



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769
Telephone: (317) 232-2513
Fax: (317) 232-4711
www.in.gov/sboa

April 8, 2025

To: The Officials of the City of South Bend
City of South Bend
St. Joseph County, Indiana

We have received the Annual Comprehensive Financial Report and Single Audit Report of City of South Bend which were opined upon by Forvis Mazars, LLP, Independent Public Accountants, for the period January 1, 2023 to December 31, 2023. Per the *Independent Auditor's Report*, the financial statements present fairly the financial condition of the City of South Bend as of December 31, 2023, and the results of its operations for the period then ended, on the basis of accounting described in the report.

The Single Audit Report directly follows the Annual Comprehensive Financial Report, and a Summary of Auditor's Results may be found on pages 8 through 11 of the Single Audit Report.

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

Tammy R. White, CPA
Deputy State Examiner

CITY OF SOUTH BEND, INDIANA 2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT



James Mueller, Mayor
Kyle Willis, City Controller
Benjamin Dougherty, Deputy City Controller

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CITY OF SOUTH BEND, IN JAMES MUELLER, MAYOR
DEPARTMENT OF ADMINISTRATION AND FINANCE

February 26, 2025

The Honorable James Mueller, Mayor of the City of South Bend
Members of the City of South Bend Common Council
Residents of the City of South Bend

The annual comprehensive financial report of the **City of South Bend, Indiana** (the "City") for the year ended **December 31, 2023** is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the government's financial activities are included.

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

The Annual Comprehensive Financial Report is presented in four sections: introductory information, financial information, statistical information and federal compliance information. The **introductory section** includes this transmittal letter, the City's organizational chart, and a list of principal City officials. The **financial section** begins with the independent auditors' report on the City's financial statements and schedules, the City managements' discussion and analysis report, followed by the City's basic financial statements and accompanying notes. The remaining portion of this section includes the combining and individual fund and other financial statements and schedules. The **statistical section** includes selected financial and demographic information generally presented on a multi-year basis, which has been provided to give the reader a broader understanding of the City. **The federal awards compliance section, which includes the results of the supplemental audit of the City's federal awards and the internal controls necessary for compliance, is included in a separate report.**

The City is required to undergo an annual single audit in conformity with the provisions of the Code of Federal Regulations Title 2 Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the provisions of Indiana Code section 5-11-1-9 and the requirements of the Indiana State Board of Accounts. Information related to the single audit, including the schedule of federal financial assistance, findings and recommendations, and the auditors' reports on the internal control structure and compliance with applicable laws and regulations, is included in a separate report.

The following pages of this transmittal letter begin with a general overview of South Bend and the surrounding area. Also summarized are the key financial, budgetary and property tax controls with which the City is required to comply. The remainder includes a discussion of the prior year's financial challenges and accomplishments, the City's goals and objectives for this year and beyond, and other key issues the City is facing along with the impact they may have on current and future budgets.



GENERAL INFORMATION

The City of South Bend is the county seat of St. Joseph County, Indiana, and is the fourth largest city in the state. The City of South Bend's 2020 U.S. Bureau of the Census population was 103,453. Accordingly, South Bend is classified as a "City of the Second Class" under Indiana statutes (cities with a population of 35,000 to 250,000). The City of South Bend operates with a mayor as chief executive and a nine-member City Common Council composed of six members elected from districts and three members elected at-large. The City of South Bend has a bond rating of AA with Standard & Poors, one of the highest bond ratings for any city in the State of Indiana.

The City provides a full range of traditional general governmental services to its residents. These services include police and fire protection; sanitation services; the construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events. In addition to general governmental activities, the City exercises oversight over the South Bend Water Works, the South Bend Wastewater Treatment Facility, the Century Center Convention Center, the Morris Performing Arts Center, the Studebaker National Museum, the City of South Bend Redevelopment Commission and Authority, and several downtown parking facilities.

