%
Salary increases	4.00% average, including inflation
Investment rate of return	6.50%
Retirement age	The later of age 55 and 10 years of service or one year from the valuation date
Mortality	Pub-2010 Safety Amount Weighted Mortality Projected Generationally with Scale MP-2021 (separate employee, retiree, contingent survivor and disabled retiree tables and male and female tables)

# Elkhart County, Indiana

Notes to Required Supplementary Information  
December 31, 2021

### 3. OPEB Plan

Cost method	Entry Age Normal Level % of Salary
Amortization method	Not Applicable
Assumptions:	
Discount rate	2.25% as of December 31, 2021; 2.12% as of January 1, 2021
Discount rate basis	S & P municipal bond 20 year high grade rate index
Inflation rate	2.75% per annum
Investment rate of return	No applicable since the plan is not currently prefunded
Disability	None
Mortality	SOA Pub 2010 General, Public Safety, and Survivor Headcount Weighted Mortality Table fully generational using Scale MP - 2021
Coverage rate	Active employees with current coverage 80%; Inactive employees with current coverage 100%
Retirement Rates:	

Age	General	Public Safety
50-51	2 %	10 %
52-54	2	20
55-59	5	20
60-61	10	20
62	25	25
63-64	20	20
65+	100	100

Turnover: Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rates represent the probability of termination in the next 12 months. Rates are based on the most recent Indiana Public Retirement System Public Employees' Retirement Fund actuarial valuation as of June 30, 2020.

Sample annual turnover rates are shown below:

Service	Rates
0	24.00%
5	12.00%
10	7.00%
15	5.25%
20	4.00%
25	4.00%
27+	1.00%

Per capita costs: Annual per capita costs were calculated based on the City's monthly premium rates effective on January 1, 2022.

# Elkhart County, Indiana

Notes to Required Supplementary Information  
December 31, 2021

Annual per capita costs are shown below:

<b>Age</b>	<b>PPO</b>
<55	\$ 9,600
55-59	11,900
60-64	15,100
65-69	2,500
70-74	3,100
75-79	3,500

Health Care Trend Rates

<b>FYE</b>	<b>Medical/Rx</b>	<b>Dental</b>
2022	8.00 %	5.00 %
2023	7.50	4.75
2024	7.00	4.50
2025	6.50	4.25
2026	6.00	4.00
2027	5.50	4.00
2028	5.00	4.00
2029+	4.50	4.00

## **SUPPLEMENTARY INFORMATION**

# Elkhart County, Indiana

Combining Balance Sheet - Nonmajor Governmental Funds

December 31, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 57,930,370	\$ -	\$ 39,923,008	\$ 97,853,378
Receivables:				
Taxes	10,557,065	-	9,364,109	19,921,174
Accounts	32,468	-	-	32,468
Intergovernmental	356,713	-	497,847	854,560
Restricted:				
Cash and cash equivalents	-	8,741,007	-	8,741,007
	<u>-</u>	<u>8,741,007</u>	<u>-</u>	<u>8,741,007</u>
Total assets	<u>\$ 68,876,616</u>	<u>\$ 8,741,007</u>	<u>\$ 49,784,964</u>	<u>\$ 127,402,587</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,879,663	\$ -	\$ 369,522	\$ 2,249,185
Accrued payroll and withholdings payable	836,104	-	65,983	902,087
Interfund payable	10,120,170	-	3,268,982	13,389,152
	<u>12,835,937</u>	<u>-</u>	<u>3,704,487</u>	<u>16,540,424</u>
Total liabilities	<u>12,835,937</u>	<u>-</u>	<u>3,704,487</u>	<u>16,540,424</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	8,867,029	-	9,677,580	18,544,609
	<u>8,867,029</u>	<u>-</u>	<u>9,677,580</u>	<u>18,544,609</u>
Total deferred inflows of resources	<u>8,867,029</u>	<u>-</u>	<u>9,677,580</u>	<u>18,544,609</u>
<b>Fund Balances</b>				
Restricted	47,932,684	8,741,007	37,128,363	93,802,054
Unassigned (deficit)	(759,034)	-	(725,466)	(1,484,500)
	<u>47,173,650</u>	<u>8,741,007</u>	<u>36,402,897</u>	<u>92,317,554</u>
Total fund balances	<u>47,173,650</u>	<u>8,741,007</u>	<u>36,402,897</u>	<u>92,317,554</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 68,876,616</u>	<u>\$ 8,741,007</u>	<u>\$ 49,784,964</u>	<u>\$ 127,402,587</u>

**Elkhart County, Indiana**

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

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>Revenues</b>				
Taxes:				
Property	\$ 7,012,098	\$ -	\$ 15,591,787	\$ 22,603,885
Income	26,347,247	-	-	26,347,247
Other	-	-	223,249	223,249
Intergovernmental	24,564,915	-	5,970,902	30,535,817
Charges for services	6,639,605	-	1,247,417	7,887,022
Fines and forfeits	452,317	-	-	452,317
Investment earnings	37	(28,143)	-	(28,106)
Other:				
Miscellaneous	1,042,868	15,538	405,066	1,463,472
<b>Total revenues</b>	<u>66,059,087</u>	<u>(12,605)</u>	<u>23,438,421</u>	<u>89,484,903</u>
<b>Expenditures</b>				
Current:				
General government	8,021,488	6,500	5,475,271	13,503,259
Public safety	15,489,485	-	-	15,489,485
Highways and streets	5,437,574	-	656,419	6,093,993
Health and welfare	10,878,456	-	-	10,878,456
Culture and recreation	2,335,011	-	-	2,335,011
Debt service:				
Principal	-	5,335,000	183,526	5,518,526
Interest	250,354	2,266,283	168,712	2,685,349
Capital lease	42,689	-	28,335	71,024
Capital outlay:				
General government	4,977,399	-	6,598,651	11,576,050
Public safety	702	-	-	702
Highways and streets	3,504,703	-	4,808,085	8,312,788
Health and welfare	520,760	-	-	520,760
Culture and recreation	132,520	-	-	132,520
<b>Total expenditures</b>	<u>51,591,141</u>	<u>7,607,783</u>	<u>17,918,999</u>	<u>77,117,923</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,467,946</u>	<u>(7,620,388)</u>	<u>5,519,422</u>	<u>12,366,980</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	142,708	8,010,929	-	8,153,637
Transfers out	(7,674,738)	(350,000)	-	(8,024,738)
<b>Total other financing sources and uses</b>	<u>(7,532,030)</u>	<u>7,660,929</u>	<u>-</u>	<u>128,899</u>
<b>Net change in fund balances</b>	<u>6,935,916</u>	<u>40,541</u>	<u>5,519,422</u>	<u>12,495,879</u>
<b>Fund Balances, Beginning as previously stated</b>	40,425,390	8,700,466	30,883,475	80,009,331
Adjustment to fund balances (See Note 3)	(187,656)	-	-	(187,656)
<b>Fund Balances, Beginning as adjusted</b>	<u>40,237,734</u>	<u>8,700,466</u>	<u>30,883,475</u>	<u>79,821,675</u>
<b>Fund Balances, Ending</b>	<u>\$ 47,173,650</u>	<u>\$ 8,741,007</u>	<u>\$ 36,402,897</u>	<u>\$ 92,317,554</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2021

	<u>Donation Funds</u>	<u>Health and Wellness Grants</u>	<u>Health Funds</u>	<u>Homeland Security Grants</u>	<u>Park Funds</u>	<u>Probation Funds</u>	<u>Public Safety Funds</u>
<b>Assets</b>							
Cash and cash equivalents	\$ 399,824	\$ 104,139	\$ 2,660,813	\$ -	\$ 2,018,171	\$ 504,805	\$ 4,766,614
Receivables:							
Taxes	-	-	2,655,722	-	1,970,527	-	-
Accounts	-	-	-	-	-	-	11,507
Intergovernmental	-	80,038	86,599	-	64,262	-	15,175
Total assets	<u>\$ 399,824</u>	<u>\$ 184,177</u>	<u>\$ 5,403,134</u>	<u>\$ -</u>	<u>\$ 4,052,960</u>	<u>\$ 504,805</u>	<u>\$ 4,793,296</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ 7,119	\$ 7,046	\$ 3,390	\$ 14,972	\$ -	\$ 110,908
Accrued payroll and withholdings payable	-	62,680	143,804	7,865	85,779	18,249	88,201
Interfund payable	-	-	-	-	-	-	1,428,953
Total liabilities	<u>-</u>	<u>69,799</u>	<u>150,850</u>	<u>11,255</u>	<u>100,751</u>	<u>18,249</u>	<u>1,628,062</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue	<u>-</u>	<u>-</u>	<u>2,742,321</u>	<u>-</u>	<u>2,034,789</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>2,742,321</u>	<u>-</u>	<u>2,034,789</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>							
Restricted	399,824	114,378	2,509,963	-	1,917,420	486,556	3,165,234
Unassigned	-	-	-	(11,255)	-	-	-
Total fund balances	<u>399,824</u>	<u>114,378</u>	<u>2,509,963</u>	<u>(11,255)</u>	<u>1,917,420</u>	<u>486,556</u>	<u>3,165,234</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 399,824</u>	<u>\$ 184,177</u>	<u>\$ 5,403,134</u>	<u>\$ -</u>	<u>\$ 4,052,960</u>	<u>\$ 504,805</u>	<u>\$ 4,793,296</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2021

	<u>Public Safety Grants</u>	<u>Title IV-D Grants</u>	<u>COVID Funds</u>	<u>Jail Commissary</u>	<u>Accident Report</u>	<u>Campaign Finance Enforcement</u>	<u>LIT - Economic Development</u>	<u>LIT - Special Purpose</u>
<b>Assets</b>								
Cash and cash equivalents	\$ 310,691	\$ 1,055,327	\$ 161,734	\$ 612,679	\$ 59,860	\$ 150	\$ 12,098,327	\$ 13,360,012
Receivables:								
Taxes	-	-	-	-	-	-	1,680,067	-
Accounts	-	-	-	-	-	-	-	-
Intergovernmental	7,678	-	-	-	-	-	-	-
Total assets	<u>\$ 318,369</u>	<u>\$ 1,055,327</u>	<u>\$ 161,734</u>	<u>\$ 612,679</u>	<u>\$ 59,860</u>	<u>\$ 150</u>	<u>\$ 13,778,394</u>	<u>\$ 13,360,012</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ 104,053	\$ 696	\$ 177,893	\$ -	\$ 4,137	\$ -	\$ 659,197	\$ 122,062
Accrued payroll and withholdings payable	23,630	9,354	343	-	-	-	-	5,160
Interfund payable	-	-	-	126,339	-	-	7,135,925	-
Total liabilities	<u>127,683</u>	<u>10,050</u>	<u>178,236</u>	<u>126,339</u>	<u>4,137</u>	<u>-</u>	<u>7,795,122</u>	<u>127,222</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	-	-	-	-	-	-	710,785	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>710,785</u>	<u>-</u>
<b>Fund Balances</b>								
Restricted	190,686	1,045,277	-	486,340	55,723	150	5,272,487	13,232,790
Unassigned	-	-	(16,502)	-	-	-	-	-
Total fund balances	<u>190,686</u>	<u>1,045,277</u>	<u>(16,502)</u>	<u>486,340</u>	<u>55,723</u>	<u>150</u>	<u>5,272,487</u>	<u>13,232,790</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 318,369</u>	<u>\$ 1,055,327</u>	<u>\$ 161,734</u>	<u>\$ 612,679</u>	<u>\$ 59,860</u>	<u>\$ 150</u>	<u>\$ 13,778,394</u>	<u>\$ 13,360,012</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2021

