

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

FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF JEFFERSONVILLE

CLARK COUNTY, INDIANA

January 1, 2022 to December 31, 2022



**FILED**  
11/27/2023



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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November 27, 2023

To: The Officials of the City of Jeffersonville  
City of Jeffersonville  
500 Quartermaster Ct  
Jeffersonville, IN 47130

As authorized under Indiana Code 5-11-1, we engaged private examiners under our review to perform the audit of the City of Jeffersonville. We have reviewed the audit report opined upon by Crowe LLP, Independent Public Accountants, for the period January 1, 2022 to December 31, 2022. Per the *Independent Auditor's Report*, the financial statements included in the report present fairly, in all material respects, the financial position of each major governmental fund of the City, as of December 31, 2022, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Because of the significance of the matter discussed in the Basis for Disclaimer and Unmodified Opinions section, the auditors were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the governmental activities, business type activities, wastewater utility, and the stormwater utility of the City and therefore do not express an opinion on governmental activities, business type activities, wastewater utility enterprise fund, and stormwater utility enterprise fund of the City, as of December 31, 2022, and for the year then ended.

Because of the significance of the matter discussed in the Basis for Disclaimer and Unmodified Opinions section, the auditors have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate remaining fund information of the City. Accordingly, we do not express an opinion on aggregate remaining fund information of the City, as of December 31, 2022, and for the year then ended.

We call your attention to the findings in the report. The findings appear on pages 11-14 of the Single Audit Report, which is included after the Financial Report. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on page 16.

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

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

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

A handwritten signature in black ink, reading "Tammy R. White". The signature is written in a cursive style with a large, stylized initial 'T'.

Tammy R. White, CPA  
Deputy State Examiner



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**Schedule of Officials (Unaudited)  
December 31, 2022**

<b>Office</b>	<b>Official</b>	<b>Term</b>
City Controller	Heather Metcalf	01-01-22 to 12-31-22
Mayor	Mike Moore	01-01-22 to 12-31-22
President of the Board of Public Works and Safety	Mike Moore	01-01-22 to 12-31-22
President of the Common Council	Matt Owen	01-01-22 to 12-31-22

## INDEPENDENT AUDITOR'S REPORT

Those Charged with Governance  
City of Jeffersonville  
Jeffersonville, Indiana

### Report on the Audit of the Financial Statements

#### *Disclaimer and Unmodified Opinions*

We have audited the financial statements of each governmental major fund, and we were engaged to audit the governmental activities, the business-type activities, major enterprise funds and aggregate remaining fund information of the City of Jeffersonville (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### *Summary of Opinions*

<b>Opinion Unit</b>	<b>Type of Opinion</b>
Governmental Activities	Disclaimer
Business Type Activities	Disclaimer
General Fund	Unmodified
Inner City Road TIF	Unmodified
Aggregate Remaining Fund Information	Disclaimer
Enterprise Fund - Wastewater Utility	Disclaimer
Enterprise Fund - Stormwater Utility	Disclaimer

#### *Disclaimer of Opinion on Governmental Activities, Business Type Activities, Wastewater Utility, and Stormwater Utility*

Because of the significance of the matter discussed in the Basis for Disclaimer and Unmodified Opinions section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the governmental activities, business type activities, wastewater utility, and the stormwater utility of the City. Accordingly, we do not express an opinion on governmental activities, business type activities, wastewater utility enterprise fund, and stormwater utility enterprise fund of the City, as of December 31, 2022, and for the year then ended.

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(Continued)

*Disclaimer of Opinion on Aggregated Remaining Fund Information*

Because of the significance of the matter discussed in the Basis for Disclaimer and Unmodified Opinions section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements of the aggregate remaining fund information of the City. Accordingly, we do not express an opinion on aggregate remaining fund information of the City, as of December 31, 2022, and for the year then ended.

*Unmodified Opinions on Each Major Governmental Fund*

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each major governmental fund of the City, as of December 31, 2022, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Disclaimer 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 (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our disclaimer and unmodified audit opinions.

*Matter Giving Rise to Disclaimer of Opinion on Governmental Activities, Business-Type Activities, Wastewater Utility Enterprise Fund, and Stormwater Utility Enterprise Fund*

The City reported the following information but did not provide supporting documentation for these amounts or properly implement a process of reviewing capital asset additions and disposals for accuracy:

<b>Opinion Unit</b>	<b>Capital assets, net of accumulated depreciation, land and other capital assets</b>	<b>Net investment in capital assets</b>	<b>Depreciation Expense</b>
Governmental Activities	247,003,224	218,998,422	9,863,315
Business Type Activities	167,709,470	76,693,138	6,772,475
Enterprise Fund - Wastewater Utility	136,142,589	45,126,257	5,876,309
Enterprise Fund - Stormwater Utility	31,566,881	31,566,881	896,167

As a result, we were unable to audit the capital assets, accumulated depreciation, net investment in capital assets and depreciation expense, and it was not practicable to determine the amount of any adjustments that would be necessary to adjust reported capital assets, accumulated depreciation, net investment in capital assets, and depreciation expense. The capital assets, net of accumulated depreciation, reported represent 67 percent of the total assets of the City's governmental activities, 74 percent of the total asset of the City's business type activities, 71 percent of the total assets of the wastewater utility enterprise fund, and 96 percent of the total assets of the stormwater utility enterprise fund.

*Matter Giving Rise to Disclaimer of Opinion on Aggregate Remaining Fund Information*

The City was unable to determine the balance of seized assets and therefore elected to not report a balance on the financial statements. As a result, we were unable to audit the seized assets, and it was not practicable to determine the amount of any adjustments that would be necessary to adjust reported seized assets.

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(Continued)

## ***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 City'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.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 City'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 City's ability to continue as a going concern for a reasonable period of time.

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Non-GAAP Budgetary Comparison Schedule – General Fund Schedule, Schedule of the City's Proportionate Share of the Net Pension Liability Public Employee's Retirement Fund, Schedule of City Contributions Public Employee's Retirement Fund, Schedule of the City's Proportionate Share of the Net Pension Liability Police Officers' 1977 Fund, Schedule of City Contributions Police Officers' 1977 Fund, Schedule of the City's Proportionate Share of the Net Pension Liability Firefighters' 1977 Fund, Schedule of City's Contributions Firefighters' 1977 Fund, Schedule of Changes in Net Pension Liability and Related Ratios – 1925 Police and 1937 Fire, Schedule of Changes in the City's Net Pension Liability and Related Ratios – 1925 Police and 1937 Fire, Schedule of Contributions – 1925 Police and 1937 Fire, Schedule of Investment Returns – 1925 Police and 1937 Fire, and Schedule of Changes in the City's Total

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OPEB Liability and Related Ratios, and 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 City's basic financial statements. The combining nonmajor and fiduciary fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Because of the significance of the matter described above, it is inappropriate to and we do not express an opinion on the supplementary information referred to above.

### ***Other Information***

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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated October 31, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

  
Crowe LLP

Indianapolis, Indiana  
October 31, 2023



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# FINANCIAL SECTION

ANNUAL FINANCIAL REPORT FOR CALENDAR YEAR 2022 / JEFFERSONVILLE, INDIANA

## Management's Discussion and Analysis

As management of City of Jeffersonville, Indiana, ("the City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2022. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$360,341,823 (net position).
- The City's total net position increased by \$10,652,225 as compared to the 2021 total net position.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$80,793,061 an increase of \$9,622,438 in comparison with the prior year. Approximately 20% of the total amount in the combined ending fund balances, \$15,631,714 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 \$16,191,612 which represented 44.0 percent of total general fund expenditures, excluding transfers out.
- The City's Governmental activities total bond and loan related debt decreased by \$5,286,411 during the current fiscal year. The net change was the result of principal payments on existing debt of \$5,170,000 and amortization of bond premiums for revenue bonds of \$116,411.
- Jeffersonville will receive a \$2.3 million Next Level Trails grant in the coming fiscal year. The grant will fund the completion of Jeffersonville's portion of the Ohio River Greenway. The project is expected to be completed by the end of Fiscal Year 2026.

### 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 City's finances, in a manner similar to private-sector business.

The statement of net position presents information on all the City's assets and liabilities, with the difference between the two 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 City 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 City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets and culture and recreation, urban redevelopment and debt service.

The government-wide financial statements can be found on pages 10 - 12 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City 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 City 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 and the Inner City TIF Fund which are considered to be major funds. Data for the remaining City 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 City 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 in the required supplementary information.

The governmental fund financial statements can be found on pages 13 - 15 of this report.

**Proprietary funds.** The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for wastewater and stormwater operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City 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.

The basic proprietary fund financial statements can be found on pages 17 - 19 of this report.

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

The basic fiduciary fund financial statements can be found on pages 20 - 21 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 - 70 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 City's budgets for its major funds as well as a reconciliation between the budget schedules and fund financial statements. In addition, the City'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 can be found on pages 73 - 90 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on budgets. Combining and individual fund statements and schedules can be found on pages 93 - 124 of this report.

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the City, assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$360,341,823.

The largest portion, \$295,691,560 of the City's net position reflects the net 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 City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital

assets themselves cannot be used to liquidate these liabilities. The restricted portion of net position, which totals \$20,854,082, represents funds available for spending but which the use of has been restricted to a particular purpose. This portion is restricted for public safety, highways and streets, health and welfare, general government, economic development, and debt service activities.

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

**Jeffersonville, Indiana  
Net Position**

	2022		
	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 119,145,568	\$ 57,901,034	\$ 177,046,602
Capital assets	247,003,224	167,709,470	414,712,694
<b>Total assets</b>	366,148,792	225,610,504	591,759,296
Deferred Outflows of resources	20,143,636	4,568,445	24,712,081
Long-term liabilities	87,644,456	117,774,334	205,418,790
Other liabilities	2,633,594	7,250,453	9,884,047
<b>Total liabilities</b>	90,278,050	125,024,787	215,302,837
Deferred Inflows of resources	38,041,150	2,785,567	40,826,717
Net investment in capital assets	218,998,422	76,693,138	295,691,560
Restricted net position	64,288,039	44,307,855	108,595,894
Unrestricted net position	(25,313,233)	(18,632,398)	(43,945,631)
<b>Total net position</b>	<b>\$ 257,973,228</b>	<b>\$ 102,368,595</b>	<b>\$ 360,341,823</b>

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 City that utilize pay as you go policies for long-term debt, pensions and other post-employment benefits rather than accumulating assets in advance.

### Jeffersonville, Indiana Governmental Activities

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

	2022		
	Governmental Activities	Business-Type Activities	Total
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 3,069,131	\$ 27,352,957	\$ 30,422,088
Operating grants and contributions	238,887	-	238,887
Capital Grants and Contributions	1,500,523	-	1,500,523
General revenues:			
General property taxes	46,229,600	-	46,229,600
Income Taxes	16,208,374	-	16,208,374
State government shared revenues	5,536,570	-	5,536,570
Investment earnings	518,408	452,736	971,144
Other financing sources	927,925	238,407	1,166,332
Proceeds of general capital asset disposal	191,799	215,977	407,776
Other	231,619	-	231,619
<b>Total revenues</b>	<b>74,652,836</b>	<b>28,260,077</b>	<b>102,912,913</b>
<b>Expenses:</b>			
General Government	14,474,414	-	14,474,414
Public Safety	19,478,088	-	19,478,088
Culture and Recreation	6,826,797	-	6,826,797
Health and Welfare	922,856	-	922,856
Highway & Streets	12,165,659	-	12,165,659
Sanitation	2,361,743	-	2,361,743
Economic Development	3,261,677	-	3,261,677
Interest paid on debt	773,721	-	773,721
Waste Water	-	27,945,043	27,945,043
Storm Water	-	4,050,691	4,050,691
<b>Total expenses</b>	<b>60,264,955</b>	<b>31,995,734</b>	<b>92,260,689</b>
Change in net position	14,387,881	(3,735,657)	10,652,224
Net position-beginning	243,585,347	106,104,252	349,689,599
<b>Net position at December 31</b>	<b>\$ 257,973,228</b>	<b>\$ 102,368,595</b>	<b>\$ 360,341,823</b>

The City's net position from governmental activities increased by \$14,387,881 in 2022, over the net position of 2021. The City's net position from Business-type activities decreased by \$3,735,657 in 2022, over the net position of 2021. Notable revenues and expenses in 2022 include the following:

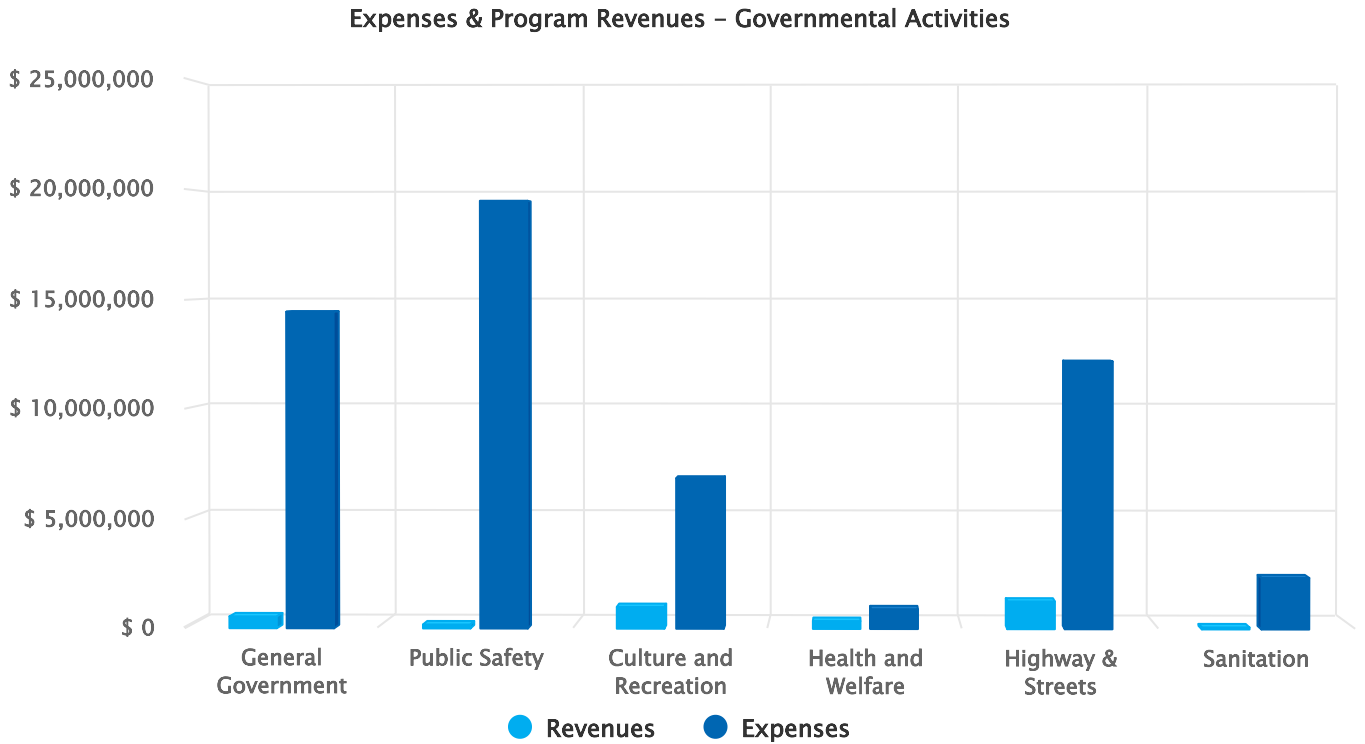
- Charges for services totaled \$3,069,131 from the following functions: Economic Development of \$1,256,904; Culture and Recreation of \$723,204; General Government of \$561,757; Health and Welfare of \$302,041; Sanitation of \$115,408; Public Safety of \$78,341; Highway and Streets of \$31,476.
- Operating grants and contributions totaled \$238,887 from the following functions: Public Safety of \$115,688; Health and Welfare of \$82,805; Economic Development of \$32,144; Culture and Recreation of \$8,250.
- Property tax revenue and income tax revenue of \$46,229,600 and \$16,208,374 respectively.
- Public Safety expenses were \$19,478,088; General Government expenses were \$14,474,414; Highway and Streets expenses were \$12,165,659; Culture and Recreation expenses were \$6,826,797; Economic Development expenses were \$3,261,677; Sanitation expenses were \$2,361,743; Health and Welfare expenses were \$922,856; Interest Paid on Debt expenses were \$773,721

The City's cash and investments rose to \$94,120,932 from \$85,405,005 at December 31, 2021. The City's property tax rate for 2022 decreased to \$1.4808 from \$1.5183 in 2021, per \$100 of assessed value for the Jeffersonville Civil City.

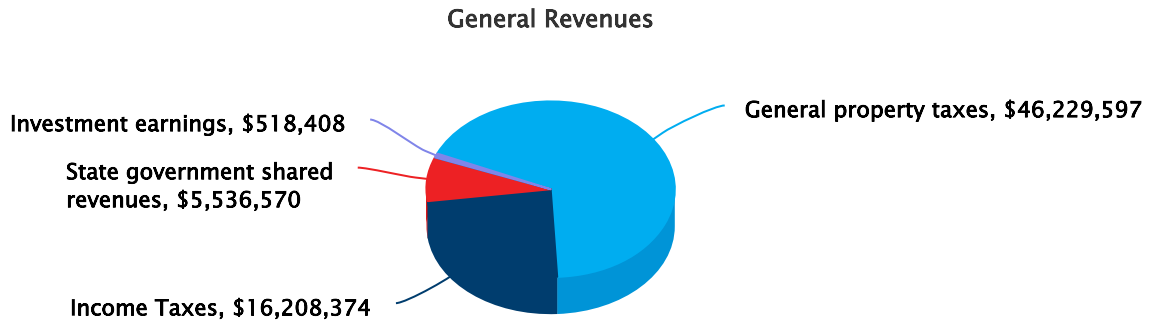
The following displays the Expenses and Program Revenues of the City's governmental activities:

### Program Revenue and Expenses - Governmental Activities

Taxes, as in prior years, were the City’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 and miscellaneous revenue. The following table displays program revenues as compared to program expenses. Deficits in programs are made up by general revenues.



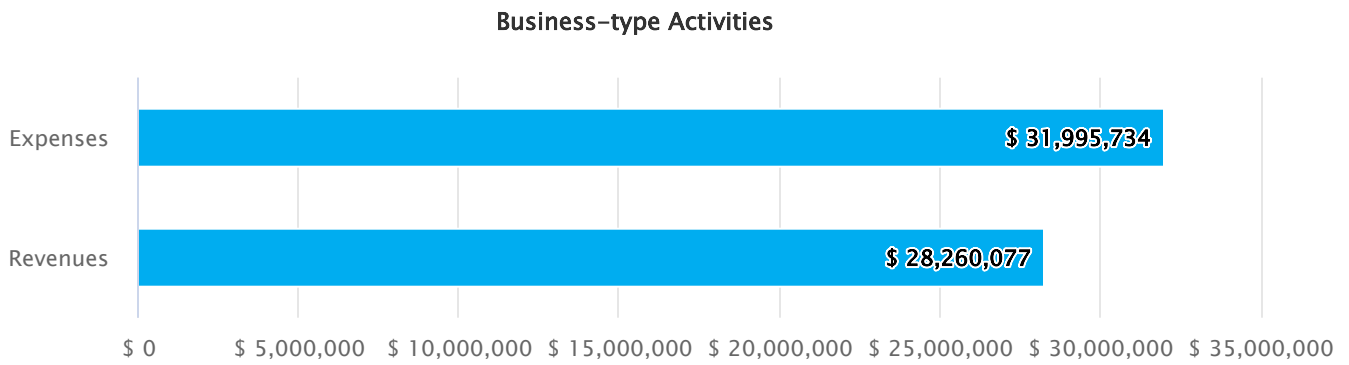
The following displays the General Revenues by source for the City’s governmental activities. General revenues are used to help offset funding shortfalls related to governmental functions detailed in the preceding graph:



**Business-type Activities**

Business-type activities resulted in a decreased net position of \$3,735,657 in 2022.

The following displays the Expenses and Revenues of the City’s business-type activities.



## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful to assess the City'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 and liabilities 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.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$80,793,061 an increase of \$9,622,438 in comparison with the prior year. The fund balance has restricted fund balance of \$60,269,109, committed fund balance of \$4,385,057, assigned fund balance of \$507,181, unassigned fund balance of \$15,631,714.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$15,684,431. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance to total expenditures of \$36,795,085 excluding transfers. Unassigned fund balance represents approximately 43 percent of total general fund expenditures.

The fund balance of the City general fund had an increase of \$3,001,864 during the current fiscal year. Key factors in this decrease are as follows:

- Revenues exceeded expenditures by \$627,864 excluding other financing sources and uses. Fund balance was reduced of \$327,000 due to transfers to other funds.
- Major revenues include property taxes of \$21,637,994, income taxes of \$11,546,336, intergovernmental of \$1,602,107, licenses and permits of \$1,391,487, other of \$1,022,095, charges for services of \$222,928.
- Major expenditures include public safety of \$20,115,598, general government of \$15,133,255, health and welfare of \$805,909, in 2022.

## General Fund Budgetary Highlights

The City submits annual budgets to align planned spending with available revenues to ensure operational accountability over City resources. This process correlates with longer term fiscal planning to help ensure that the City 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.

Differences between the original budget and the final budget included an increase in budgeted expenses of \$9,047,820 and a decrease of other financing uses of \$7,300,000. The final budget projected a decrease in fund balance for the general fund of \$1,713,337 and summarized below:

- The final budget revenues for 2022 was \$36,794,948.
- The final budget expenditures for 2022 was \$38,181,285.
- The final budget for other financing uses for 2022 was \$327,000.

## Capital Asset and Debt Administration

**Capital assets.** The City's investment in capital assets for its governmental activities and business-type activities as of December 31, 2022 amounts to \$706,020,652 and \$515,189,237 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:

- Construction in progress expenditures totaling \$937,065 during 2022 related to projects for various road projects, drainage projects and sidewalk projects for Governmental Activities.
- Construction in progress expenditures for the Wastewater Utility of \$13,071,204 are for downtown wastewater treatment facility additions, north wastewater treatment facility expansion, other infrastructure projects, maintenance and equipment.
- Completed projects include various road projects and other wastewater infrastructure projects.

The following table displays the City's capital assets.

### Jeffersonville, Indiana Capital Assets

	Governmental Activities	Business-type Activities	Total
Land	\$ 33,267,369	\$ 675,914	\$ 33,943,283
Construction in progress	2,456,700	45,046,843	47,503,543
Buildings	35,011,915	20,483,666	55,495,581
Improvements	13,316,479	608,000	13,924,479
Infrastructure	362,573,329	196,297,904	558,871,233
Machinery and equipment	28,150,495	78,337,026	106,487,521
<b>Total capital assets</b>	474,776,287	341,449,353	816,225,640
Accumulated depreciation	231,244,365	173,739,884	404,984,249
<b>Net capital assets</b>	<u>\$ 706,020,652</u>	<u>\$ 515,189,237</u>	<u>\$ 1,221,209,889</u>

**Long-term obligations.** At the end of the current fiscal year, the City had outstanding total long-term debt related liabilities (net of unamortized premiums and discounts) of \$81,048,044 related to governmental activities and \$115,312,336 related to business-type activities. Of this amount, \$15,729,365 relates to revenue bonds, \$11,516,234 relates to tif bonds for governmental activities and \$107,877,960 relates to revenue bonds for the business-type activities.

The remainder of the City's long-term obligations consist of \$34,171,106 related to net pension liability, \$19,550,018 related to other postemployment benefits, \$5,859,771 related to compensated absences, \$817,962 related to loans payable for governmental activities; \$7,690,790 related to other postemployment benefits, \$1,963,483 related to net pension liability, \$242,101 related to compensated absences for business-type activities. The following table reflects the City's long-term obligations:

	Governmental Activities	Business-type Activities	Total
TIF bonds	\$ 11,516,234	\$ -	\$ 11,516,234
Revenue bonds	15,729,365	107,877,960	123,607,325
<b>Sub-total</b>	<b>27,245,599</b>	<b>107,877,960</b>	<b>135,123,559</b>
Compensated absences	5,859,771	242,101	6,101,872
Loans payable	817,962	-	817,962
Other postemployment benefits	19,550,018	7,690,790	27,240,808
Net pension liability	34,171,106	1,963,483	36,134,589
<b>Sub-total</b>	<b>60,398,857</b>	<b>9,896,374</b>	<b>70,295,231</b>
Less current portion	(6,596,412)	(2,461,998)	(9,058,410)
<b>Total long-term obligations</b>	<b>\$ 81,048,044</b>	<b>\$ 115,312,336</b>	<b>\$ 196,360,380</b>

Additional information of the City's long-term debt can be found on pages 40 - 45 in Notes to the Financial Statements of this report.

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

- The 2023 tax rates for the City of Jeffersonville decreased from \$1.4808 in 2022 to a rate of \$1.3274 per \$100 in assessed value. Overall the City's assessed value increased by approximately 17 percent from 2022 to 2023.
- The City is continuing to see an increase in new building and development activity, an indicator that the current economic climate is good. As a result, prior estimates of growth in tax base and related property tax revenues were showing improvement when the 2023 budget was adopted.
- Property tax is the City's largest source of revenue. Local Income Tax (LIT) is the second largest source of the City's current governmental revenues. These funds are mainly used for operating expenses but can also be used for capital projects.
- State-wide property tax caps (based upon a percent of gross AV by property class) became effective in 2009. For the 2023 budget year, the loss to the City due to the caps is \$5,126,168 (up from \$4,860,449 for 2022). Expenditure restraints and revenue diversification have been used to offset this loss. As assessed value rises, the resulting tax rate will decrease easing the effects of the circuit breaker losses.

All the above factors were considered in preparing the City's budget for the 2023 calendar year.

### Request for Information

This financial report is designed to provide a general overview of the City'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 City of Jeffersonville, 500 Quartermaster Court, Suite 300, Jeffersonville, IN 47130.