Location

St. Joseph County lies within the heartland of the manufacturing belt and metropolitan regions of the Upper Midwest and Canada. The City of South Bend is located in the north central part of Indiana, ten miles south of the Michigan state line, in what is commonly known as the "Michiana" region. The region is a vibrant and diverse area with a strong economy based on a mix of healthcare, agricultural, service, manufacturing, education and other commercial and tourism industries. This diverse economic mix creates varied employment opportunities for the area's residents while providing insulation via diversification from future economic downturns.

The city is approximately 90 miles east of Chicago and 140 miles north of Indianapolis. Accessibility to transportation, including Interstate 80/90, an international airport (which is the second busiest in the State of Indiana) and the South Shore Line has supported economic growth within the community. Proximity to Chicago, the largest rail and intermodal (rail/truck/ocean/inland waterway) transfer point in the country, is a significant advantage to the City of South Bend as is proximity to the University of Notre Dame with its scenic campus located adjacent to the city limits. In 2017, the City of South Bend announced plans to partner with the Federal, State and other local governments to reduce the South Shore Line travel time to downtown Chicago to 90 minutes or less. This project continued to mature in 2019 and 2020, during which the City joined other northern Indiana municipalities in funding a double tracking project for the South Shore Line that is expected to significantly reduce travel time. When completed, this project is expected to be transformative to the local economy.

St. Joseph County / South Bend - Economic Conditions and Outlook

St. Joseph County, with its 2020 U.S. Bureau of the Census population of 272,912, boasts a strong history of manufacturing which continues today. The service industry and retail trade have also flourished, creating a balance that serves the community well. The County experienced a net growth in population of 33,487 (12.6% increase) between 1960 and 2020. After experiencing a reduction of 2.6% during 1969 to 1983, at which time the entire Midwest was at the depth of its economic restructuring and recess, the County's population increased 4.0% between 1983 and 1990 and another 7.7% between 1990 and 2010. The population of St. Joseph County grew again by 2.2% (5,981 residents) in the last decade between 2010 and 2020.

The estimated labor force in St. Joseph County is 132,460 workers (2022, STATS Indiana, using data from the Indiana Department of Workforce Development). The workers are typical of the Midwest: well-trained with a strong work ethic. Approximately 91% of the area's adult population are high school graduates or higher (similar to the national average of 91.1%) with an estimated 32.1% with a bachelor's degree or higher (slightly lower than the national average of 37.7%). There are six colleges, universities and technical schools within South Bend and the surrounding area, including the University of Notre Dame; Indiana University South Bend; Bethel College; Saint Mary's College; Holy Cross College; and Ivy Tech Community College. The St. Joseph County 2023 Annual Average Unemployment was 3.2%, which was slightly higher than the state of Indiana unemployment rate of 2.9%. The unemployment rate in St. Joseph County continues to rebound from the high unemployment caused by the COVID-19 pandemic and was similar in 2023 to the surrounding counties.



The employment profile for St. Joseph County provides a good overview of the economic make-up of this community. Employment estimates for the County’s major economic sectors are as follows (STATS Indiana 2022 Summary, using data from US Bureau of Labor Statistics):

<u>Economic Sector</u>	<u>Number Employed</u>	<u>% of Total</u>
Healthcare and Social Assistance	22,450	16.29%
Retail Trade	16,000	11.61%
Federal, State, & Local Government	13,785	10.00%
Manufacturing	13,745	9.97%
Accommodation and Food Service	10,988	7.97%
Educational Services	10,354	7.51%
Professional and Technological Services	7,940	5.76%
Construction	7,546	5.47%
Wholesale Trade	6,778	4.92%
Transportation and Warehousing	6,816	4.94%
Administrative and Waste Services	4,486	3.25%
Other Services	3,445	2.50%
Finance and Insurance	3,525	2.56%
Arts, Entertainment, and Recreation	3,354	2.43%
Management	2,401	1.74%
Information	1,705	1.24%
Real Estate, Rental, Leasing	1,588	1.15%
Agriculture, Forestry, Fishing, Hunting, Mining	686	0.50%
Utilities	245	0.18%
Total	137,837	100%

According to the United States Census Bureau, St. Joseph County presently has an estimated 106,330 households with a median household income of \$59,325, which is lower than both the State of Indiana median household income (\$62,723) and the United States median household income (\$74,580). Surrounding counties have similar median household incomes—Elkhart (\$58,350), La Porte (\$51,584), and Marshall (\$53,889) in Indiana and Cass (\$52,741) and Berrien (\$51,262) in Michigan.