	<u>Clerk's Records Perpetuation</u>	<u>LIT Public Safety County Share</u>	<u>Local Health Dept. Trust A/C</u>	<u>Tax Billing System (GUTS)</u>	<u>Certificate Sales Surplus</u>	<u>Redevelopment Commission</u>	<u>County Seizure of Assets</u>	<u>Sales Disclosure- County Share</u>
<b>Assets</b>								
Cash and cash equivalents	\$ 208,941	\$ 1,896,380	\$ 205,084	\$ 14,231	\$ 217,827	\$ 10,550	\$ 349,185	\$ 54,448
Receivables:								
Taxes	-	1,684,708	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-	-
Intergovernmental	2,616	-	-	-	-	-	-	-
Total assets	<u>\$ 211,557</u>	<u>\$ 3,581,088</u>	<u>\$ 205,084</u>	<u>\$ 14,231</u>	<u>\$ 217,827</u>	<u>\$ 10,550</u>	<u>\$ 349,185</u>	<u>\$ 54,448</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ -	\$ 66,283	\$ -	\$ -	\$ -	\$ 362	\$ -	\$ 12,455
Accrued payroll and withholdings payable	-	212,962	1,469	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>279,245</u>	<u>1,469</u>	<u>-</u>	<u>-</u>	<u>362</u>	<u>-</u>	<u>12,455</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	-	712,748	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>712,748</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>								
Restricted	211,557	2,589,095	203,615	14,231	217,827	10,188	349,185	41,993
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>211,557</u>	<u>2,589,095</u>	<u>203,615</u>	<u>14,231</u>	<u>217,827</u>	<u>10,188</u>	<u>349,185</u>	<u>41,993</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 211,557</u>	<u>\$ 3,581,088</u>	<u>\$ 205,084</u>	<u>\$ 14,231</u>	<u>\$ 217,827</u>	<u>\$ 10,550</u>	<u>\$ 349,185</u>	<u>\$ 54,448</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2021

	<u>Commissioners Certificate Rede</u>	<u>H. O. M. E. Consortium</u>	<u>County Noise Ordinance Fund</u>	<u>School Lunch Program</u>	<u>Elkhart County Food Council</u>	<u>Solid Waste Mgmt District</u>	<u>Economic Development Fee</u>	<u>Electronic Map (GIS)</u>
<b>Assets</b>								
Cash and cash equivalents	\$ 9,582	\$ 171	\$ 2,365	\$ 3,767	\$ 3,692	\$ 1,580,288	\$ 466,679	\$ 162,158
Receivables:								
Taxes	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Total assets	<u>\$ 9,582</u>	<u>\$ 171</u>	<u>\$ 2,365</u>	<u>\$ 3,767</u>	<u>\$ 3,692</u>	<u>\$ 1,580,288</u>	<u>\$ 466,679</u>	<u>\$ 162,158</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,944	\$ -	\$ 32,484
Accrued payroll and withholdings payable	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	38,944	-	32,484
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
<b>Fund Balances</b>								
Restricted	9,582	171	2,365	3,767	3,692	1,541,344	466,679	129,674
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>9,582</u>	<u>171</u>	<u>2,365</u>	<u>3,767</u>	<u>3,692</u>	<u>1,541,344</u>	<u>466,679</u>	<u>129,674</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,582</u>	<u>\$ 171</u>	<u>\$ 2,365</u>	<u>\$ 3,767</u>	<u>\$ 3,692</u>	<u>\$ 1,580,288</u>	<u>\$ 466,679</u>	<u>\$ 162,158</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2021

	<u>Levy Excess</u>	<u>Local Road &amp; Street</u>	<u>Motor Vehicle Highway - Restricted</u>	<u>Motor Vehicle Highway</u>	<u>Plat Book</u>	<u>Reassessment - 2015</u>	<u>Recorder's Perpetuation</u>	<u>Surveyor's Corner Perpetuation</u>
<b>Assets</b>								
Cash and cash equivalents	\$ -	\$ 2,903,517	\$ 1,478,309	\$ 3,605,512	\$ 272,367	\$ 1,573,020	\$ 1,646,783	\$ 515,942
Receivables:								
Taxes	-	-	-	-	-	680,493	-	-
Accounts	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	21,993	-	-
Total assets	<u>\$ -</u>	<u>\$ 2,903,517</u>	<u>\$ 1,478,309</u>	<u>\$ 3,605,512</u>	<u>\$ 272,367</u>	<u>\$ 2,275,506</u>	<u>\$ 1,646,783</u>	<u>\$ 515,942</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ -	\$ 145,757	\$ 1,818	\$ 47,017	\$ -	\$ 96,895	\$ 3,000	\$ 9,000
Accrued payroll and withholdings payable	-	-	5,767	105,110	896	10,589	4,849	3,979
Interfund payable	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>145,757</u>	<u>7,585</u>	<u>152,127</u>	<u>896</u>	<u>107,484</u>	<u>7,849</u>	<u>12,979</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	-	-	-	-	-	702,486	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>702,486</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>								
Restricted	-	2,757,760	1,470,724	3,453,385	271,471	1,465,536	1,638,934	502,963
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>2,757,760</u>	<u>1,470,724</u>	<u>3,453,385</u>	<u>271,471</u>	<u>1,465,536</u>	<u>1,638,934</u>	<u>502,963</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 2,903,517</u>	<u>\$ 1,478,309</u>	<u>\$ 3,605,512</u>	<u>\$ 272,367</u>	<u>\$ 2,275,506</u>	<u>\$ 1,646,783</u>	<u>\$ 515,942</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2021

	<u>Unsafe Building</u>	<u>Auditor Ineligible Deduction</u>	<u>County Elected Officials Training</u>	<u>Abandoned Vehicles</u>	<u>LOIT Special Distribution</u>	<u>Alternate Dispute Resolution</u>	<u>Jury Pay</u>
<b>Assets</b>							
Cash and cash equivalents	\$ 3,165	\$ 634,518	\$ 180,567	\$ 16,122	\$ 58,500	\$ 35,385	\$ 67,845
Receivables:							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Total assets	<u>\$ 3,165</u>	<u>\$ 634,518</u>	<u>\$ 180,567</u>	<u>\$ 16,122</u>	<u>\$ 58,500</u>	<u>\$ 35,385</u>	<u>\$ 67,845</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ 3,416	\$ 210	\$ -	\$ -	\$ 255	\$ -
Accrued payroll and withholdings payable	-	660	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>4,076</u>	<u>210</u>	<u>-</u>	<u>-</u>	<u>255</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>							
Restricted	3,165	630,442	180,357	16,122	58,500	35,130	67,845
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>3,165</u>	<u>630,442</u>	<u>180,357</u>	<u>16,122</u>	<u>58,500</u>	<u>35,130</u>	<u>67,845</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,165</u>	<u>\$ 634,518</u>	<u>\$ 180,567</u>	<u>\$ 16,122</u>	<u>\$ 58,500</u>	<u>\$ 35,385</u>	<u>\$ 67,845</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Special Revenue Funds  
December 31, 2021

	Special Projects (Pros Atty)	Drug Court User Fee	Emergency Planning Right to Know	Emergency Telephone System	Enhanced Access	Total
<b>Assets</b>						
Cash and cash equivalents	\$ 200,209	\$ 49,738	\$ 71,265	\$ 941,325	\$ 377,787	\$ 57,930,370
Receivables:						
Taxes	-	-	-	1,885,548	-	10,557,065
Accounts	20,961	-	-	-	-	32,468
Intergovernmental	-	-	-	78,352	-	356,713
Total assets	<u>\$ 221,170</u>	<u>\$ 49,738</u>	<u>\$ 71,265</u>	<u>\$ 2,905,225</u>	<u>\$ 377,787</u>	<u>\$ 68,876,616</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 1,750	\$ -	\$ -	\$ 205,556	\$ 2,988	\$ 1,879,663
Accrued payroll and withholdings payable	6,665	-	-	38,093	-	836,104
Interfund payable	-	-	-	1,428,953	-	10,120,170
Total liabilities	<u>8,415</u>	<u>-</u>	<u>-</u>	<u>1,672,602</u>	<u>2,988</u>	<u>12,835,937</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	-	-	-	1,963,900	-	8,867,029
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,963,900</u>	<u>-</u>	<u>8,867,029</u>
<b>Fund Balances</b>						
Restricted	212,755	49,738	71,265	-	374,799	47,932,684
Unassigned	-	-	-	(731,277)	-	(759,034)
Total fund balances	<u>212,755</u>	<u>49,738</u>	<u>71,265</u>	<u>(731,277)</u>	<u>374,799</u>	<u>47,173,650</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 221,170</u>	<u>\$ 49,738</u>	<u>\$ 71,265</u>	<u>\$ 2,905,225</u>	<u>\$ 377,787</u>	<u>\$ 68,876,616</u>

**Elkhart County, Indiana**

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

	<u>Donation Funds</u>	<u>Health and Wellness Grants</u>	<u>Health Funds</u>	<u>Homeland Security Grants</u>	<u>Park Funds</u>	<u>Probation Funds</u>	<u>Public Safety Funds</u>
<b>Revenues</b>							
Taxes:							
Property	\$ -	\$ -	\$ 2,534,111	\$ -	\$ 1,876,028	\$ -	\$ -
Income	-	-	-	-	-	-	-
Intergovernmental	-	2,864,046	227,015	72,400	114,748	-	1,878,067
Charges for services	-	534,549	1,072,061	-	261,889	770,473	2,327,208
Fines and forfeits	-	-	-	-	-	-	175,913
Investment earnings	-	-	-	-	-	-	37
Other:							
Miscellaneous	134,650	38	485	-	20,440	-	4,099
<b>Total revenues</b>	<b>134,650</b>	<b>3,398,633</b>	<b>3,833,672</b>	<b>72,400</b>	<b>2,273,105</b>	<b>770,473</b>	<b>4,385,324</b>
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	17,098	-	-	83,655	-	546,877	5,177,699
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	3,323,830	3,340,852	-	-	-	-
Culture and recreation	218,860	-	-	-	2,116,151	-	-
Debt service:							
Interest	-	-	-	-	-	-	24,825
Capital lease	-	1,567	-	-	-	-	5,588
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-
Health and welfare	-	8,439	-	-	-	-	-
Culture and recreation	63,925	-	-	-	68,595	-	-
<b>Total expenditures</b>	<b>299,883</b>	<b>3,333,836</b>	<b>3,340,852</b>	<b>83,655</b>	<b>2,184,746</b>	<b>546,877</b>	<b>5,208,112</b>
Excess (deficiency) of revenues over (under) expenditures	(165,233)	64,797	492,820	(11,255)	88,359	223,596	(822,788)
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	-	-	-	-	-	5
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources and uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5</b>
<b>Net change in fund balances</b>	<b>(165,233)</b>	<b>64,797</b>	<b>492,820</b>	<b>(11,255)</b>	<b>88,359</b>	<b>223,596</b>	<b>(822,783)</b>
<b>Fund Balances, Beginning as previously stated</b>	<b>565,057</b>	<b>49,581</b>	<b>2,017,143</b>	<b>-</b>	<b>1,829,061</b>	<b>262,960</b>	<b>3,988,017</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning as Restated</b>	<b>565,057</b>	<b>49,581</b>	<b>2,017,143</b>	<b>-</b>	<b>1,829,061</b>	<b>262,960</b>	<b>3,988,017</b>
<b>Fund Balances, Ending</b>	<b>\$ 399,824</b>	<b>\$ 114,378</b>	<b>\$ 2,509,963</b>	<b>\$ (11,255)</b>	<b>\$ 1,917,420</b>	<b>\$ 486,556</b>	<b>\$ 3,165,234</b>