**Jeffersonville, Indiana**  
**Statement of Net Position**  
**December 31, 2022**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Assets</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 42,897,434	\$ 5,926,058	\$ 48,823,492
Investments	37,397,054	2,464,213	39,861,267
Receivables			
Accounts	136,868	5,009,973	5,146,841
Taxes	31,786,715	-	31,786,715
Tax Liens	-	105,660	105,660
Intergovernmental	1,179,183	-	1,179,183
Prepaid expense	312,141	87,275	399,416
Restricted Assets:			
Bond and Interest Cash and Cash Equivalents	-	837,058	837,058
Debt Service Reserve Investments	-	8,092,901	8,092,901
Construction Cash and Cash Equivalents	-	28,686,440	28,686,440
Capacity Fee Cash and Cash Equivalents	-	3,726,513	3,726,513
Capacity Fee Current Investments	-	2,964,943	2,964,943
Cash and Cash Equivalents	5,436,173	-	5,436,173
Noncurrent Assets:			
Capital Assets			
Land and Construction in Progress	35,724,069	45,722,757	81,446,826
Other Capital Assets, Net of Depreciation	211,279,155	121,986,713	333,265,868
<b>Total Assets</b>	<b>366,148,792</b>	<b>225,610,504</b>	<b>591,759,296</b>
<b>Deferred Outflows Of Resources</b>			
Deferred Amount on Refunding of Debt	58,759	1,151,219	1,209,978
Pension Related	13,445,675	805,428	14,251,103
OPEB Related	6,639,202	2,611,798	9,251,000
<b>Total Deferred Outflows of Resources</b>	<b>20,143,636</b>	<b>4,568,445</b>	<b>24,712,081</b>

**Jeffersonville, Indiana  
Statement of Net Position  
December 31, 2022**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Liabilities</b>			
Accounts Payable	\$ 1,837,436	\$ 1,608,643	\$ 3,446,079
Unearned Revenue	-	5,013,856	5,013,856
Wages and Benefits Payable	166,088	52,540	218,628
Retainage Payable	-	575,414	575,414
Accrued Interest Payable	366,125	-	366,125
Claims Payable	263,945	-	263,945
<b>Noncurrent Liabilities</b>			
Due Within One Year			
Revenue Bonds	3,380,000	2,448,000	5,828,000
TIF Bonds	1,585,000	-	1,585,000
Loans	547,132	-	547,132
Compensated Absences	1,084,280	13,998	1,098,278
Due In More Than One Year			
Revenue Bonds (Net Of Discounts, Premiums)	12,349,365	105,429,960	117,779,325
TIF Bonds (Net Of Discounts, Premiums)	9,931,234	-	9,931,234
Loans	270,830	-	270,830
Compensated Absences	4,775,491	228,103	5,003,594
Net Pension Liability	34,171,106	1,963,483	36,134,589
Total OPEB Liability	19,550,018	7,690,790	27,240,808
<b>Total Liabilities</b>	<b>90,278,050</b>	<b>125,024,787</b>	<b>215,302,837</b>
<b>Deferred Inflows Of Resources</b>			
Pension Related	1,076,610	130,929	1,207,539
OPEB Related	6,748,102	2,654,638	9,402,740
Unavailable Revenue	30,216,438	-	30,216,438
<b>Total Deferred Inflows Of Resources</b>	<b>38,041,150</b>	<b>2,785,567</b>	<b>40,826,717</b>
<b>Net Position</b>			
Net Investment In Capital Assets	218,998,422	76,693,138	295,691,560
Net Position - Restricted For			
Public Safety	4,409,971	-	4,409,971
Highways and Streets	2,705,205	-	2,705,205
Health and Welfare	1,383,683	-	1,383,683
General Government	1,887,546	-	1,887,546
Culture and Recreation	1,142,364	-	1,142,364
Economic Development	5,397,629	-	5,397,629
Capital Projects	42,291,593	-	42,291,593
Debt Service	5,070,048	8,929,959	14,000,007
Construction	-	35,377,896	35,377,896
Unrestricted	(25,313,233)	(18,632,398)	(43,945,631)
<b>Total Net Position</b>	<b>\$ 257,973,228</b>	<b>\$ 102,368,595</b>	<b>\$ 360,341,823</b>

**Jeffersonville, Indiana**  
**Statement of Activities**  
**Year Ended December 31, 2022**

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
				Governmental Activities	Business-Type Activities	Total
<b>Primary Government</b>						
<b>Governmental Activities</b>						
General Government	\$ 14,474,414	\$ 561,757	\$ -	\$ -	\$ (13,912,657)	\$ (13,912,657)
Public Safety	19,478,088	78,341	115,688	8,773	(19,275,286)	(19,275,286)
Culture and Recreation	6,826,797	723,204	8,250	226,587	(5,868,756)	(5,868,756)
Health and Welfare	922,856	302,041	82,805	-	(538,010)	(538,010)
Highway and Streets	12,165,659	31,476	-	1,265,163	(10,869,020)	(10,869,020)
Sanitation	2,361,743	115,408	-	-	(2,246,335)	(2,246,335)
Economic Development	3,261,677	1,256,904	32,144	-	(1,972,629)	(1,972,629)
Interest Paid on Debt	773,721	-	-	-	(773,721)	(773,721)
<b>Total Governmental Activities</b>	<b>60,264,955</b>	<b>3,069,131</b>	<b>238,887</b>	<b>1,500,523</b>	<b>(55,456,414)</b>	<b>(55,456,414)</b>
<b>Business-Type Activities</b>						
Wastewater Utility	27,945,043	24,801,255	-	-	(3,143,788)	(3,143,788)
Stormwater Utility	4,050,691	2,551,702	-	-	(1,498,989)	(1,498,989)
<b>Total Business-Type Activities</b>	<b>31,995,734</b>	<b>27,352,957</b>	<b>-</b>	<b>-</b>	<b>(4,642,777)</b>	<b>(4,642,777)</b>
<b>Total Primary Government</b>	<b>\$ 92,260,689</b>	<b>\$ 30,422,088</b>	<b>\$ 238,887</b>	<b>\$ 1,500,523</b>	<b>\$ (55,456,414)</b>	<b>\$ (60,099,191)</b>
<b>General Revenues</b>						
General Property Taxes				46,229,600	-	46,229,600
Income Taxes				16,208,374	-	16,208,374
State Government Shared Revenues				5,536,570	-	5,536,570
Investment Earnings				518,408	452,736	971,144
Other Financing Sources				927,925	238,407	1,166,332
Proceeds of General Capital Asset Disposal				191,799	215,977	407,776
Contributions and Donations				231,619	-	231,619
<b>Total General Revenues</b>				<b>69,844,295</b>	<b>907,120</b>	<b>70,751,415</b>
Change in Net Position				14,387,881	(3,735,657)	10,652,224
Net Position - Beginning				243,585,347	106,104,252	349,689,599
<b>Net Position - Ending</b>				<b>\$ 257,973,228</b>	<b>\$ 102,368,595</b>	<b>\$ 360,341,823</b>

**Balance Sheet**  
**Governmental Funds For Jeffersonville, Indiana**  
**December 31, 2022**

	General	Inner City TIF Fund	Total Nonmajor Funds	Total Governmental Funds
<b>Assets</b>				
Cash and Cash Equivalents	\$ 7,618,511	\$ 11,229,769	\$ 21,020,573	\$ 39,868,853
Investments	8,816,237	13,114,685	15,466,132	37,397,054
Receivables:				
Accounts	68,657	-	21,049	89,706
Taxes	24,077,088	-	6,139,350	30,216,438
Intergovernmental	640,303	-	538,880	1,179,183
Restricted Cash	-	-	5,436,173	5,436,173
<b>Total Assets</b>	<b>\$ 41,220,796</b>	<b>\$ 24,344,454</b>	<b>\$ 48,622,157</b>	<b>\$ 114,187,407</b>
<b>Liabilities</b>				
Accounts Payable	\$ 200,308	\$ 237,820	\$ 1,399,308	\$ 1,837,436
Wages and Benefits Payable	111,485	-	54,603	166,088
<b>Total Liabilities</b>	<b>311,793</b>	<b>237,820</b>	<b>1,453,911</b>	<b>2,003,524</b>
<b>Deferred Inflows Of Resources</b>				
Unavailable Revenue-Property Taxes and Settlements	24,717,391	-	6,673,431	31,390,822
<b>Total Deferred Inflows Of Resources</b>	<b>24,717,391</b>	<b>-</b>	<b>6,673,431</b>	<b>31,390,822</b>
<b>Fund Balances</b>				
Restricted	-	24,106,634	36,162,475	60,269,109
Committed	-	-	4,385,057	4,385,057
Assigned	507,181	-	-	507,181
Unassigned	15,684,431	-	(52,717)	15,631,714
<b>Total Fund Balances</b>	<b>16,191,612</b>	<b>24,106,634</b>	<b>40,494,815</b>	<b>80,793,061</b>
<b>Total Liabilities, Deferred Inflows Of Resources, and Fund Balances</b>	<b>\$ 41,220,796</b>	<b>\$ 24,344,454</b>	<b>\$ 48,622,157</b>	<b>\$ 114,187,407</b>

**Reconciliation of The Balance Sheet of Governmental Funds  
To The Statement of Net Position For Jeffersonville, Indiana  
December 31, 2022**

Fund balance - governmental funds		\$ 80,793,061
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	\$ 35,724,069	
Other capital assets, net of depreciation	<u>211,279,155</u>	247,003,224
Governmental Activities and internal service fund prepaids are not current financial resources and, therefore, are not reported in in the funds.		
Governmental Activities	\$ 155,018	
Internal Service Fund Activities	<u>157,123</u>	312,141
Local Income Tax Receivable reported in Statement of Net Position but not in the fund financial statements		1,570,277
Pension liability is not paid from current financial resources and, therefore, is not show in the funds.		(34,171,106)
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		58,759
Deferred outflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the statement of net position		13,445,675
Deferred inflows of resources on pension related items are not recognized in the governmental funds, but are recorded in the statement of net position		(1,076,610)
Unavailable revenues are not available to pay current liabilities and, therefore, are not reported as liabilities in the Statement of Net Position		1,174,384
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		2,811,798
Total OPEB liability is not paid from current financial resources and, therefore, is not shown in the funds.		(19,550,018)
Deferred outflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the statement of net position		6,639,202
Deferred inflows of resources on OPEB related items are not recognized in the governmental funds, but are recorded in the statement of net position		(6,748,102)
Compensated absences are not due and payable in the current period and therefore, are not reported in the funds		(5,859,771)
Accrued interest on bonds payable is not due and payable in the current period and, therefore, is not reported in the funds		(366,125)
Long-term liabilities, including loans payable, are not due and payable in the current period and, therefore, are not reported in the funds		(817,962)
Long-term liabilities, including bonds payable, are not due and payable in th current period and, therefore, are not reported in the funds		
Tax increment financing bonds	\$ (11,516,234)	
Revenue bonds	<u>(15,729,365)</u>	<u>(27,245,599)</u>
Net position of governmental activities		<u>\$ 257,973,228</u>

**Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds For Jeffersonville, Indiana  
Year Ended December 31, 2022**

	General	Inner City TIF fund	Total Nonmajor Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 21,637,994	\$ 13,360,696	\$ 11,230,910	\$ 46,229,600
Income Taxes	11,546,336	-	6,452,287	17,998,623
Intergovernmental	1,602,107	-	5,430,893	7,033,000
Licenses and Permits	1,391,487	-	48,710	1,440,197
Charges for Services	222,928	-	1,404,219	1,627,147
Fines, Forfeitures, and Fees	-	-	1,787	1,787
Other	1,022,095	30,000	804,201	1,856,296
<b>Total Revenues</b>	<b>37,422,947</b>	<b>13,390,696</b>	<b>25,373,007</b>	<b>76,186,650</b>
<b>Expenditures</b>				
General Government	15,133,255	-	2,162,994	17,296,249
Public Safety	20,115,598	-	3,900,872	24,016,470
Culture and Recreation	-	-	6,121,572	6,121,572
Health and Welfare	805,909	-	188,281	994,190
Highway and Streets	-	-	4,455,302	4,455,302
Sanitation	-	-	2,583,579	2,583,579
Economic Development	-	1,247,689	1,602,687	2,850,376
Debt Service:				
Principal Paid on Debt	733,642	2,327,396	4,225,000	7,286,038
Interest Paid on Debt	6,679	254,397	699,360	960,436
<b>Total Expenditures</b>	<b>36,795,083</b>	<b>3,829,482</b>	<b>25,939,647</b>	<b>66,564,212</b>
Excess (deficiency) of Revenues vs. Expenditures	627,864	9,561,214	(566,640)	9,622,438
<b>Other Financing Sources</b>				
Interfund Transfers In	-	-	7,477,002	7,477,002
Interfund Transfers Out	(327,000)	(3,534,191)	(3,615,811)	(7,477,002)
<b>Total Other Financing Sources</b>	<b>(327,000)</b>	<b>(3,534,191)</b>	<b>3,861,191</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>300,864</b>	<b>6,027,023</b>	<b>3,294,551</b>	<b>9,622,438</b>
<b>Fund Balances - Beginning</b>	<b>15,890,748</b>	<b>18,079,611</b>	<b>37,200,264</b>	<b>71,170,623</b>
<b>Fund Balances - Ending</b>	<b>\$ 16,191,612</b>	<b>\$ 24,106,634</b>	<b>\$ 40,494,815</b>	<b>\$ 80,793,061</b>

**Reconciliation Of The Statement Of Revenues,  
Expenditures, And Changes In Fund Balances Of Governmental Funds  
To The Statement Of Activities For Jeffersonville, Indiana  
December 31, 2022**

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

Net change in fund balances - total governmental funds (Statement of Revenues, Expenditures, and Changes in Fund Balances)	\$	9,622,438
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlays	\$ 3,299,603	
Asset disposal	(1,779,733)	
Depreciation expense	<u>(9,863,315)</u>	(8,343,445)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Net Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Principal paid on TIF bonds	\$ 1,525,000	
Principal paid on revenue bonds	3,645,000	
Principal paid on loans	2,116,035	
Amortization of bond discount/premium and loss on refunding	<u>116,411</u>	7,402,446

Expenses in the Statement of Activities that do not use current financial resources are not reported as expenses in the funds:

Deferred outflow of resources: Pension related	\$ 3,333,090	
Deferred outflow of resources: OPEB related	(2,011,848)	
Deferred outflow of resources: Debt refunding	<u>(16,432)</u>	1,304,810

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: Pension related	\$ 13,809,676	
Deferred inflows of resources: OPEB related	(5,951,511)	
Deferred inflows of resources: Unavailable revenue	<u>(1,782,971)</u>	6,075,194

Unavailable revenue recognized in the fund financial statements but not government wide		235,703
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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.		(571,772)
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Prepaid expenses in the Statement of Activities require the use of current financial resources and, therefore, are reported as expenditures in governmental funds when paid.		102,108
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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.		86,736
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Pension obligations are considered expenses of the general government and, therefore, are not reported as current expenditures in the funds.		(10,594,239)
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OPEB obligation reported in the Statement of Activities does not require the use of current resources and, therefore, are not reported as expenditures in governmental funds.		9,373,027
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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>(305,125)</u>
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<b>Change in Net Position of Governmental Activities (Statement of Activities)</b>	<b>\$</b>	<b><u>14,387,881</u></b>
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**Jeffersonville, Indiana  
Statement of Net Position  
Proprietary Funds  
December 31, 2022**

	Wastewater Utility	Stormwater Utility	Total Enterprise Funds	Internal Service Fund
<b>Assets</b>				
Cash and Cash Equivalents	\$ 5,473,169	\$ 452,889	\$ 5,926,058	\$ 3,028,581
Investments	2,103,878	360,335	2,464,213	-
Receivables:				
Accounts	4,517,265	492,708	5,009,973	47,162
Tax Liens	105,660	-	105,660	-
Prepaid Expenses	87,275	-	87,275	157,123
Restricted Assets:				
Bond and Interest Cash and Cash Equivalents	837,058	-	837,058	-
Debt Service Reserve Investments	8,092,901	-	8,092,901	-
Construction Cash and Cash Equivalents	28,686,440	-	28,686,440	-
Capacity Fee Cash and Cash Equivalents	3,726,513	-	3,726,513	-
Capacity Fee Current Investments	2,964,943	-	2,964,943	-
<b>Noncurrent Assets</b>				
Capital Assets:				
Land and Construction In Progress	45,558,957	163,800	45,722,757	-
Other Capital Assets, Net of Depreciation	90,583,632	31,403,081	121,986,713	-
<b>Total Assets</b>	<b>192,737,691</b>	<b>32,872,813</b>	<b>225,610,504</b>	<b>3,232,866</b>
<b>Deferred Outflows Of Resources</b>				
Deferred Amount On Refunding Of Debt	1,151,219	-	1,151,219	-
Pension Related	685,495	119,933	805,428	-
OPEB Related	2,095,127	516,671	2,611,798	-
<b>Total Deferred Outflows Of Resources</b>	<b>3,931,841</b>	<b>636,604</b>	<b>4,568,445</b>	<b>-</b>
<b>Liabilities</b>				
Accounts Payable	1,550,754	57,889	1,608,643	-
Wages and Benefits Payable	42,146	10,394	52,540	-
Unearned Revenue	5,013,856	-	5,013,856	-
Retainage Payable	575,414	-	575,414	-
Claims Payable	-	-	-	263,945
Noncurrent Liabilities:				
Due Within One Year:				
Revenue Bonds	2,448,000	-	2,448,000	-
Compensated Absences	10,603	3,395	13,998	-
Due In More Than One Year:				
Revenue Bonds (Net of Discount with Premium)	105,429,960	-	105,429,960	-
Compensated Absences Payable	218,378	9,725	228,103	-
Net Pension Liability	1,675,298	288,185	1,963,483	-
Total OPEB Liability	6,169,382	1,521,408	7,690,790	-
<b>Total Liabilities</b>	<b>123,133,791</b>	<b>1,890,996</b>	<b>125,024,787</b>	<b>263,945</b>
<b>Deferred Inflows Of Resources</b>				
Pension Related	111,712	19,217	130,929	-
OPEB Related	2,129,492	525,146	2,654,638	-
<b>Total Deferred Inflows Of Resources</b>	<b>2,241,204</b>	<b>544,363</b>	<b>2,785,567</b>	<b>-</b>
<b>Net Position</b>				
Invested in Capital Assets, Net of Related Debt	45,126,257	31,566,881	76,693,138	-
Restricted for debt service	8,929,959	-	8,929,959	-
Restricted for construction	35,377,896	-	35,377,896	-
Unrestricted	(18,139,575)	(492,823)	(18,632,398)	2,968,921
<b>Total Net Position</b>	<b>\$ 71,294,537</b>	<b>\$ 31,074,058</b>	<b>\$ 102,368,595</b>	<b>\$ 2,968,921</b>

**Jeffersonville, Indiana**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**Year Ended December 31, 2022**

	Wastewater Utility	Stormwater Utility	Total Enterprise Funds	Internal Service Fund
<b>Revenues</b>				
Metered Fees	\$ 17,637,407	\$ -	\$ 17,637,407	\$ -
Surcharges	3,462,584	-	3,462,584	-
Charges for Services	2,904,767	2,516,702	5,421,469	-
Penalties	295,906	31,347	327,253	-
Miscellaneous	460,036	-	460,036	-
Other	467,396	31,196	498,592	9,278,132
<b>Total Revenues</b>	<b>25,228,096</b>	<b>2,579,245</b>	<b>27,807,341</b>	<b>9,278,132</b>
<b>Expenses</b>				
Collections	1,549,466	-	1,549,466	-
Treatment	1,606,384	-	1,606,384	-
Customer Accounts	629,681	-	629,681	-
Administrative and General	6,178,556	8,096	6,186,652	-
Construction	5,129,642	-	5,129,642	-
Maintenance and Capital	5,072,831	3,146,428	8,219,259	-
Insurance Claims and Expenses	-	-	-	9,596,710
Depreciation and Amortization	5,876,309	896,167	6,772,476	-
<b>Total Expenses</b>	<b>26,042,869</b>	<b>4,050,691</b>	<b>30,093,560</b>	<b>9,596,710</b>
<b>Operating Income (Loss)</b>	<b>(814,773)</b>	<b>(1,471,446)</b>	<b>(2,286,219)</b>	<b>(318,578)</b>
<b>Non Operating Revenues/(Expenses)</b>				
Interest and Investment Revenue	448,933	3,803	452,736	13,453
Debt Interest Expenses	(1,902,174)	-	(1,902,174)	-
<b>Total Non-Operating Revenue/(Expenses)</b>	<b>(1,453,241)</b>	<b>3,803</b>	<b>(1,449,438)</b>	<b>13,453</b>
<b>Other Financing Sources/(Uses)</b>				
Interfund Transfers In	241,308	-	241,308	-
Interfund Transfers Out	-	(241,308)	(241,308)	-
<b>Total Other Financing Sources/Uses</b>	<b>241,308</b>	<b>(241,308)</b>	<b>-</b>	<b>-</b>
<b>Change In Net Position</b>	<b>(2,026,706)</b>	<b>(1,708,951)</b>	<b>(3,735,657)</b>	<b>(305,125)</b>
<b>Total Net Position - Beginning</b>	<b>73,321,243</b>	<b>32,783,009</b>	<b>106,104,252</b>	<b>3,274,046</b>
<b>Total Net Position - Ending</b>	<b>\$ 71,294,537</b>	<b>\$ 31,074,058</b>	<b>\$ 102,368,595</b>	<b>\$ 2,968,921</b>

**Proprietary Fund Statement of Cash Flows  
For Jeffersonville, Indiana  
December 31, 2022**

	<u>Wastewater Utility</u>	<u>Stormwater Utility</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Fund</u>
<b>Cash Flows from Operating Activities:</b>				
Receipts from Customers and Users	\$ 22,767,030	\$ 2,249,313	\$ 25,016,343	\$ 9,279,886
Payments to Employees	(3,974,081)	(691,315)	(4,665,396)	-
Payments to Suppliers	(12,464,464)	(1,579,952)	(14,044,416)	(9,653,458)
<b>Net Cash Provided from (used for) Operating Activities</b>	<b>6,328,485</b>	<b>(21,954)</b>	<b>6,306,531</b>	<b>(373,572)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Acquisition and Construction of Capital Assets	(6,129,860)	133,440	(5,996,420)	-
Principal Paid on Bonds	(29,985,000)	-	(29,985,000)	-
Principal Paid on Loans	(179,568)	-	(179,568)	-
Bond Proceeds	38,906,128	-	38,906,128	-
Bond Issuance Costs	1,090,557	-	1,090,557	-
Unearned Revenue from ARPA	5,013,856	-	5,013,856	-
Interest Paid	(2,017,915)	-	(2,017,915)	-
Interfund Receipts	241,308	-	241,308	-
Interfund Payments	-	(241,308)	(241,308)	-
<b>Net Cash Provided from (used for) Capital and Related Financing Activities</b>	<b>6,939,506</b>	<b>(107,868)</b>	<b>6,831,638</b>	<b>-</b>
<b>Cash Flows from Investing Activities:</b>				
Interest Received	448,931	3,802	452,733	13,453
<b>Net Cash from (Used for) Investing Activities</b>	<b>448,931</b>	<b>3,802</b>	<b>452,733</b>	<b>13,453</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>13,716,922</b>	<b>(126,020)</b>	<b>13,590,902</b>	<b>(360,119)</b>
<b>Cash and Cash Equivalents, January 1</b>	<b>25,006,258</b>	<b>578,909</b>	<b>25,585,167</b>	<b>3,388,700</b>
<b>Cash and Cash Equivalents, December 31</b>	<b>\$ 38,723,180</b>	<b>\$ 452,889</b>	<b>\$ 39,176,069</b>	<b>\$ 3,028,581</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:</b>				
Operating Income (Loss)	\$ (814,772)	\$ (1,471,446)	\$ (2,286,218)	\$ (318,578)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities:</b>				
Depreciation and Amortization Expense	5,876,309	896,167	6,772,476	-
<b>(Increase) Decrease in Assets:</b>				
Accounts Receivable	(2,355,408)	(329,933)	(2,685,341)	1,754
Tax Liens Receivable	(105,660)	-	(105,660)	-
Prepaid Items	(81,425)	-	(81,425)	(6,394)
<b>Increase (Decrease) in Liabilities:</b>				
Accounts Payable	154,529	34,642	189,171	(158)
Wages and Benefits Payable	16,262	5,721	21,983	-
Contracts Payable	575,414	-	575,414	-
Interfund Payable	-	-	-	-
Claims Payable	-	-	-	(50,196)
Compensated Absences Payable	16,498	(183)	16,315	-
<b>(Increase) Decrease in Deferred Outflows:</b>				
Deferred Amount on Refunding	145,994	-	145,994	-
Deferred Outflows - Pensions	(90,146)	(13,300)	(103,446)	-
Deferred Outflows - OPEB	(512,430)	(412,165)	(924,595)	-
<b>Increase (Decrease) in Deferred Inflows:</b>				
Deferred Inflows - Pension	(853,893)	(154,935)	(1,008,828)	-
Deferred Inflows - OPEB	2,000,407	498,872	2,499,279	-
Increase (Decrease) Net Pension Liability	1,055,115	176,331	1,231,446	-
Increase (Decrease) OPEB	1,301,691	748,275	2,049,966	-
<b>Total Adjustments</b>	<b>7,143,257</b>	<b>1,449,492</b>	<b>8,592,749</b>	<b>(54,994)</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 6,328,485</b>	<b>\$ (21,954)</b>	<b>\$ 6,306,531</b>	<b>\$ (373,572)</b>

**Statement Of Fiduciary Net Position  
For Jeffersonville, Indiana  
December 31, 2022**

	Fiduciary Funds	
	Pension Trust Funds	Custodial Funds
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,066,042	\$ 15,235
<b>Total Assets</b>	<b>1,066,042</b>	<b>15,235</b>
<b>Net Position</b>		
Restricted	1,066,042	15,235
<b>Total Net Position</b>	<b>\$ 1,066,042</b>	<b>\$ 15,235</b>

**Statement of Changes in Fiduciary Net Position  
For Jeffersonville, Indiana  
December 31, 2022**

	Fiduciary Funds	
	Pension Trust Funds	Custodial Funds
<b>Additions:</b>		
Contributions:		
Employee	\$ -	\$ 24,275
Employer	2,236,365	-
<b>Total Additions</b>	<b>2,236,365</b>	<b>24,275</b>
<b>Deductions:</b>		
Benefits	2,047,978	-
Administrative Expense	9,945	28,247
<b>Total Deductions</b>	<b>2,057,923</b>	<b>28,247</b>
<b>Changes In Net Position</b>	178,442	(3,972)
<b>Net Position - Beginning</b>	887,600	19,207
<b>Net Position - Ending</b>	<b>\$ 1,066,042</b>	<b>\$ 15,235</b>

## NOTES TO THE FINANCIAL STATEMENTS

## Note 1 - Summary of Significant Accounting Policies

The City of Jeffersonville (primary government) was established under the laws of the State of Indiana in 1802. The primary government operates under a Mayor-Council form of government and provides the following services: general administrative services, public safety (police and fire), culture and recreation, health and welfare, highways and streets, sanitation, economic development, wastewater and stormwater.

The accounting policies of the City of Jeffersonville, Indiana 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).

### A. Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City 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 Jeffersonville Redevelopment Authority (RDA) is a significant blended component unit of the primary government. The RDA was founded in 1990 pursuant to the Indiana Code Section 36-7-14.5, ordinance 1990-OR-55 and is governed by a three-member board appointed by the Mayor. Members must be residents of the City of Jeffersonville. The primary government is able to impose its will, and a financial benefit/burden relationship exists between the primary government and the RDA. The RDA is fiscally dependent on the primary government. It would be misleading to exclude the RDA from the primary government's financial statements because of its relationship with the primary government. The RDA was created to provide the City with capital and financing opportunities and/or provide economic development services.

## Note 1 - Summary of Significant Accounting Policies

### B. 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 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 City 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 and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

1. 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
2. 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.
3. In addition, any other governmental or enterprise fund that the City 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.

The City reports the following major governmental funds:

**General Fund** - accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for in another fund. The General fund also contains activity related to the City's Rainy Day Fund.

**Inner City TIF** - accounts for the revenues and expenditures related to the Inner City TIF district.

The City reports the following major enterprise funds:

**Wastewater Utility** - accounts for operation of the Wastewater Utility.

**Stormwater Utility** - accounts for operation of the Stormwater Utility.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies****B. Government-Wide and Fund Financial Statements (Cont.)****Fund Financial Statements (Cont.)**

The City reports the following nonmajor governmental funds:

Special Revenue Funds - 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).

Motor Vehicle Highway	Planning and Placemaking Improvements
Local Road and Street	Riverstage
Motor Vehicle Highway - Restricted	Vehicle Maintenance and Fuel
Park and Recreation - Operating	City Attorney Diversion
LIT – Economic Development	City Pride Committee
Building Demolition	Thunder Committee
Sanitation	Public Arts
Local Law Enforcement Continuing Education	Sprint Lease
Clerk's Record Perpetuation	Economic Development Abatement
Riverboat	Department of Law
LIT - Public Safety	Police
Opioid Settlement	Jeffersonville Building Authority - Operating
Donations	Animal Shelter Spay and Neuter Program
Federal Asset Forfeiture	Jeffersonville Police Forfeiture
American Rescue Plan Act	Redevelopment - Operating
Petty Cash	Redevelopment - CASI
Cash Change	Redevelopment Revolving Loan
Parks Activity	

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

2008 Redevelopment Bond - Sinking (Veterans)	2013 ICR Series D DSR
2008 Redevelopment Bond DSR	2013 ICR Series E DSR
2009 Redevelopment Lease Rental Bond - Sinking (Aquatic)	2016 Redevelopment Refunding Bond DSR (2006ABC)
2013 Falls Landing Series A DSR	2016 Redevelopment Refunding Bond Sinking (2006ABC)
2013 ICR Series B DSR	2017 Redevelopment Bond - 10th Street Sinking
2013 Falls Landing Series C DSR	2017 Redevelopment Bond - 10th Street DSR

## Note 1 - Summary of Significant Accounting Policies

### B. Government-Wide and Fund Financial Statements (Cont.)

#### Fund Financial Statements (Cont.)

Capital Projects Funds - 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.

Cumulative Capital Improvement	2021 B Community Crossing Grant Holman's Lane
Cumulative Capital Development	2021 A Community Crossing Grant
Falls Landing TIF	2022-1 Community Crossing Grant (Various)
Bethnova TIF	2021 Tourism Grant - Riverstage
Keystone TIF	2013 C Redevelopment Bond - Police Proceeds
Galvstar TIF	Jeffersonville Building Authority - Capital Improvement
Vogt Valve TIF	Spring Street Master Plan Implementation
Port Grant	Sidewalk Construction
EPA Brownfield Grant	Park Cumulative Capital Fund
Police Grant	

Permanent Funds - used to account for resources that are restricted to the extent that only earnings, and not principal, may be used to support the government's programs.

In addition, the City reports the following fund types:

Internal Service Funds - 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 City, or to other governmental units, on a cost-reimbursement basis.

Self- Insurance

Pension Trust Funds - used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, or other employee benefit plans.

Fire Pension

Police Pension

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

Flexible Spending Account

### C. 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.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies****C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont)****Government-Wide Financial Statements (Cont)**

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

**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 City 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 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 City is entitled to the resources and the amounts are available. Amounts owed to the City 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 Wastewater and Stormwater funds 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.

**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.

## Note 1 - Summary of Significant Accounting Policies

### D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

#### 1. Deposits and Investments

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

The City'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 City to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the City 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, unless approved by the fiscal body which can be up to five years. The total investments of the City with maturities of two to five years outstanding at the time of purchase may not exceed twenty-five percent (25%) of its total portfolio of public funds invested, including balances in transaction accounts.