Health and education lead the employment statistics for St. Joseph County. The largest employers in St. Joseph County are: Beacon Health System, University of Notre Dame, South Bend Community School Corporation, St. Joseph Health System, Indiana University – South Bend, St. Joseph County, City of South Bend, AM General, Honeywell International, Inc, and Press Ganey Associates, Inc.

The following provides a profile of the residents of St. Joseph County (US Census Bureau 2020 American Community Survey 5-Year):

Gender %, male/female:	48.59% male; 51.41% female
Age:	
Under 20 years of age	27.1%
20-29 years of age	14.4%
30-39 years of age	11.9%
40-49 years of age	12.0%
50-59 years of age	12.0%
60-64 years of age	6.6%
65 years of age and older	15.9%
Race:	
White	72.10%
Black or African American	11.35%
Hispanic or Latino	8.52%
American Indian and Alaska Native	0.47%
Asian	2.29%
Native Hawaiian and Other Pacific Islander	0.09%
Some other race	1.81%
Two or more races	3.38%
Home Ownership	67.8% own; 32.2% rent/other



The cost of living continues to be one of the greatest advantages of living in this community. The housing costs in South Bend are well below the national and regional averages. Per a report compiled by the National Association of Realtors in the first quarter of 2023, the median sales price for a single-family home in the South Bend-Mishawaka Statistical Area was \$213,914 as compared to a median sales price of \$346,253 in Chicago and \$243,288 in Indianapolis. The national median sales price in Q1 2023 was \$429,000.

Between January 2016 and December 2023, the City of South Bend has seen over \$800 million in private investment and the announcement of over 3,000 new jobs. By providing state of the art innovative infrastructure and, in some cases, offering targeted assistance the City can stimulate private investment, creating business opportunities and jobs. The City has had many significant economic development projects to include new downtown residential housing, mixed use developments, downtown hotels, and high-tech industrial projects. City investments encourage new start-up businesses, strengthen existing business, attract new jobs, increase assessed value and emphasize direct investment in hard-to-develop areas. Efforts have been and will continue to focus on implementing the comprehensive plans for our neighborhood and downtown areas.

The South Bend Community School Corporation serves the entire City and some of the surrounding area and has a current enrollment of approximately 14,900 students in grades pre-kindergarten through 12. An estimated 9,041 students attend private or parochial schools within the City. The six institutions of higher education and technical training located within the South Bend area have a total enrollment of approximately 27,000. Over the years, the University of Notre Dame has provided a stabilizing influence on the economy with a very significant positive economic impact upon the community.

South Bend History and Amenities

In 1820, Pierre Navarre of the American Fur Trading Company was the first settler in the area to become later known as South Bend. South Bend has continued to progress in its growth since 1842 when Father Edward Sorin named his rustic log chapel “Notre Dame du Lac” and began to teach the local Indians. Today the chapel has grown into the University of Notre Dame. In 1852, H.C. Studebaker started the industry of making wagons and horse-drawn buggies that evolved into the manufacturing of the Studebaker automobile. It made the name Studebaker synonymous with the area of South Bend and its major employer until its closure in 1963.

Another industrial firm that would later become the area’s largest began in 1923 when Vincent Bendix began manufacturing automotive brakes. In 1929, the company became the Bendix Aviation Corporation, and now, as Honeywell (formerly AlliedSignal Inc.), is a leading manufacturer of automotive and aerospace products. The Singer Sewing Company and the Oliver Chilled Plow Works were other important companies during the early history of South Bend.

In the 1840s and 1850s, many South Bend residents were secretly involved in helping fugitive slaves escape from the South through the Underground Railroad. Many residents of South Bend and St. Joseph County offered their homes, barns and businesses up as “stations” or safe places in which runaways could eat and rest as they made their way North. Most notable among local Underground Railroad conductors was James Washington, a well-known and well-respected free Black in South Bend. Mr. Washington was a barber who, along with Mr. Sawyer, collected money from local citizens to fund the Underground Railroad.