**Elkhart County, Indiana**

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

	<u>Public Safety Grants</u>	<u>Title IV-D Grants</u>	<u>COVID Funds</u>	<u>Jail Commissary</u>	<u>Accident Report</u>	<u>Campaign Finance Enforcement</u>	<u>LIT - Economic Development</u>	<u>LIT - Special Purpose</u>
<b>Revenues</b>								
Taxes:								
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	6,014,414	14,290,945
Intergovernmental	817,761	337,806	7,122,260	65,070	-	-	401,450	-
Charges for services	-	-	-	-	39,240	-	-	-
Fines and forfeits	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Other:								
Miscellaneous	5,600	395	7,623	602,398	-	-	-	244
Total revenues	<u>823,361</u>	<u>338,201</u>	<u>7,129,883</u>	<u>667,468</u>	<u>39,240</u>	<u>-</u>	<u>6,415,864</u>	<u>14,291,189</u>
<b>Expenditures</b>								
Current:								
General government	-	-	-	269,874	-	-	682,021	5,482,236
Public safety	922,813	-	-	-	38,193	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	357,604	3,723,267	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	-	3,753	-	-	196,950	-
Capital lease	-	672	-	-	20,689	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	4,949,960	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	512,321	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Total expenditures	<u>922,813</u>	<u>358,276</u>	<u>4,235,588</u>	<u>273,627</u>	<u>58,882</u>	<u>-</u>	<u>5,828,931</u>	<u>5,482,236</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(99,452)</u>	<u>(20,075)</u>	<u>2,894,295</u>	<u>393,841</u>	<u>(19,642)</u>	<u>-</u>	<u>586,933</u>	<u>8,808,953</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(5)	-	-	-	-	-	-	(7,660,929)
Total other financing sources and uses	<u>(5)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,660,929)</u>
Net change in fund balances	<u>(99,457)</u>	<u>(20,075)</u>	<u>2,894,295</u>	<u>393,841</u>	<u>(19,642)</u>	<u>-</u>	<u>586,933</u>	<u>1,148,024</u>
<b>Fund Balances, Beginning as previously stated</b>	290,143	1,065,352	(2,910,797)	280,155	75,365	150	4,685,554	12,084,766
<b>Prior Period Adjustment</b>	-	-	-	(187,656)	-	-	-	-
<b>Fund Balances, Beginning as Restated</b>	290,143	1,065,352	(2,910,797)	92,499	75,365	150	4,685,554	12,084,766
<b>Fund Balances, Ending</b>	<u>\$ 190,686</u>	<u>\$ 1,045,277</u>	<u>\$ (16,502)</u>	<u>\$ 486,340</u>	<u>\$ 55,723</u>	<u>\$ 150</u>	<u>\$ 5,272,487</u>	<u>\$ 13,232,790</u>

**Elkhart County, Indiana**

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

	<u>Clerk's Records Perpetuation</u>	<u>LIT Public Safety County Share</u>	<u>Local Health Dept. Trust A/C</u>	<u>Tax Billing System (GUTS)</u>	<u>Certificate Sales Surplus</u>	<u>Redevelopment Commission</u>	<u>County Seizure of Assets</u>	<u>Sales Disclosure- County Share</u>
<b>Revenues</b>								
Taxes:								
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	6,041,888	-	-	-	-	-	-
Intergovernmental	16,114	-	73,377	-	-	-	-	-
Charges for services	109,861	-	-	-	-	4,000	-	82,230
Fines and forfeits	-	-	-	-	-	-	25,776	-
Investment earnings	-	-	-	-	-	-	-	-
Other:								
Miscellaneous	339	799	332	-	120,142	4,500	-	20
Total revenues	<u>126,314</u>	<u>6,042,687</u>	<u>73,709</u>	<u>-</u>	<u>120,142</u>	<u>8,500</u>	<u>25,776</u>	<u>82,250</u>
<b>Expenditures</b>								
Current:								
General government	294,497	-	-	-	24,793	1,114	129,723	50,570
Public safety	-	6,580,439	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	80,436	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	-	-	-	-	-	-
Capital lease	-	-	-	-	-	-	-	10,384
Capital outlay:								
General government	6,199	-	-	-	-	-	21,240	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Total expenditures	<u>300,696</u>	<u>6,580,439</u>	<u>80,436</u>	<u>-</u>	<u>24,793</u>	<u>1,114</u>	<u>150,963</u>	<u>60,954</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(174,382)</u>	<u>(537,752)</u>	<u>(6,727)</u>	<u>-</u>	<u>95,349</u>	<u>7,386</u>	<u>(125,187)</u>	<u>21,296</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(174,382)</u>	<u>(537,752)</u>	<u>(6,727)</u>	<u>-</u>	<u>95,349</u>	<u>7,386</u>	<u>(125,187)</u>	<u>21,296</u>
<b>Fund Balances, Beginning as previously stated</b>	<u>385,939</u>	<u>3,126,847</u>	<u>210,342</u>	<u>14,231</u>	<u>122,478</u>	<u>2,802</u>	<u>474,372</u>	<u>20,697</u>
<b>Prior Period Adjustment</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances, Beginning as Restated</b>	<u>385,939</u>	<u>3,126,847</u>	<u>210,342</u>	<u>14,231</u>	<u>122,478</u>	<u>2,802</u>	<u>474,372</u>	<u>20,697</u>
<b>Fund Balances, Ending</b>	<u>\$ 211,557</u>	<u>\$ 2,589,095</u>	<u>\$ 203,615</u>	<u>\$ 14,231</u>	<u>\$ 217,827</u>	<u>\$ 10,188</u>	<u>\$ 349,185</u>	<u>\$ 41,993</u>

**Elkhart County, Indiana**

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

	<u>Commissioners Certificate Rede</u>	<u>H. O. M. E. Consortium</u>	<u>County Noise Ordinance Fund</u>	<u>School Lunch Program</u>	<u>Elkhart County Food Council</u>	<u>Solid Waste Mgmt District</u>	<u>Economic Development Fee</u>	<u>Electronic Map (GIS)</u>
<b>Revenues</b>								
Taxes:								
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	16,853	-	-	-	-
Charges for services	-	-	-	-	-	-	85,674	35,009
Fines and forfeits	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Other:								
Miscellaneous	-	-	-	-	4,000	-	-	75,389
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,853</b>	<b>4,000</b>	<b>-</b>	<b>85,674</b>	<b>110,398</b>
<b>Expenditures</b>								
Current:								
General government	-	-	-	-	-	-	17,000	79,025
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	13,215	308	38,944	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	-	-	-	-	-	-
Capital lease	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,215</b>	<b>308</b>	<b>38,944</b>	<b>17,000</b>	<b>79,025</b>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	3,638	3,692	(38,944)	68,674	31,373
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources and uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,638</b>	<b>3,692</b>	<b>(38,944)</b>	<b>68,674</b>	<b>31,373</b>
<b>Fund Balances, Beginning as previously stated</b>	<b>9,582</b>	<b>171</b>	<b>2,365</b>	<b>129</b>	<b>-</b>	<b>1,580,288</b>	<b>398,005</b>	<b>98,301</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning as Restated</b>	<b>9,582</b>	<b>171</b>	<b>2,365</b>	<b>129</b>	<b>-</b>	<b>1,580,288</b>	<b>398,005</b>	<b>98,301</b>
<b>Fund Balances, Ending</b>	<b>\$ 9,582</b>	<b>\$ 171</b>	<b>\$ 2,365</b>	<b>\$ 3,767</b>	<b>\$ 3,692</b>	<b>\$ 1,541,344</b>	<b>\$ 466,679</b>	<b>\$ 129,674</b>

**Elkhart County, Indiana**

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

	Levy Excess	Local Road & Street	Motor Vehicle Highway - Restricted	Motor Vehicle Highway	Plat Book	Reassessment - 2015	Recorder's Perpetuation	Surveyor's Corner Perpetuation
<b>Revenues</b>								
Taxes:								
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 785,771	\$ -	\$ -
Income	-	-	-	-	-	-	-	-
Intergovernmental	-	2,566,837	3,847,826	3,940,019	-	41,877	26,128	-
Charges for services	-	-	-	299,239	90,560	6,395	582,555	175,115
Fines and forfeits	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-
Other:								
Miscellaneous	-	-	-	60,833	-	-	-	-
Total revenues	-	2,566,837	3,847,826	4,300,091	90,560	834,043	608,683	175,115
<b>Expenditures</b>								
Current:								
General government	-	-	-	-	60,497	565,550	196,337	89,880
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	1,391,825	629,551	3,416,198	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	-	-	-	-	-	-
Capital lease	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	754,670	2,631,612	118,421	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Total expenditures	-	2,146,495	3,261,163	3,534,619	60,497	565,550	196,337	89,880
Excess (deficiency) of revenues over (under) expenditures	-	420,342	586,663	765,472	30,063	268,493	412,346	85,235
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	142,703	-	-	-	-
Transfers out	(13,804)	-	-	-	-	-	-	-
Total other financing sources and uses	(13,804)	-	-	142,703	-	-	-	-
Net change in fund balances	(13,804)	420,342	586,663	908,175	30,063	268,493	412,346	85,235
<b>Fund Balances, Beginning as previously stated</b>	13,804	2,337,418	884,061	2,545,210	241,408	1,197,043	1,226,588	417,728
<b>Prior Period Adjustment</b>	-	-	-	-	-	-	-	-
<b>Fund Balances, Beginning as Restated</b>	13,804	2,337,418	884,061	2,545,210	241,408	1,197,043	1,226,588	417,728
<b>Fund Balances, Ending</b>	\$ -	\$ 2,757,760	\$ 1,470,724	\$ 3,453,385	\$ 271,471	\$ 1,465,536	\$ 1,638,934	\$ 502,963