The City created, monitors and maintains an investment policy to set forth investment objectives and parameters for the management of public funds of the City of Jeffersonville. The investment policy is designed to safeguard funds on behalf of the City, to assure the availability of funds when needed, and provide a competitive investment return.

The City may consolidate fund balances to increase investment earnings and to increase efficiencies with regard to investment pricing, banking fees and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

The City's primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield. The safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital. The City will minimize credit risk, which is the risk of loss due to failure of the security issuer or backer, by limiting investments to the types of securities listed in the investment policy. Investments are made under the "prudent person" standard outlined in the City's Investment policy. "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

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.

Additionally, the City may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the City'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

## NOTES TO THE FINANCIAL STATEMENTS

## Note 1 - Summary of Significant Accounting Policies

### D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Cont.)

#### 1. Deposits and Investments (Cont)

##### Government-Wide Statements

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.

#### 2. 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 61.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the year preceding the budget year or January 15 of the budget year if the County is issuing debt after December 1 or intends to file a shortfall appeal. These rates were based upon the assessed valuations adjusted for various tax credits from the preceding year's lien date of January 1st. 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 and proprietary 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 government-wide financial statements as internal balances.

#### 3. Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO and charged to construction and/or operation and maintenance expenses when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

#### 4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

## Note 1 - Summary of Significant Accounting Policies

### D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Cont.)

#### 5. Capital Assets

##### Government-Wide Statements

Capital assets are tangible and intangible capital assets owned by the City and used in the production of goods and services for the benefit of the City's citizens. These assets have a useful life of at least two years and a cost at or exceeding an established capitalization threshold.

Capital assets, which include land, buildings, improvements other than buildings, machinery, equipment, vehicles, infrastructure, computer software, construction in process are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of zero for artwork, and land and \$5,000 for land improvements, buildings and structures, machinery and equipment, and infrastructure assets. Federal funded assets, whether partially or fully funded with Federal grants or other Federal funds are to be capitalized at full acquisition cost. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable.

Assets costing amounts below their respective capitalization threshold but considered sensitive are referred to as Minor but Sensitive Equipment (MBSE). These assets, while low in cost, may nonetheless present potentially significant liability issues to the City in the event they are lost, misplaced or stolen.

Expenditures relating to an existing capital asset that significantly improve its productivity, capacity, capabilities, size or extend its useful life beyond two years are to be capitalized as improvements to the asset. Expenditures that merely maintain the asset in its present condition and productivity are to be expensed as normal repairs and maintenance expenses.

Depreciation is the periodic allocation of a capital asset's cost over the period of which it provides service. Depreciation of capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. The City depreciates capital assets by using the straight-line full-year method over their respective useful lives commencing in the year the asset is acquired. The following useful lives applies to all City capital assets:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
<b>City, Wastewater Utility and Stormwater Utility:</b>			
Artwork and Historical Treasures	\$ -	Straight-line	Indefinite
Land, Easements, and Rights-of-Way	\$ -	Straight-line	Indefinite
Land Improvements	\$ 5,000	Straight-line	Indefinite
Buildings & Structures	\$ 5,000	Straight-line	40 Years
Machinery and Equipment	\$ 5,000	Straight-line	5 to 20 Years
Vehicles	\$ 1,000	Straight-line	5 to 15 Years
Infrastructure	\$ 5,000	Straight-line	25 to 50 Years
Improvements Other Than Buildings	\$ 5,000	Straight-line	20 Years

For depreciable 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.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies****D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Cont.)****6. 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 City is reporting deferred outflows of resources for a deferred amount on refunding, and pension and OPEB related items.

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.

**7. Compensated Absences**

1. Personal Time off - Full-time City, Wastewater and Stormwater employees are awarded six personal time off days per year. Unpaid personal time off is paid at 33% to employees through cash payments upon retirement or upon separation up to a maximum of 15 days. Unused personal time off may be accumulated indefinitely.
2. Vacation Leave - Full-time City, Wastewater and Stormwater earn vacation leave at rates from 5 days to 25 days per year based upon the number of years of service. Employees may accumulate vacation time from year to year. Upon separation from employment, an employee shall be paid for all accrued unused vacation leave, not to exceed 30 days through a cash payment.

Personal time off and vacation leave are accrued when incurred.

Payments for personal time off and vacation leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2022, are determined on the basis of current salary rates and include salary related payments.

**8. 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 loans and bonds payable and accrued compensated absences.

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. The accounting in proprietary funds is the same as it is in the government-wide statements.

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

**9. 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 City is reporting deferred inflows of resources related to unavailable revenue due to the tax levy approved for the following year at the fund level and government wide reporting, and pension and OPEB related items for government-wide reporting.

## Note 1 - Summary of Significant Accounting Policies

### D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Cont.)

#### 10. Net Position and Fund Balance Classifications

##### Government-Wide Statements

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

1. 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.
2. 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.
3. 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 City's policy to use restricted resources first, then unrestricted resources as they are needed.

##### Fund Statements

Governmental fund balances are displayed as follows:

1. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
2. 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.
3. 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 City 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 City Council that originally created the commitment.
4. 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 City Council has, by resolution, adopted a financial policy authorizing the Controller to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
5. 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 City considers unrestricted 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 City 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 city believes it is in compliance with all significant restrictions.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies****D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (Cont.)****11. Other Postemployment Benefits (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 City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

**12. Pension Plans**

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions expense, information about the fiduciary net position of the 1937 Firefighters', 1977 Police and Firefighters' and 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 payroll 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.

**13. Basis for Existing Rates****Wastewater Utility**

The Wastewater Utility conducted a rate study during 2009. On December 21, 2009, the Common Council approved a five-phase increase with Phase I effective January 1, 2010, and Phases II, III, IV and V effective each January 1st thereafter. The Utility has approximately 16,648 customers.

**Stormwater Utility**

The Stormwater Utility conducted a rate study during 2020. On April 16, 2021, the Common Council approved a fee for stormwater effective July 1, 2021. The Utility has approximately 15,941 customers.

## Note 2 - Stewardship, Compliance, And Accountability

### A. Budgetary Information

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

A budget has been adopted for the :

General	Vehicle Maintenance & Fuel
Motor Vehicle Highway	City Pride Committee
Local Road and Street	Thunder Committee
Motor Vehicle Highway - Restricted	Public Arts
Park and Recreation - Operating	Economic Development Abatement
LIT – Economic Development	Police
Building Demolition	Jeffersonville Building Authority - Operating
Sanitation	Animal Shelter Spay & Neuter Program
Local Law Enforcement Continuing Education	Jeffersonville Police Forfeiture
Riverboat	Cumulative Capital Improvement
Public Safety - LIT	Cumulative Capital Development
Parks Activity	Jeffersonville Building Authority - Capital Improvement
Planning & Placemaking Improvements	Sidewalk Construction
Riverstage	

### B. Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit fund balances at year end. As of December 31, 2022, the following individual funds held a deficit fund balance:

Fund	Amount	Reason
EPA Bronwfield Grant - Capital Projects	\$ 32,447	Accounts payable
2020 Police Grant - Capital Projects	20,270	Negative Cash, Accounts Payable

## NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds****A. Deposits And Investments**

The City 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 cash equivalents and investments. The deposits and investments of the pension trust funds are held separately from those of other funds.

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

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 31,675,783	\$ 32,791,678	Custodial risk
Certificates of deposit	32,588,000	32,588,000	Custodial risk
US Treasuries	18,331,111	18,332,182	Custodial risk, interest rate
Money market accounts	56,912,345	57,502,296	Custodial risk
Petty Cash	2,825	2,825	None
Total Deposits and Investments	<u>\$ 139,510,064</u>	<u>\$ 141,216,981</u>	
Reconciliation to financial statements:			
Per statement of net position			
Unrestricted cash and investments	\$ 88,684,759		
Restricted cash and investments	49,744,028		
Per statement of net position - fiduciary funds			
Pension trust funds	1,066,042		
Custodial Funds	15,235		
Total Deposits and Investments	<u>\$ 139,510,064</u>		

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) or by the Indiana Public Depository Insurance Fund for the full amount of the account.

The City 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.

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

- Money market mutual funds are valued using quoted market prices in active markets (Level 1).
- Government securities are valued using quoted market prices in markets that are not active (Level 2).
- US Treasury Notes/Bonds are valued using quoted market prices in markets that are not active (Level 2).
- Commercial Paper is valued using quoted market prices in markets that are not active (Level 2).

Investment Type	December 31, 2022			Total
	Level 1	Level 2	Level 3	
Certificates of deposit	\$ 32,588,000	\$ -	\$ -	\$ 32,588,000
Money market	56,912,345	-	-	56,912,345
US Treasuries	-	18,331,111	-	18,331,111
<b>Total</b>	<u>\$ 89,500,345</u>	<u>\$ 18,331,111</u>	<u>\$ -</u>	<u>\$ 107,831,456</u>

### Note 3 - Detailed Notes On All Funds

#### A. Deposits And Investments (Cont)

##### Custodial Credit Risk

##### Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City’s deposits may not be returned to the City. The City does not have any deposits exposed to custodial credit risk.

##### Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City does not have any investments that are subject to credit risk.

##### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of December 31, 2022, the City’s investments were as follows:

Investment Type	Fair Value	Maturity (In Years)	
		Less than 1	1-5
Certificates of deposit	\$ 32,588,000	\$ 26,967,000	\$ 5,621,000
US Treasuries	18,831,111	18,831,111	-
<b>Totals</b>	<b>\$ 51,419,111</b>	<b>\$ 45,798,111</b>	<b>\$ 5,621,000</b>

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

#### B. Receivables

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Delinquent property taxes outstanding at year end for governmental proprietary funds are recorded as a receivable with an offset to deferred inflows of resources - unavailable revenue since the amounts are not considered available. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

	Fund Level	Government Wide
Taxes Receivable	\$ 31,155,119	\$ 30,216,438
Opioid Receivable	235,703	-
Total Unavailable Revenue	<u>\$ 31,390,822</u>	<u>\$ 30,216,438</u>

## NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds****C. Restricted Assets**

The following represent the balances of the restricted assets:

Following is a list of restricted assets at December 31, 2022:

Governmental Activities:			
Restricted cash and cash equivalents		\$	5,436,173
Business Type Activities:			
Wastewater Utility:			
Bond and Interest		\$	837,058
Debt Service Reserve			8,092,901
Construction			28,686,440
Capacity Fee			6,691,456
<b>Total</b>		<b>\$</b>	<b>49,744,028</b>

**D. Capital Assets**

Capital asset activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 32,852,591	\$ 425,803	\$ 11,025	\$ 33,267,369
Construction in progress	2,315,202	937,065	795,567	2,456,700
<b>Total Capital Assets Not Being Depreciated</b>	<b>35,167,793</b>	<b>1,362,868</b>	<b>806,592</b>	<b>35,724,069</b>
Capital assets being depreciated				
Buildings	38,088,076	17,000	3,093,161	35,011,915
Improvements other than buildings	13,233,409	169,460	86,390	13,316,479
Machinery, equipment and vehicles	26,725,026	1,750,276	324,807	28,150,495
Infrastructure	361,777,762	795,567	-	362,573,329
<b>Total Capital Assets Being Depreciated</b>	<b>439,824,273</b>	<b>2,732,303</b>	<b>3,504,358</b>	<b>439,052,218</b>
<b>Total Capital Assets</b>	<b>474,992,066</b>	<b>4,095,171</b>	<b>4,310,950</b>	<b>474,776,287</b>
<b>Less: Accumulated depreciation for</b>				
Buildings	19,122,551	700,392	1,442,749	21,265,692
Improvements other than buildings	4,164,351	501,977	37,233	4,703,561
Machinery, equipment and vehicles	20,834,425	2,359,835	255,669	23,449,929
Infrastructure	175,524,072	6,301,111	-	181,825,183
<b>Total Accumulated Depreciation</b>	<b>219,645,399</b>	<b>9,863,315</b>	<b>1,735,651</b>	<b>231,244,365</b>
<b>Net Capital Assets Being Depreciated</b>	<b>220,178,874</b>	<b>(7,131,012)</b>	<b>1,768,707</b>	<b>211,279,155</b>
<b>Total Governmental Activities Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 255,346,667</b>	<b>\$ (5,768,144)</b>	<b>\$ 2,575,299</b>	<b>\$ 706,020,652</b>

### Note 3 - Detailed Notes On All Funds

#### D. Capital Assets (Cont.)

Depreciation/amortization expense was charged to functions as follows:

**Governmental Activities**

General Government	\$ 557,469
Public Safety	1,235,519
Culture and Recreation	600,718
Highway & Streets	7,302,987
Economic Development	166,622

**Total Governmental Activities Depreciation/Amortization Expense** \$ 9,863,315

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-Type Activities:</b>				
<b>Wastewater</b>				
Capital assets not being depreciation				
Land	\$ 2,976,265	\$ -	\$ 2,464,151	\$ 512,114
Construction in progress	32,828,176	13,071,204	852,537	45,046,843
<b>Total Capital Assets Not Being Depreciated</b>	<u>35,804,441</u>	<u>13,071,204</u>	<u>3,316,688</u>	<u>45,558,957</u>
Capital assets being depreciated				
Infrastructure	155,046,323	852,537	-	155,898,860
Buildings	25,151,035	900,000	5,567,369	20,483,666
Improvements other than buildings	608,000	-	-	608,000
Machinery and equipment	76,108,942	1,773,540	532,703	77,349,779
<b>Total Capital Assets Being Depreciated</b>	<u>256,914,300</u>	<u>3,526,077</u>	<u>6,100,072</u>	<u>254,340,305</u>
<b>Total Capital Assets</b>	<u>292,718,741</u>	<u>16,597,281</u>	<u>9,416,760</u>	<u>299,899,262</u>
Less: Accumulated depreciation/amortization for				
Infrastructure	81,796,396	3,117,976	-	84,914,372
Buildings	7,038,518	911,021	2,141,709	5,807,830
Improvements other than buildings	291,750	28,750	-	320,500
Machinery and equipment	71,339,137	1,818,562	443,727	72,713,972
<b>Total Accumulated Depreciation/Amortization</b>	<u>160,465,801</u>	<u>5,876,309</u>	<u>2,585,436</u>	<u>163,756,674</u>
<b>Net Capital Assets Being Depreciated</b>	<u>96,448,499</u>	<u>(2,350,232)</u>	<u>3,514,636</u>	<u>90,583,631</u>
<b>Total Wastewater Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 132,252,940</u>	<u>\$ 10,720,972</u>	<u>\$ 6,831,324</u>	<u>\$ 136,142,588</u>

## NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds****D. Capital Assets (Cont.)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-Type Activities:</b>				
<b>Stormwater</b>				
Capital assets not being depreciation				
Land	\$ 163,800	\$ -	\$ -	\$ 163,800
Construction in progress	147,500	-	147,500	-
<b>Total Capital Assets Not Being Depreciated</b>	<u>311,300</u>	<u>-</u>	<u>147,500</u>	<u>163,800</u>
Capital assets being depreciated				
Infrastructure	40,251,544	147,500	-	40,399,044
Buildings	-	-	-	-
Improvements other than buildings	-	-	-	-
Machinery and equipment	995,237	90,010	98,000	987,247
<b>Total Capital Assets Being Depreciated</b>	<u>41,246,781</u>	<u>237,510</u>	<u>98,000</u>	<u>41,386,291</u>
<b>Total Capital Assets</b>	<u>41,558,081</u>	<u>237,510</u>	<u>245,500</u>	<u>41,550,091</u>
Less: Accumulated depreciation/amortization for				
Infrastructure	8,359,690	807,981	-	9,167,671
Buildings	-	-	-	-
Land improvements	-	-	-	-
Machinery and equipment	799,553	88,186	72,200	815,539
<b>Total Accumulated Depreciation/Amortization</b>	<u>9,159,243</u>	<u>896,167</u>	<u>72,200</u>	<u>9,983,210</u>
<b>Net Capital Assets Being Depreciated</b>	<u>32,087,538</u>	<u>(658,657)</u>	<u>25,800</u>	<u>31,403,081</u>
<b>Total Stormwater Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 32,398,838</u>	<u>\$ (658,657)</u>	<u>\$ 173,300</u>	<u>\$ 31,566,881</u>
<b>Total Business-Type Activities Capital Assets, net of Accumulated Depreciation</b>	<u>\$ 164,651,778</u>	<u>\$ 10,062,315</u>	<u>\$ 7,004,624</u>	<u>\$ 167,709,469</u>

Depreciation/amortization expense was charged to functions as follows:

**Business-Type Activities**

Wastewater	\$ 5,876,309
Stormwater	<u>896,167</u>

**Total Business-Type Activities Depreciation/Amortization Expense**

\$ 6,772,476

## Note 3 - Detailed Notes On All Funds

### E. Interfund Transfers

#### Transfers

The following is a schedule of interfund transfers:

<b>Fund Transferred To</b>	<b>Fund Transferred From</b>	<b>Amount</b>	<b>Principal Purpose</b>
Wastewater Utility	Storm Water Utility	241,308	Operational support
Nonmajor funds	General fund	327,000	Debt service
Nonmajor funds	Inner City TIF Fund	3,534,191	Operational support and debt service
Nonmajor funds	Nonmajor funds	3,615,811	Operational support and debt service
<b>Total - Fund Financial Statements</b>		7,718,310	
<b>Less: Government-wide eliminations</b>		(7,718,310)	
<b>Total Transfers - Government-Wide Statement of Activities</b>		\$ -	

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.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds****F. Long-Term Obligations**

Long-term obligations activity for the year ended December 31, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>					
Bonds and Loans Payable					
Revenue bonds	\$ 19,150,000	\$ -	\$ 3,645,000	\$ 15,505,000	\$ 3,380,000
Tax increment financing bonds	13,040,000	-	1,525,000	11,515,000	1,585,000
Loans payable	2,934,000	-	2,116,038	817,962	547,132
(Discounts)/Premiums - Revenue Bonds	342,010	-	116,411	225,599	-
Sub-totals	<u>35,466,010</u>	<u>-</u>	<u>7,402,449</u>	<u>28,063,561</u>	<u>5,512,132</u>
Other Liabilities					
Compensated absences	5,287,999	1,553,326	981,554	5,859,771	1,084,280
Total OPEB Liabilities	28,923,045	2,190,683	11,563,710	19,550,018	-
Net pension obligation	31,055,749	11,253,774	8,138,417	34,171,106	-
Total Other Liabilities	<u>65,266,793</u>	<u>14,997,783</u>	<u>20,683,681</u>	<u>59,580,895</u>	<u>1,084,280</u>
<i>Total Governmental Activities Long-Term Liabilities</i>	<u>\$ 100,732,803</u>	<u>\$ 14,997,783</u>	<u>\$ 28,086,130</u>	<u>\$ 87,644,456</u>	<u>\$ 6,596,412</u>
<b>Business-Type Activities</b>					
Bonds Payable					
Revenue bonds	\$ 95,404,863	\$ 38,906,128	\$ 29,985,000	\$ 104,325,991	\$ 2,448,000
(Discounts)/Premiums	4,144,524	-	592,555	3,551,969	-
Sub-totals	<u>99,549,387</u>	<u>38,906,128</u>	<u>30,577,555</u>	<u>107,877,960</u>	<u>2,448,000</u>
Other Liabilities					
Compensated absences	225,786	57,213	40,898	242,101	13,998
Net pension obligation	732,037	1,736,544	505,098	1,963,483	-
OPEB liability	5,640,824	4,975,477	2,925,511	7,690,790	-
Total Other Liabilities	<u>6,598,647</u>	<u>6,769,234</u>	<u>3,471,507</u>	<u>9,896,374</u>	<u>13,998</u>
<i>Total Business-Type Activities Long-Term Liabilities</i>	<u>\$ 106,148,034</u>	<u>\$ 45,675,362</u>	<u>\$ 34,049,062</u>	<u>\$ 117,774,334</u>	<u>\$ 2,461,998</u>

## Note 3 - Detailed Notes On All Funds

### F. Long-Term Obligations (Cont)

#### Revenue Bonds

Governmental activities revenue bonds are payable from revenues derived from income tax or other revenues. Business-type activities revenue bonds are payable only from revenues derived from the operation of the wastewater utility or stormwater utility.

The Redevelopment Authority has pledged revenues, net of specified operating expenses, to repay refunding bonds issued in 2016. Proceeds from the bonds provided financing to refund the outstanding 2006A, 2006B, and 2006C bonds originally issued to provide funds for the acquisition, construction, installation and equipping of land, buildings, structures and improvements comprising Fire Station #2, Fire Station #4, Fire Department Headquarters and a City Services Facility and for the repayment of a Bond Anticipation Note. The bonds are payable solely from TIF property tax revenues from the Bethnova, Keystone, Galvstar, and Vogt Valve Economic Development Area and are payable through 2026. Annual principal and interest payments on the bonds are expected to require 33.87% of net revenue from the Inner City Roads TIF allocation fund. The total principal and interest remaining to be paid on the bonds is \$3,300,675. Principal and interest paid for the current year and total net revenues were \$824,600 and \$2,434,923, respectively.

The Redevelopment Authority has pledged revenues, net of specified operating expenses, to repay revenue bonds issued in 2017. Proceeds from the bonds provided financing for the reconstruction and widening of 10th Street from Dutch Lane/Penn Street to Reeds Lane. The bonds are payable solely from TIF property tax revenues from the Inner City Road Economic Development Area and are payable through 2027. Annual principal and interest payments on the bonds are expected to require 30.84% of net revenues. The total principal and interest remaining to be paid on the bonds is \$13,272,025. Principal and interest paid for the current year and total net revenues were \$2,948,650 and \$9,561,214, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay revenue bonds issued in 2011 Series B. Proceeds from the bonds provided financing to finance additions, extensions and improvements to the wastewater utility including the north wastewater treatment facility located in River Ridge. The bonds are payable solely from utility revenues and are payable through 2032. Annual principal and interest payments on the bonds are expected to require .77% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$251,863. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$39,000 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay revenue bonds issued in 2011 Series C. Proceeds from the bonds provided financing to finance additions, extensions and improvements to the wastewater utility including the construction of the north wastewater treatment facility. The bonds are payable solely from utility revenues and are payable through 2033. Annual principal and interest payments on the bonds are expected to require 23.75% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$12,074,000. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$1,201,940 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay revenue bonds issued in 2012. Proceeds from the bonds provided financing to finance additions, extensions and improvements to the wastewater utility including the construction of Lentzier Creek lift station and force main to the new north wastewater treatment plant. The bonds are payable solely from utility revenues and are payable through 2033. Annual principal and interest payments on the bonds are expected to require 13.81% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$7,009,000. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$698,845 and \$5,061,537, respectively.

The Wastewater and Stormwater Utility has pledged revenues, net of specified operating expenses, to repay refunding bonds issued in 2013. Proceeds from the bonds provided financing to refund the outstanding 2003 and 2005A bonds originally issued to finance additions, extensions and improvements to the wastewater utility including the design for Lentzier Creek lift station. The bonds are payable from Wastewater utility revenues and are payable through 2026, with partial payment from Stormwater utility revenues through 2023. Annual principal and interest payments on the bonds are expected to require 27.89% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$3,764,200. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$1,251,175 and \$4,486,257, respectively.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds****F. Long-Term Obligations (Cont)****Revenue Bonds (Cont.)**

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay refunding bonds issued in 2017 Series A. Proceeds from the bonds provided financing to refund the outstanding 2010 Series B bonds originally issued to finance additions, extensions and improvements to the wastewater utility including Mill Creek lift station. The bonds are payable solely from utility revenues and are payable through 2031. Annual principal and interest payments on the bonds are expected to require 29.84% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$11,857,550. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$1,510,300 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay revenue bonds issued in 2020 Series A. Proceeds from the bonds provided financing to finance additions, extensions and improvements to the downtown wastewater treatment facility. The bonds are payable solely from utility revenues and are payable through 2041. Annual principal and interest payments on the bonds are expected to require 18.45% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$16,819,800. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$934,000 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay refunding bonds issued in 2020. Proceeds from the bonds provided financing to refund the outstanding 2008 and 2009 bonds originally issued to finance additions, extensions and improvements to the downtown wastewater treatment plant and the Ewing Lane lift station. The bonds are payable solely from utility revenues and are payable through 2029. Annual principal and interest payments on the bonds are expected to require 1.6% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$4,450,600. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$80,900 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay revenue bonds issued in 2020 Series B and reissued in 2022. Proceeds from the bonds provided financing to finance additions, extensions and improvements to the wastewater utility including the CSO interceptor. The bonds are payable solely from utility revenues and are payable through 2042. Annual principal and interest payments on the bonds are expected to require 1.7% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$27,491,268. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$86,000 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay refunding revenue bonds issued in 2021. Proceeds from the bonds provided financing to refund the outstanding 2010 A and 2011 A originally issued to finance additions, extensions and improvements to the wastewater utility including upgrades to provide sewer to the recently annexed area. The bonds are payable solely from utility revenues and are payable through 2032. Annual principal and interest payments on the bonds are expected to require 23.34% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$18,090,600. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$1,181,600 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay revenue bond anticipation notes issued in 2022. Proceeds from the bonds provided financing to finance additions, extensions and improvements to the north wastewater treatment facility. The bonds are payable solely from utility revenues and are payable through 2025. Annual principal and interest payments on the bonds are expected to require 0.000% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$15,305,658. Principal and interest paid for the current year and total net revenues less depreciation and amortization were \$0 and \$5,061,537, respectively.

The Wastewater Utility has pledged revenues, net of specified operating expenses, to repay revenue bonds issued in 2022. Proceeds from the bonds provided financing to finance additions, extensions and improvements to the north wastewater treatment facility. The bonds are payable solely from utility revenues and are payable through 2042. Annual principal and interest payments on the bonds are expected to require 3.26% of net revenues less depreciation and amortization. The total principal and interest remaining to be paid on the bonds is \$4,835,000. Principal and interest

NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds**

**F. Long-Term Obligations (Cont)**

**Revenue Bonds (Cont.)**

paid for the current year and total net revenues less depreciation and amortization were \$165,000 and \$5,061,537, respectively.

Revenue debt payable at December 31, 2022, consists of the following:

**Governmental Activities Revenue Debt Summary**

Revenue Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2022
Redevelopment Authority Economic Development Bonds, 2016	04/12/16	08/15/26	2% to 5%	\$ 6,985,000	\$ 2,990,000
Redevelopment Authority Economic Development Bonds, 2017	06/21/2017	02/01/27	2% to 3%	25,100,000	12,515,000
<i>Total Governmental Activities - Revenue Debt</i>					<u>\$ 15,505,000</u>

**Business-type Activities Revenue Debt Summary**

**Sewage Works Revenue Bonds**

Taxable Sewage Works Revenue Bonds Of 2011, Series B	03/31/11	01/01/32	0.00%	\$ 772,000	\$ 251,863
Sewage Works Revenue Bonds Of 2011, Series C	11/23/11	01/01/33	1.54%	20,550,000	12,074,000
Sewage Works Revenue Bonds Of 2012	12/13/12	01/01/33	1.61%	11,865,000	7,009,000
Sewage Works Refunding Revenue Bonds Of 2013	10/03/13	01/01/26	3.50%	8,540,000	3,515,000
Sewage Works Refunding Revenue Bonds, Series 2017A	09/21/17	01/01/31	2% to 5%	12,800,000	9,675,000
Sewage Works Revenue Bonds Of 2020, Series A	02/14/20	01/01/41	2.00%	15,279,000	14,650,000
Sewage Works Refunding Revenue Bonds Of 2020	07/29/20	01/01/29	2.00%	4,045,000	4,045,000
Sewage Works Revenue Bonds of 2020, Series B (Reissued 2022)	09/22/22	01/01/42	0.68%	25,000,000	25,000,000
Sewage Works Refunding Revenue Bonds Of 2021	06/24/21	01/01/32	4.00%	15,070,000	14,200,000
Sewage Works BANS of 2022	09/22/22	09/22/25	3.57%	13,825,000	13,825,000
Taxable Sewage Works Revenue Bonds of 2022	09/22/22	01/01/42	0.00%	5,000,000	81,128
<i>Total Business-type Activities - Revenue Debt</i>					<u>\$ 104,325,991</u>

Debt service requirements to maturity for revenue debt are as follows:

Years	Governmental Activities Revenue Debt		Business-type Activities Revenue Debt	
	Principal	Interest	Principal	Interest
2023	\$ 3,380,000	\$ 393,400	\$ 2,448,000	\$ 1,209,227
2024	3,460,000	309,550	5,061,128	2,356,294
2025	3,560,000	217,925	19,099,000	2,330,207
2026	3,650,000	125,000	5,419,000	1,573,310
2027	1,455,000	21,825	5,634,000	1,419,142
2028-2032	-	-	32,172,863	4,429,989
2033-2037	-	-	17,815,000	1,228,201
2038-2042	-	-	16,677,000	370,617
	<u>\$ 15,505,000</u>	<u>\$ 1,067,700</u>	<u>\$ 104,325,991</u>	<u>\$ 14,916,987</u>

## NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds****F. Long-Term Obligations (Cont)**

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

**Tax Increment Financing Bonds**

The City has pledged future TIF property tax revenues, net of specified operating expenses, to repay the 2008 Tax Increment Revenue Bonds issued in 2008. Proceeds from the bonds provided financing for the construction of and certain improvements to the Veterans Parkway and Thompson Lane. The bonds are payable solely from TIF property tax revenues from the Inner City Road Economic Development Area and are payable through 2026. Annual principal and interest payments on the bonds are expected to require 2.6% of net revenues. The total principal and interest remaining to be paid on the bonds is \$885,825. Principal and interest paid for the current year and total net revenues were \$248,963 and \$9,561,214, respectively.