Special attractions within the South Bend area include the Olympic-class East Race Waterway and the East Bank area; the renovated Morris Performing Arts Center, which provides for the Broadway Theater League, the South Bend Symphony Orchestra with the Chamber and Pops Orchestras, and the Southold Dance Theater and Patchwork Dance Company; the award-winning South Bend Civic Theater; the Studebaker National Museum; the South Bend Museum of Art; the Snite Museum of Art at Notre Dame; the Northern Indiana Center for History; Copshaholm/The Oliver Mansion; Century Center; Potawatomi Zoo; the Morris Conservatory/Muessel-Ellison Tropical Gardens; the Farmers’ Market; and the Byers Softball Complex. The Four Winds Field Baseball Stadium is a 5,600-seat facility which opened in 1987 and is rated among the best in minor league baseball. The stadium is home to the South Bend Cubs, a minor league team affiliated with the Chicago Cubs.

Additional miscellaneous information about the City of South Bend can be found in the statistical section of this report.

Financial, Budgetary and Property Tax Controls

The City’s management team is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control



structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. On March 22, 2021 the South Bend Common Council approved an updated Internal Controls policy for the City.

Single Audit

As a recipient of federal and state financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the City. As part of the City's single audit described earlier, tests are performed to review internal controls to determine the auditing procedures that are appropriate under the circumstances, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's single audit for the year ended December 31, 2023 are included in a separate report.

Budgetary Controls

In accordance with Indiana statutes, the City maintains budgetary controls integrated within the accounting system. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget (prepared on a cash basis) which is adopted by the Common Council or Redevelopment Commission (depending on the fund) and then reviewed and approved by the State of Indiana Department of Local Government and Finance (DLGF). Activities of the general fund, special revenue funds, capital project funds, enterprise funds, internal service funds, pension trust funds and debt service funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major expenditure classification within funds. The Mayor and Common Council may transfer appropriations from one major expenditure classification to another within a department by ordinance if the total appropriations for that fund are not exceeded. Additional appropriations in excess of the original budget must be approved by the Mayor and Common Council and are also submitted to the DLGF for either approval or acknowledgement (depending on the fund). Additional appropriations for funds approved by the Redevelopment Commission do not require DLGF approval. The deadline for adoption of the annual budget is November 1. The city's fiscal year begins on January 1.

The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year end and are carried over to the following year as a part of the subsequent year's budget.

Property Tax Controls

In addition to budgetary and other controls established by Indiana law, the City must operate within specific and rigid controls governing the amount of property tax it may levy. The property tax control program, which began in 1973, limits the amount of property tax that may be levied by each unit of government in its legally budgeted funds. The total amount of property tax levied by the unit may increase by the six-year average annual growth in Indiana personal non-farm income, as calculated by the U.S. Bureau of Economic Analysis, with a 6% maximum.

During March 2008, the State of Indiana General Assembly enacted property tax reform legislation which made significant changes in the property tax system by capping the amount of property taxes at 1% of gross assessed value for residential homesteads, 2% for agricultural/rental properties and 3% for all other real and personal property. This legislation was phased in over a two-year period beginning in 2009. The loss of revenue to the City due to this legislation was significant (estimated to be over \$45 million dollars per year) but this revenue loss has been offset by cost savings and the adoption of local option income taxes to continue providing essential City services, including police and fire protection.

A historical view of the City's tax rate and its net assessed valuation has been included in the statistical section of this document.

Mayoral Leadership

Mayor James Mueller is the chief executive of the City of South Bend. The city's thirty-third mayor, he was sworn into office on January 1, 2020. As mayor, Mueller is responsible for the city workforce of over 1,000 employees and an annual budget over \$380 million.



After attending St. Joseph's High School, the University of Notre Dame, and the University of Delaware for his PhD, Mayor Mueller worked in public policy, promoting pragmatic public policies and affordable energy solutions at the George Washington University's Solar Institute in Washington, DC. He also served in the office of US Senator Maria Cantwell (D-WA), for nearly four years, first as a John A. Knauss Legislative Fellow and then as a policy adviser on energy and natural resources.