**Elkhart County, Indiana**

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

	<u>Unsafe Building</u>	<u>Auditor Ineligible Deduction</u>	<u>County Elected Officials Training</u>	<u>Abandoned Vehicles</u>	<u>LOIT Special Distribution</u>	<u>Alternate Dispute Resolution</u>	<u>Jury Pay</u>	<u>Special Projects (Pros Atty)</u>
<b>Revenues</b>								
Taxes:								
Property	\$ -	\$ 44,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	1,641	-
Charges for services	-	-	35,024	-	-	17,100	8,674	-
Fines and forfeits	-	-	-	999	-	-	-	221,984
Investment earnings	-	-	-	-	-	-	-	-
Other:								
Miscellaneous	-	-	119	-	-	65	-	-
<b>Total revenues</b>	<b>-</b>	<b>44,714</b>	<b>35,143</b>	<b>999</b>	<b>-</b>	<b>17,165</b>	<b>10,315</b>	<b>221,984</b>
<b>Expenditures</b>								
Current:								
General government	-	38,506	-	2,936	-	-	-	-
Public safety	9,500	-	10,463	-	-	7,975	-	159,549
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Interest	-	-	-	-	-	-	-	-
Capital lease	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	702	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>9,500</b>	<b>38,506</b>	<b>10,463</b>	<b>2,936</b>	<b>702</b>	<b>7,975</b>	<b>-</b>	<b>159,549</b>
Excess (deficiency) of revenues over (under) expenditures	(9,500)	6,208	24,680	(1,937)	(702)	9,190	10,315	62,435
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
<b>Total other financing sources and uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(9,500)</b>	<b>6,208</b>	<b>24,680</b>	<b>(1,937)</b>	<b>(702)</b>	<b>9,190</b>	<b>10,315</b>	<b>62,435</b>
<b>Fund Balances, Beginning as previously stated</b>	<b>12,665</b>	<b>624,234</b>	<b>155,677</b>	<b>18,059</b>	<b>59,202</b>	<b>25,940</b>	<b>57,530</b>	<b>150,320</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances, Beginning as Restated</b>	<b>12,665</b>	<b>624,234</b>	<b>155,677</b>	<b>18,059</b>	<b>59,202</b>	<b>25,940</b>	<b>57,530</b>	<b>150,320</b>
<b>Fund Balances, Ending</b>	<b>\$ 3,165</b>	<b>\$ 630,442</b>	<b>\$ 180,357</b>	<b>\$ 16,122</b>	<b>\$ 58,500</b>	<b>\$ 35,130</b>	<b>\$ 67,845</b>	<b>\$ 212,755</b>

**Elkhart County, Indiana**

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

	Drug Court User Fee	Emergency Planning Right to Know	Emergency Telephone System	Enhanced Access	Total
<b>Revenues</b>					
Taxes:					
Property	\$ -	\$ -	\$ 1,771,474	\$ -	\$ 7,012,098
Income	-	-	-	-	26,347,247
Intergovernmental	-	14,275	119,345	-	24,564,915
Charges for services	-	-	1,080	101,669	6,639,605
Fines and forfeits	27,645	-	-	-	452,317
Investment earnings	-	-	-	-	37
Other:					
Miscellaneous	-	-	358	-	1,042,868
<b>Total revenues</b>	<u>27,645</u>	<u>14,275</u>	<u>1,892,257</u>	<u>101,669</u>	<u>66,059,087</u>
<b>Expenditures</b>					
Current:					
General government	-	-	-	36,929	8,021,488
Public safety	-	33,992	1,901,232	-	15,489,485
Highways and streets	-	-	-	-	5,437,574
Health and welfare	-	-	-	-	10,878,456
Culture and recreation	-	-	-	-	2,335,011
Debt service:					
Interest	-	-	24,826	-	250,354
Capital lease	-	-	3,789	-	42,689
Capital outlay:					
General government	-	-	-	-	4,977,399
Public safety	-	-	-	-	702
Highways and streets	-	-	-	-	3,504,703
Health and welfare	-	-	-	-	520,760
Culture and recreation	-	-	-	-	132,520
<b>Total expenditures</b>	<u>-</u>	<u>33,992</u>	<u>1,929,847</u>	<u>36,929</u>	<u>51,591,141</u>
Excess (deficiency) of revenues over (under) expenditures	<u>27,645</u>	<u>(19,717)</u>	<u>(37,590)</u>	<u>64,740</u>	<u>14,467,946</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	142,708
Transfers out	-	-	-	-	(7,674,738)
<b>Total other financing sources and uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,532,030)</u>
<b>Net change in fund balances</b>	<u>27,645</u>	<u>(19,717)</u>	<u>(37,590)</u>	<u>64,740</u>	<u>6,935,916</u>
<b>Fund Balances, Beginning as previously stated</b>	<u>22,093</u>	<u>90,982</u>	<u>(693,687)</u>	<u>310,059</u>	<u>40,425,390</u>
<b>Prior Period Adjustment</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(187,656)</u>
<b>Fund Balances, Beginning as Restated</b>	<u>22,093</u>	<u>90,982</u>	<u>(693,687)</u>	<u>310,059</u>	<u>40,237,734</u>
<b>Fund Balances, Ending</b>	<u>\$ 49,738</u>	<u>\$ 71,265</u>	<u>\$ (731,277)</u>	<u>\$ 374,799</u>	<u>\$ 47,173,650</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Debt Service Funds  
December 31, 2021

	<u>Debt Service</u>	<u>2015 Reserve Fund</u>	<u>NW Gateway Bond Reserve</u>	<u>Building Corporation Debt Service</u>	<u>Total</u>
<b>Assets</b>					
Restricted:					
Cash and cash equivalents	\$ 945,504	\$ 7,703,056	\$ 74,902	\$ 17,545	\$ 8,741,007
Total assets	<u>\$ 945,504</u>	<u>\$ 7,703,056</u>	<u>\$ 74,902</u>	<u>\$ 17,545</u>	<u>\$ 8,741,007</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
<b>Liabilities</b>					
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Fund Balances</b>					
Restricted	945,504	7,703,056	74,902	17,545	8,741,007
Total fund balances	<u>945,504</u>	<u>7,703,056</u>	<u>74,902</u>	<u>17,545</u>	<u>8,741,007</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 945,504</u>	<u>\$ 7,703,056</u>	<u>\$ 74,902</u>	<u>\$ 17,545</u>	<u>\$ 8,741,007</u>

**Elkhart County, Indiana**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -  
Nonmajor Debt Service Funds  
Year Ended December 31, 2021

	<u>Debt Service</u>	<u>2015 Reserve Fund</u>	<u>NW Gateway Bond Reserve</u>	<u>Building Corporation Debt Service</u>	<u>Total</u>
<b>Revenues</b>					
Investment earnings (loss)	\$ 3,601	\$ (31,751)	\$ -	\$ 7	\$ (28,143)
Other:					
Miscellaneous	-	-	-	15,538	15,538
Total revenues	<u>3,601</u>	<u>(31,751)</u>	<u>-</u>	<u>15,545</u>	<u>(12,605)</u>
<b>Expenditures</b>					
Current:					
General government	6,500	-	-	-	6,500
Debt service:					
Principal	5,335,000	-	-	-	5,335,000
Interest	1,918,283	-	-	348,000	2,266,283
Total expenditures	<u>7,259,783</u>	<u>-</u>	<u>-</u>	<u>348,000</u>	<u>7,607,783</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,256,182)</u>	<u>(31,751)</u>	<u>-</u>	<u>(332,455)</u>	<u>(7,620,388)</u>
<b>Other Financing Sources (Uses)</b>					
Transfers in	7,660,929	-	-	350,000	8,010,929
Transfers out	<u>(350,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(350,000)</u>
Total other financing sources and uses	<u>7,310,929</u>	<u>-</u>	<u>-</u>	<u>350,000</u>	<u>7,660,929</u>
Net change in fund balances	54,747	(31,751)	-	17,545	40,541
<b>Fund Balances, Beginning</b>	<u>890,757</u>	<u>7,734,807</u>	<u>74,902</u>	<u>-</u>	<u>8,700,466</u>
<b>Fund Balances, Ending</b>	<u>\$ 945,504</u>	<u>\$ 7,703,056</u>	<u>\$ 74,902</u>	<u>\$ 17,545</u>	<u>\$ 8,741,007</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Capital Project Funds  
December 31, 2021

	<u>Cumulative Bridge</u>	<u>Cumulative Building</u>	<u>TIF Funds</u>	<u>Road Maint &amp; Construction</u>	<u>Cumulative Cap Development</u>	<u>Cumulative Drainage</u>	<u>Cumulative Voting System</u>	<u>Major Bridge</u>
<b>Assets</b>								
Cash and cash equivalents	\$ 2,556,720	\$ 185,403	\$ 20,711,221	\$ 1,050,687	\$ 3,628,887	\$ 2,152,676	\$ 754,458	\$ 8,189,374
Receivables:								
Taxes	1,063,396	-	-	6,808	3,474,462	607,974	705,421	3,506,048
Intergovernmental	35,578	-	-	176,698	113,404	34,708	23,024	114,435
<b>Total assets</b>	<u>\$ 3,655,694</u>	<u>\$ 185,403</u>	<u>\$ 20,711,221</u>	<u>\$ 1,234,193</u>	<u>\$ 7,216,753</u>	<u>\$ 2,795,358</u>	<u>\$ 1,482,903</u>	<u>\$ 11,809,857</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ 28,683	\$ -	\$ 92,225	\$ 24,133	\$ 151,032	\$ 40,930	\$ 6,478	\$ 1,233
Accrued payroll and withholdings payable	13,242	-	-	-	38,691	-	10,925	-
Interfund payable	-	-	-	-	-	-	1,462,521	1,806,461
<b>Total liabilities</b>	<u>41,925</u>	<u>-</u>	<u>92,225</u>	<u>24,133</u>	<u>189,723</u>	<u>40,930</u>	<u>1,479,924</u>	<u>1,807,694</u>
<b>Deferred Inflows of Resources</b>								
Unavailable revenue	1,098,104	-	-	-	3,587,866	642,682	728,445	3,620,483
<b>Total deferred inflows of resources</b>	<u>1,098,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,587,866</u>	<u>642,682</u>	<u>728,445</u>	<u>3,620,483</u>
<b>Fund Balances</b>								
Restricted	2,515,665	185,403	20,618,996	1,210,060	3,439,164	2,111,746	-	6,381,680
Unassigned	-	-	-	-	-	-	(725,466)	-
<b>Total fund balances</b>	<u>2,515,665</u>	<u>185,403</u>	<u>20,618,996</u>	<u>1,210,060</u>	<u>3,439,164</u>	<u>2,111,746</u>	<u>(725,466)</u>	<u>6,381,680</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 3,655,694</u>	<u>\$ 185,403</u>	<u>\$ 20,711,221</u>	<u>\$ 1,234,193</u>	<u>\$ 7,216,753</u>	<u>\$ 2,795,358</u>	<u>\$ 1,482,903</u>	<u>\$ 11,809,857</u>

**Elkhart County, Indiana**

Combining Balance Sheet - Nonmajor Capital Project Funds  
December 31, 2021

	<u>Horn Ditch Project 2 Phase</u>	<u>Love's Allocation Fund</u>	<u>2017 Corrections Complex Bond</u>	<u>2015 Bond Capital Fund</u>	<u>NW Gateway Bond Capital</u>	<u>Fiber</u>	<u>Total</u>
<b>Assets</b>							
Cash and cash equivalents	\$ 137,380	\$ 42,602	\$ -	\$ -	\$ 443,007	\$ 70,593	\$ 39,923,008
Receivables:							
Taxes	-	-	-	-	-	-	9,364,109
Intergovernmental	-	-	-	-	-	-	497,847
<b>Total assets</b>	<u>\$ 137,380</u>	<u>\$ 42,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 443,007</u>	<u>\$ 70,593</u>	<u>\$ 49,784,964</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,808	\$ 369,522
Accrued payroll and withholdings payable	-	-	-	-	-	3,125	65,983
Interfund payable	-	-	-	-	-	-	3,268,982
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,933</u>	<u>3,704,487</u>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue	-	-	-	-	-	-	9,677,580
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,677,580</u>
<b>Fund Balances</b>							
Restricted	137,380	42,602	-	-	443,007	42,660	37,128,363
Unassigned	-	-	-	-	-	-	(725,466)
<b>Total fund balances</b>	<u>137,380</u>	<u>42,602</u>	<u>-</u>	<u>-</u>	<u>443,007</u>	<u>42,660</u>	<u>36,402,897</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 137,380</u>	<u>\$ 42,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 443,007</u>	<u>\$ 70,593</u>	<u>\$ 49,784,964</u>