The City has pledged future TIF property tax revenues, net of specified operating expenses, to repay the 2013 Series A Tax Increment Revenue Bonds issued in 2013. Proceeds from the bonds provided financing for stormwater conveyance system improvements. The bonds are payable solely from TIF property tax revenues from the Falls Landing Riverfront Redevelopment Area and are payable through 2032. Annual principal and interest payments on the bonds are expected to require 8.41% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,472,822. Principal and interest paid for the current year and total net revenues were \$155,694 and \$1,852,161, respectively.

The City has pledged future TIF property tax revenues, net of specified operating expenses, to repay the 2013 Series B Tax Increment Revenue Bonds issued in 2013. Proceeds from the bonds provided financing for stormwater conveyance system improvements. The bonds are payable solely from TIF property tax revenues from the Inner City Road Economic Development Area and are payable through 2027. Annual principal and interest payments on the bonds are expected to require 8.14% of net revenues. The total principal and interest remaining to be paid on the bonds is \$3,491,775. Principal and interest paid for the current year and total net revenues were \$778,050 and \$9,561,214, respectively.

The City has pledged future TIF property tax revenues, net of specified operating expenses, to repay the 2013 Series C Tax Increment Revenue Bonds issued in 2013. Proceeds from the bonds provided financing for design, construction, equipping and furnishing of the police and fire headquarters. The bonds are payable solely from TIF property tax revenues from the Falls Landing Riverfront Redevelopment Area and are payable through 2032. Annual principal and interest payments on the bonds are expected to require 21.54% of net revenues. The total principal and interest remaining to be paid on the bonds is \$3,767,569. Principal and interest paid for the current year and total net revenues were \$398,881 and \$1,852,161, respectively.

The City has pledged future TIF property tax revenues, net of specified operating expenses, to repay the 2013 Series D Tax Increment Revenue Bonds issued in 2013. Proceeds from the bonds provided financing for design, construction, equipping and furnishing of the police and fire headquarters. The bonds are payable solely from TIF property tax revenues from the Inner City Roads Economic Development Area and are payable through 2027. Annual principal and interest payments on the bonds are expected to require 3.43% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,471,065. Principal and interest paid for the current year and total net revenues were \$327,628 and \$9,561,214, respectively.

The City has pledged future TIF property tax revenues, net of specified operating expenses, to repay the 2013 Series E Tax Increment Revenue Bonds issued in 2013. Proceeds from the bonds provided financing for design, construction, equipping and furnishing of the police and fire headquarters. The bonds are payable solely from TIF property tax revenues from the Inner City Roads Economic Development Area and are payable through 2032. Annual principal and interest payments on the bonds are expected to require 0.78% of net revenues. The total principal and interest remaining to be paid on the bonds is \$2,295,169. Principal and interest paid for the current year and total net revenues were \$74,375 and \$9,561,214, respectively.

### Note 3 - Detailed Notes On All Funds

#### F. Long-Term Obligations (Cont)

Tax Increment Financing Bonds at December 31, 2022, consists of the following:

##### Governmental Activities

Tax Increment Financing Bonds	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2022
Redevelopment District Tax Increment Revenue Bonds Of 2008	09/03/08	01/15/26	3.85% to 5.25%	\$ 2,790,000	\$ 800,000
Redevelopment District Tax Increment Revenue Bonds of 2013, Series A	01/29/13	01/15/32	1.00% to 3.625%	2,225,000	1,245,000
Redevelopment District Tax Increment Revenue Bonds of 2013, Series B	01/29/13	01/15/27	1.83% to 3.25%	9,030,000	3,240,000
Redevelopment District Tax Increment Revenue Bonds of 2013, Series C	05/30/13	01/15/32	1.0% to 5.0%	5,500,000	3,110,000
Redevelopment District Tax Increment Revenue Bonds of 2013, Series D	05/30/13	01/15/27	2.90%	3,750,000	1,370,000
Redevelopment District Tax Increment Revenue Bonds of 2013, Series E	05/30/13	01/15/32	4.25%	1,750,000	1,750,000
<i>Total Governmental Activities Tax Increment Financing Bonds</i>					<u>\$ 11,515,000</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities Tax Increment Financing Bonds	
	Principal	Interest
2023	\$ 1,585,000	\$ 403,465
2024	1,635,000	351,608
2025	1,680,000	296,720
2026	1,615,000	283,646
2027	1,175,000	183,539
2028-2032	3,825,000	395,247
	<u>\$ 11,515,000</u>	<u>\$ 1,914,225</u>

#### H. Net Position/Fund Balances

Net position reported on the government wide statement of net position at December 31, 2022, includes the following:

##### Governmental Activities

###### Net Investment in Capital Assets

Land and construction in progress	\$ 35,724,069
Other capital assets, net of accumulated depreciation	211,279,155
Less: Long-term debt outstanding	(28,063,561)
Add: Deferred amount on refunding	58,759

###### Total Net Investment in Capital Assets

\$ 218,998,422

##### Business Type Activities

###### Net Investment in Capital Assets

	Wastewater	Stormwater
Land and construction in progress	\$ 45,558,957	\$ 163,800
Other capital assets, net of accumulated depreciation	90,583,632	31,403,081
Less: Long-term debt outstanding	(107,877,960)	-
Add: Unspent bond proceeds	15,710,409	-
Add: Deferred amount on refunding	1,151,219	-

###### Total Net Investment in Capital Assets

\$ 45,126,257      \$ 31,566,881

## NOTES TO THE FINANCIAL STATEMENTS

**Note 3 - Detailed Notes On All Funds****H. Net Position/Fund Balances (Cont.)****Governmental Funds**

Governmental fund balances reported on the fund financial statements at December 31, 2022, include the following:

Fund Balances	General Fund	Inner City TIF Fund	Nonmajor Funds	Totals
<b>Restricted for:</b>				
Highways & Streets	\$ -	\$ -	\$ 2,705,205	\$ 2,705,205
Public Safety	-	-	4,324,769	4,324,769
General Government	-	-	660,061	660,061
Culture and Recreation	-	-	756,000	756,000
Economic Development	-	24,106,634	2,735,980	26,842,614
Health and Welfare	-	-	1,359,328	1,359,328
Debt Service	-	-	5,436,173	5,436,173
Capital projects	-	-	18,184,959	18,184,959
<b>Sub-total</b>	<u>-</u>	<u>24,106,634</u>	<u>36,162,475</u>	<u>60,269,109</u>
<b>Committed to:</b>				
General Government	-	-	1,227,487	1,227,487
Public safety	-	-	85,202	85,202
Culture and Recreation	-	-	386,364	386,364
Economic Development	-	-	2,661,649	2,661,649
Health and Welfare	-	-	24,355	24,355
<b>Sub-total</b>	<u>-</u>	<u>-</u>	<u>4,385,057</u>	<u>4,385,057</u>
<b>Assigned to:</b>				
General Government	507,181	-	-	507,181
<b>Sub-total</b>	<u>507,181</u>	<u>-</u>	<u>-</u>	<u>507,181</u>
<b>Unassigned (deficit):</b>	<u>15,684,431</u>	<u>-</u>	<u>(52,717)</u>	<u>15,631,714</u>
<b>Total Fund Balances</b>	<u>\$ 16,191,612</u>	<u>\$ 24,106,634</u>	<u>\$ 40,494,815</u>	<u>\$ 80,793,061</u>

## Note 4 - Other Information

### A. Employees' Retirement System

#### Administration of System and Plans

The City participates in the Public Employees' Retirement Fund (PERF), the 1977 Police Officers' and Firefighters' Pension and Disability Fund of the Indiana Public Retirement System (INPRS), the 1937 Firefighters' Fund and the 1925 Police Officers' Fund. Information for each plan follows in the aggregate summary of pension financial information:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
<b>PERF</b>			
Governmental activities	\$ 3,645,923	\$ 1,496,842	\$ 243,919
Business-type activities:			
Wastewater	1,675,298	685,495	111,712
Stormwater	288,185	119,933	19,217
Total business type activities	1,963,483	805,428	130,929
Total PERF	<u>\$ 5,609,406</u>	<u>\$ 2,302,270</u>	<u>\$ 374,848</u>
<b>1977 Police Officers' and Firefighters' Pension and Disability Fund</b>			
Governmental:			
Police Officers'	\$ 4,085,289	\$ 5,832,524	\$ 405,326
Firefighters'	4,270,315	6,116,309	427,365
Total 1977 plan	<u>\$ 8,355,604</u>	<u>\$ 11,948,833</u>	<u>\$ 832,691</u>
<b>1925 Police Officers Plan</b>			
Governmental:			
Police Officers	\$ 9,682,584	-	-
<b>1937 Firefighters' Plan</b>			
Governmental:			
Firefighters	\$ 12,486,995	-	-
Total governmental activities	<u>\$ 34,171,106</u>	<u>\$ 13,445,675</u>	<u>\$ 1,076,610</u>
Total business-type activities	<u>\$ 1,963,483</u>	<u>\$ 805,428</u>	<u>\$ 130,929</u>

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****Public Employees' Retirement Fund**

**Plan description.** The City (including the Wastewater Utility and Stormwater Utility) and the Parks Department participate 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. Details of the PERF Hybrid Plan are described below.

**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 supplements the defined benefit at retirement.

**Contributions.** Members are required to contribute 3% of their annual covered salary to their defined contribution account. The primary government is required to contribute at an actuarially determined rate; the current rate for calendar year 2022 is 11.20% percent of annual covered payroll. 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 City were \$1,056,594 for the calendar year ended December 31, 2022. Contributions to the PERF plan from the Wastewater Contributions to the PERF plan from the Parks Department were \$152,792 for the calendar year ended December 31, 2022.

INPRS administers the plan and issues a publicly available financial report that includes financial statements and required supplemental information for the plan as a whole and for its participants. The report is available on-line at <http://www.inprs.in.gov/> or may be obtained by contacting:

*Indiana Public Retirement System  
1 N Capital Street, Suite 001  
Indianapolis, IN 46204  
Ph. (888) 526-1687*

**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 Defined Contribution Account (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 percent of the pension benefit component. This annual pension benefit is equal to 1.1 percent 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

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### Public Employees' Retirement Fund (Cont.)

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 percent 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 percent 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 percent. This amount is reduced five (5) percentage points per year (e.g., age 58 is 84 percent) to age 50 being 44 percent.

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.

**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, 2022, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense for Public Employee's Retirement Fund was (6.6)% percent.

#### Net Pension Liability

At December 31, 2022, the City, Parks Department, Water Utility, and Wastewater Utility reported a liability (asset) of \$5,405,037, their proportionate shares of the net pension liability (asset). The 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 December 31, 2022, the city's proportionate share was .15699% which was a decrease of 2.7% from .1613% as of December 31, 2021. The City's park proportionate share as of December 31, 2022 was .02087%, which was a decrease of 2.3% from .02136% as of December 31, 2021. The net pension liability for fiscal year 2022 is calculated as set forth in the following table:

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****Net Pension Liability (Cont.)**

	<b>Governmental Activities</b>	<b>Wastewater Utility</b>	<b>Stormwater Utility</b>
<b>Net pension liability - beginning December 31, 2021</b>	\$ 1,671,490	\$ 620,183	\$ 111,854
Total pension expense	377,814	327,332	51,138
Difference between expected and actual experience	42,519	19,531	3,360
Net difference between projected and actual investments	2,477,837	1,139,216	195,967
Change in assumptions	(96,956)	(44,691)	(7,688)
Change in proportionate share of contributions	(95,803)	(51,328)	(8,829)
Defined benefit plan Employer Contributions	(730,978)	(334,945)	(57,617)
<b>Net Pension Liability - December 31, 2022</b>	<u>\$ 3,645,923</u>	<u>\$ 1,675,298</u>	<u>\$ 288,185</u>

**Deferred Outflows of Resources and Deferred Inflows of Resources.** At December 31, 2022, the City, Wastewater Utility, and Stormwater Utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>Governmental Activities</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 78,619	\$ 13,866
Changes in assumptions	493,822	155,985
Net differences between projected and actual earnings on pension plan investments	449,945	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	39,477	74,068
Employer contributions subsequent to the measurement date	434,979	-
<b>Totals</b>	<u>\$ 1,496,842</u>	<u>\$ 243,919</u>

<b>Wastewater</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 36,126	\$ 6,371
Changes in assumptions	226,911	71,675
Net differences between projected and actual earnings on pension plan investments	206,750	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	19,827	33,666
Employer contributions subsequent to the measurement date	195,881	-
<b>Totals</b>	<u>\$ 685,495</u>	<u>\$ 111,712</u>

<b>Stormwater</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 6,214	\$ 1,096
Changes in assumptions	39,033	12,330
Net differences between projected and actual earnings on pension plan investments	35,565	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,411	5,791
Employer contributions subsequent to the measurement date	35,710	-
<b>Totals</b>	<u>\$ 119,933</u>	<u>\$ 19,217</u>

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### Net Pension Liability (Cont.)

An amount of \$434,979, \$195,181, and \$35,710 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

#### City, Park, Wastewater, and Stormwater

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)	
2023	\$	238,443
2024		423,910
2025		(133,777)
2026		732,276

**Pension Expense.** The City recognized pension expense for the following proportionate share of pension expense:

Pension Expense	Governmental Activities	Wastewater Utility	Stormwater Utility
Proportionate share of plan pension expense	\$ 466,180	\$ 214,209	\$ 36,848
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	21,296	15,146	2,605
Internal change in proportionate share	(109,662)	97,977	11,685
<b>Total</b>	<b>\$ 377,814</b>	<b>\$ 327,332</b>	<b>\$ 51,138</b>

**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:**

Assets:

June 30, 2022

Liabilities:

June 30, 2021 - Member census data as of June 30, 2021 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2021 and June 30, 2022. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2021 to the June 30, 2022 measurement date.

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: .40%; Beginning January 1, 2034: 0.50%; Beginning January 1, 2039: 0.60%

Salary increases, including inflation:

2.65%-8.65%

Inflation:

2.00%

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****Net Pension Liability (Cont.)****Key Methods and Assumptions. (Cont.)****Mortality:**

Health:

Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.

Disability:

Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019.

Funding Policy Location

[www.in.gov/inprs/files/INPRS\\_Funding\\_Policy.pdf](http://www.in.gov/inprs/files/INPRS_Funding_Policy.pdf)

Change in Assumptions. There were no changes in assumptions during the fiscal year.

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

Plan Amendments. There were no changes to the plan provisions during the fiscal year.

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.

	Target Asset Allocation %	Long-Term Expected Real Rate of Return % (Geometric Basis)
Public Equity	3.6%	20.0%
Private Equity	7.7	15.0
Fixed Income - Ex Inflation-Linked	1.4	20.0
Fixed Income - Inflation-Linked	-0.3	15.0
Commodities	0.9	10.0
Real Estate	3.7	10.0
Absolute Return	2.1	5.0
Risk Parity	3.8	20.0
Cash and Cash Overlay	-1.7	-15.0

**Discount rate.** The discount rate used to measure the total pension liability was 6.25% as of June 30, 2022 and is equal to the long-term expected return on plan investments.

**Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.25 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current rate:

	1% Decrease to Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase to Discount Rate (7.25%)
Governmental Activities proportionate share of the net pension liability (asset)	\$ 5,159,299	\$ 3,645,923	\$ 1,549,584
Wastewater Utility's proportionate share of the net pension liability (asset)	\$ 2,830,192	\$ 1,675,298	\$ 712,033
Stormwater Utility's proportionate share of the net pension liability (asset)	\$ 486,849	\$ 288,185	\$ 122,484

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### 1925 Police Officers' Pension Plan

**Plan description.** The City contributes to the 1925 Police Officers' Pension Plan which is a single employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6).

The pension board consists of nine members. Three are members by virtue of office: the Mayor, the City Controller, and the Police Chief. Five members are elected representatives of the active membership of the police department, and one additional member, a retired officer, is elected. The plan provides retirement, disability, and death benefits to plan members and beneficiaries.

The financial statements of the plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund).

The plan was established and may be amended by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

#### Plan Membership

At December 31, 2022, Plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	23
<b>Total</b>	<u>23</u>

**Benefits Provided.** The plan provides retirement, disability, and death benefits. The benefit provisions of the plan for non-converted members are set forth in Indiana Code 36-8-6. The benefit provisions for the converted members are set forth in Indiana Code 36-8-8. Unless specifically denoted, provisions for converted and nonconverted members are the same. All full-time, fully paid police officers who were hired before May 1, 1977 or rehired between April 30, 1977 and February 1, 1979 are eligible participants. The pension plan is closed to new entrants.

Eligibility for annuity benefits is as follows. Non-converted members of any age with twenty or more years of creditable service and converted plan members who are age 52 with 20 or more years of creditable service are eligible for normal benefits. Normal retirement benefits are calculated at 50% of the base salary of a first-class patrolman, plus an additional 1% for each completed six months of service over twenty years up to a maximum of 74% with 32 years of service.

Non-converted plan members of any age with twenty or more years of creditable service and converted plan members age fifty with twenty years or more of creditable service are eligible to receive early retirement benefits. Early retirement benefits are unreduced for non-converted plan members. Early retirement benefits are reduced by 7% per year for converted plan members between ages 50 and 52. Late retirement benefits are calculated in the same manner as normal retirement benefits.

Disability retirement benefits are equal to a sum determined by a disability medical panel, but not exceeding 55% of the monthly salary (with longevity pay) of a first-class patrolman. If a member has more than twenty years of service, the disability benefit, if greater, will be equal to the pension the member would have received if the member had retired on the date of disability. For converted plan members, the disability benefit is equal to the benefit the member would have received if the member had retired.

If a converted member does not have twenty years of service or is not at least age 52 on the date of disability, the benefit is computed as if the member does have twenty years of service and is age 52 at the date of disability.

Pre-retirement death benefits vary for converted and non-converted plan members and depending upon whether the death is considered in the line of duty or not in the line of duty. Such benefits range from 20-50% of a first-class patrolman salary, with longevity, or from 55-100% of the monthly benefit the member was receiving, or was entitled to receive, on the date of death. Pre-retirement death benefits are payable to the surviving spouse, children and dependent parents of plan members provided they meet eligibility guidelines. A one-time funeral death benefit is paid to the heirs

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****1925 Police Officers' Pension Plan (Cont.)**

or estate upon a member's death from any cause and is equal to at least \$12,000. An additional benefit of \$150,000 is paid from the Pension Relief Fund to a surviving spouse, children, or parent(s) if death occurs in the line of duty.

Non-converted members are entitled to the normal retirement benefit described above if termination occurs after earning 20 years of service. If termination occurs before completing twenty years of service, no benefits are payable. Converted members are entitled to the accrued retirement benefit determined as of the termination date and payable commencing on the normal retirement date. If termination occurs before completing 20 of service, the member shall be entitled to the member's contributions plus accumulated interest.

Benefits for non-converted retired members are increased annually based on increases in the first-class salary as approved by the employer. Converted retired member benefits are increased annually based on increases in the CPI-U index. The increase is subject to a 3% maximum and 0% minimum.

**Contributions.** Plan members are required by state statute (IC 36-8-6-4) to contribute an amount equal to six percent (6%) of the salary of a first-class patrolman until they have completed 32 years of service.

Actuarial valuations are performed annually for the 1925 Police Officers' Pension Plan. The assumptions used in the valuation are selected and approved by the Indiana Public Retirement System (INPRS) Board of Trustees.

Benefits to members of the plan are funded on a pay-as-you-go basis by certain revenues and appropriations of the State of Indiana to the Pension Relief Fund. On-behalf contributions from the State of Indiana as shown in the financial statements of \$786,602 approximate an equal amount paid out for benefits. The primary government has recognized these on-behalf payments as intergovernmental revenue and public safety expenditures in the General Fund. The Pension Relief Fund has been created within the INPRS and is administered by INPRS and is used as a temporary holding account for collecting State revenues and appropriations before funds are distributed to employers. Amounts required to pay benefits are distributed from the fund to the City.

**Pension Plan Investments - Policy and Rate of Return.** The pension plan investment policy is consistent with the overall policy of the City as described in Note 3.A. The plan held no investments during the reporting period.

**Deferred Retirement Option Plan.** The Deferred Retirement Option Plan (DROP) is an optional form of benefit, which allows members who are eligible for an unreduced retirement benefit to continue to work and earn a salary while accumulating a DROP benefit. A member who elects to enter the DROP shall execute an irrevocable election to retire on the DROP retirement date. The member shall select a DROP retirement date not less than 12 months and not more than 36 months after the member's DROP entry date. While in the DROP, the member shall continue to make applicable fund contributions. When a member enters the DROP, a "DROP frozen benefit" will be calculated. Members of the DROP are eligible to receive a lump sum equal to the amount of the DROP frozen benefit multiplied by the number of months in the DROP. A member may elect to receive this amount in three annual installments instead of a single lump sum. In addition, the member will receive a monthly retirement benefit equal to the DROP frozen benefit. Forms of payment include a single life annuity or a joint annuity with 60% survivor benefits. A member, upon retirement, may elect to forgo DROP benefits and instead receive monthly retirement benefits calculated as if the member never elected to participate in the DROP. There is no balance of amounts held by the pension plan pursuant to the DROP.

**Net Pension Liability (Asset)**

The components of the net pension liability of the 1925 Police Officers' Pension Plan at December 31, 2022 were as follows:

	1925 Police Officers' Pension
Actuarial net pension liability	\$ 10,025,854
Plan fiduciary net position	(343,270)
Net pension liability	<u>\$ 9,682,584</u>
Plan fiduciary net position as a percentage of total pension liability	<u>3.42%</u>

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### 1925 Police Officers' Pension Plan (Cont.)

Change in net pension liability during the measurement year were as follows:

Changes in Net Pension Liability	1925 Police Officers' Pension		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2021	\$ 13,171,795	\$ (271,225)	\$ 12,900,570
Interest cost	181,947	-	181,947
Differences between expected and actual experience (gain)/loss	329,352	-	329,352
Changes in assumptions (gain)/loss	(2,834,326)	-	(2,834,326)
Non-employer contributing entity contributions	-	(862,300)	(862,300)
Administrative expense	-	3,653	3,653
Benefit payments, including refunds	(822,914)	786,602	(36,312)
Balance at December 31, 2022	\$ 10,025,854	\$ (343,270)	\$ 9,682,584

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** For the year ended December 31, 2022, the City recognized a reduction of pension expense of \$2,323,027. At December 31, 2022, the City reported no deferred outflows or inflows of resources related to the 1925 Police Officers' Pension Plan.

**Actuarial Assumptions.** The actuarial assumptions used in the valuation were selected and approved by the INPRS Board of Trustees.

The total pension liability was determined by an actuarial valuation as of December 31, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00% per annum
Salary increases	2.65% per annum
Long-term rate of return	0.00%
Cost of Living Increases for Certain Retirees	2.65% for Non-converted For converted - 3.00% on July 1st; 1.95% thereafter

Mortality rates are based on Publication-2010 family of mortality tables (amount weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019.

The actuarial assumptions used in the valuation are based on the results of the actuarial experience study, which covered the period beginning July 1, 2015 and ending June 30, 2019.

**Discount Rate.** The discount rate used to measure the total pension liability as of December 31, 2022 was 4.12%, an increase from the 1.39% used to measure the December 31, 2021 total pension liability. The plan has assets that are less than one year's benefit payments; therefore, the fiduciary net position is projected to be depleted immediately and the discount rate is set equal to the Municipal Bond Index. At the direction of the INPRS, the Barclays 20-year Municipal Bond Index is used as this index.

The pension plan currently has no investments. The pension plan had \$343,269 of cash and cash equivalents at December 31, 2022.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****1925 Police Officers' Pension Plan (Cont.)**

**Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents the net pension liability of the plan, calculated using the discount rate of 4.12 percent, 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 (3.12 percent) or 1-percentage-point higher (5.12 percent) than the current rate:

	1% Decrease to Discount Rate (3.12%)	Current Discount Rate (4.12%)	1% Increase to Discount Rate (5.12%)
Net Pension Liability	\$ 10,587,065	\$ 9,682,584	\$ 8,899,631

**Funding Status and Funding Progress.** As of the January 1, 2022 actuarial valuation date, the plan was not funded and is on a pay-as-you-go-basis. The actuarial accrued liability for benefits was \$10,025,854, and the actuarial value of assets was \$343,270, resulting in an unfunded actuarial accrued liability of \$9,682,584. The covered payroll (annual payroll to active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

**Pension Plan Fiduciary Net Position.** Detailed information about the plan's fiduciary net position is not available in the separately issued financial report. For the purpose of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pension and pension expense, information about the plan's fiduciary net position and addition to/deduction from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

**1937 Firefighters' Officers' Pension Plan**

**Plan description.** The City contributes to the 1937 Firefighters' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7).

The pension board consists of seven members, which include the Mayor, the Fire Chief, the Pension Secretary, three trustees elected from active members, and one trustee elected from retired members.

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established and can be amended by the plan administrator, as provided by state statute.

The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

**Plan Membership**

At December 31, 2022, Plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits - Fire	35
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**Benefits Provided.** The plan provides retirement, disability, and death benefits. The benefit provisions of the 1937 Firefighters' Pension Plan for non-converted members are set forth in Indiana Code 36-8-7. The benefit provisions for converted members are set forth in Indiana Code 36-8-8.

Unless specifically denoted, provisions for converted and non-converted members are the same. All full-time, fully paid firefighters who were hired before May 1, 1977 or rehired between April 30, 1977 and February 1, 1979 are eligible participants. The pension plan is closed to new entrants.

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### 1937 Firefighters' Officers' Pension Plan (Cont.)

Eligibility for annuity benefits is as follows. Non-converted members of any age with twenty or more years of creditable service and converted plan members who are age 52 with 20 or more years of creditable service are eligible for normal benefits. Normal retirement benefits are calculated at 50% of the base salary of a First-Class Firefighter, plus an additional 1% for each completed six months of service over twenty years up to a maximum of 74% with 32 years of service.

Non-converted plan members of any age with 20 or more years of creditable service and converted plan members age 50 with 20 years or more of creditable service are eligible to receive early retirement benefits. Early retirement benefits are unreduced for unconverted plan members. Early retirement benefits are reduced by 7% per year for converted plan members between ages 50 and 52. Late retirement benefits are calculated in the same manner as normal retirement benefits.

Disability retirement benefits are equal to a sum determined by a disability medical panel, but not exceeding 55% of the monthly salary (with longevity pay) of a First-Class Firefighter. If a member has more than 20 years of service, the disability benefit, if greater, will be equal to the pension the member would have received if the member had retired on the date of disability. For converted plan members, the disability benefit is equal to the benefit the member would have received if the member had retired. If a converted member does not have twenty years of service or is not at least age 52 on the date of disability, the benefit is computed as if the member does have twenty years of service and is age 52 at the date of disability.

Pre-retirement death benefits vary for converted and non-converted plan members and depending upon whether the death is considered in the line of duty or not in the line of duty. Such benefits range from 20-50% of a First-Class Firefighter's salary, with longevity, or from 55-100% of the monthly benefit the member was receiving, or was entitled to receive, on the date of death.

Pre-retirement death benefits are payable to the surviving spouse, children and dependent parents of plan members provided they meet eligibility guidelines. A one-time funeral death benefit is paid to the heirs or estate upon a member's death from any cause and is equal to at least \$12,000. An additional benefit of \$150,000 is paid from the Pension Relief Fund to a surviving spouse, children, or parent(s) if death occurs in the line of duty.

Non-converted members are entitled to the normal retirement benefit described above if termination occurs after earning twenty years of service. If termination occurs before completing twenty years of service, no benefits are payable. Converted members are entitled to the accrued retirement benefit determined as of the termination date and payable commencing on the normal retirement date.

If termination occurs before completing twenty years of service, the member shall be entitled to the member's contributions plus accumulated interest.

Benefits for non-converted retired members are increased annually based on increases in the First-Class Firefighter's salary as approved by the employer.