In 2015, Mayor Mueller returned home to join the Buttigieg administration as Mayor Pete Buttigieg's Chief of Staff. Mueller's tenure as Chief of Staff included the establishment of the first Diversity and Inclusion Office in Indiana, as well as the creation of the Departments of Innovation & Technology and the Venues Parks and Arts Department. Mueller went on to become the Executive Director of Community Investment where he was responsible for attracting businesses to South Bend and investing in the neighborhoods. Early in his tenure as Executive Director of Community Investment, Mueller established the Engagement & Economic Empowerment Division to empower residents with access to economic opportunities and meaningful civic participation.

Mayor Mueller's priorities include:

- Strengthening education from cradle to career to set up every child for success
- Reforming our public safety systems to make us all safer
- Promoting shared growth and an economy that works for everyone
- Rebuilding our neighborhoods block by block

Acknowledgments

The preparation of the Annual Comprehensive Financial Report (ACFR) was made possible by the dedicated service of the City's departmental directors of finance and the staff of the Department of Administration and Finance. Each Director of Department Finance and member of the Department has our sincere appreciation for the contributions made in the preparation of this report. In addition, we would like to thank the audit staff at FORVIS, LLP (led by Andy Rinzel and Emily Tursi) for their hard work and dedication in this effort.

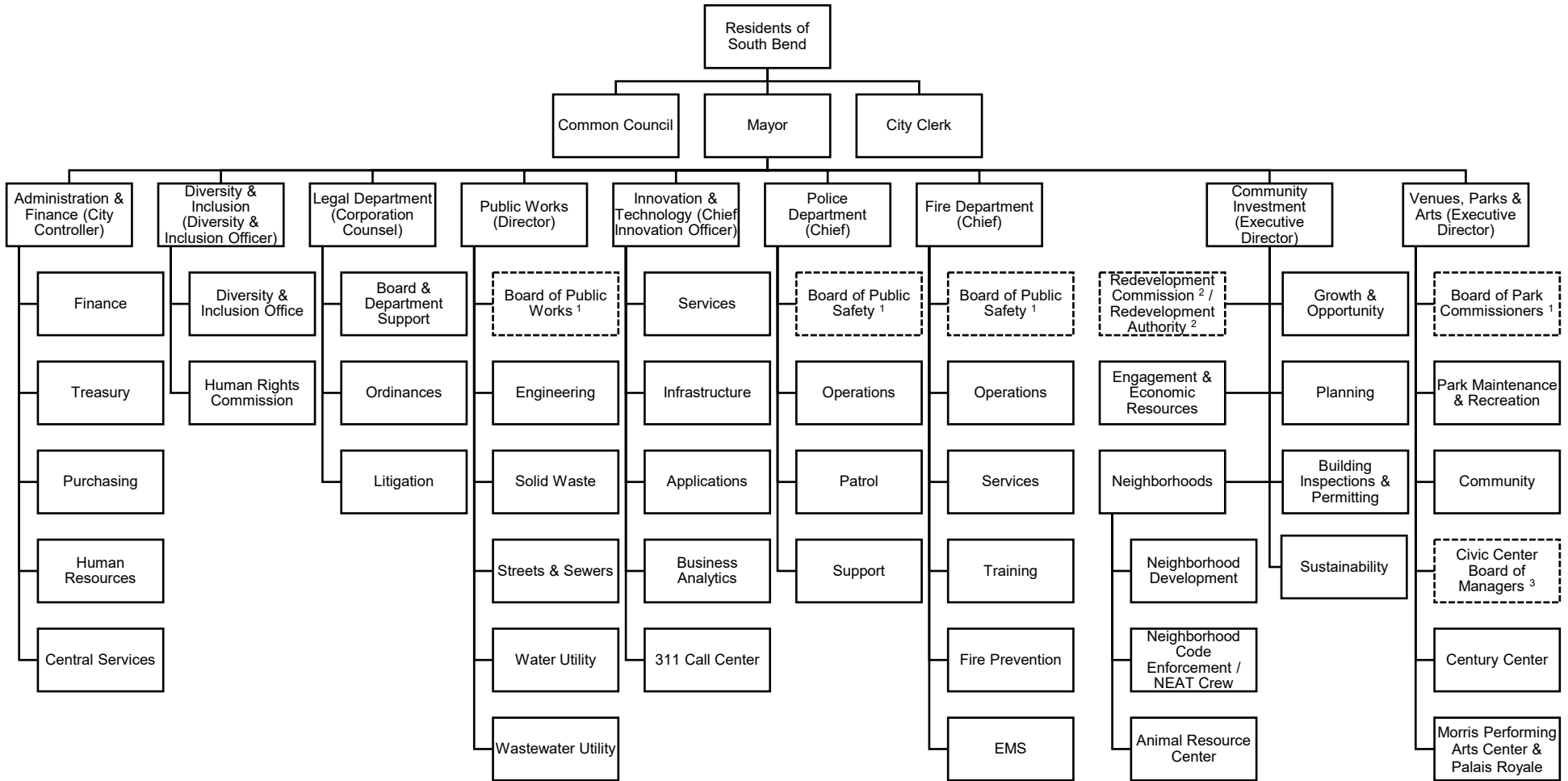
In closing, without the leadership and support of Mayor James Mueller, City Department Heads, Directors of Department Finance and members of the City of South Bend Common Council, preparation of this report would not have been possible.