**Elkhart County, Indiana**

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

	<b>Cumulative Bridge</b>	<b>Cumulative Building</b>	<b>TIF Funds</b>	<b>Road Maint &amp; Construction</b>	<b>Cumulative Cap Development</b>	<b>Cumulative Drainage</b>	<b>Cumulative Voting System</b>
<b>Revenues</b>							
Taxes:							
Property	\$ 992,036	\$ -	\$ 6,792,916	\$ -	\$ 3,241,305	\$ 532,360	\$ 658,083
Other	-	-	-	223,249	-	-	-
Intergovernmental	742,251	-	-	3,957,782	199,254	39,961	150,993
Charges for services	-	-	1,247,417	-	-	-	-
Miscellaneous	-	-	86,604	9,133	70,413	264	413
<b>Total revenues</b>	<b>1,734,287</b>	<b>-</b>	<b>8,126,937</b>	<b>4,190,164</b>	<b>3,510,972</b>	<b>572,585</b>	<b>809,489</b>
<b>Expenditures</b>							
Current:							
General government	-	-	1,733,503	-	2,520,841	37,087	517,344
Highways and streets	181,046	-	-	474,140	-	-	-
Debt service:							
Principal	-	-	100,000	-	-	-	-
Interest	-	-	110,975	-	-	-	-
Capital lease	-	-	-	-	28,335	-	-
Capital outlay:							
General government	-	-	3,089,468	-	1,344,569	333,589	-
Highways and streets	600,726	-	-	3,891,591	-	-	-
<b>Total expenditures</b>	<b>781,772</b>	<b>-</b>	<b>5,033,946</b>	<b>4,365,731</b>	<b>3,893,745</b>	<b>370,676</b>	<b>517,344</b>
Excess (deficiency) of revenues over (under) expenditures	952,515	-	3,092,991	(175,567)	(382,773)	201,909	292,145
Net change in fund balances	952,515	-	3,092,991	(175,567)	(382,773)	201,909	292,145
<b>Fund Balances, Beginning</b>	<b>1,563,150</b>	<b>185,403</b>	<b>17,526,005</b>	<b>1,385,627</b>	<b>3,821,937</b>	<b>1,909,837</b>	<b>(1,017,611)</b>
<b>Fund Balances, Ending</b>	<b>\$ 2,515,665</b>	<b>\$ 185,403</b>	<b>\$ 20,618,996</b>	<b>\$ 1,210,060</b>	<b>\$ 3,439,164</b>	<b>\$ 2,111,746</b>	<b>\$ (725,466)</b>

**Elkhart County, Indiana**

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

	<u>Major Bridge</u>	<u>Horn Ditch Project 2 Phase</u>	<u>Love's Allocation Fund</u>	<u>2017 Corrections Complex Bond</u>	<u>2015 Bond Capital Fund</u>	<u>NW Gateway Bond Capital</u>	<u>Fiber</u>	<u>Total</u>
<b>Revenues</b>								
Taxes:								
Property	\$ 3,270,771	\$ -	\$ 104,316	\$ -	\$ -	\$ -	\$ -	\$ 15,591,787
Other	-	-	-	-	-	-	-	223,249
Intergovernmental	201,602	-	-	-	-	-	679,059	5,970,902
Charges for services	-	-	-	-	-	-	-	1,247,417
Miscellaneous	236,578	-	-	-	-	1,661	-	405,066
<b>Total revenues</b>	<b>3,708,951</b>	<b>-</b>	<b>104,316</b>	<b>-</b>	<b>-</b>	<b>1,661</b>	<b>679,059</b>	<b>23,438,421</b>
<b>Expenditures</b>								
Current:								
General government	-	-	-	-	96,692	313,100	256,704	5,475,271
Highways and streets	1,233	-	-	-	-	-	-	656,419
Debt service:								
Principal	-	-	83,526	-	-	-	-	183,526
Interest	57,737	-	-	-	-	-	-	168,712
Capital lease	-	-	-	-	-	-	-	28,335
Capital outlay:								
General government	-	-	-	436,092	-	-	1,394,933	6,598,651
Highways and streets	315,768	-	-	-	-	-	-	4,808,085
<b>Total expenditures</b>	<b>374,738</b>	<b>-</b>	<b>83,526</b>	<b>436,092</b>	<b>96,692</b>	<b>313,100</b>	<b>1,651,637</b>	<b>17,918,999</b>
Excess (deficiency) of revenues over (under) expenditures	3,334,213	-	20,790	(436,092)	(96,692)	(311,439)	(972,578)	5,519,422
Net change in fund balances	3,334,213	-	20,790	(436,092)	(96,692)	(311,439)	(972,578)	5,519,422
<b>Fund Balances, Beginning</b>	<b>3,047,467</b>	<b>137,380</b>	<b>21,812</b>	<b>436,092</b>	<b>96,692</b>	<b>754,446</b>	<b>1,015,238</b>	<b>30,883,475</b>
<b>Fund Balances, Ending</b>	<b>\$ 6,381,680</b>	<b>\$ 137,380</b>	<b>\$ 42,602</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 443,007</b>	<b>\$ 42,660</b>	<b>\$ 36,402,897</b>

## Elkhart County, Indiana

Combining Statement of Fiduciary Net Position - Private-Purpose Trust Funds

December 31, 2021

	<u>Congressional School Interest</u>	<u>Congressional School Principal</u>	<u>Total Private-Purpose Trust Funds</u>
<b>Assets</b>			
Cash and cash equivalents	<u>\$ 64,168</u>	<u>\$ 45,862</u>	<u>\$ 110,030</u>
Total assets	<u>64,168</u>	<u>45,862</u>	<u>110,030</u>
<b>Liabilities</b>			
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net position, restricted for trusts	<u>\$ 64,168</u>	<u>\$ 45,862</u>	<u>\$ 110,030</u>

**Elkhart County, Indiana**Combining Statement of Changes in Fiduciary Net Position - Private-Purpose Trust Funds  
Year Ended December 31, 2021

	<u>Congressional School Interest</u>	<u>Congressional School Principal</u>	<u>Total Private-Purpose Trust Funds</u>
<b>Additions</b>			
Total additions	\$ -	\$ -	\$ -
<b>Deductions</b>			
Other trust activities	1,835	-	1,835
Total deductions	1,835	-	1,835
Change in fiduciary net position	(1,835)	-	(1,835)
<b>Net Position, Beginning</b>	66,003	45,862	111,865
<b>Net Position, Ending</b>	<u>\$ 64,168</u>	<u>\$ 45,862</u>	<u>\$ 110,030</u>

**Elkhart County, Indiana**Combining Statement of Fiduciary Net Position - Pension Trust Funds  
December 31, 2021

	<u>Sheriff's Pension Trust</u>	<u>Sheriff's Retirement</u>	<u>Sheriff's Benefit</u>	<u>Total Pension Trust Funds</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 1,080,760	\$ 615,594	\$ 5,944	\$ 1,702,298
Receivables:				
Employee contributions	-	8,473	-	8,473
Accrued interest and dividends	-	42,713	134	42,847
Total receivables	-	51,186	134	51,320
Investments at fair value:				
Fixed income securities	-	10,152,104	119,636	10,271,740
Domestic and foreign equities	-	19,461,327	262,061	19,723,388
Total investments	-	29,613,431	381,697	29,995,128
Total assets	1,080,760	30,280,211	387,775	31,748,746
<b>Liabilities</b>				
Payable, net benefits due and unpaid/(overpaid)	\$ -	\$ 27,168	\$ -	\$ 27,168
Total liabilities	-	27,168	-	27,168
Net position, restricted for pensions	\$ 1,080,760	\$ 30,253,043	\$ 387,775	\$ 31,721,578

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

	<u>Sheriff's Pension Trust</u>	<u>Sheriff's Retirement</u>	<u>Sheriff's Benefit</u>	<u>Total Pension Trust Funds</u>
<b>Additions</b>				
Contributions:				
Employer contributions	\$ 190,792	\$ 1,350,870	\$ 28,274	\$ 1,569,936
Employee contributions	-	225,228	-	225,228
Total contributions	<u>190,792</u>	<u>1,576,098</u>	<u>28,274</u>	<u>1,795,164</u>
Investment income:				
Interest	-	517,611	4,918	522,529
Net increase (decrease) in fair value of investments	-	2,783,670	42,827	2,826,497
Total investment income	<u>-</u>	<u>3,301,281</u>	<u>47,745</u>	<u>3,349,026</u>
Total additions	<u>190,792</u>	<u>4,877,379</u>	<u>76,019</u>	<u>5,144,190</u>
<b>Deductions</b>				
Benefit payments (including refunds of employee contributions)	-	1,267,946	-	1,267,946
Other trust activities	-	182,441	10,173	192,614
Transfers out of trust	-	(154,171)	(8,597)	(162,768)
Administrative expense	-	93,543	22,807	116,350
Total deductions	<u>-</u>	<u>1,389,759</u>	<u>24,383</u>	<u>1,414,142</u>
Change in fiduciary net position	190,792	3,487,620	51,636	3,730,048
<b>Net Position, Beginning</b>	<u>889,968</u>	<u>26,765,423</u>	<u>336,139</u>	<u>27,991,530</u>
<b>Net Position, Ending</b>	<u>\$ 1,080,760</u>	<u>\$ 30,253,043</u>	<u>\$ 387,775</u>	<u>\$ 31,721,578</u>