Converted retired member benefits are increased annually based on increases in the CPI-U index. The increase is subject to a 3% maximum and 0% minimum.

**Contributions.** Plan members are required by state statute (IC 36-8-7-8) to contribute an amount equal to six percent (6%) of the salary of a First-Class Firefighter until they have completed thirty-two years of service.

Actuarial valuations are performed annually for the 1937 Firefighters' Pension Plan. Benefits to members of the Plan are funded on a pay-as-you-go basis by certain revenues and appropriations from the State of Indiana to the Pension Relief Fund. On-behalf contributions from the State of Indiana as shown in the financial statements of \$1,261,666 approximate an equal amount paid out for benefits. The primary government has recognized these on-behalf payments as intergovernmental revenue and public safety expenditures in the General Fund. The Pension Relief Fund has been created within the Indiana Public Retirement System (INPRS) and is administered by INPRS and is used as a temporary holding account for collecting State revenues and appropriations before funds are distributed to employers. Amounts required to pay benefits are distributed from the fund to the City.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****1937 Firefighters' Officers' Pension Plan (Cont.)****Net Pension Liability (Asset)**

**Pension Plan Investments - Policy and Rate of Return.** The pension plan investment policy is consistent with the overall policy of the City as described in Note 3.A. The plan held no investments during the reporting period. Cash and cash equivalents at December 31, 2022 were \$722,773.

**Deferred Retirement Option Plan.** The Deferred Retirement Option Plan (DROP) is an optional form of benefit, which allows members who are eligible for an unreduced retirement benefit to continue to work and earn a salary while accumulating a DROP benefit. A member who elects to enter the DROP shall execute an irrevocable election to retire on the DROP retirement date. The member shall select a DROP retirement date not less than 12 months and not more than 36 months after the member's DROP entry date. While in the DROP, the member shall continue to make applicable fund contributions.

When a member enters the DROP, a "DROP frozen benefit" will be calculated. Members of the DROP are eligible to receive a lump sum equal to the amount of the DROP frozen benefit multiplied by the number of months in the DROP. A member may elect to receive this amount in three annual installments instead of a single lump sum. In addition, the member will receive a monthly retirement benefit equal to the DROP frozen benefit. Forms of payment include a single life annuity or a joint annuity with 60% survivor benefits. A member, upon retirement, may elect to forgo DROP benefits and instead receive monthly retirement benefits calculated as if the member never elected to participate in the DROP. There is no balance of amounts held by the pension plan pursuant to the DROP.

The components of the net pension liability of the 1937 Firefighters' Pension Plan at December 31, 2022 were as follows:

	1937 Firefighters' Pension
Actuarial net pension liability	\$ 13,209,768
Plan fiduciary net position	(722,773)
Net pension liability	\$ 12,486,995
Plan fiduciary net position as a percentage of total pension liability	5.47%

Change in net pension liability during the measurement year were as follows:

Changes in Net Pension Liability	1937 Firefighters' Pension		
	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at December 31, 2021	\$ 17,100,357	\$ (616,668)	\$ 16,483,689
Interest cost	233,091	-	233,091
Differences between expected and actual experience (gain)/loss	333,817	-	333,817
Changes in assumptions (gain)/loss	(3,127,453)	-	(3,127,453)
Non-employer contributing entity contributions	-	(1,374,065)	(1,374,065)
Administrative expense	-	6,294	6,294
Benefit payments, including refunds	(1,330,044)	1,261,666	(68,378)
Balance at December 31, 2022	\$ 13,209,768	\$ (722,773)	\$ 12,486,995

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** For the year ended December 31, 2022, the City recognized a reduction in pension expense of \$2,560,545. On December 31, 2022, the City reported no deferred outflows or inflows of resources related to the 1937 Firefighters' Pension Plan.

**Actuarial Assumptions.** The actuarial assumptions used in the valuation were selected and approved by the INPRS Board of Trustees.

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### 1937 Firefighters' Officers' Pension Plan (Cont.)

The total pension liability was determined by an actuarial valuation as of December 31, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00% per annum
Salary increases	2.65% per annum
Investment Rate of Return	0.00%
Cost of Living Increases:	
Non-converted	2.65% each July 1st
Converted	3.00% on July 1st; 1.95% thereafter

Mortality rates were based on the Pub-2010 public retirement mortality tables (amount-weighted) with a fully generational projection of mortality improvements using SOA scale MP-2019.

The actuarial assumptions used in the valuation are based on the results of the actuarial experience study adopted by the Board in June 2020 for the 1977 Police Officers' and Firefighters' Pension and Disability Fund, which covered the period beginning July 1, 2015 and ending June 30, 2019.

**Discount Rate.** The discount rate used to measure the total pension liability as of December 31, 2022 was 4.12%, an increase from the 1.39% as of December 31, 2021. The plan has assets that are less than one year's benefit payments; therefore, the fiduciary net position is projected to be depleted immediately and the discount rate is set equal to the Municipal Bond Index. At the direction of the INPRS, the Barclays 20-year Municipal Bond Index is used as this index.

The pension plan currently has no investments.

**Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents the net pension liability of the plan, calculated using the discount rate of 4.12 percent, 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 (3.12 percent) or 1-percentage-point higher (5.12 percent) than the current rate:

	1% Decrease to Discount Rate (3.12%)	Current Discount Rate (4.12%)	1% Increase to Discount Rate (5.12%)
Net Pension Liability	\$ 13,500,667	\$ 12,486,995	\$ 11,595,815

**Funding Status and Funding Progress.** As of the January 1, 2022 actuarial valuation date, the plan was not funded and is on a pay as you go basis. The actuarial accrued liability for benefits was \$13,209,768 and the actuarial value of assets was \$722,773, resulting in an unfunded actuarial accrued liability of \$12,486,995. The covered payroll (annual payroll to active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

**Pension Plan Fiduciary Net Position.** Detailed information about the plan's fiduciary net position is not available in the separately issued financial report. For the purpose of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pension and pension expense, information about the plan's fiduciary net position and addition to/deduction from fiduciary net position have been determined on the same basis as they are report by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****1937 Firefighters' Officers' Pension Plan (Cont.)****Statement of Fiduciary Net Position**

	Fire Pension	Police Pension
<b>Assets and Deferred Outflows of Resources</b>		
Cash and cash equivalents	\$ 722,773	\$ 343,269
Total assets	722,773	343,269
<b>Liabilities and Deferred Inflows of Resources</b>		
Accounts payable	-	-
Net position restricted for pensions	\$ 722,773	\$ 343,269

**Statement of Changes in Fiduciary Net Position**

	Fire Pension	Police Pension
<b>Additions</b>		
Contributions:		
Employer Contributions	\$ 1,374,066	\$ 862,299
Total additions	1,374,066	862,299
Deductions:		
Benefits	1,261,376	786,602
Administrative expense	6,293	3,652
Total deductions	1,267,669	790,254
Change in fiduciary net position	106,397	72,045
<b>Net Position, Beginning</b>	<b>616,376</b>	<b>271,224</b>
<b>Net Position, Ending</b>	<b>\$ 722,773</b>	<b>\$ 343,269</b>

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

	Fire Pension	Police Pension
Interest	\$ 233,091	\$ 181,947
Difference between expected and actual experience	333,817	329,352
Change in assumptions	(3,127,453)	(2,834,327)
Projected benefit payments	(1,330,044)	(822,914)
Net change in total pension liability	(3,890,589)	(3,145,942)
Total pension liability, beginning	17,100,357	13,171,795
Total pension liability, ending	13,209,768	10,025,853
Plan fiduciary net position, end of year	722,773	343,269
Net pension liability (asset), ending	\$ 12,486,995	\$ 9,682,584

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### 1977 Police Officers' and Firefighters' Pension and Disability Fund

**Plan Description.** The 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund) provides pensions for all police officers and firefighters hired after April 30, 1977. The plan is a cost-sharing, multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (INPRS). The pension system issues a publicly available financial report that can be obtained at <http://www.inprs.in.gov>.

For purposes of employer allocations, the Police Officers and Firefighters are considered separate submission units and their respective pension items are reported herein.

**Retirement Benefits.** The plan provides retirement, disability, and death benefits. Benefit terms are established and amended by State legislative action.

Annual retirement benefits for employees are calculated equal to 50 percent of the salary of a first class officer for 20 years of service. Normal retirement age is 52 with early retirement at 50. Employees are eligible for non-duty disability benefits after five years of services and for duty related disability benefits upon hire. Disability retirement benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits equal 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. An employee who leaves service may withdraw his or her contributions, plus any accumulated interest.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date.

The annual adjustments are determined by statute equal to the change in the Consumer Price Index but not in excess of a 3 percent increase.

**Retirement Benefits - Disability and Survivor Benefits.** The 1977 Fund also provides disability and survivor benefits. An active member may file an application for disability benefits. A determination is then made by the local pension board, and reviewed by the INPRS Board of Trustees, as to whether the member has a covered impairment and whether the impairment was incurred in the line of duty or not.

The calculation for disability benefits is based on when the member was first hired, the type of impairment and other factors. In addition, the heirs or estate of a fund member may be entitled to receive \$12,000 upon the member's death.

If a member dies while receiving retirement or disability benefits, there are provisions for the surviving spouse and child(ren) to receive a portion of the benefits. The member's surviving spouse is entitled to a monthly benefit equal to 60 percent of the member's monthly benefit during the spouse's lifetime. Each of the member's surviving child(ren) is entitled to a monthly benefit equal to 20 percent of the member's monthly benefit until the age of 18, or age 23, if a full-time student. If there is no eligible surviving spouse or child(ren), a dependent parent(s) may receive 50 percent of the member's monthly benefit during their lifetime.

**Retirement Benefits - Deferred Retirement Option Plan.** The Deferred Retirement Option Plan (DROP) for the 1977 Fund was established by the Indiana Legislature in 2002 and is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 36-8-8.5. Members of the 1977 Fund that are eligible to retire 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 remains in active service contributing to the fund until that date. The DROP retirement date must be not less than twelve (12) months and not more than thirty-six (36) months after their DROP entry date, and not after the date they reach any mandatory retirement age that may apply.

The member may make an election to enter the DROP only once in their lifetime. The DROP and future retirement monthly benefit is calculated as of the member's DROP entry date. At the time of retirement, the member must choose among the available options for distribution of the accumulated benefit under the DROP. As of June 30, 2019 the plan held zero dollars pursuant to the DROP.

**Contributions.** The funding policy for the 1977 Fund requires remittances of member and employer contributions based on percentages of the salary of a first class officer or firefighter rather than actual payroll. The employer contribution rate is actuarially determined. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 36-8-8-6. As the 1977 Fund is a cost-sharing system, all risks

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****1977 Police Officers' and Firefighters' Pension and Disability Fund (Cont.)**

and costs, including benefit costs, are shared proportionally by the participating employers. During calendar year 2022, all participating employers were required to contribute 17.5 percent of the salary of a first-class officer or firefighter. City contributions for the year ended December 31, 2022 were \$1,354,227 and \$1,359,765 for the Police Officers and Firefighters Funds, respectively.

**Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Indiana Public Retirement System (INPRS) and additions to/deductions from INPRS's fiduciary net position have been determined on the same basis as they are reported by INPRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

As of December 31, 2022, the City reported a pension liability of \$4,085,289 for the Police and a pension liability of \$4,270,315 for the Firefighter proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's reported wages as a proportion of total collective reported wages for all employers. At June 30, 2022, the City's proportion of the Police Officers' fund was .63059 percent. At June 30, 2022, the City's proportion of the Firefighters' fund was .65915 percent.

For the year ended December 31, 2022, the City recognized pension expense of \$1,077,798 for the Police Officers and \$1,135,322 for the Firefighters' fund. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	Police	Fire	Total
Differences between expected and actual experience	\$ 2,089,359	\$ 2,183,988	\$ 4,273,347
Changes in assumptions	1,743,201	1,822,152	3,565,353
Net differences between projected and actual earnings on pension plan investments	1,300,255	1,359,145	2,659,400
Changes in proportion and differences between employer contributions and proportionate share of contributions	19,446	69,243	88,689
Employer contributions subsequent to the measurement date	680,263	681,781	1,362,044
<b>Totals</b>	<b>\$ 5,832,524</b>	<b>\$ 6,116,309</b>	<b>\$ 11,948,833</b>

	Deferred Inflows of Resources		
	Police	Fire	Total
Differences between expected and actual experience	\$ 57,007	\$ 59,589	\$ 116,596
Changes in assumptions	322,175	336,767	658,942
Changes in proportion and differences between employer contributions and proportionate share of contributions	26,144	31,009	57,153
<b>Totals</b>	<b>\$ 405,326</b>	<b>\$ 427,365</b>	<b>\$ 832,691</b>

## Note 4 - Other Information

### A. Employees' Retirement System (Cont.)

#### 1977 Police Officers' and Firefighters' Pension and Disability Fund (Cont.)

An amount of \$680,263 reported for the Police Officers' and \$681,781 reported for the Firefighters' funds as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	Police	Fire	Total
2023	\$ 482,516	\$ 515,599	\$ 998,115
2024	704,295	746,388	1,450,683
2025	415,443	442,424	857,867
2026	1,927,792	2,021,338	3,949,130
2027	530,634	563,006	1,093,640
Thereafter	686,255	718,408	1,404,663

**Actuarial Assumptions.** The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.00%	
Salary increases	2.65%	
Mortality rates		Mortality rates were based on Pub-2010 Public Retirement Plans mortality tables (amount-weighted), with a fully generational projection of mortality improvements using SOA MP-2019.
Investment rate of return (COLA) or "Ad Hoc" (COLA) or "Ad Hoc"	6.25%	
	3.00%	

The actuarial assumptions used in the June 30, 2022 valuation of the Public Employees' Retirement Fund were adopted by the INPRS Board in June 2020. The majority of the actuarial and methods are based June 2020, which covered the period beginning July 1, 2015 and ending June 30, 2019. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2017. The funding policy is available online at:

[www.in.gov/inprs/files/INPRS\\_Funding\\_Policy.pdf](http://www.in.gov/inprs/files/INPRS_Funding_Policy.pdf).

The target allocation and best estimates of arithmetic real rates of return as of June 30, 2022 for each major asset class are summarized in the following table:

	Target Asset Allocation %	Long-Term Expected Real Rate of Return % (Geometric Basis)
Public Equity	3.6%	20.0%
Private Equity	7.7	15.0
Fixed Income - Ex Inflation-Linked	1.4	20.0
Fixed Income - Inflation-Linked	-0.3	15.0
Commodities	0.9	10.0
Real Estate	3.7	10.0
Absolute Return	2.1	5.0
Risk Parity	3.8	20.0
Leverage Offset	-1.7	-15.0

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****A. Employees' Retirement System (Cont.)****1977 Police Officers' and Firefighters' Pension and Disability Fund (Cont.)**

**Discount rate.** The discount rate used to measure the total pension liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from units will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.25 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25percent) than the current rate:

	1% Decrease to Discount Rate (5.25%)	Current Discount Rate (6.25%)	1% Increase to Discount Rate (7.25%)
City's proportionate share of the net pension liability (asset) - Police Officers'	\$ 12,248,544	\$ 4,085,289	\$ (2,503,712)
City's proportionate share of the net pension liability (asset) - Firefighters'	12,803,292	4,270,315	(2,617,107)

**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 (ACFR) and Actuarial Valuations. These reports can be found at:

[https://www.in.gov/inprs/files/2022\\_INPRSCAFRBook.pdf](https://www.in.gov/inprs/files/2022_INPRSCAFRBook.pdf)

## Note 4 - Other Information

### B. Risk Management

The City 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, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

#### Self-Insurance

For claims, the uninsured risk of loss is \$100,000 per incident and \$1,000,000 in the aggregate for a policy year. The City 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 City 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 and to establish a reserve for catastrophic losses. \$452,000 was assigned for that reserve at year end, and is included in unrestricted net position of the internal service fund.

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 city does not allocate overhead costs or other non-incremental costs to the claims liability. Prior year information is not available.

#### Claims Liability

	<u>Current Year</u>
Governmental Activities:	
Unpaid claims - Beginning of Year	\$ 314,141
Current year claims and changes in estimates	9,546,514
Claim payments	<u>(9,596,710)</u>
Unpaid Claims - End of Year	<u>\$ 263,945</u>

### C. Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the City 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 and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has active construction projects as of December 31, 2022. Work that has been completed on these projects but not yet paid for (including contract retainage) is reflected as accounts payable and expenditures. The City has remaining commitments of \$1,976,010 and \$32,039,816 for governmental type and business type activities, respectively.

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

General Fund	\$ 507,181
Nonmajor funds	2,525,009
<b>Totals</b>	<u>\$ 3,032,190</u>

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****D. Other Postemployment Benefits****General Information about the OPEB Plan**

**Plan description.** The City's single-employer defined benefit healthcare plan provides comprehensive medical benefits to eligible retirees and their dependents. To be eligible, participants must be, at a minimum, age 52 with 15 years of service with an Indiana public employer (10 years must be completed immediately prior to his or her retirement date. The employer provides access to an on-site medical clinic until the participant reaches his or her 65th birthday. Spouse coverage continues until the spouse becomes Medicare eligible.

The City administers the plan and issues a report that includes financial information and required supplementary information of the plan as a whole. The report may be obtained by contacting the City at 500 Quartermaster Court, Suite 300, Jeffersonville Indiana 47130. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Employees covered by benefit terms.** At December 31, 2022, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	409
Active plan members	37
	446
	446

**Total OPEB Liability**

The City's total OPEB liability of \$27,240,808 was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date. The governmental activities and business type activities recognized \$19,550,018 and \$7,690,790 of the total liability respectively.

**Actuarial assumptions and other inputs.** The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

## Note 4 - Other Information

### D. Other Postemployment Benefits (Cont.)

#### Total OPEB Liability (cont.)

Measurement date	December 31, 2022
Actuarial valuation date	January 1, 2022, actuarially rolled forward to the December 31, 2022 measurement date on a no loss/no gain basis. Liabilities as of January 1, 2022 are based on an actuarial valuation date of January 1, 2022 with no adjustments
Discount rate	4.31% as of December 31, 2022 and 2.25% as of December 31, 2021
Payroll Growth	2.65% inflation plus the salary merit increase based on the Public Employees' Retirement Fund (PERF) June 30, 2018 actuarial valuations. Increases ranging from 0.25% to 2.00% based on age.
Inflation	2.00% year
Cost method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.
Healthcare cost trend rates	7.0% for 2023 trending down to 4.5% in 2028
Retirees' share of benefit-related costs	Retiree contributions are assumed to increase according to health care trend rates

The discount rate of 4.31% was based on the yield for 20-year-Standard & Poors municipal high-grade bonds as of December 31, 2022 (measurement date).

Mortality was based on the following:

General retirees: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021

Police / Fire 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

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****D. Other Postemployment Benefits (Cont.)****Changes in the Total OPEB Liability**

	Governmental Activities	Business Type Activities	Total OPEB Liability
Balances at December 31, 2021	\$ 24,805,589	\$ 9,758,280	\$ 34,563,869
Changes for the year:			
Service cost	1,603,213	630,689	2,233,902
Interest	586,475	230,713	817,188
Differences between expected and actual experience	(2,623,880)	(1,032,209)	(3,656,089)
Changes in assumptions or other inputs	(4,131,025)	(1,625,105)	(5,756,130)
Benefit payments	(690,354)	(271,578)	(961,932)
Net changes	(5,255,571)	(2,067,490)	(7,323,061)
Balances at December 31, 2022	\$ 19,550,018	\$ 7,690,790	\$ 27,240,808

Changes of assumptions and other inputs reflect a change in the discount rate from 2.25 percent in 2021 to 4.31 percent in 2022.

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.31 percent) or 1-percentage-point higher (5.31 percent) than the current discount rate:

	1% Decrease (3.31%)	Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB liability	\$ 29,896,307	\$ 27,240,808	\$ 24,834,522
Allocated to:			
Governmental Activities	\$ 21,455,801	\$ 19,550,018	\$ 17,823,090
Business Type Activities	\$ 8,440,506	\$ 7,690,790	\$ 7,011,432

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (8.0 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease (6.0% Decreasing to 3.5%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.5%)	1% Increase (6.0% Decreasing to 5.5%)
Net OPEB liability	\$ 23,830,320	\$ 27,240,808	\$ 31,307,633
Allocated to:			
Governmental Activities	\$ 17,102,400	\$ 19,550,018	\$ 22,468,673
Business Type Activities	\$ 6,727,920	\$ 7,690,790	\$ 8,838,960

## Note 4 - Other Information

### D. Other Postemployment Benefits (Cont.)

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

For the year ended December 31, 2020, the City recognized OPEB expense of \$3,176,914 (Governmental Activities of \$2,279,988 and Business Type Activities of \$896,926). At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		
	Governmental Activities	Business Type Activities	Total
Differences between expected and actual experience	\$ 2,459,510	\$ 967,547	\$ 3,427,057
Changes of assumptions or other inputs	4,179,692	1,644,251	5,823,943
<b>Total</b>	<b>\$ 6,639,202</b>	<b>\$ 2,611,798</b>	<b>\$ 9,251,000</b>

	Deferred Inflows of Resources		
	Governmental Activities	Business Type Activities	Total
Differences between expected and actual experience	\$ 2,992,625	\$ 1,177,270	\$ 4,169,895
Changes of assumptions or other inputs	3,755,477	1,477,368	5,232,845
<b>Total</b>	<b>\$ 6,748,102</b>	<b>\$ 2,654,638</b>	<b>\$ 9,402,740</b>

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

Year Ended December 31:	Governmental Activities	Business Type Activities	Total
2023	\$ 90,301	\$ 35,523	\$ 125,824
2024	90,301	35,523	125,824
2025	90,301	35,523	125,824
2026	90,301	35,523	125,824
2027	90,301	35,523	125,824
Thereafter	(560,403)	(220,457)	(780,860)

**NA - Do not print**

### E. Subsequent Events

Management has performed an analysis of the activities and transactions subsequent to December 31, 2022, to determine the need for any adjustments or disclosures to the financial statements for the year ended December 31, 2022. Management has performed their analysis through October 31, 2023.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 4 - Other Information****E. Effect of New Accounting Standards on Current-Period Financial Statements**

The City has implemented the following in the current year financial statements:

- Statement No. 87, Leases. Implementation of this GASB had no material impact as of December 31, 2022.
- Statement No. 100, Accounting Changes and Error. This standard was implemented January 1, 2022; however, there no impact on the financial statements.

The Governmental Accounting Standards Board (GASB) has approved the following for implementation in subsequent years.

- Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements
- Statement No. 96, Subscription-Based Information Technology Arrangements
- Statement No. 99, Omnibus
- Statement No. 101, Compensated Absences

Management has not evaluated the full impact of the standards on the financial statements.



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# REQUIRED SUPPLEMENTARY INFORMATION

ANNUAL FINANCIAL REPORT FOR CALENDAR YEAR 2022 / JEFFERSONVILLE, INDIANA

**Required Supplementary Information**  
**Non-GAAP Budgetary Comparison Schedule**  
**General Fund**  
**Year Ended December 31, 2022**

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes				
Property	\$ 21,823,622	\$ 21,823,622	\$ 21,637,994	\$ (185,628)
Income	11,314,785	11,314,785	11,546,336	231,551
Intergovernmental	1,708,418	1,708,418	1,639,381	(69,037)
Licenses and permits	1,132,000	1,132,000	1,323,416	191,416
Charges for services	216,123	216,123	222,928	6,805
Interest	400,000	400,000	439,851	39,851
Miscellaneous	200,000	200,000	551,710	351,710
Total Revenues	<u>36,794,948</u>	<u>36,794,948</u>	<u>37,361,616</u>	<u>566,668</u>
<b>Expenditures:</b>				
General Government				
Mayor				
Personal services	277,517	262,077	250,925	11,152
Supplies	6,000	6,030	5,924	106
Other services and charges	25,414	22,068	18,848	3,220
Capital outlays	-	4,200	4,128	72
Law				
Personal services	171,192	176,610	176,431	179
Supplies	1,400	1,400	663	737
Other services and charges	6,250	6,250	4,981	1,269
Building Commission				
Personal services	557,317	587,344	570,537	16,807
Supplies	7,500	9,000	7,307	1,693
Other services and charges	23,950	25,450	16,090	9,360
Capital outlays	-	45	45	-
Planning and Zoning				
Personal services	281,994	319,576	258,467	61,109
Supplies	8,128	8,128	6,639	1,489
Other services and charges	59,049	130,721	103,886	26,835
Capital outlays	2,000	2,000	-	2,000
City Council				
Personal services	147,500	147,500	146,478	1,022
Supplies	2,000	2,000	70	1,930
Other services and charges	84,100	84,100	52,405	31,695
Finance				
Personal services	450,516	530,986	467,193	63,793
Supplies	11,000	11,498	7,122	4,376
Other services and charges	200,371	267,154	192,080	75,074
Capital outlays	-	7,700	2,700	5,000
Information Technology				
Personal services	145,775	186,110	165,817	20,293
Supplies	2,800	5,168	2,983	2,185
Other services and charges	77,802	84,420	80,237	4,183
Capital outlays	-	3,805	-	3,805

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**Required Supplementary Information**  
**Non-GAAP Budgetary Comparison Schedule**  
**General Fund**  
**Year Ended December 31, 2022**

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Clerk				
Personal services	\$ 232,180	\$ 250,482	\$ 235,442	\$ 15,040
Supplies	8,000	8,569	4,537	4,032
Other services and charges	50,400	51,601	19,007	32,594
Capital outlays	11,000	16,653	7,257	9,396
Human Resources				
Personal services	313,600	375,170	357,457	17,713
Supplies	7,572	5,645	4,897	748
Other services and charges	2,097,977	9,463,511	9,418,106	45,405
Town Hall				
Other services and charges	623,450	623,450	526,493	96,957
Administrative				
Other services and charges	-	-	2,228	(2,228)
<b>Total General Government</b>	<b>5,893,754</b>	<b>13,686,421</b>	<b>13,117,380</b>	<b>569,041</b>
Public Safety				
Police				
Personal services	9,876,660	10,031,577	9,873,061	158,516
Other services and charges	620,404	718,258	697,729	20,529
Fire				
Personal services	9,328,893	9,556,110	9,552,158	3,952
Supplies	105,580	106,512	106,474	38
Other services and charges	321,820	377,078	375,776	1,302
Capital outlays	-	469,600	201,273	268,327
Animal Shelter				
Personal services	507,979	543,815	489,943	53,872
Supplies	80,900	80,900	81,652	(752)
Other services and charges	95,750	102,200	104,039	(1,839)
Vehicle Maintenance				
Personal services	654,188	703,520	644,469	59,051
Supplies	79,579	81,446	76,938	4,508
Other services and charges	85,571	88,796	76,520	12,276
Capital outlays	21,300	98,692	95,156	3,536
Police Merit				
Personal services	2,000	2,000	1,300	700
Supplies	1,500	500	-	500
Other services and charges	66,500	81,627	55,315	26,312
Fire Merit				
Personal services	2,200	2,200	1,458	742
Supplies	1,000	909	-	909
Other services and charges	52,000	52,091	47,313	4,778

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**Required Supplementary Information**  
**Non-GAAP Budgetary Comparison Schedule**  
**General Fund**  
**Year Ended December 31, 2022**

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Safety				
Personal services	49,010	52,723	48,039	4,684
Supplies	11,754	11,874	6,802	5,072
Other services and charges	43,538	43,657	22,394	21,263
Capital outlays	8,500	8,500	5,579	2,921
<b>Total Public Safety</b>	<u>22,016,626</u>	<u>23,214,585</u>	<u>22,563,388</u>	<u>651,197</u>
Highways and Streets				
Public Works/Engineering				
Personal services	\$ 561,465	\$ 566,955	\$ 527,615	\$ 39,340
Supplies	4,050	4,050	2,878	1,172
Other services and charges	467,570	516,479	450,476	66,003
Capital outlays	-	2,795	2,751	44
BPW				
Other services and charges	65,000	65,000	62,068	2,932
<b>Total Highways and Streets</b>	<u>1,098,085</u>	<u>1,155,279</u>	<u>1,045,788</u>	<u>109,491</u>
Health and Human Services				
ADA				
Other services and charges	125,000	125,000	125,000	-
<b>Total Health and Human Services</b>	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>	<u>-</u>
<b>Total Expenditures</b>	<u>29,133,465</u>	<u>38,181,285</u>	<u>36,851,556</u>	<u>1,329,729</u>
Excess (deficiency) of revenues over (under) expenditure	7,661,483	(1,386,337)	510,060	(763,061)
Other Financing Sources (Uses):				
Transfers out	(7,627,000)	(327,000)	(327,000)	-
<b>Total other financing sources (uses)</b>	<u>(7,627,000)</u>	<u>(327,000)</u>	<u>(327,000)</u>	<u>-</u>
Net change in fund balances	34,483	(1,713,337)	183,060	1,896,397
<b>Fund Balance, Beginning</b>	<u>11,704,933</u>	<u>11,704,933</u>	<u>11,704,933</u>	<u>-</u>
<b>Fund Balance, Ending</b>	<u>\$ 11,739,416</u>	<u>\$ 9,991,596</u>	<u>\$ 11,887,993</u>	<u>\$ 1,896,397</u>

**Required Supplementary Information**  
**Budget/GAAP Reconciliation -**  
**General Fund**  
**Year Ended December 31, 2022**

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:

	<b>General</b>
Net changes in fund balances (budgetary basis)	\$ 183,060
Adjustments:	
To adjust for revenue accruals	61,331
To adjust for expense accruals	56,473
Net change in fund balances (GAAP basis)	\$ 300,864

**Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Public Employees' Retirement Fund  
Available Data: Last 10 Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
City's proportion of the net pension liability	0.15699%	0.16130%	0.15904%	0.15693%	0.15144%	0.15534%	0.14412%	0.13808%	0.14330%	0.14032%
City's proportionate share of the net pension liability	\$5,609,406	\$2,403,527	\$4,803,635	\$5,186,636	\$ 5,144,485	\$ 6,930,562	\$ 6,540,806	\$ 5,623,863	\$ 3,765,831	\$4,806,071
City's covered payroll	\$9,035,069	\$8,893,347	\$8,586,002	\$8,176,412	\$ 7,727,581	\$ 7,706,875	\$ 6,907,063	\$ 6,613,657	\$ 6,996,467	\$6,737,118
City's proportionate share of the net pension liability as a percentage of its covered payroll	62.1%	27.0%	55.9%	63.4%	66.6%	89.9%	94.7%	85.0%	53.8%	71.3%
Plan fiduciary net position as a percentage of total pension liability *	82.5%	92.5%	81.4%	80.1%	78.9%	72.7%	71.2%	73.3%	81.1%	74.3%

**Notes:**

The plan fiduciary net position as a percentage of total pension liability comes from the INPRS annual report.

The City's covered payroll comes from the City specific report for INPRS.

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

Benefit changes: Pursuant to HEA 109 survivor benefits now require 10 years of creditable service rather than 15 years.

Changes in actuarial methods: None

Changes in assumptions: None

Information is not available prior to 2014.

Additional years will be added until 10 years of historical data is shown.

\* Effective January 1, 2018 funds previously known as annuity savings accounts (which had been reported within defined benefit (DB) funds) were reclassified as defined contribution (DC) funds based on Internal Revenue Service Private Letter Rulings PLR-193-2016 and PLR-110249-18. DC member balances previously reported within PERF DB fund total were transferred to the appropriate DC fund as of January 1, 2018.

**Required Supplementary Information  
Schedule of City Contributions  
Public Employees' Retirement Fund  
Last 10 Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions City	\$ 989,900	\$ 976,099	\$ 946,669	\$ 892,671	\$ 844,341	\$ 835,727	\$ 763,997	\$ 723,060	\$ 678,974
Contributions in relation to the contractually required contributions City	(1,056,596)	(981,533)	(982,256)	(927,609)	(879,145)	(834,480)	(766,580)	(784,397)	(373,094)
Contribution (excess)	\$ (66,696)	\$ (5,434)	\$ (35,587)	\$ (34,938)	\$ (34,804)	\$ 1,247	\$ (2,583)	\$ (61,337)	\$ 305,880
City's covered payroll	\$ 9,035,069	\$ 8,715,170	\$ 8,452,402	\$ 7,970,277	\$ 7,538,759	\$ 7,461,848	\$ 6,821,402	\$ 6,455,893	\$ 6,062,268
Contributions as a percentage of covered payroll	11.69%	11.26%	11.62%	11.64%	11.66%	11.18%	11.24%	12.15%	6.15%

**Notes:**

The amounts presented for each fiscal year were determined as of December 31.  
Additional years will be added until 10 years of historical data is shown.

**Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Police Officers' 1977 Fund  
Available Data: Last 10 Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
City's proportion of the net pension liability (asset)	0.63059%	0.62086%	0.61355%	0.61721%	0.61364%	0.61575%	0.58771%	0.55996%	0.56904%	0.57220%
City's proportionate share of the net pension liability (asset)	\$ 4,085,289	\$(3,669,377)	\$ 1,489,747	\$ 56,882	\$(539,458)	\$(94,982)	\$ 522,103	\$(827,174)	\$(290,098)	\$ 1,579,763
City's covered payroll	\$ 6,374,170	\$ 5,894,593	\$ 5,689,403	\$ 5,455,724	\$ 5,168,010	\$ 4,991,986	\$ 4,542,336	\$ 4,175,599	\$ 4,039,533	\$ 3,969,017
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	64.10%	-62.20%	26.20%	1.00%	-10.40%	-1.90%	11.50%	-19.80%	-7.20%	39.80%
Plan fiduciary net position as a percentage of total pension liability	92.2%	107.8%	96.4%	99.9%	101.5%	100.3%	98.2%	103.2%	101.1%	N/A

**Notes:**

The plan fiduciary net position as a percentage of total pension liability comes from the INPRS annual report.

The City's covered payroll comes from the City specific report for INPRS.

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

There were no changes to plan provisions, actuarial methods and assumptions or funding polices during 2019.

Changes in plan provisions:

SEA 85 increased the pension benefit from 50 to 52 percent for first class salary and the maximum benefit from 74 to 76 percent.

Surviving spouses benefit increased from 60 to 70 percent.

Information is not available prior to 2013.

Additional years will be added until 10 years of historical data is shown.

**Required Supplementary Information**  
**Schedule of City Contributions**  
**Police Officers' 1977 Fund**  
**Available Data: Last 10 Fiscal Years**

	2022	2021	2020	2019	2018
Contractually required contributions	\$ 1,115,484	\$ 1,031,553	\$ 995,649	\$ 954,754	\$ 904,405
Contributions in relation to the contractually required contributions	(1,156,014)	(1,060,188)	(1,012,761)	(973,538)	(931,414)
Contribution (excess)	\$ (40,530)	\$ (28,635)	\$ (17,112)	\$ (18,784)	\$ (27,009)
City's covered payroll	\$ 6,374,194	\$ 5,894,589	\$ 5,689,423	\$ 5,455,737	\$ 5,168,029
Contributions as a percentage of covered payroll	17.50%	17.50%	17.50%	17.50%	17.50%

**Notes:**

The amounts presented for each fiscal year were determined as of June 30

Information is not available prior to 2013.

Additional years will be added until 10 years of historical data is shown.

**Jeffersonville, Indiana  
Required Supplementary Information  
Schedule of the City's Proportionate Share of the Net Pension Liability  
Firefighters' 1977 Fund  
Available Data: Last 10 Fiscal Years**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
City's proportion of the net pension liability (asset)	0.65915%	0.64457%	0.62706%	0.58791%	0.62496%	0.62457%	0.62570%	0.55917%	0.55186%	0.56969%
City's proportionate share of the net pension liability (asset)	\$ 4,270,315	\$ (3,809,507)	\$ 1,522,551	\$ 54,182	\$ (549,410)	\$ (96,342)	\$ 555,853	\$ (826,007)	\$ (281,340)	\$ 1,572,834
City's covered payroll	\$ 6,662,896	\$ 6,119,662	\$ 5,814,694	\$ 5,196,805	\$ 5,263,279	\$ 5,063,481	\$ 4,835,974	\$ 4,169,697	\$ 3,917,586	\$ 3,651,585
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	64.10%	-62.30%	26.20%	1.00%	-10.40%	-1.90%	11.50%	-19.80%	-7.20%	43.10%
Plan fiduciary net position as a percentage of total pension liability (asset)	92.2%	107.8%	96.4%	99.9%	101.5%	100.3%	98.2%	103.2%	101.1%	N/A

**Notes:**

The plan fiduciary net position as a percentage of total pension liability comes from the INPRS annual report.

The City's covered payroll comes from the City specific report for INPRS.

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

There were no changes to plan provisions, actuarial methods and assumptions or funding polices during 2019.

Changes in plan provisions:

SEA 85 increased the pension benefit from 50 to 52 percent for first class salary and the maximum benefit from 74 to 76 percent.

Surviving spouses benefit increased from 60 to 70 percent.

Information is not available prior to 2013.

Additional years will be added until 10 years of historical data is shown.

**Required Supplementary Information**  
**Schedule of City Contributions**  
**Firefighters' 1977 Fund**  
**Available Data: Last 10 Fiscal Years**

	2022	2021	2020	2019	2018
Contractually required contributions	\$ 1,166,016	\$ 1,070,940	\$ 995,649	\$ 909,443	\$ 884,757
Contributions in relation to the contractually required contributions	(1,160,775)	(1,124,398)	(1,048,110)	(951,775)	(893,092)
Contribution (excess)	\$ 5,241	\$ (53,458)	\$ (52,461)	\$ (42,332)	\$ (8,335)
City's covered payroll	\$ 6,662,949	\$ 6,119,657	\$ 5,689,423	\$ 5,196,817	\$ 5,055,754
Contributions as a percentage of covered payroll	17.50%	17.50%	17.50%	17.50%	17.50%

**Notes:**

The amounts presented for each fiscal year were determined as of June 30.

Information is not available prior to 2018

Additional years will be added until 10 years of historical data is shown.

**Required Supplementary Information**  
**Schedule of Changes in Net Pension Liability and Related Ratios -**  
**1925 Police and 1937 Fire**  
**Available Data: Last 10 Fiscal Years\***

<b>1925 Police Officers' Pension</b>	<b>2022</b>	<b>2021</b>
<b>Total Pension Liability</b>		
Total pension liability, beginning	\$ 13,171,795	\$ 13,677,996
Service cost	-	-
Interest cost	181,947	199,762
Experience (gains) losses	329,352	135,244
Assumption changes	(2,834,326)	(28,404)
Plan amendments	-	-
Projected benefit payments	(822,914)	(812,803)
<b>Total pension liability, ending</b>	<b>\$ 10,025,854</b>	<b>\$ 13,171,795</b>
<b>Plan Fiduciary Net Position</b>		
Plan fiduciary net position, beginning	\$ 271,225	\$ 308,047
Administrative	(3,653)	(3,701)
Net investment income	-	-
Nonemployer contributing entity contributions	862,300	810,285
Actual benefit payments	(786,602)	(843,406)
Plan fiduciary net position, ending	<b>\$ 343,270</b>	<b>\$ 271,225</b>
<b>Net pension liability</b>	<b>\$ 9,682,584</b>	<b>\$ 12,900,570</b>
<b>1937 Firefighters' Pension</b>		
<b>Total Pension Liability</b>		
Total pension liability, beginning	\$ 17,100,357	\$ 17,241,194
Service cost	-	-
Interest cost	233,091	261,228
Experience (gains) losses	333,817	955,727
Assumption changes	(3,127,453)	(28,065)
Plan amendments	-	-
Projected benefit payments	(1,330,044)	(1,329,727)
<b>Total pension liability, ending</b>	<b>\$ 13,209,768</b>	<b>\$ 17,100,357</b>
<b>Plan Fiduciary Net Position</b>		
Plan fiduciary net position, beginning	\$ 616,668	\$ 597,987
Administrative	(6,294)	(4,995)
Net investment income	-	-
Employer contributions	-	-
Nonemployer contributing entity contributions	1,374,065	1,398,453
Actual benefit payments	(1,261,666)	(1,374,777)
Plan fiduciary net position, ending	<b>\$ 722,773</b>	<b>\$ 616,668</b>
<b>Net pension liability</b>	<b>\$ 12,486,995</b>	<b>\$ 16,483,689</b>

Notes:

\* Information presented for the years information is available

**Required Supplementary Information**  
**Schedule of Changes in the City's Net Pension Liability and Related Ratios -**  
**1925 Police and 1937 Fire**  
**Available Data: Last 10 Fiscal Years\***

<b>1925 Police Officers' Pension</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total pension liability	\$ 10,025,854	\$ 13,171,795	\$ 13,677,996
Less plan fiduciary net position	343,270	271,225	308,047
Net pension liability	<u>\$ 9,682,584</u>	<u>\$ 12,900,570</u>	<u>\$ 13,369,949</u>
Plan fiduciary net position as a percentage of the total pension liability	3.42%	2.06%	2.25%
Covered payroll	\$ -	\$ -	\$ -
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A
<b>1937 Firefighters' Pension</b>			
Total pension liability	\$ 13,209,768	\$ 17,100,357	\$ 17,241,194
Less plan fiduciary net position	722,773	616,668	597,987
Net pension liability	<u>\$ 12,486,995</u>	<u>\$ 16,483,689</u>	<u>\$ 16,643,207</u>
Plan fiduciary net position as a percentage of the total pension liability	5.47%	3.61%	3.47%
Covered payroll	\$ -	\$ -	\$ -
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A

## Notes:

\* Information presented for the years information is available

\*\* Not available

**Required Supplementary Information  
Schedule of Contributions -  
1925 Police and 1937 Fire  
Available Data: Last 10 Fiscal Years\***

<b>1925 Police Officers' Pension</b>	<b>2022</b>	<b>2021</b>
Statutorily Required Contribution	\$ 786,602	\$ 843,406
Less contributions in relation to the statutorily required contributions	786,602	843,406
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ -	\$ -
Contributions as a percentage of covered employee payroll	N/A	N/A
<b>1937 Firefighters' Pension</b>		
Statutorily Required Contribution	\$ 1,261,666	\$ 1,374,777
Less contributions in relation to the statutorily required contributions	1,261,666	1,374,777
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ -	\$ -
Contributions as a percentage of covered employee payroll	N/A	N/A

Notes:

\* Information presented for the years information is available

\*\* Not available

**Required Supplementary Information  
Schedule of Investment Returns -  
1925 Police and 1937 Fire  
Available Data: Last 10 Fiscal Years\***

<b>1925 Police Officers' Pension</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Annual money-weighted rate of return net of investment expense	N/A **	N/A **	N/A **	N/A **	N/A **
<b>1937 Firefighters' Pension</b>					
Annual money-weighted rate of return net of investment expense	N/A **	N/A **	N/A **	N/A **	N/A **

**Notes:**

\* Information presented for the years information is available

\*\* The City pension funds do not have investments and, therefore, no returns on investments to report

**Jeffersonville, Indiana**  
**Required Supplementary Information**  
**Schedule of Changes in the City's Total OPEB Liability and Related Ratios**  
**Available Data: Last 10 Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 2,233,902	\$ 1,664,226	\$ 1,372,790	\$ 1,113,067
Interest	817,188	566,359	780,845	861,669
Changes of assumptions	(5,756,130)	3,595,573	2,474,003	1,701,594
Differences between expected and actual experience	(3,656,089)	4,188,625	(1,163,494)	-
Benefit payments	(961,932)	(998,254)	(984,762)	(911,816)
Net change in total OPEB liability	(7,323,061)	9,016,529	2,479,382	2,764,514
Total OPEB liability, beginning	34,563,869	25,547,340	23,067,958	20,303,444
Total OPEB liability, ending	<u>\$ 27,240,808</u>	<u>\$ 34,563,869</u>	<u>\$ 25,547,340</u>	<u>\$ 23,067,958</u>
<b>Plan Fiduciary Net Position</b>				
Contributions	\$ 961,932	\$ 998,254	\$ 984,762	\$ 911,816
Benefit payments	(961,932)	(998,254)	(984,762)	(911,816)
Total OPEB liability	\$ 27,240,808	\$ 34,563,869	\$ 25,547,340	\$ 23,067,958
Covered, payroll	<u>\$ 26,181,345</u>	<u>\$ 21,475,975</u>	<u>\$ 20,327,823</u>	<u>\$ 19,823,022</u>
Total OPEB liability as a percentage of covered payroll	104.0%	160.9%	125.7%	116.4%

Notes to schedule:

\* Additional years will be added until 10 years of historical data is shown.

## Notes to Required Supplementary Information

### I. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:

- A. After individual meetings with the Common Council and Civil City department heads, the Controller submits to the Common Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing.
- B. Prior to adoption, the City advertises the budget and the Common Council holds a public hearing to obtain taxpayer comments. The Common Council may reduce, but not increase the budget from the advertised amounts.
- C. No later than November 1 of each year, the budget for the next year is approved by the Common Council through the passage of an ordinance.
- D. Copies of the budget ordinance and advertisements for funds for which property taxes are levied or highway use taxes are received are sent to the Indiana Department of Local Government Finance for their review and approval. The budget becomes legally enacted after the City Controller receives approval from the Indiana Department of Local Government Finance. This approval is required by Indiana Statute and ad valorem property tax rates are to be set by February 15 of the year budgeted. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the City's expenditures budget. The City's maximum tax levy is restricted by Indiana Law, 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 can be granted by the Indiana Department of Local Government Finance, upon appeal by the City.
- E. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by object classification for all funds except for the General fund, which is by object classification within each department. The City's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the Common Council. Any revisions that alter the total appropriations for any fund or any department of the General fund must be approved by the Common 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 method.
- F. An annual budget was legally adopted for the following twelve governmental funds:

Major funds (1):

General fund

Nonmajor funds:

Special revenue funds (7):

Motor Vehicle Highway (including MVH - Restricted), Local Road and Street, Park and Recreation, Public Safety, Law Enforcement Continuing Education and Park Nonreverting Operating

Capital projects funds (4):

Cumulative Capital Improvement, Cumulative Sewer, Cumulative Capital Development, and CEDIT

- G. The City's budgetary process is based upon cash outflows, which is a Non-GAAP basis. Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations are carried over and added to the subsequent year's budget.
- H. Budgeted amounts are as originally adopted, or as amended by the Common Council and approved by the Indiana Department of Local Government Finance in the regular legal manner.
- I. Expenditures did not exceed appropriations for any funds which required legally approved budgets.

## Notes to Required Supplementary Information

### II. Financial Reporting, Pension Plans

- A. Plan Amendments: There were no changes in plan provisions during the fiscal year.
- B. Assumptions: There were no changes in actuarial methods during the fiscal year

PERF Plan:

- a) The actuarial assumptions and methods used in the June 30, 2022 valuation of the Public Employees' Defined Benefit Account were adopted by the INPRS Board in April 2022. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014 through June 30, 2019, and were first used in the June 30, 2020 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

1977 Police Officers' and Firefighters' Pension and Disability Fund:

- b) The actuarial assumptions and methods used in the June 30, 2022 valuation of the 1977 Police Officers' and Firefighters' Retirement Fund were adopted by the INPRS board in April 2022. The majority of the actuarial assumptions and methods are based on plan experience from July 1, 2014 through June 30, 2019, and were first used in the June 30, 2020 valuation. The INPRS Board adopted a funding policy in April 2014, and the policy was last updated in October 2018.

1925 and 1937 Plans:

- c) The discount rate used for the December 31, 2022 valuation was 4.12% based on the Barclay's 20-year Municipal Bond Index. This is an increase from 1.39% used for the December 31, 2020 valuation.

C. Method and assumptions used in the calculations of actuarially determined contributions

The actuarially determined contribution rates in the schedule of the 1937 Firefighters' and 1925 Police Officers' plans contributions are calculated as of December 31, 2021. The following actuarial method and assumptions were used to determine contribution rates reported in their respective schedules:

1937 Firefighters' and 1925 Police Officers' Pension Plans

Actuarial cost method	Entry Age Normal - Level Percent of Payroll
Amortization method	Level percentage of projected payroll, closed
Remaining amortization period	20 years
Inflation	2.00%
Salary increases	2.65%
Cost-of-Living Increases	Nonconverted 2.65% per year in retirement
Converted	3.00% on July 1, 2022; 1.95% thereafter
Discount rate	4.12% (Based on Barclay's 20-year Municipal Bond Index rate)
Mortality assumption	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA MP-2019

## Notes to Required Supplementary Information

### III.OPEB Plan

Measurement date	December 31, 2022
Actuarial Valuation date	January 1, 2022 rolled forward to December 31, 2022
Cost Method	Entry Age Normal Level% of Salary
Amortization	Not Applicable
Discount rate	4.31% as of December 31, 2022 and 2.25% as of December 31, 2021
Discount rate basis	20-year tax-exempt general obligation municipal bonds
Inflation rate	2.00% per annum
Investment rate of return	Not applicable since the plan is not currently prefunded
Disability	None assumed

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



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# SUPPLEMENTARY INFORMATION

ANNUAL FINANCIAL REPORT FOR CALENDAR YEAR 2022 / JEFFERSONVILLE, INDIANA

**Combining Balance Sheet - Nonmajor Governmental Funds  
For Jeffersonville, Indiana  
December 31, 2022**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 10,892,130	\$ -	\$ 10,128,443	\$ 21,020,573
Investments	6,584,912	-	8,881,220	15,466,132
Receivables:				
Accounts	21,049	-	-	21,049
Taxes	5,866,186	-	273,164	6,139,350
Intergovernmental	526,816	-	12,064	538,880
Restricted Cash	-	5,436,173	-	5,436,173
<b>Total Assets</b>	<b>23,891,093</b>	<b>5,436,173</b>	<b>19,294,891</b>	<b>48,622,157</b>
<b>Liabilities</b>				
Accounts Payable	517,088	-	882,220	1,399,308
Wages and Benefits Payable	54,603	-	-	54,603
<b>Total Liabilities</b>	<b>571,691</b>	<b>-</b>	<b>882,220</b>	<b>1,453,911</b>
<b>Deferred Inflows Of Resources</b>				
Unavailable Revenue-Property Taxes	6,393,003	-	280,428	6,673,431
<b>Total Deferred Inflows Of Resources</b>	<b>6,393,003</b>	<b>-</b>	<b>280,428</b>	<b>6,673,431</b>
<b>Fund Balances</b>				
Restricted	12,541,342	5,436,173	18,184,960	36,162,475
Committed	4,385,057	-	-	4,385,057
Unassigned	-	-	(52,717)	(52,717)
<b>Total Fund Balances</b>	<b>16,926,399</b>	<b>5,436,173</b>	<b>18,132,243</b>	<b>40,494,815</b>
<b>Total Liabilities, Deferred Inflows Of Resources, and Fund Balances</b>	<b>\$ 23,891,093</b>	<b>\$ 5,436,173</b>	<b>\$ 19,294,891</b>	<b>\$ 48,622,157</b>

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For Jeffersonville, Indiana  
December 31, 2022**

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 5,276,368	\$ -	\$ 5,954,542	\$ 11,230,910
Income Taxes	6,452,287	-	-	6,452,287
Intergovernmental	3,788,974	-	1,641,919	5,430,893
Licenses and Permits	48,710	-	-	48,710
Charges for Services	1,334,219	-	70,000	1,404,219
Fines, Forfeitures, and Fees	1,787	-	-	1,787
Other	760,381	41,103	2,717	804,201
<b>Total Revenues</b>	<b>17,662,726</b>	<b>41,103</b>	<b>7,669,178</b>	<b>25,373,007</b>
<b>Expenditures</b>				
General Government	1,963,868	-	199,126	2,162,994
Public Safety	3,502,024	-	398,848	3,900,872
Culture and Recreation	6,118,572	-	3,000	6,121,572
Health and Welfare	188,281	-	-	188,281
Highway and Streets	2,615,854	-	1,839,448	4,455,302
Sanitation	2,583,579	-	-	2,583,579
Economic Development	605,861	715	996,111	1,602,687
Debt Service:				
Principal Paid on Debt	-	3,845,000	380,000	4,225,000
Interest Paid on Debt	-	529,976	169,384	699,360
<b>Total Expenditures</b>	<b>17,578,039</b>	<b>4,375,691</b>	<b>3,985,917</b>	<b>25,939,647</b>
Excess (deficiency) of Revenues vs. Expenditures	84,687	(4,334,588)	3,683,261	(566,640)
<b>Other Financing Sources</b>				
Interfund Transfers In	1,308,707	4,353,132	1,815,163	7,477,002
Interfund Transfers Out	(2,716,869)	(421)	(898,521)	(3,615,811)
<b>Total Other Financing Sources</b>	<b>(1,408,162)</b>	<b>4,352,711</b>	<b>916,642</b>	<b>3,861,191</b>
<b>Net Change in Fund Balances</b>	(1,323,475)	18,123	4,599,903	3,294,551
<b>Fund Balances - Beginning</b>	18,249,874	5,418,050	13,532,340	37,200,264
<b>Fund Balances - Ending</b>	<b>\$ 16,926,399</b>	<b>\$ 5,436,173</b>	<b>\$ 18,132,243</b>	<b>\$ 40,494,815</b>

**Combining Balance Sheet  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
December 31, 2022**

	Special Revenue				
	Motor Vehicle Highway	Local Road and Street	Motor Vehicle Highway - Restricted	Park and Recreation - Operating	LIT – Economic Development
<b>Assets</b>					
Cash and Cash Equivalents	\$ 538,530	\$ 477,920	\$ 582,528	\$ 827,715	\$ 1,285,571
Investments	628,922	558,139	-	-	1,501,355
Receivables:					
Accounts	-	-	-	-	-
Taxes	-	-	-	3,082,195	-
Intergovernmental	-	-	-	81,967	-
<b>Total Assets</b>	<b>1,167,452</b>	<b>1,036,059</b>	<b>582,528</b>	<b>3,991,877</b>	<b>2,786,926</b>
<b>Liabilities</b>					
Accounts Payable	2,371	41,132	26,993	44,949	50,946
Wages and Benefits Payable	10,338	-	-	26,765	-
<b>Total Liabilities</b>	<b>12,709</b>	<b>41,132</b>	<b>26,993</b>	<b>71,714</b>	<b>50,946</b>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue-Property Taxes	-	-	-	3,164,163	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,164,163</b>	<b>-</b>
<b>Fund Balances</b>					
Restricted	1,154,743	994,927	555,535	756,000	2,735,980
Committed	-	-	-	-	-
<b>Total Fund Balances(deficits)</b>	<b>1,154,743</b>	<b>994,927</b>	<b>555,535</b>	<b>756,000</b>	<b>2,735,980</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 1,167,452</b>	<b>\$ 1,036,059</b>	<b>\$ 582,528</b>	<b>\$ 3,991,877</b>	<b>\$ 2,786,926</b>

(Continued)

**Combining Balance Sheet**  
**Nonmajor Governmental Funds for Jeffersonville, Indiana**  
**December 31, 2022**

	Special Revenue				
	Building Demolition	Sanitation	Local Law Enforcement Continuing Education	Clerk's Record Perpetuation	Riverboat
<b>Assets</b>					
Cash and Cash Equivalents	\$ 153,943	\$ 667,916	\$ 227,814	\$ 9,912	\$ 477,152
Investments	-	780,026	-	-	-
Receivables:					
Accounts	-	736	-	-	-
Taxes	-	2,783,991	-	-	-
Intergovernmental	-	74,037	-	-	135,109
<b>Total assets</b>	<b>153,943</b>	<b>4,306,706</b>	<b>227,814</b>	<b>9,912</b>	<b>612,261</b>
<b>Liabilities</b>					
Accounts Payable	2,800	73,010	-	-	-
Wages and Benefits Payable	-	16,339	-	-	-
<b>Total liabilities</b>	<b>2,800</b>	<b>89,349</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows Of Resources</b>					
Unavailable revenue-property taxes	-	2,858,028	-	-	135,109
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>2,858,028</b>	<b>-</b>	<b>-</b>	<b>135,109</b>
<b>Fund Balances</b>					
Restricted	151,143	1,359,329	227,814	9,912	477,152
Committed	-	-	-	-	-
<b>Total fund balances(deficits)</b>	<b>151,143</b>	<b>1,359,329</b>	<b>227,814</b>	<b>9,912</b>	<b>477,152</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 153,943</b>	<b>\$ 4,306,706</b>	<b>\$ 227,814</b>	<b>\$ 9,912</b>	<b>\$ 612,261</b>

(Continued)

**Combining Balance Sheet  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
December 31, 2022**

	Special Revenue			
	LIT - Public Safety	Opioid Settlement	Donations	Federal Asset Forfeiture
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,787,357	\$ 82,805	\$ 25,402	\$ 202,702
Investments	2,087,366	-	-	-
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Intergovernmental	-	235,703	-	-
<b>Total assets</b>	<b>3,874,723</b>	<b>318,508</b>	<b>25,402</b>	<b>202,702</b>
<b>Liabilities</b>				
Accounts Payable	47,097	-	3,549	-
Wages and Benefits Payable	-	-	-	-
<b>Total liabilities</b>	<b>47,097</b>	<b>-</b>	<b>3,549</b>	<b>-</b>
<b>Deferred Inflows Of Resources</b>				
Unavailable revenue-property taxes	-	235,703	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>235,703</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>				
Restricted	3,827,626	66,626	21,853	202,702
Committed	-	16,179	-	-
<b>Total fund balances(deficits)</b>	<b>3,827,626</b>	<b>82,805</b>	<b>21,853</b>	<b>202,702</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 3,874,723</b>	<b>\$ 318,508</b>	<b>\$ 25,402</b>	<b>\$ 202,702</b>