**Elkhart County, Indiana**

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

	<u>Settlement Funds</u>	<u>Agency LIT Funds</u>	<u>Agency Fines and Fees</u>	<u>Agency Tax Funds</u>	<u>Tax Sale Funds</u>	<u>After Settlement Collections</u>	<u>Inmate Trust</u>	<u>Clerk's Trust</u>	<u>Interstate Compact - State Share</u>	<u>Inheritance Tax</u>	<u>Convention, Visitor &amp; Tourism</u>	<u>Total Custodial Funds</u>
<b>Assets</b>												
Cash and cash equivalents	\$ 95,122	\$ -	\$ 86,316	\$ 1,005,806	\$ 9,713,780	\$ 8,448,956	\$ 194,343	\$ 2,329,422	\$ 250	\$ 17,643	\$ -	\$ 21,891,638
Receivables:												
Taxes	228,652,187	16,193,117	-	-	-	-	-	-	-	-	-	244,845,304
Intergovernmental	6,261,949	-	131	930,682	-	-	-	-	-	-	-	7,192,762
Total receivables	<u>234,914,136</u>	<u>16,193,117</u>	<u>131</u>	<u>930,682</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>252,038,066</u>
Total assets	<u>235,009,258</u>	<u>16,193,117</u>	<u>86,447</u>	<u>1,936,488</u>	<u>9,713,780</u>	<u>8,448,956</u>	<u>194,343</u>	<u>2,329,422</u>	<u>250</u>	<u>17,643</u>	<u>-</u>	<u>273,929,704</u>
<b>Liabilities</b>												
Due to other governments	6,357,071	16,193,117	-	1,936,488	-	8,448,956	-	-	-	-	-	32,935,632
Total liabilities	<u>6,357,071</u>	<u>16,193,117</u>	<u>-</u>	<u>1,936,488</u>	<u>-</u>	<u>8,448,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,935,632</u>
<b>Deferred Inflows</b>												
Uncollected taxes	228,652,187	-	-	-	-	-	-	-	-	-	-	228,652,187
Net position, restricted for individuals, organization and other governments	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 86,447</u>	<u>\$ -</u>	<u>\$ 9,713,780</u>	<u>\$ -</u>	<u>\$ 194,343</u>	<u>\$ 2,329,422</u>	<u>\$ 250</u>	<u>\$ 17,643</u>	<u>\$ -</u>	<u>\$ 12,341,885</u>

**Elkhart County, Indiana**

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

	Settlement Funds	Agency LIT Funds	Agency Fines and Fees	Agency Tax Funds	Tax Sale Funds	After Settlement Collections	Inmate Trust	Clerk's Trust	Interstate Compact - State Share	Inheritance Tax	Convention, Visitor & Tourism	Total Custodial Funds
<b>Additions</b>												
Taxes collected for other governments	\$ 275,742,051	\$ 64,602,597	\$ 25	\$ 21,257,244	\$ 12,469,507	\$ 8,448,956	\$ -	\$ -	\$ -	\$ -	\$ 2,235,460	\$ 384,755,840
Miscellaneous	-	-	766,112	-	-	-	2,925,908	18,147,320	4,563	-	-	21,843,903
Total additions	275,742,051	64,602,597	766,137	21,257,244	12,469,507	8,448,956	2,925,908	18,147,320	4,563	-	2,235,460	406,599,743
<b>Deductions</b>												
Other trust activities	-	-	-	-	-	-	2,731,565	15,817,898	4,313	-	-	18,553,776
Taxes distributed to other governments	275,742,051	64,602,597	679,690	21,257,244	10,693,289	8,448,956	-	-	-	-	2,235,460	383,659,287
Total deductions	275,742,051	64,602,597	679,690	21,257,244	10,693,289	8,448,956	2,731,565	15,817,898	4,313	-	2,235,460	402,213,063
Change in fiduciary net position	-	-	86,447	-	1,776,218	-	194,343	2,329,422	250	-	-	4,386,680
<b>Net Position, Beginning as Previously Stated</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Prior Period Adjustment (See Note 3)</b>	-	-	-	-	7,937,562	-	-	-	-	17,643	-	7,955,205
<b>Net Position, Beginning as Adjusted</b>	-	-	-	-	7,937,562	-	-	-	-	17,643	-	7,955,205
<b>Net Position, Ending</b>	\$ -	\$ -	\$ 86,447	\$ -	\$ 9,713,780	\$ -	\$ 194,343	\$ 2,329,422	\$ 250	\$ 17,643	\$ -	\$ 12,341,885

**Elkhart County, Indiana**

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

	Component Units				Total
	Elkhart Public Library	Middlebury Community Public Library	Napanee Public Library	Wakarusa- Olive & Harrison Township Public Library	
<b>Assets and Deferred Outflows of Resources</b>					
<b>Assets</b>					
Cash and cash equivalents	\$ 12,789,104	\$ 1,156,671	\$ 2,011,272	\$ 1,244,603	\$ 17,201,650
Receivables:					
Taxes	5,612,453	816,871	913,674	464,706	7,807,703
Accounts	2,298	-	-	-	2,298
Capital assets:					
Land and construction in progress	1,931,383	180,000	130,675	35,001	2,277,059
Capital assets not depreciated	-	-	12,500	-	12,500
Other capital assets, net of depreciation	4,661,704	1,044,491	1,615,452	342,744	7,664,391
<b>Total assets</b>	<b>24,996,942</b>	<b>3,198,033</b>	<b>4,683,573</b>	<b>2,087,054</b>	<b>34,965,601</b>
<b>Deferred Outflows of Resources</b>					
Pension related	437,249	405,257	76,755	31,329	950,590
<b>Total deferred outflow of resources</b>	<b>437,249</b>	<b>405,257</b>	<b>76,755</b>	<b>31,329</b>	<b>950,590</b>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>					
<b>Liabilities</b>					
Accounts payable	208,236	-	6,603	-	214,839
Noncurrent liabilities:					
Due within one year:					
General obligation bonds	469,488	-	-	-	469,488
Due in more than one year:					
General obligation bonds (net of discounts, premiums)	3,197,525	-	-	-	3,197,525
Net pension liability	761,086	222,378	121,190	56,581	1,161,235
<b>Total liabilities</b>	<b>4,636,335</b>	<b>222,378</b>	<b>127,793</b>	<b>56,581</b>	<b>5,043,087</b>
<b>Deferred Inflows of Resources</b>					
Pension related	1,203,002	346,677	194,751	89,288	1,833,718
Unavailable revenue	5,612,453	816,871	913,674	464,706	7,807,704
<b>Total deferred inflow of resources</b>	<b>6,815,455</b>	<b>1,163,548</b>	<b>1,108,425</b>	<b>553,994</b>	<b>9,641,422</b>
<b>Net Position</b>					
Net investment in capital assets	2,926,074	1,224,491	1,758,627	377,745	6,286,937
Net position, unrestricted	11,056,327	992,873	1,765,483	1,130,063	14,944,746
<b>Total net position</b>	<b>\$ 13,982,401</b>	<b>\$ 2,217,364</b>	<b>\$ 3,524,110</b>	<b>\$ 1,507,808</b>	<b>\$ 21,231,683</b>

**Elkhart County, Indiana**

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

	Program Revenues			Net (Expense) Revenue and Changes in Net Position				Total
	Expenses	Charges for Services	Operating Grants and Contributions	Elkhart Public Library	Middlebury Community Public Library	Nappanee Public Library	Wakarusa-Olive & Harrison Township Public Library	
<b>Functions/Programs</b>								
Component Units:								
Elkhart Public Library	\$ 7,712,311	\$ 61,127	\$ 20,645	\$ (7,630,539)	\$ -	\$ -	\$ -	\$ (7,630,539)
Middlebury Community Public Library	1,375,547	33,970	15,938	-	(1,325,639)	-	-	(1,325,639)
Nappanee Public Library	1,496,474	16,234	14,124	-	-	(1,466,116)	-	(1,466,116)
Wakarusa-Olive & Harrison Township Public Library	612,123	10,632	75	-	-	-	(601,416)	(601,416)
Total component units	<u>\$ 11,196,455</u>	<u>\$ 121,963</u>	<u>\$ 50,782</u>	<u>(7,630,539)</u>	<u>(1,325,639)</u>	<u>(1,466,116)</u>	<u>(601,416)</u>	<u>(11,023,710)</u>
General Revenues:								
Taxes:								
Property taxes				5,755,448	795,152	1,045,032	444,901	8,040,533
Income taxes				2,031,378	262,139	372,201	147,165	2,812,883
Other taxes				475,119	59,790	77,923	44,784	657,616
Investment income				35,281	1,191	1,067	334	37,873
Donations				1,639	6,988	8,072	1,617	18,316
Miscellaneous				8,072	57,976	66,525	-	132,573
Gain on disposal of assets				3,283	-	-	-	3,283
Total general revenues and transfers				<u>8,310,220</u>	<u>1,183,236</u>	<u>1,570,820</u>	<u>638,801</u>	<u>11,703,077</u>
Change in net position				679,681	(142,403)	104,704	37,385	679,367
<b>Net Position, Beginning as Previously Stated</b>				16,851,715	9,812,920	5,074,646	4,194,188	35,933,469
<b>Prior Period Adjustment (See Note 3)</b>				<u>(3,548,995)</u>	<u>(7,453,153)</u>	<u>(1,655,240)</u>	<u>(2,723,765)</u>	<u>(15,381,153)</u>
<b>Net Position, Beginning as Adjusted</b>				<u>13,302,720</u>	<u>2,359,767</u>	<u>3,419,406</u>	<u>1,470,423</u>	<u>20,552,316</u>
<b>Net Position, Ending</b>				<u>\$ 13,982,401</u>	<u>\$ 2,217,364</u>	<u>\$ 3,524,110</u>	<u>\$ 1,507,808</u>	<u>\$ 21,231,683</u>

**ELKHART COUNTY, INDIANA  
FEDERAL SINGLE AUDIT REPORT  
YEAR ENDED DECEMBER 31, 2021**



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**ELKHART COUNTY, INDIANA  
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

County Officials  
Elkhart County, Indiana  
Goshen, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Elkhart County, Indiana (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 17, 2023. The opinion on the aggregate discretely presented component units was qualified because management has not recorded a liability for compensated absences, accrued wages and withholdings. In addition, the County's records did not permit us to extend our audit procedures over the beginning balance of books and materials for one library to obtain sufficient appropriate audit evidence.

***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We identified certain deficiencies in internal control which are described in the accompanying schedule of findings and questioned costs as items 2021-001, 2021-002, and 2021-003 that we consider to be material weaknesses.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2021-001 and 2021-003.

***The County's Response to Findings***

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

***Purpose of this Report***

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



**CliftonLarsonAllen LLP**

Indianapolis, Indiana  
May 17, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

County Officials  
Elkhart County, Indiana  
Goshen, Indiana

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Elkhart County, Indiana's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2021. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control Over Compliance**

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

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of finding and questioned costs as item 2021-004 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

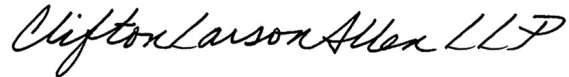
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements. We have issued our report thereon, dated May 17, 2023, which contained unmodified opinions on those financial statements except for the aggregate discretely presented component units, for which the opinion was qualified. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Indianapolis, Indiana  
May 17, 2023

**ELKHART COUNTY, INDIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Department of Agriculture</b>					
Child Nutrition Cluster:					
School Breakfast Program:					
School Breakfast Program 4925	Indiana Department of Education	10.553	Not Available	\$ -	\$ 5,845
National School Lunch Program:					
School Lunch Program 4925	Indiana Department of Education	10.555	Not Available	-	10,936
Total Child Nutrition Cluster				-	16,781
WIC Special Supplemental Nutrition Program for Women, Infants, and Children:					
Women Infant Child Grant 8101-612	Indiana State Department of Health	10.557	400100557WICAD21	-	1,259,723
Breastfeeding PEER Counselor 8102-981			400100557WPCG021	-	151,327
Women Infant Child Grant 8101-312			40010557WICAD22	-	323,360
Breastfeeding Peer Counselor 8102-980			40010557WPCG022	-	34,586
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children				-	1,768,996
Total Department of Agriculture				-	1,785,777
<b>Department of Justice</b>					
Covid-19: Coronavirus Emergency Supplemental Funding Program:					
Covid-19 Emergency Supplemental 8903	Direct Grant	16.034	Not Applicable	-	58,008
Crime Victim Assistance:					
V.O.C.A Grant 1000-159	Indiana Criminal Justice Institute	16.575	VOCA-2020-00012	-	125,183
Violence Against Women Formula Grants:					
8108 Stop Grant	Indiana Criminal Justice Institute	16.588	2020WFAX-0031	-	23,960
Equitable Sharing Program:					
County Seizure of Assets 4912	Direct Grant	16.922	Not Applicable	-	153,834
Total Department of Justice				-	360,985

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ELKHART COUNTY, INDIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**DECEMBER 31, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Department of Transportation</b>					
Highway Planning and Construction Cluster:					
Highway Planning and Construction:					
	Indiana Department of Transportation	20.205			
Cumulative Bridge 1135			1700309	\$ -	\$ 182,878
LIT - Economic Development - 1112			1401749	-	55,664
LIT - Economic Development			1700310	-	13,540
LIT-Economic Development - 1112			1702848	-	224,248
Cumulative Bridge 1135			1592887	-	88,376
LIT-Economic Development 1112			1900486	-	280,516
Cumulative Bridge 1135			1900465	-	102,150
Cumulative Bridge 1135			1902829	-	112,172
Total Highway Planning and Construction				<u>-</u>	<u>1,059,544</u>
Total Highway Planning and Construction Cluster				-	1,059,544
Minimum Penalties for Repeat Offenders for Driving While Intoxicated:	Indiana Criminal Justice Institute	20.608			
Highway Safety Program - DUI Taskforce 8141			CHIRP2021-00038	3,102	44,457
National Priority Safety Programs:	Indiana Department of Transportation	20.616			
Highway Safety Program - Operation Pull Over 8113 - Highway Safety Cluster			CHIRP2021-00038	<u>-</u>	<u>87</u>
Total Department of Transportation				3,102	1,104,088
<b>Department of the Treasury</b>					
Covid-19: Coronavirus Relief Fund:					
Covid-19 CARES CRF 8902	Indiana Finance Authority	21.019	Not Available	-	666,915
CARES Epidemiology & Lab	Indiana Department of Health		0045092	<u>-</u>	<u>254,880</u>
Total Covid-19: Coronavirus Relief Fund				-	921,795
Covid-19: Emergency Rental Assistance Program:	Direct Grant	21.023			
CRRSAA Emergency Rental Assistance			Not Applicable	-	3,151,964
Covid-19: Coronavirus State and Local Fiscal Recovery Funds:	Direct Grant	21.027			
ARP Coronavirus LFR Fund			Not Applicable	<u>-</u>	<u>506,191</u>
Total Department of the Treasury				-	4,579,950

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ELKHART COUNTY, INDIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**DECEMBER 31, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Election Assistance Commission</b>					
Covid-19: 2020 HAVA Election Security Grants: Covid Cares Election Division	Indiana Secretary of State	90.404	IN20101CARES	\$ -	\$ 36,112
Total Election Assistance Commission				-	36,112
<b>Department of Health and Human Services</b>					
Public Health Emergency Preparedness	Indiana State Department of Health	93.069	NU90TP922052	-	25,362
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED): SAMSHA System of Care	Direct Grant	93.104	Not Applicable	958,886	958,886
Immunization Cooperative Agreements: Immunization Vaccines Children	Indiana State Department of Health	93.268	NH231P922631	-	208,072
Epidemiology and Laboratory Capacity for Infectious Diseases	Indiana State Department of Health	93.323	NU50CK000503	-	26,808
Child Support Enforcement:	Indiana Department of Child Services	93.563			
Title IV-D Reimbursements Prosecuting Attorney 1000-158			Not Available	-	1,326,894
Title IV-D Reimbursements County General (courts) 1000-171			Not Available	-	197,669
Clerk IV-D Incentive 8899			Not Available	-	63,014
Indirect Costs General 1000			Not Available	-	139,705
Title IV-D Reimbursements Clerk 1000-101			Not Available	-	164,673
County IV-D Incentive 8895			Not Available	-	1,140
Prosecutor IV-D Incentive 8897			Not Available	-	289,849
Total Child Support Enforcement				-	2,182,944
Opioid STR: Justice Partners Addictions	Indiana Supreme Court	93.788	22-5JC89-C20-001	-	47,958
Maternal and Child Health Services Block Grant to the States:	Indiana State Department of Health	93.994			
Maternal & Child Health Grant 8127-611			B04MC32539	-	25,168
Maternal & Child Health Grant 8127-615			B04MC32539	-	23,397
Total Maternal and Child Health Services Block Grant to the States				-	48,565
Total Department of Health and Human Services				958,886	3,498,595

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ELKHART COUNTY, INDIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)**  
**DECEMBER 31, 2021**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>Department of Homeland Security</b>					
Emergency Management Performance Grants:	Indiana Department of Homeland Security	97.042			
Emergency Management Salary Reimbursement 1000-137			C44P-5-012B	\$ -	\$ 55,000
2020 EMPG-LEPC			EMC-2019-EP-00003	-	5,000
2020 EMPG_EMA			EMC-2019-EP-00003	-	5,000
Total Emergency Management Performance Grants				-	65,000
Homeland Security Grant Program:	Indiana Department of Homeland Security	97.067			
SHSP TruNarc Grant			EMW-2020-SS-00009-S01	-	62,400
Total Department of Homeland Security				-	127,400
Total Expenditures of Federal Awards				\$ 961,988	\$ 11,492,907

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**ELKHART COUNTY, INDIANA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**DECEMBER 31, 2021**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Elkhart County, Indiana (the County) under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the regulatory basis of accounting as defined by the Indiana State Code. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, with the exception of Assistance Listing Number No. 21.019, which follows criteria determined by the Department of the Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Under the regulatory basis, when federal grants are received on a reimbursement basis, the federal awards are considered expended when the reimbursement is received.

Pass-through entity identifying numbers are presented where available.

**NOTE 3 INDIRECT COSTS**

The County has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021**

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***Section I – Summary of Auditors’ Results***

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified for all opinion units, except for aggregate discretely presented component units which is qualified
2. Internal control over financial reporting:
- Material weakness(es) identified?          x     yes                 no
  - Significant deficiency(ies) identified?                 yes          x     none reported
3. Noncompliance material to financial statements noted?          x     yes                 no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified?          x     yes                 no
  - Significant deficiency(ies) identified?                 yes          x     none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?          x     yes                 no

***Identification of Major Federal Programs***

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
21.023	Emergency Rental Assistance Program
21.019	Coronavirus Relief Fund
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.563	Child Support Enforcement Program

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

Auditee qualified as low-risk auditee?                 yes          x     no

**ELKHART COUNTY, INDIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2021**

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***Section II – Financial Statement Findings***

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**2021-001 – Financial Statement Corrections – Primary Government**

**Type of Finding:**

- Material Weakness in Internal Control Over Financial Reporting, Noncompliance

**Condition:** Several corrections were made to the financial statements, as follows:

- All custodial funds reported remaining balances as liabilities in the prior year financial statements. Certain funds were adjusted this year to comply with GASB 84, *Fiduciary Activities*, thus many balances are now reflected in net position. Certain balances should have been moved to net position, per GASB 84, that were not reclassified this year. Beginning net position was restated for those, increasing it \$7,955,205.
- Certain additions and deductions were removed in the reporting of custodial funds additions and deductions, as per GASB 84, however, certain transactions were originally removed that were not related to the County, including \$2,235,460 Convention Visitor and Tourism funds and \$16,024,404 property tax relief local income tax funds.
- Local income tax (LIT) receivable balance was allocated incorrectly at the end of last year and the end of 2021. This resulted in a restatement to beginning fund balance of the general fund of \$606,125, and a correction of \$1,324,382 to general fund receivable at December 31, 2021.
- Debt payments made in the prior year were not recorded as a reduction of the loan (\$281,566). This was corrected through beginning net position of governmental activities.
- A prior year interfund loan was recorded as revenue and expense rather than as a interfund payable and receivable. Beginning fund balance was adjusted by \$187,656 to correct this.
- Cash held in a custodial fund at year-end, that will be distributed to County funds, was not reclassified to the appropriate County fund at December 31, 2021 or 2020, as per GASB 84. Adjustments were made to correct both the 2021 year-end general fund cash by \$988,648, and a restatement for the beginning general fund balance and governmental activities net position of \$799,189.
- A deferred inflow of \$1,764,602 was not recorded in the prior year for a loan receivable in a governmental fund. This was corrected through a restatement to beginning fund balance.

**ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Financial Statement Findings (Continued)***

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**2021-001 – Financial Statement Corrections – Primary Government (Continued)**

**Criteria or specific requirement:** The County is responsible for the accuracy of the financial statements in accordance with generally accepted accounting principles. The County is required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1).

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, Uniform Internal Control Standards for Indiana Political Subdivisions. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes:

Accurate and timely recording of transactions."

**Cause:** Management of the County had not established an effective system of internal control that would have ensured proper reporting of the financial statements.

ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021

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***Section II – Financial Statement Findings (Continued)***

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**2021-001 – Financial Statement Corrections – Primary Government (Continued)**

**Effect:** Failure to establish an effective internal control can enable material misstatements to occur in financial reporting.

**Repeat finding:** A similar finding was reported in the prior year as Finding 2020-001.

**Recommendation:** We recommend the County strengthen its process for reviewing the financial statements for compliance with generally accepted accounting principles.

**Views of responsible officials:** There is no disagreement with the audit finding. The County will work with our financial consultant to increase controls and review procedures to ensure material errors are identified prior to finalizing the financial statements for audit.

**ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Financial Statement Findings (Continued)***

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**2021-002 – Financial Statement Preparation – Component Units**

**Type of Finding:**

- Material Weakness in Internal Control Over Financial Reporting

**Condition:** Several internal control deficiencies were noted related to preparation of the component unit portion of the financial statements, as follows:

- Accrued wages and withholdings payable, and accrued compensated absences were not presented in the County's financial statements for the component units.
- Accumulated depreciation on most capital assets was not reported in the prior year, resulting in a restatement for a correction of an error of \$7,025,906.
- Corrections to the recording of books and some other capital assets occurred for most of the component units, resulting in a restatement for a correction of an error of \$8,355,247.
- Errors were noted in the entry of capital assets in some of the Annual Financial Reports (AFRs) into Gateway.
- For one component unit, books are included in the capitalization policy, but all were removed from the capital asset listing.

**Criteria or specific requirement:** The County is responsible for the accuracy of the financial statements in accordance with generally accepted accounting principles. The County is required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings, court decisions, and filing requirements concerning reports and other procedural matters of federal and state agencies. Units must file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Counties of Indiana, Chapter 1).

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, Uniform Internal Control Standards for Indiana Political Subdivisions. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021

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***Section II – Financial Statement Findings (Continued)***

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**2021-002 – Financial Statement Preparation – Component Units (Continued)**

**Criteria or specific requirement (Continued):**

The Green Book identifies a list of control activity categories that are meant only to illustrate the range and variety of control activities; the list is by no means all inclusive, but is reproduced here for reference purposes:

Accurate and timely recording of transactions.”

**Cause:** Management and its component units had not established an effective system of internal control that would have ensured proper reporting in the financial statements.