(Continued)

**Combining Balance Sheet**  
**Nonmajor Governmental Funds for Jeffersonville, Indiana**  
**December 31, 2022**

	Special Revenue					
	American Rescue Plan Act	Petty Cash	Cash Change	Parks Activity	Planning & Placemaking Improvements	Riverstage
<b>Assets</b>						
Cash and Cash Equivalents	\$ -	\$ 200	\$ 2,025	\$ 192,039	\$ 64,115	\$ 117,154
Investments	-	-	-	-	-	-
Receivables:						
Accounts	-	-	-	5,608	-	-
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>200</b>	<b>2,025</b>	<b>197,647</b>	<b>64,115</b>	<b>117,154</b>
<b>Liabilities</b>						
Accounts Payable	-	-	-	39,653	-	-
Wages and Benefits Payable	-	-	-	394	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,047</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows Of Resources</b>						
Unavailable revenue-property taxes	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Restricted	-	-	-	-	-	-
Committed	-	200	2,025	157,600	64,115	117,154
<b>Total fund balances(deficits)</b>	<b>-</b>	<b>200</b>	<b>2,025</b>	<b>157,600</b>	<b>64,115</b>	<b>117,154</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ -</b>	<b>\$ 200</b>	<b>\$ 2,025</b>	<b>\$ 197,647</b>	<b>\$ 64,115</b>	<b>\$ 117,154</b>

(Continued)

**Combining Balance Sheet  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
December 31, 2022**

	Special Revenue					
	Vehicle Maintenance and Fuel	City Attorney Diversion	City Pride Committee	Thunder Committee	Public Arts	Sprint Lease
<b>Assets</b>						
Cash and Cash Equivalents	\$ 166,924	\$ 6,561	\$ 6,335	\$ 48,878	\$ 115,998	\$ 112,202
Investments	-	-	-	-	-	-
Receivables:						
Accounts	-	-	-	-	-	-
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
<b>Total assets</b>	<b>166,924</b>	<b>6,561</b>	<b>6,335</b>	<b>48,878</b>	<b>115,998</b>	<b>112,202</b>
<b>Liabilities</b>						
Accounts Payable	93,776	-	5,131	-	4,388	-
Wages and Benefits Payable	-	-	-	-	-	-
<b>Total liabilities</b>	<b>93,776</b>	<b>-</b>	<b>5,131</b>	<b>-</b>	<b>4,388</b>	<b>-</b>
<b>Deferred Inflows Of Resources</b>						
Unavailable revenue-property taxes	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Restricted	-	-	-	-	-	-
Committed	73,148	6,561	1,204	48,878	111,610	112,202
<b>Total fund balances(deficits)</b>	<b>73,148</b>	<b>6,561</b>	<b>1,204</b>	<b>48,878</b>	<b>111,610</b>	<b>112,202</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 166,924</b>	<b>\$ 6,561</b>	<b>\$ 6,335</b>	<b>\$ 48,878</b>	<b>\$ 115,998</b>	<b>\$ 112,202</b>

(Continued)

**Combining Balance Sheet**  
**Nonmajor Governmental Funds for Jeffersonville, Indiana**  
**December 31, 2022**

	Special Revenue					
	Economic Development Abatement	Department of Law	Police	Jeffersonville Building Authority - Operating	Animal Shelter Spay and Neuter Program	Jeffersonville Police Forfeiture
<b>Assets</b>						
Cash and Cash Equivalents	\$ 441,167	\$ 3,358	\$ 55,168	\$ 975,916	\$ 12,720	\$ 29,949
Investments	-	-	-	-	-	-
Receivables:						
Accounts	-	-	85	-	2,368	-
Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
<b>Total assets</b>	<b>441,167</b>	<b>3,358</b>	<b>55,253</b>	<b>975,916</b>	<b>15,088</b>	<b>29,949</b>
<b>Liabilities</b>						
Accounts Payable	-	-	-	59,980	6,912	-
Wages and Benefits Payable	-	-	-	140	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,120</b>	<b>6,912</b>	<b>-</b>
<b>Deferred Inflows Of Resources</b>						
Unavailable revenue-property taxes	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>						
Restricted	-	-	-	-	-	-
Committed	441,167	3,358	55,253	915,796	8,176	29,949
<b>Total fund balances(deficits)</b>	<b>441,167</b>	<b>3,358</b>	<b>55,253</b>	<b>915,796</b>	<b>8,176</b>	<b>29,949</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 441,167</b>	<b>\$ 3,358</b>	<b>\$ 55,253</b>	<b>\$ 975,916</b>	<b>\$ 15,088</b>	<b>\$ 29,949</b>

(Continued)

**Combining Balance Sheet  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
December 31, 2022**

	Special Revenue			
	Redevelopment - Operating	Redevelopment - CASI	Redevelopment Revolving Loan	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Cash and Cash Equivalents	\$ 784,585	\$ 111,026	\$ 298,542	\$ 10,892,129
Investments	676,144	95,681	257,279	6,584,912
Receivables:				
Accounts	10,567	-	1,685	21,049
Taxes	-	-	-	5,866,186
Intergovernmental	-	-	-	526,816
<b>Total assets</b>	<b>1,471,296</b>	<b>206,707</b>	<b>557,506</b>	<b>23,891,092</b>
<b>Liabilities</b>				
Accounts Payable	14,400	-	-	517,087
Wages and Benefits Payable	627	-	-	54,603
<b>Total liabilities</b>	<b>15,027</b>	<b>-</b>	<b>-</b>	<b>571,690</b>
<b>Deferred Inflows Of Resources</b>				
Unavailable revenue-property taxes	-	-	-	6,393,003
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,393,003</b>
<b>Fund Balances</b>				
Restricted	-	-	-	12,541,342
Committed	1,456,269	206,707	557,506	4,385,057
<b>Total fund balances(deficits)</b>	<b>1,456,269</b>	<b>206,707</b>	<b>557,506</b>	<b>16,926,399</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 1,471,296</b>	<b>\$ 206,707</b>	<b>\$ 557,506</b>	<b>\$ 23,891,092</b>

**Combining Balance Sheet**  
**Nonmajor Governmental Funds for Jeffersonville, Indiana**  
**December 31, 2022**

	Debt Service				
	2008 Redevelopment Bond - Sinking (Veterans)	2008 Redevelopment Bond DSR	2009 Redevelopment Lease Rental Bond - Sinking (Aquatic)	2013 Falls Landing Series A DSR	2013 ICR Series B DSR
<b>Assets</b>					
Restricted Cash	30	262,149	-	159,256	778,372
<b>Total Assets</b>	<b>30</b>	<b>262,149</b>	<b>-</b>	<b>159,256</b>	<b>778,372</b>
	-	-			
<b>Fund Balances</b>					
Restricted	30	262,149	-	159,256	778,372
<b>Total Fund Balances(Deficits)</b>	<b>30</b>	<b>262,149</b>	<b>-</b>	<b>159,256</b>	<b>778,372</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 30</b>	<b>\$ 262,149</b>	<b>\$ -</b>	<b>\$ 159,256</b>	<b>\$ 778,372</b>

(Continued)

**Combining Balance Sheet  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
December 31, 2022**

	Debt Service				
	2013 Falls Landing Series C DSR	2013 ICR Series D DSR	2013 ICR Series E DSR	2016 Redevelopment Refunding Bond DSR (2006ABC)	2016 Redevelopment Refunding Bond Sinking (2006ABC)
<b>Assets</b>					
Restricted Cash	400,469	274,635	128,163	836,405	30,200
<b>Total Assets</b>	<b>400,469</b>	<b>274,635</b>	<b>128,163</b>	<b>836,405</b>	<b>30,200</b>
<b>Fund Balances</b>					
Restricted	400,469	274,635	128,163	836,405	30,200
<b>Total Fund Balances(Deficits)</b>	<b>400,469</b>	<b>274,635</b>	<b>128,163</b>	<b>836,405</b>	<b>30,200</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 400,469</b>	<b>\$ 274,635</b>	<b>\$ 128,163</b>	<b>\$ 836,405</b>	<b>\$ 30,200</b>

(Continued)

**Combining Balance Sheet**  
**Nonmajor Governmental Funds for Jeffersonville, Indiana**  
**December 31, 2022**

	Debt Service		Total Nonmajor Debt Service Funds
	2017 Redevelopment Bond - 10th Street Sinking	2017 Redevelopment Bond - 10th Street DSR	
<b>Assets</b>			
Restricted Cash	30,403	2,536,091	5,436,173
<b>Total Assets</b>	<b>30,403</b>	<b>2,536,091</b>	<b>5,436,173</b>
<b>Fund Balances</b>			
Restricted	30,403	2,536,091	5,436,173
<b>Total Fund Balances(Deficits)</b>	<b>30,403</b>	<b>2,536,091</b>	<b>5,436,173</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 30,403</b>	<b>\$ 2,536,091</b>	<b>\$ 5,436,173</b>

**Combining Balance Sheet  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
December 31, 2022**

	Capital Projects				
	Cumulative Capital Improvement	Cumulative Capital Development	Falls Landing TIF	Bethnova TIF	Keystone TIF
<b>Assets</b>					
Cash and Cash Equivalents	\$ 94,919	\$ 292,099	\$ 2,966,982	\$ 774,596	\$ 143,935
Investments	-	-	3,464,990	-	-
Receivables:					
Taxes	-	273,164	-	-	-
Intergovernmental	-	7,264	-	-	-
<b>Total Assets</b>	<b>94,919</b>	<b>572,527</b>	<b>6,431,972</b>	<b>774,596</b>	<b>143,935</b>
<b>Liabilities</b>					
Accounts Payable	-	5,972	109,048	-	11,250
<b>Total Liabilities</b>	<b>-</b>	<b>5,972</b>	<b>109,048</b>	<b>-</b>	<b>11,250</b>
<b>Deferred Inflows Of Resources</b>					
Unavailable Revenue-Property Taxes	-	280,428	-	-	-
<b>Total Deferred Inflows Of Resources</b>	<b>-</b>	<b>280,428</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>					
Restricted	94,919	286,127	6,322,924	774,596	132,685
Unassigned	-	-	-	-	-
<b>Total Fund Balances(Deficits)</b>	<b>94,919</b>	<b>286,127</b>	<b>6,322,924</b>	<b>774,596</b>	<b>132,685</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 94,919</b>	<b>\$ 572,527</b>	<b>\$ 6,431,972</b>	<b>\$ 774,596</b>	<b>\$ 143,935</b>

(Continued)

**Combining Balance Sheet**  
**Nonmajor Governmental Funds for Jeffersonville, Indiana**  
**December 31, 2022**

	Capital Projects				
	Galvstar TIF	Vogt Valve TIF	Port Grant	EPA Brownfield Grant	Police Grant
<b>Assets</b>					
Cash and Cash Equivalents	\$ 2,378,130	\$ 1,373,034	\$ -	\$ 151	\$ (4,800)
Investments	2,777,299	1,603,497	-	130	-
Receivables:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	4,800
<b>Total Assets</b>	<b>5,155,429</b>	<b>2,976,531</b>	<b>-</b>	<b>281</b>	<b>-</b>
<b>Liabilities</b>					
Accounts Payable	-	-	-	32,728	20,270
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32,728</b>	<b>20,270</b>
<b>Deferred Inflows Of Resources</b>					
Unavailable Revenue-Property Taxes	-	-	-	-	-
<b>Total Deferred Inflows Of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>					
Restricted	5,155,429	2,976,531	-	-	-
Unassigned	-	-	-	(32,447)	(20,270)
<b>Total Fund Balances(Deficits)</b>	<b>5,155,429</b>	<b>2,976,531</b>	<b>-</b>	<b>(32,447)</b>	<b>(20,270)</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 5,155,429</b>	<b>\$ 2,976,531</b>	<b>\$ -</b>	<b>\$ 281</b>	<b>\$ -</b>

(Continued)

**Combining Balance Sheet  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
December 31, 2022**

	Capital Projects				
	2021 B Community Crossing Grant Holman's Lane	2021 A Community Crossing Grant	2022-1 Community Crossing Grant (Various)	2021 Tourism Grant - Riverstage	2013 C Redevelopment Bond - Police Proceeds
<b>Assets</b>					
Cash and Cash Equivalents	\$ -	\$ -	\$ 886,505	\$ -	\$ 48,805
Investments	-	-	1,035,304	-	-
Receivables:					
Taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
<b>Total Assets</b>	<b>-</b>	<b>-</b>	<b>1,921,809</b>	<b>-</b>	<b>48,805</b>
<b>Liabilities</b>					
Accounts Payable	-	-	580,585	-	2,975
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>580,585</b>	<b>-</b>	<b>2,975</b>
<b>Deferred Inflows Of Resources</b>					
Unavailable Revenue-Property Taxes	-	-	-	-	-
<b>Total Deferred Inflows Of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>					
Restricted	-	-	1,341,224	-	45,830
Unassigned	-	-	-	-	-
<b>Total Fund Balances(Deficits)</b>	<b>-</b>	<b>-</b>	<b>1,341,224</b>	<b>-</b>	<b>45,830</b>
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,921,809</b>	<b>\$ -</b>	<b>\$ 48,805</b>

(Continued)

**Combining Balance Sheet**  
**Nonmajor Governmental Funds for Jeffersonville, Indiana**  
**December 31, 2022**

	Capital Projects					Total Nonmajor Capital Projects Funds
	Jeffersonville Building Authority - Capital Improvement	Spring Street Master Plan Implementation	Sidewalk Construction	Park Cumulative Capital Fund		
<b>Assets</b>						
Cash and Cash Equivalents	\$ 491,488	\$ 1,956	\$ 630,643	\$ 50,000	\$ 10,128,443	
Investments	-	-	-	-	8,881,220	
Receivables:						
Taxes	-	-	-	-	273,164	
Intergovernmental	-	-	-	-	12,064	
<b>Total Assets</b>	<b>491,488</b>	<b>1,956</b>	<b>630,643</b>	<b>50,000</b>	<b>19,294,891</b>	
<b>Liabilities</b>						
Accounts Payable	-	-	119,392	-	882,220	
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>119,392</b>	<b>-</b>	<b>882,220</b>	
<b>Deferred Inflows Of Resources</b>						
Unavailable Revenue-Property Taxes	-	-	-	-	280,428	
<b>Total Deferred Inflows Of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>280,428</b>	
<b>Fund Balances</b>						
Restricted	491,488	1,956	511,251	50,000	18,184,960	
Unassigned	-	-	-	-	(52,717)	
<b>Total Fund Balances(Deficits)</b>	<b>491,488</b>	<b>1,956</b>	<b>511,251</b>	<b>50,000</b>	<b>18,132,243</b>	
<b>Total Liabilities, Deferred Inflows Of Resources, And Fund Balances</b>	<b>\$ 491,488</b>	<b>\$ 1,956</b>	<b>\$ 630,643</b>	<b>\$ 50,000</b>	<b>\$ 19,294,891</b>	

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Special Revenue				
	Motor Vehicle Highway	Local Road and Street	Motor Vehicle Highway - Restricted	Park and Recreation - Operating	LIT – Economic Development
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 2,772,018	\$ -
Income Taxes	-	-	-	-	3,109,236
Intergovernmental	1,011,279	947,374	1,011,279	185,310	-
Licenses and Permits	24,525	-	-	-	-
Charges for Services	118	6,833	-	41,553	-
Fines, Forfeitures, and Fees	-	-	-	-	-
Other	96,246	-	-	38,952	2,829
<b>Total Revenues</b>	<b>1,132,168</b>	<b>954,207</b>	<b>1,011,279</b>	<b>3,037,833</b>	<b>3,112,065</b>
<b>Expenditures</b>					
General Government	-	-	-	-	100,338
Public Safety	-	-	-	-	-
Culture and Recreation	-	-	-	3,350,136	1,054,392
Health and Welfare	-	-	-	-	-
Highway and Streets	976,024	426,390	719,011	-	494,429
Sanitation	-	-	-	-	-
Economic Development	-	-	-	-	-
Debt Services:	-	-	-	-	-
<b>Total Expenditures</b>	<b>976,024</b>	<b>426,390</b>	<b>719,011</b>	<b>3,350,136</b>	<b>1,649,159</b>
Excess (deficiency) of Revenues vs. Expenditures	156,144	527,817	292,268	(312,303)	1,462,906
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	-	-	-	-	-
Interfund Transfers Out	-	(638,181)	(626,981)	(50,000)	(1,219,707)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(638,181)</b>	<b>(626,981)</b>	<b>(50,000)</b>	<b>(1,219,707)</b>
<b>Net Change in Fund Balance</b>	<b>156,144</b>	<b>(110,364)</b>	<b>(334,713)</b>	<b>(362,303)</b>	<b>243,199</b>
<b>Fund Balance - Beginning</b>	<b>998,599</b>	<b>1,105,291</b>	<b>890,248</b>	<b>1,118,303</b>	<b>2,492,781</b>
<b>Fund Balance - Ending</b>	<b>\$ 1,154,743</b>	<b>\$ 994,927</b>	<b>\$ 555,535</b>	<b>\$ 756,000</b>	<b>\$ 2,735,980</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Special Revenue				
	Building Demolition	Sanitation	Local Law Enforcement Continuing Education	Clerk's Record Perpetuation Fund	Riverboat
<b>Revenues</b>					
Property Taxes	\$ -	\$ 2,504,350	\$ -	\$ -	\$ -
Income Taxes	-	-	-	-	-
Intergovernmental	-	167,416	-	-	278,169
Licenses and Permits	-	-	-	-	-
Charges for Services	72,665	116,143	59,836	-	-
Fines, Forfeitures, and Fees	-	-	-	54	-
Other	-	86,863	-	-	-
<b>Total Revenues</b>	<b>72,665</b>	<b>2,874,772</b>	<b>59,836</b>	<b>54</b>	<b>278,169</b>
<b>Expenditures</b>					
General Government	52,117	-	-	-	29,565
Public Safety	-	-	76,575	-	-
Culture and Recreation	-	-	-	-	249,998
Health and Welfare	-	-	-	-	-
Highway and Streets	-	-	-	-	-
Sanitation	-	2,583,579	-	-	-
Economic Development	-	-	-	-	-
Debt Services:	-	-	-	-	-
<b>Total Expenditures</b>	<b>52,117</b>	<b>2,583,579</b>	<b>76,575</b>	<b>-</b>	<b>279,563</b>
Excess (deficiency) of Revenues vs. Expenditures	20,548	291,193	(16,739)	54	(1,394)
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	-	-	-	-	-
Interfund Transfers Out	-	-	-	-	(150,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(150,000)</b>
<b>Net Change in Fund Balance</b>	<b>20,548</b>	<b>291,193</b>	<b>(16,739)</b>	<b>54</b>	<b>(151,394)</b>
<b>Fund Balance - Beginning</b>	<b>130,595</b>	<b>1,068,136</b>	<b>244,553</b>	<b>9,858</b>	<b>628,546</b>
<b>Fund Balance - Ending</b>	<b>\$ 151,143</b>	<b>\$ 1,359,329</b>	<b>\$ 227,814</b>	<b>\$ 9,912</b>	<b>\$ 477,152</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Special Revenue			
	LIT - Public Safety	Opioid Settlement	Donations	Federal Asset Forfeiture
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Income Taxes	3,343,051	-	-	-
Intergovernmental	-	82,805	-	97,092
Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Fines, Forfeitures, and Fees	-	-	-	-
Other	31,118	-	67,490	-
<b>Total Revenues</b>	<b>3,374,169</b>	<b>82,805</b>	<b>67,490</b>	<b>97,092</b>
<b>Expenditures</b>				
General Government	7,127	-	-	-
Public Safety	3,215,102	-	32,173	140,654
Culture and Recreation	-	-	26,812	-
Health and Welfare	-	-	26,452	-
Highway and Streets	-	-	-	-
Sanitation	-	-	-	-
Economic Development	-	-	-	-
Debt Services:				
<b>Total Expenditures</b>	<b>3,222,229</b>	<b>-</b>	<b>85,437</b>	<b>140,654</b>
Excess (deficiency) of Revenues vs. Expenditures	151,940	82,805	(17,947)	(43,562)
<b>Other Financing Sources (Uses)</b>				
Interfund Transfers In	-	-	-	-
Interfund Transfers Out	(32,000)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(32,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>119,940</b>	<b>82,805</b>	<b>(17,947)</b>	<b>(43,562)</b>
<b>Fund Balance - Beginning</b>	<b>3,707,686</b>	<b>-</b>	<b>39,800</b>	<b>246,264</b>
<b>Fund Balance - Ending</b>	<b>\$ 3,827,626</b>	<b>\$ 82,805</b>	<b>\$ 21,853</b>	<b>\$ 202,702</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Special Revenue					
	American Rescue Plan Act	Petty Cash	Cash Change	Parks Activity	Planning and Placemaking Improvements	Riverstage
<b>Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	24,765	-
Charges for Services	-	-	-	624,397	-	27,092
Fines, Forfeitures, and Fees	-	-	-	-	-	-
Other	-	-	420	76,919	-	93,244
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>420</b>	<b>701,316</b>	<b>24,765</b>	<b>120,336</b>
<b>Expenditures</b>						
General Government	-	-	-	-	7,907	-
Public Safety	-	-	50	-	-	-
Culture and Recreation	-	285	-	1,046,034	-	290,240
Health and Welfare	-	-	-	-	-	-
Highway and Streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-
Debt Services:	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>285</b>	<b>50</b>	<b>1,046,034</b>	<b>7,907</b>	<b>290,240</b>
Excess (deficiency) of Revenues vs. Expenditures	-	(285)	370	(344,718)	16,858	(169,904)
<b>Other Financing Sources (Uses)</b>						
Interfund Transfers In	-	-	-	275,000	-	225,000
Interfund Transfers Out	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>275,000</b>	<b>-</b>	<b>225,000</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(285)</b>	<b>370</b>	<b>(69,718)</b>	<b>16,858</b>	<b>55,096</b>
<b>Fund Balances - Beginning</b>	<b>-</b>	<b>485</b>	<b>1,655</b>	<b>227,318</b>	<b>47,257</b>	<b>62,058</b>
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ 200</b>	<b>\$ 2,025</b>	<b>\$ 157,600</b>	<b>\$ 64,115</b>	<b>\$ 117,154</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Special Revenue					
	Vehicle Maintenance and Fuel	City Attorney Diversion	City Pride Committee	Thunder Committee	Public Arts	Sprint Lease
<b>Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	8,250	-
Licenses and Permits	-	-	-	-	-	-
Charges for Services	-	-	-	33,251	2,432	16,802
Fines, Forfeitures, and Fees	-	-	-	-	-	-
Other	232,009	-	-	-	75	-
<b>Total Revenues</b>	<b>232,009</b>	<b>-</b>	<b>-</b>	<b>33,251</b>	<b>10,757</b>	<b>16,802</b>
<b>Expenditures</b>						
General Government	1,403,183	-	27,278	30,961	-	-
Public Safety	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	100,675	-
Health and Welfare	-	-	-	-	-	92,424
Highway and Streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-
Debt Services:	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,403,183</b>	<b>-</b>	<b>27,278</b>	<b>30,961</b>	<b>100,675</b>	<b>92,424</b>
Excess (deficiency) of Revenues vs. Expenditures	(1,171,174)	-	(27,278)	2,290	(89,918)	(75,622)
<b>Other Financing Sources (Uses)</b>						
Interfund Transfers In	659,000	-	30,000	-	119,707	-
Interfund Transfers Out	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>659,000</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>119,707</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	(512,174)	-	2,722	2,290	29,789	(75,622)
<b>Fund Balances - Beginning</b>	585,322	6,561	(1,518)	46,588	81,821	187,824
<b>Fund Balance - Ending</b>	\$ 73,148	\$ 6,561	\$ 1,204	\$ 48,878	\$ 111,610	\$ 112,202

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Special Revenue					
	Economic Development Abatement	Department of Law	Police	Jeffersonville Building Authority - Operating	Animal Shelter Spay and Neuter Program	Jeffersonville Police Forfeiture
<b>Revenues</b>						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income Taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	(580)	-
Charges for Services	19,683	-	17,349	160,000	68,934	1,192
Fines, Forfeitures, and Fees	-	-	50	-	1,683	-
Other	-	-	-	-	-	-
<b>Total Revenues</b>	<b>19,683</b>	<b>-</b>	<b>17,399</b>	<b>160,000</b>	<b>70,037</b>	<b>1,192</b>
<b>Expenditures</b>						
General Government	-	-	-	305,392	-	-
Public Safety	-	-	37,470	-	-	-
Culture and Recreation	-	-	-	-	-	-
Health and Welfare	-	-	-	-	69,405	-
Highway and Streets	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-
Economic Development	30,000	-	-	-	-	-
Debt Services:						
<b>Total Expenditures</b>	<b>30,000</b>	<b>-</b>	<b>37,470</b>	<b>305,392</b>	<b>69,405</b>	<b>-</b>
Excess (deficiency) of Revenues vs. Expenditures	(10,317)	-	(20,071)	(145,392)	632	1,192
<b>Other Financing Sources (Uses)</b>						
Interfund Transfers In	-	-	-	-	-	-
Interfund Transfers Out	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>(10,317)</b>	<b>-</b>	<b>(20,071)</b>	<b>(145,392)</b>	<b>632</b>	<b>1,192</b>
<b>Fund Balances - Beginning</b>	<b>451,484</b>	<b>3,358</b>	<b>75,324</b>	<b>1,061,188</b>	<b>7,544</b>	<b>28,757</b>
<b>Fund Balance - Ending</b>	<b>\$ 441,167</b>	<b>\$ 3,358</b>	<b>\$ 55,253</b>	<b>\$ 915,796</b>	<b>\$ 8,176</b>	<b>\$ 29,949</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Special Revenue			Total Nonmajor Special Revenue Funds
	Redevelopment - Operating	Redevelopment - CASI	Redevelopment Revolving Loan	
<b>Revenues</b>				
Property Taxes	\$ -	\$ -	\$ -	\$ 5,276,368
Income Taxes	-	-	-	6,452,287
Intergovernmental	-	-	-	3,788,974
Licenses and Permits	-	-	-	48,710
Charges for Services	55,830	-	10,109	1,334,219
Fines, Forfeitures, and Fees	-	-	-	1,787
Other	34,216	-	-	760,381
<b>Total Revenues</b>	<b>90,046</b>	<b>-</b>	<b>10,109</b>	<b>17,662,726</b>
<b>Expenditures</b>				
General Government	-	-	-	1,963,868
Public Safety	-	-	-	3,502,024
Culture and Recreation	-	-	-	6,118,572
Health and Welfare	-	-	-	188,281
Highway and Streets	-	-	-	2,615,854
Sanitation	-	-	-	2,583,579
Economic Development	574,765	1,096	-	605,861
Debt Services:				
<b>Total Expenditures</b>	<b>574,765</b>	<b>1,096</b>	<b>-</b>	<b>17,578,039</b>
Excess (deficiency) of Revenues vs. Expenditures	(484,719)	(1,096)	10,109	84,687
<b>Other Financing Sources (Uses)</b>				
Interfund Transfers In	-	-	-	1,308,707
Interfund Transfers Out	-	-	-	(2,716,869)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,408,162)</b>
<b>Net Change in Fund Balance</b>	<b>(484,719)</b>	<b>(1,096)</b>	<b>10,109</b>	<b>(1,323,475)</b>
<b>Fund Balances - Beginning</b>	<b>1,940,988</b>	<b>207,803</b>	<b>547,397</b>	<b>18,249,874</b>
<b>Fund Balance - Ending</b>	<b>\$ 1,456,269</b>	<b>\$ 206,707</b>	<b>\$ 557,506</b>	<b>\$ 16,926,399</b>

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Debt Service				
	2008 Redevelopment Bond - Sinking (Veterans)	2008 Redevelopment Bond DSR	2009 Redevelopment Lease Rental Bond - Sinking (Aquatic)	2013 Falls Landing Series A DSR	2013 ICR Series B DSR
<b>Revenues</b>					
Other	28	3,669	6	-	-
<b>Total Revenues</b>	<b>28</b>	<b>3,669</b>	<b>6</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>					
Economic Development	-	-	15	-	-
Debt Services:					
Principal Paid on Debt	200,000	-	345,000	-	-
Interest Paid on Debt	48,963	-	7,763	-	-
<b>Total Expenditures</b>	<b>248,963</b>	<b>-</b>	<b>352,778</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) Of					
Revenues Vs. Expenditures	(248,935)	3,669	(352,772)	-	-
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	248,963	-	352,763	-	-
Interfund Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>248,963</b>	<b>-</b>	<b>352,763</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>28</b>	<b>3,669</b>	<b>(9)</b>	<b>-</b>	<b>-</b>
<b>Fund Balances - Beginning</b>	<b>2</b>	<b>258,480</b>	<b>9</b>	<b>159,256</b>	<b>778,372</b>
<b>Fund Balance - Ending</b>	<b>\$ 30</b>	<b>\$ 262,149</b>	<b>\$ -</b>	<b>\$ 159,256</b>	<b>\$ 778,372</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Debt Service				
	2013 Falls Landing Series C DSR	2013 ICR Series D DSR	2013 ICR Series E DSR	2016 Redevelopment Refunding Bond DSR (2006ABC)	2016 Redevelopment Refunding Bond Sinking (2006ABC)
<b>Revenues</b>					
Other	-	-	-	8,640	965
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,640</b>	<b>965</b>
<b>Expenditures</b>					
Economic Development	-	-	-	-	350
Debt Services:					
Principal Paid on Debt	-	-	-	-	670,000
Interest Paid on Debt	-	-	-	-	154,600
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>824,950</b>
Excess (Deficiency) Of					
Revenues Vs. Expenditures	-	-	-	8,640	(823,985)
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	-	-	-	-	818,623
Interfund Transfers Out	-	-	-	(104)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(104)</b>	<b>818,623</b>
<b>Net Change In Fund Balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,536</b>	<b>(5,362)</b>
<b>Fund Balances - Beginning</b>	<b>400,469</b>	<b>274,635</b>	<b>128,163</b>	<b>827,869</b>	<b>35,562</b>
<b>Fund Balance - Ending</b>	<b>\$ 400,469</b>	<b>\$ 274,635</b>	<b>\$ 128,163</b>	<b>\$ 836,405</b>	<b>\$ 30,200</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Debt Service		Total Nonmajor Debt Service Funds
	2017 Redevelopment Bond - 10th Street Sinking	2017 Redevelopment Bond - 10th Street DSR	
<b>Revenues</b>			
Other	1,597	26,198	41,103
<b>Total Revenues</b>	<b>1,597</b>	<b>26,198</b>	<b>41,103</b>
<b>Expenditures</b>			
Economic Development	350	-	715
Debt Services:			
Principal Paid on Debt	2,630,000	-	3,845,000
Interest Paid on Debt	318,650	-	529,976
<b>Total Expenditures</b>	<b>2,949,000</b>	<b>-</b>	<b>4,375,691</b>
Excess (Deficiency) Of			
Revenues Vs. Expenditures	(2,947,403)	26,198	(4,334,588)
<b>Other Financing Sources (Uses)</b>			
Interfund Transfers In	2,932,783	-	4,353,132
Interfund Transfers Out	-	(317)	(421)
<b>Total Other Financing Sources (Uses)</b>	<b>2,932,783</b>	<b>(317)</b>	<b>4,352,711</b>
<b>Net Change In Fund Balance</b>	<b>(14,620)</b>	<b>25,881</b>	<b>18,123</b>
<b>Fund Balances - Beginning</b>	<b>45,023</b>	<b>2,510,210</b>	<b>5,418,050</b>
<b>Fund Balance - Ending</b>	<b>\$ 30,403</b>	<b>\$ 2,536,091</b>	<b>\$ 5,436,173</b>

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Capital Projects				
	Cumulative Capital Improvement	Cumulative Capital Development	Falls Landing TIF	Bethnova TIF	Keystone TIF
<b>Revenues</b>					
Property Taxes	\$ -	\$ 220,001	\$ 3,127,690	\$ 416,230	\$ 207,980
Intergovernmental	89,745	14,707	-	-	-
Charges For Services	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Revenues</b>	<b>89,745</b>	<b>234,708</b>	<b>3,127,690</b>	<b>416,230</b>	<b>207,980</b>
<b>Expenditures</b>					
General Government	47,189	104,665	-	-	-
Public Safety	136,555	-	-	-	-
Culture and Recreation	-	-	-	-	-
Highway & Streets	-	-	-	-	-
Economic Development	-	-	726,145	-	171,926
Debt Services:					
Principal Paid on Debt	-	-	380,000	-	-
Interest Paid on Debt	-	-	169,384	-	-
<b>Total Expenditures</b>	<b>183,744</b>	<b>104,665</b>	<b>1,275,529</b>	<b>-</b>	<b>171,926</b>
Excess (Deficiency) Of Revenues Vs. Expenditures	(93,999)	130,043	1,852,161	416,230	36,054
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	-	-	-	-	-
Interfund Transfers Out	-	(30,000)	(50,000)	(83,300)	(130,965)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(30,000)</b>	<b>(50,000)</b>	<b>(83,300)</b>	<b>(130,965)</b>
<b>Net Change In Fund Balance</b>	<b>(93,999)</b>	<b>100,043</b>	<b>1,802,161</b>	<b>332,930</b>	<b>(94,911)</b>
<b>Fund Balances - Beginning</b>	<b>188,918</b>	<b>186,084</b>	<b>4,520,763</b>	<b>441,666</b>	<b>227,596</b>
<b>Fund Balance - Ending</b>	<b>\$ 94,919</b>	<b>\$ 286,127</b>	<b>\$ 6,322,924</b>	<b>\$ 774,596</b>	<b>\$ 132,685</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Capital Projects				
	Galvstar TIF	Vogt Valve TIF	Port Grant	EPA Brownfield Grant	Police Grant
<b>Revenues</b>					
Property Taxes	\$ 1,112,614	\$ 870,027	\$ -	\$ -	\$ -
Intergovernmental	-	-	8,773	32,144	4,800
Charges For Services	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Revenues</b>	<b>1,112,614</b>	<b>870,027</b>	<b>8,773</b>	<b>32,144</b>	<b>4,800</b>
<b>Expenditures</b>					
General Government	-	-	-	-	-
Public Safety	-	-	233,645	-	28,648
Culture and Recreation	-	-	-	-	-
Highway & Streets	-	-	-	-	-
Economic Development	-	-	-	65,910	-
Debt Services:					
Principal Paid on Debt	-	-	-	-	-
Interest Paid on Debt	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>233,645</b>	<b>65,910</b>	<b>28,648</b>
Excess (Deficiency) Of Revenues Vs. Expenditures	1,112,614	870,027	(224,872)	(33,766)	(23,848)
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	-	-	-	-	-
Interfund Transfers Out	(245,556)	(358,700)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(245,556)</b>	<b>(358,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>867,058</b>	<b>511,327</b>	<b>(224,872)</b>	<b>(33,766)</b>	<b>(23,848)</b>
<b>Fund Balances - Beginning</b>	<b>4,288,371</b>	<b>2,465,204</b>	<b>224,872</b>	<b>1,319</b>	<b>3,578</b>
<b>Fund Balance - Ending</b>	<b>\$ 5,155,429</b>	<b>\$ 2,976,531</b>	<b>\$ -</b>	<b>\$ (32,447)</b>	<b>\$ (20,270)</b>

(Continued)

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Capital Projects				
	2021 B Community Crossing Grant Holman's Lane	2021 A Community Crossing Grant	2022-1 Community Crossing Grant (Various)	2021 Tourism Grant - Riverstage	2013 C Redevelopment Bond - Police Proceeds
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	304,258	960,905	226,587	-
Charges For Services	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>304,258</b>	<b>960,905</b>	<b>226,587</b>	<b>-</b>
<b>Expenditures</b>					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Culture And Recreation	-	-	-	3,000	-
Highway & Streets	-	608,516	580,587	-	-
Economic Development	-	-	-	-	32,130
Debt Services:					
Principal Paid on Debt	-	-	-	-	-
Interest Paid on Debt	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>608,516</b>	<b>580,587</b>	<b>3,000</b>	<b>32,130</b>
Excess (Deficiency) Of Revenues Vs. Expenditures	-	(304,258)	380,318	223,587	(32,130)
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	-	304,258	960,905	-	-
Interfund Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>304,258</b>	<b>960,905</b>	<b>-</b>	<b>-</b>
<b>Net Change In Fund Balance</b>	<b>-</b>	<b>-</b>	<b>1,341,223</b>	<b>223,587</b>	<b>(32,130)</b>
<b>Fund Balances - Beginning</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>(223,587)</b>	<b>77,960</b>
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,341,224</b>	<b>\$ -</b>	<b>\$ 45,830</b>

**Combining Statement of Revenues, Expenditures  
and Changes in Fund Balances  
Nonmajor Governmental Funds for Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Capital Projects				Total Nonmajor Capital Projects Funds
	Jeffersonville Building Authority - Capital Improvement	Spring Street Master Plan Implementation	Sidewalk Construction	Park Cumulative Capital Fund	
<b>Revenues</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,954,542
Intergovernmental	-	-	-	-	1,641,919
Charges For Services	70,000	-	-	-	70,000
Other	-	-	2,717	-	2,717
<b>Total Revenues</b>	<b>70,000</b>	<b>-</b>	<b>2,717</b>	<b>-</b>	<b>7,669,178</b>
<b>Expenditures</b>					
General Government	47,272	-	-	-	199,126
Public Safety	-	-	-	-	398,848
Culture And Recreation	-	-	-	-	3,000
Highway & Streets	-	-	650,345	-	1,839,448
Economic Development	-	-	-	-	996,111
Debt Services:					
Principal Paid on Debt	-	-	-	-	380,000
Interest Paid on Debt	-	-	-	-	169,384
<b>Total Expenditures</b>	<b>47,272</b>	<b>-</b>	<b>650,345</b>	<b>-</b>	<b>3,985,917</b>
Excess (Deficiency) Of Revenues Vs. Expenditures	22,728	-	(647,628)	-	3,683,261
<b>Other Financing Sources (Uses)</b>					
Interfund Transfers In	-	-	500,000	50,000	1,815,163
Interfund Transfers Out	-	-	-	-	(898,521)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>50,000</b>	<b>916,642</b>
<b>Net Change In Fund Balance</b>	<b>22,728</b>	<b>-</b>	<b>(147,628)</b>	<b>50,000</b>	<b>4,599,903</b>
<b>Fund Balances - Beginning</b>	<b>468,760</b>	<b>1,956</b>	<b>658,879</b>	<b>-</b>	<b>13,532,340</b>
<b>Fund Balance - Ending</b>	<b>\$ 491,488</b>	<b>\$ 1,956</b>	<b>\$ 511,251</b>	<b>\$ 50,000</b>	<b>\$ 18,132,243</b>

**Combining Statement of Fiduciary Net Position  
For Jeffersonville, Indiana  
December 31, 2022**

	Fiduciary Funds		Total Pension Trust Funds
	Fire Pension	Police Pension	
<b>Assets</b>			
Cash and Cash Equivalents	\$ 722,773	\$ 343,269	\$ 1,066,042
<b>Total Assets</b>	<b>722,773</b>	<b>343,269</b>	<b>1,066,042</b>
<b>Net Position</b>			
Restricted	722,773	343,269	1,066,042
<b>Total Net Position</b>	<b>\$ 722,773</b>	<b>\$ 343,269</b>	<b>\$ 1,066,042</b>

**Combining Statement of Changes in Fiduciary Net Position  
For Jeffersonville, Indiana  
Year Ended December 31, 2022**

	Fiduciary Funds		Total Pension Trust Funds
	Fire Pension	Police Pension	
<b>Additions:</b>			
Contributions:			
Employer	\$ 1,374,066	\$ 862,299	\$ 2,236,365
<b>Total Contributions</b>	<b>1,374,066</b>	<b>862,299</b>	<b>2,236,365</b>
<b>Total Additions</b>	<b>1,374,066</b>	<b>862,299</b>	<b>2,236,365</b>
<b>Deductions:</b>			
Benefits	1,261,376	786,602	2,047,978
Administrative Expense	6,293	3,652	9,945
<b>Total Deductions</b>	<b>1,267,669</b>	<b>790,254</b>	<b>2,057,923</b>
<b>Changes In Net Position</b>	106,397	72,045	178,442
<b>Net Position - Beginning</b>	616,376	271,224	887,600
<b>Net Position - Ending</b>	<b>\$ 722,773</b>	<b>\$ 343,269</b>	<b>\$ 1,066,042</b>

## **State Reporting Information December 31, 2022**

The reports presented herein were prepared in addition to another official report prepared for the City as listed below:

Indiana State Board of Accounts Compliance Examination of City of Jeffersonville

The above report contains the results of the compliance examination as required by the Indiana State Board of Accounts' *Accounting and Uniform Compliance Guidelines Manual For Cities and Towns*.



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**CITY OF JEFFERSONVILLE**  
Clark County, Indiana

**FEDERAL SINGLE AUDIT REPORT**  
January 1, 2022 to December 31, 2022

CITY OF JEFFERSONVILLE  
Clark County, Indiana

FEDERAL COMPLIANCE AUDIT REPORT  
January 1, 2022 to December 31, 2022

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CITY OF JEFFERSONVILLE  
SCHEDULE OF OFFICIALS (Unaudited)  
December 31, 2022

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<u>Office</u>	<u>Official</u>	<u>Term</u>
City Controller	Heather Metcalf	01-01-22 to 12-31-22
Mayor	Mike Moore	01-01-22 to 12-31-22
President of the Board of Public Works and Safety	Mike Moore	01-01-22 to 12-31-22
President of the Common Council	Matt Owen	01-01-22 to 12-31-22

CITY OF JEFFERSONVILLE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended December 31, 2022

Federal Grantor Agency Cluster Title/Program Title/Project Title	Pass-Through Entity or Direct Grant	Assistance Listing Number	Identifying Number	Awards Expended	Pass Through to Subrecipient
<u>Department of Justice</u>					
Edward Byrne Memorial Justice Assistance Grant Program 2021 JAG Grant	Direct Award	16.738	2021-DJ-BX-0838	\$ 3,578	\$ -
Edward Byrne Memorial Justice Assistance Grant Program JAG Grant DEA Task Force/Drug Interaction	Direct Award	16.738	EDS-D#3-14-8669	<u>2,397</u>	<u>-</u>
Total – Edward Byrne Memorial Justice Assistance				<u>5,975</u>	<u>-</u>
Equitable Sharing Program Federal Assets Forfeiture Jeffersonville Police Forfeiture	Direct Award	16.922 16.922	FY2022 FY2022	174,245 <u>13,000</u>	- <u>-</u>
Total – Equitable Sharing Program				<u>187,245</u>	<u>-</u>
Total – Department of Justice				<u>193,220</u>	<u>-</u>
<u>Department of Transportation</u>					
Highway Safety Cluster State and Community Highway Safety CHIRP Grant	Indiana Criminal Justice Institute/ Town of Sellersburg	20.600	2022-0089-FR2	<u>13,488</u>	<u>-</u>
Total – Department of Transportation				<u>13,488</u>	<u>-</u>
<u>Department of Treasury</u>					
American Rescue Plan Act COVID-19 American Rescue Plan	Indiana Finance Authority	21.027	NEU-IN0220	<u>2,076,125</u>	<u>-</u>
Total – Department of the Treasury				<u>2,076,125</u>	<u>-</u>
<u>National Endowment for the Humanities</u>					
Cultural District Community Engagement Grant 2021 Culture District Community Engagement Grant	Indiana Arts Commission	45.025	1863296-61-20	<u>2,000</u>	<u>-</u>
Total – National Endowment for the Humanities				<u>2,000</u>	<u>-</u>
<u>Environmental Protection Agency</u>					
Brownfields Multipurpose Assessment Revolving Loan Fund and Cleanup Cooperative Agreements 2022 Brownfields Assessment Grant	Direct Award	66.818	BF00E02362	<u>32,144</u>	<u>-</u>
Total – Environmental Protection Agency				<u>32,144</u>	<u>-</u>

(Continued)

CITY OF JEFFERSONVILLE  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 Year ended December 31, 2022

<u>Federal Grantor Agency</u> <u>Cluster Title/Program Title/Project Title</u>	<u>Pass-Through Entity or Direct Grant</u>	<u>Assistance Listing</u> <u>Number</u>	<u>Identifying</u> <u>Number</u>	<u>Awards</u> <u>Expended</u>	<u>Pass Through to</u> <u>Subrecipient</u>
<u>Department of Homeland Security</u>					
Port Security Grant Program	Direct Award	97.056			
2019 Port Grant			EMW-2019-PU-00279	\$ 224,872	\$ -
Port Security Grant			EMW-2021-PU-00105-A02	<u>8,773</u>	<u>-</u>
Total – Department of Homeland Security				<u>233,645</u>	<u>-</u>
Total federal awards expended				<u>\$ 2,550,622</u>	<u>\$ -</u>

See accompanying notes to the schedule of expenditure of federal awards.

CITY OF JEFFERSONVILLE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year ended December 31, 2022

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**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of Jeffersonville (the "City") under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the receipts, disbursements, and cash and investment balances – regulatory basis of the City.

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either Cost Principles for State and Local Governments or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 2 - INDIRECT COST RATE**

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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

Those Charged with Governance  
City of Jeffersonville  
Clark County, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of each governmental major fund, and we were engaged to audit the governmental activities, the business-type activities, major enterprise funds and aggregate remaining fund information of the City of Jeffersonville (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents, and have issued our report thereon dated October 31, 2023.

The opinions on governmental activities, business-type activities, wastewater utility enterprise fund, and stormwater utility enterprise fund were disclaimed because there was not sufficient appropriate audit evidence for capital assets, accumulated depreciation, net investment in capital assets and depreciation expense of the City. The aggregate remaining fund information was disclaimed due to not being able to obtain sufficient evidence to support custodial funds.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) 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 City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002 and 2022-003 that we consider to be material weaknesses.

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(Continued)

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

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs.

### **The City's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was 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.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
October 31, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Those Charged with Governance  
City of Jeffersonville  
Clark County, Indiana

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

We have audited the City of Jeffersonville's (the "City") 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 the City's major federal program for the year ended December 31, 2022. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

***Basis for Opinion on 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 (*Government Auditing Standards*); 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 Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City 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 the major federal program. Our audit does not provide a legal determination of the City'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 City's federal programs.

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(Continued)

## **Auditor's 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 City'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 City's compliance with the requirements of the 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 City'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 City'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 City'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**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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(Continued)

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 each governmental major fund, and we were engaged to audit the governmental activities, the business-type activities, wastewater utility enterprise fund, stormwater utility enterprise fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated October 31, 2023, which contained an unmodified opinion on each major fund and a disclaimer of opinion on the governmental activities, business-type activities, wastewater utility enterprise fund, stormwater utility enterprise fund, and the aggregate remaining fund information. Our audit was conducted for the purpose of forming an opinion 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 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.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
October 31, 2023

CITY OF JEFFERSONVILLE  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 December 31, 2022

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**Section I – Summary of Auditor’s Results**

***Financial Statements***

Type of auditors report issued      Disclaimer of opinion as to governmental activities and business-type activities, aggregate remaining fund information, wastewater utility enterprise fund, and stormwater utility enterprise fund

Unmodified as to each major governmental fund

Internal control over financial reporting

Material weakness(es) identified?	<u>  X  </u>	Yes	_____	No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	<u>  X  </u>	None Reported

Noncompliance material to financial statements noted?	_____	Yes	<u>  X  </u>	No
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***Federal Awards***

Internal control over major programs

Material weakness(es) identified?	_____	Yes	<u>  X  </u>	No
Significant deficiencies identified not considered to be material weaknesses?	_____	Yes	<u>  X  </u>	None Reported

Type of auditor’s report issued on compliance for major programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	_____	Yes	<u>  X  </u>	No
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Identification of major programs

<u>ALN Number</u>	<u>Name of Federal Program or Cluster</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs	<u>\$ 750,000</u>
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Auditee qualified as low-risk auditee?	_____	Yes	<u>  X  </u>	No
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(Continued)

CITY OF JEFFERSONVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
December 31, 2022

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**Section II – Financial Statement Findings**

**Finding 2022-001 – INTERNAL CONTROLS OVER FINANCIAL REPORTING**

<b>Criteria:</b>	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. An integral part of the control activity component is segregation of duties. There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk."
<b>Condition:</b>	During testing of the year end account balances, errors in financial reporting were discovered. As a result, material adjusting entries were recorded as described in the effect section.
<b>Context:</b>	The 2022 report was the first year the City implemented GAAP financial statement presentation. Adjusting journal entries identified were related to City's accrual activities. No journal entries related to the City's cash basis transactions. This finding is reported as a material weakness.
<b>Effect:</b>	<p>The below misstatements were discovered. Management posted entries to correct these errors.</p> <ul style="list-style-type: none"><li>• The City inappropriately recorded all of the American Rescue Plan advance receipts received in 2022 as grant and contribution revenue under governmental activities. The City had not incurred enough reimbursable expenses as of December 31, 2022 to recognize the entire receipt as revenue in 2022. As a result, grant and contribution revenue was overstated by \$5,013,856 as of December 31, 2022. The unearned revenue liability was understated by the same amount. An entry was made to reduce revenue and increase an unearned revenue liability.</li><li>• During testing of cash, it was noted that some investments had been incorrectly reported as cash. As a result, governmental activities and business type activities cash balances were overstated by \$37,397,054 and \$2,464,213, respectively. Investments were understated by the same amount. The misstatements applied to the General fund, TIF fund, aggregate remaining fund information, Wastewater enterprise fund, and Stormwater enterprise fund.</li></ul>

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(Continued)

CITY OF JEFFERSONVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
December 31, 2022

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

- An elimination entry of the Internal Service Fund activity at the government-wide level were not prepared. As a result, governmental activities revenue and expenses were overstated by \$9,278,132.
- During testing, it was identified that four bond payments made in 2023 were inappropriately applied against the bonds payable as of December 31, 2022. As a result, at December 31, 2022 bonds payable were understated by \$2,448,000, interest expense was overstated by \$380,892, and cash was understated by \$2,828,892.
- Prior period receivables were incorrectly recorded in the current year. As a result, opening balance sheet net position was understated by \$1,582,827. The misstatements applied to the Wastewater and Stormwater enterprise funds. The opening receivable balances of the Wastewater fund and the Stormwater fund were understated by \$1,385,178 and \$197,649, respectively. The opening balance of unrestricted net position was understated by \$1,582,827.
- During testing of current year receivables, it was noted that current year receivables of \$2,509,405 had not been recorded as December 31, 2022. As a result, the Wastewater enterprise fund metered fee revenue was understated by \$2,212,126 and the Stormwater enterprise fund charges for services was understated by \$297,279. Accounts receivables was understated by the same amount for each fund.
- Prior year debt issuance costs were inappropriately recorded as deferred outflows instead of being properly expensed in the prior period they were incurred. As a result, deferred outflows of debt issuance costs was overstated by \$1,090,557 and opening net position was understated by \$1,090,557. The misstatement applies to the Wastewater enterprise fund and business-type opinion units.
- During testing, it was identified that retainage payable was not recorded for the current year. As a result, construction expenses were understated by \$575,414 and retainage payable was understated by the same amount. The misstatement applies to the Wastewater enterprise fund and business-type opinion units.

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(Continued)

CITY OF JEFFERSONVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
December 31, 2022

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

**Cause:** The above condition resulted from the City converting their financial statements from a cash basis to GAAP in the current year. We noted there was a lack of internal controls over the consistent application of accounting policies, proper classification of revenue accounts, proper reporting of intercompany activity, and classification of fund balance and net position.

**Recommendation:** We recommend that management implement a financial reporting checklist to address known issues from 2022 and use the checklist as a tool while working with their advisors to mitigate risks in future.

**Views of Responsible Officials:** Management concurs with this finding. See the corrective action plan.

**Finding 2022-002 – CAPITAL ASSETS**

**Criteria:** Chapter 1 of the Accounting and Uniform Compliance Guidelines Manual states in part, “Every unit must have a capital assets policy that details the threshold at which an item is considered a capital asset. Every unit must have a complete detail listing of all capital assets owned which reflects their acquisition value.”

**Condition:** During testing of the capital assets, we noted that the City did not provide auditable evidence of opening capital asset balances.

**Context:** The City has received the required bi-annual inventory as required by the State Board of Accounts. However, that inventory did not result in a capital asset listing that satisfied reporting needs for the implementation of GAAP reporting. As a result, the City was not able to prepare an accurate and complete capital asset listing as of December 31, 2022 that is supported by source documents and historical records.

**Effect:** The capital assets balances were not able to be audited and the opinions on the governmental activities, business-type activities, wastewater utility enterprise fund, and the stormwater enterprise fund opinion units were disclaimed.

**Cause:** The above condition was due to inventories of physical assets not resulting in a capital asset listing sufficient to meet GAAP reporting needs. Additionally, source documents for older assets were not readily auditable.

**Recommendation:** We recommend that management review their capital asset listing with their consultants to ensure auditable evidence is available for all capital assets.

**Views of Responsible Officials:** Management concurs with this finding. See the corrective action plan.

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(Continued)

CITY OF JEFFERSONVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
December 31, 2022

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

**Finding 2022-003 – SEIZED ASSETS**

<b>Criteria:</b>	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. An integral part of the control activity component is segregation of duties. There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk."
<b>Condition:</b>	During testing of the custodial activities, it was noted that the City was not accurately tracking transactional activity of assets seized by law enforcement. We had no opening balance or transactional record available to audit.
<b>Context:</b>	City law enforcement holds seized assets (cash and other financial assets) that should be reported as a fiduciary activity until a judgment is rendered to return or forfeit the assets. The City is required to inventory and document all seized asset activity throughout the year.
<b>Effect:</b>	As a result, we were limited in scope in testing custodial activities and the opinion on the aggregate remaining fund information opinion unit was disclaimed.
<b>Cause:</b>	The above condition was due to a lack of inventories of seized assets held by the City.
<b>Recommendation:</b>	We recommend that management implement a process to formally document all seized asset activity throughout the year.
<b>Views of Responsible Officials:</b>	Management concurs with this finding. See the corrective action plan.

**Section III – Federal Award Findings and Questioned Costs**

None.

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CITY OF JEFFERSONVILLE  
EXIT CONFERENCE  
January 1, 2022 to December 31, 2022

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The contents of this report were discussed on September 28, 2023 with Heather Metcalf, Controller, Les Merkley, City Attorney, and Matt Owen, City Council President. The officials acknowledged the findings.

## FINANCE DEPARTMENT

Jeffersonville City Hall  
500 Quartermaster Court, Suite 300  
Jeffersonville, Indiana 47130

812-285-6422 office  
812-283-6426 fax

Mike Moore  
Mayor

Heather Metcalf  
Director of Finance/  
Controller  
hmetcalf@cityofjeff.net

**CORRECTIVE ACTION PLAN OF CURRENT AUDIT FINDINGS**  
December 31, 2022

**Finding 2022-001** – INTERNAL CONTROLS OVER FINANCIAL REPORTING

Contact Person Responsible for Corrective Action: Heather Metcalf  
Contact Phone Number: 812-265-6492

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Management will collaborate with our advisors to create a financial reporting checklist to simplify accrual adjustments.

Anticipated Completion Date: 2023 financial statement

**Finding 2022-002** – CAPITAL ASSETS

Contact Person Responsible for Corrective Action: Heather Metcalf  
Contact Phone Number: 812-285-6429

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Management will collaborate with our advisors to ensure auditable evidence of each item on the capital asset listing.

Anticipated Completion Date: 2023 financial statement

**Finding 2022-003** – SEIZED ASSETS

Contact Person Responsible for Corrective Action: Heather Metcalf  
Contact Phone Number: 812-285-6492

Views of Responsible Official: We concur with the finding.

Description of Corrective Action Plan: Management will collaborate with the police department to establish a formal process to document all seized asset activity throughout the year.

Anticipated Completion Date: 2023 financial statement

## FINANCE DEPARTMENT

Jeffersonville City Hall  
500 Quartermaster Court, Suite 300  
Jeffersonville, Indiana 47130

812-285-6422 office  
812-283-6426 fax

Mike Moore  
Mayor

Heather Metcalf  
Director of Finance/  
Controller  
hmetcalf@cityofjeff.net



## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**Finding 2021-001**

Subject: COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Procurement and Suspension and Debarment

Federal Agency: Department of Treasury

Federal Program: COVID-19 Coronavirus State and Local Fiscal Recovery Funds Assistance Listing Number: 21.027

Federal Award Number and Year (or Other Identifying Number): CY2021

Compliance Requirement: Procurement and Suspension and Debarment Audit Findings: Material Weakness, Modified Opinion

Fiscal year in which the finding initially occurred: 2021

Contact Person Responsible for Corrective Action: Heather Metcalf

Contact Phone Number: 819-285-6492

Status of Audit Finding: Not resolved, the prior year procurement was not corrected in the current year.

On 05/03/2023, management sent an email to COVID-19@ifc.IN.gov requesting a waiver for the procurement of a professional services contract to the Lochmueller Group. The contract was for the design of the NWTP expansion, and it complied with Indiana Code 5-16-11.1. However, it did not follow the federal procurement requirements outlined in 2 CFR 200.320. The Lochmueller Group was chosen for the expansion as they had performed the original design work of the plant. As of today, management has not received a response.

  
\_\_\_\_\_  
(Signature)

Chief Financial Officer  
\_\_\_\_\_  
(Title)

10-19-2023  
\_\_\_\_\_  
(Date)