**Effect:** Failure to establish an effective internal control can enable material misstatements to occur in financial reporting.

**Repeat finding:** A similar finding was reported in the prior year as Finding 2020-002.

**Recommendation:** We recommend the County, and its component units, strengthen their processes for reviewing the component unit AFRs, and the financial statements, for compliance with generally accepted accounting principles.

**Views of responsible officials:** There is no disagreement with the audit finding. The County will work with our financial consultant to enhance procedures that are currently being completed on the component units' compilation. Additionally, the County will work with the component unit officials to educate them on required reporting requirements related to GAAP and the importance of information being reported in Annual Financial Report to be accurate and supported.

**ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Financial Statement Findings (Continued)***

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**2021-003 – Preparation of the Schedule of Expenditures of Federal Awards (SEFA)**

**Type of Finding:**

- Material Weakness in Internal Control Over Financial Reporting, Noncompliance

**Condition:** There were errors on the SEFA related to three federal programs and their related expenditures and Assistance Listing Numbers, including expenditures related to a major program. Initially, the unspent funds from a 2020 advance grant under 21.019, that were spent in 2021, totaling \$254,880, were not on the SEFA. Additionally, reimbursements in 2021 totaling \$182,310 were included on the initial SEFA under 21.019, which should have been reflected under Assistance Listing Numbers 93.323 (\$26,808) and 93.268 (\$155,502).

**Criteria or specific requirement:** The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, Uniform Internal Control Standards for Indiana Political Subdivisions. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

2 CFR 200.303 states in part:

"The non-Federal entity must: (a) Establish and maintain effective internal control . . ."

2 CFR 200.1 states in part:

". . . Internal controls for non-Federal entities means:

(1) Processes designed and implemented by non-Federal entities to provide reasonable assurance regarding the achievement of objectives in the following categories:

(i) Effectiveness and efficiency of operations;

(ii) Reliability of reporting for internal and external use; . . ."

**ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Financial Statement Findings (Continued)***

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**2021-003 – Preparation of the Schedule of Expenditures of Federal Awards (SEFA) (Continued)**

**Criteria or specific requirement (Continued):**

2 CFR 200.508 states in part:

"The auditee must: . . .

(b) Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510. . . ."

2 CFR 200.510(b) states:

"Schedule of expenditures of Federal awards. The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the amount of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.

(4) Include the total amount provided to subrecipients from each Federal program.

(5) For loan or loan guarantee programs described in § 200.502(b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

(6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in § 200.414."

**ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Financial Statement Findings (Continued)***

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**2021-003 – Preparation of the Schedule of Expenditures of Federal Awards (SEFA) (Continued)**

**Cause:** Management of the County had not established an effective system of internal control that would have ensured proper reporting of the SEFA. In addition, information provided from the pass-through entity was not clear.

**Effect:** Failure to establish an effective internal control can enable material misstatements to occur in the SEFA.

**Repeat finding:** A similar finding was reported in the prior year as Finding 2020-003.

**Recommendation:** We recommend the County strengthen its process for reviewing the SEFA to ensure compliance with Uniform Grant Guidance, including close communication with pass-through entities.

**Views of responsible officials:** There is no disagreement with the audit finding. The County has hired a Grants Administrator who will focus on communicating with County departments as well as granting agencies to obtain the correct information so ensure accurate and complete reporting of the SEFA.

**ELKHART COUNTY, INDIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2021-004**

**Federal Agency:** U.S Department of the Treasury

**Federal Program Name:** Emergency Rental Assistance Program

**Assistance Listing Number:** 21.023

**Federal Award Identification Number and Year:** 2101111957; 2021 to 2022

**Award Period:** January 1, 2021 through December 31, 2021

**Type of Finding:**

- Material Weakness in Internal Control over Compliance

**Criteria or Specific Requirement:** Per Uniform Guidance 2 CFR 200.303, non-Federal entities receiving Federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

**Condition:** During our testing of the reporting process, we noted that there was no documented review and approval of the required reports by someone other than the preparer prior to submission.

**Questioned Costs:** None.

**Context:** A control system to prevent and detect errors in the reporting process was not in place at the time the reports were completed and filed.

**Cause:** The County did not have a tracking mechanism in place to document the review and approval process around the reporting requirements to ensure that the reports are accurate prior to submission.

**Effect:** Errors in reports could go undetected.

**Repeat Finding:** No

**Recommendation:** We recommend that policies and procedures around federal reporting requirements be reviewed and strengthened to include appropriate documented review and approval of the required reports by someone other than the preparer prior to submission.

**Views of Responsible Officials:** The County disagrees with the finding.



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Department of Health and Human Services

Elkhart County, Indiana respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2021.

Audit period: January 1, 2021 to December 31, 2021.

The findings from the prior audit's schedule of findings and questioned costs are discussed below.

The findings are numbered consistently with the numbers assigned in the prior year.

### **FINDINGS—FINANCIAL STATEMENT AUDIT**

#### **2020-001 Financial Transactions and Reporting – Primary Government**

**Condition:** There were several deficiencies in the internal control system of the Primary Government

**Status:** See current year finding 2021-001.

**Reason for finding's recurrence:** Management of the County had not established an effective system of internal control that would have ensured proper reporting of the financial statements. Failure to establish an effective internal control can enable material misstatements to occur in financial reporting.

**Corrective Action:** Due to the timing of the prior audits there was not time to correct before submission was due. The County will work with our financial consultant to increase controls and review procedures to ensure material errors are identified prior to finalizing the financial statements for audit.

#### **2020-002 Financial Transactions and Reporting – Component Units**

**Condition:** There were several deficiencies in the internal control system of the Component Units of the County related to financial transactions and reporting.

**Status:** See current year finding 2021-002.

**Reason for finding's recurrence:** Management and its component units had not established an effective system of internal control that would have ensured proper reporting in the financial statements. Failure to establish an effective internal control can enable material misstatements to occur in financial reporting.

**Corrective Action:** Due to the timing of the prior audits there was not time to correct before submission was due. The County will work with our financial consultant to enhance procedures that are currently being completed on the component units' compilation. Additionally, the County will work with the component unit officials to educate them on required reporting requirements related to GAAP and the importance of information being reported in Annual Financial Report to be accurate and supported.

#### **2020-003 Preparation of the Schedule of Expenditures of Federal Awards**

**Condition:** The County had not established effective internal controls over the federal award information entered into the Indiana Gateway for Government Units (Gateway) financial reporting system, which was the source of the County's Schedule of Expenditures of Federal Awards (SEFA).



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**Status:** See current year finding 2021-003.

**Reason for finding's recurrence:** Management of the County had not established an effective system of internal control that would have ensured proper reporting of the SEFA. In addition, information provided from the pass-through entity was not clear. Failure to establish an effective internal control can enable material misstatements to occur in the SEFA.

**Corrective Action:** Due to the timing of the prior audits there was not time to correct before submission was due. The County has hired a Grants Administrator who will focus on communicating with County departments as well as granting agencies to obtain the correct information so ensure accurate and complete reporting of the SEFA.

#### **FINDINGS— FEDERAL AWARD PROGRAMS AUDITS**

##### **2020-004 Child Support Enforcement – Allowable Costs/Cost Principles**

**Condition:** An effective internal control system was not in place at the County to ensure compliance with requirements related to the grant agreement and the Allowable Costs/Cost Principles compliance requirement.

**Status:** Documentation supporting the time charged to the Child Support (IV-D) program for an employee in the Prosecutor's office who worked on both IV-D and non-IV-D activities was not properly maintained. The same hours were consistently reported every pay period rather than actual time worked. Fringe Benefits that were directly associated with the payroll were also paid. This process related to this employee's was corrected, effective 10/24/2021.

If the Department of Health and Human Services has questions regarding this schedule, please call Patty Pickens, Elkhart County Auditor, at 574-535-6711.



Department of Health and Human Services

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

Audit period: January 1, 2021 to December 31, 2021

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

**MATERIAL WEAKNESS**

- 2021-001      Financial Statement Corrections – Primary Government  
Recommendation: We recommend the County strengthen its process for reviewing the financial statements for compliance with generally accepted accounting principles.  
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.  
Action taken in response to finding: The County will work with our financial consultant to increase controls and review procedures to ensure material errors are identified prior to finalizing the financial statements for audit.  
Name(s) of the contact person(s) responsible for corrective action: Patricia Pickens, Auditor  
Planned completion date for corrective action plan: July 10<sup>th</sup>, 2023
- 2021-002      Financial Statement Preparation – Component Units  
Recommendation: We recommend the County, and its component units, strengthen their processes for reviewing the component unit AFRs, and the financial statements, for compliance with generally accepted accounting principles.  
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.  
Action taken in response to finding: The County will work with our financial consultant to enhance procedures that are currently being completed on the component units' compilation. Additionally, the County will work with the component unit officials to educate them on required reporting requirements related to GAAP and the importance of information being reported in Annual Financial Report to be accurate and supported.  
Name(s) of the contact person(s) responsible for corrective action: Patricia Pickens, Auditor  
Planned completion date for corrective action plan: July 10<sup>th</sup>, 2023



2021-003      Preparation of the Schedule of Expenditures of Federal Awards (SEFA)  
Recommendation: We recommend the County strengthen its process for reviewing the SEFA to ensure compliance with Uniform Grant Guidance, including close communication with pass-through entities.  
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.  
Action taken in response to finding: The County has hired a Grants Administrator who will focus on communicating with County departments as well as granting agencies to obtain the correct information so ensure accurate and complete reporting of the SEFA.  
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Name(s) of the contact person(s) responsible for corrective action: Patricia Pickens, Auditor  
Planned completion date for corrective action plan: July 10, 2023



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## FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

### US DEPARTMENT OF THE TREASURY

2021-004      Emergency Rental Assistance Program – Assistance Listing No. 21.023

#### Reporting

Recommendation: We recommend that policies and procedures around federal reporting requirements be reviewed and strengthened to include appropriate documented review and approval of the required reports by someone other than the preparer prior to submission.

Explanation of disagreement with audit finding: Elkhart County strongly disagrees with and objects to this finding. The audit fails to recognize the federal guidance provided with respect to program reporting requirements and fails to take into account the exigencies of the Covid-19 public health emergency. The Treasury's User Guide for recipient reporting with respect to the Emergency Rental Assistance Program specifically authorizes grantees to designate the same individual to serve as the ERA Reporting Account Administrator, ERA Point of Contact for Reporting, and ERA Authorized Representative for Reporting. User Guide Treasury's Portal for Recipient Reporting Emergency Rental Assistance Programs December 8, 2022 Version 3.5, page 9. Elkhart County's policies and procedures met or exceeded the Treasury requirements.

Action taken in response to finding: While Elkhart County does not anticipate administering another emergency rental assistance program, if that does occur, Elkhart County would comply with the applicable federal requirements and standards. In the event a corrective action plan would be needed, Elkhart County would add an additional control requiring review and approval of federal reports by an Elkhart County Auditor's Office Supervisor before submission.

Name(s) of the contact person(s) responsible for corrective action: Jeff Taylor,  
County Administrator

Planned completion date for corrective action plan: May 31, 2023

If the Department of Health and Human Services has questions regarding this plan, please call Patty Pickens, Elkhart County Auditor, at 574-535-6719.