Sincerely,

Kyle Willis
City Controller



CITY ORGANIZATIONAL CHART



(1) Board Members include Mayoral Appointments

(2) Board Members include Mayoral and Council Appointments for Redevelopment Commission, Mayoral Appointment for Redevelopment Authority

(3) Board Members include 5 mayoral appointees and 4 council appointees

Effective: January 1, 2022



CITY OFFICIALS

Office	Official	Term
Mayor	James Mueller	01/01/2020 to 12/31/2023
Controller	Ben Dougherty (interim) Kyle Willis	12/31/2022 to 2/5/2023 2/6/2023 to 12/31/2023
City Clerk	Dawn M. Jones	08/15/2019 to 12/31/2023
President of the Board of Public Works	Elizabeth Maradik	01/01/2023 to 12/31/2023
Common Council Members		
1 st District	Canneth Lee	07/01/2020 to 12/31/2023
2 nd District	Henry Davis, Jr.	01/01/2020 to 12/31/2023
3 rd District	Sharon McBride	02/24/2018 to 12/31/2023
4 th District	Troy Warner	01/01/2020 to 12/31/2023
5 th District	Eli Wax	11/29/2020 to 12/31/2023
6 th District	Sheila Niezgodski	01/01/2020 to 12/31/2023
At Large	Karen L. White	01/01/2016 to 12/31/2023
At Large	Lori K. Hamann	01/01/2020 to 12/31/2023
At Large	Rachel Tomas Morgan	01/01/2020 to 12/31/2023

Independent Auditor's Report

Audit Committee
City of South Bend, Indiana
South Bend, Indiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of South Bend, Indiana (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of South Bend Public Transportation Corporation, the discretely presented component unit of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the South Bend Public Transportation Corporation as the discretely presented component unit, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 audit opinions.

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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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, budgetary comparison, pension, and other postemployment benefit information as listed in the table of contents 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 GAAS, 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 and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2025 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.

Forvis Mazars, LLP

**Indianapolis, Indiana
February 25, 2025**

The management of the City of South Bend, Indiana (the "City") is pleased to present this Management's Discussion and Analysis (MD&A) of the financial activities and condition of the **City of South Bend, Indiana** for the fiscal year ended **December 31, 2023**.

Readers should note that the information contained within this Management's Discussion and Analysis, and any opinion derived therein, should be considered as a part of the greater whole of the financial statements, notes to the financial statements, supplemental information and letter of transmittal, as contained within this Annual Comprehensive Financial Report.

The City of South Bend is the county seat of St. Joseph County, Indiana, and is the fourth largest city in the state of Indiana. St. Joseph County is located within the heartland of the manufacturing and metropolitan regions of the Upper Midwest. The City of South Bend is located in the north central region of the state of Indiana, five (5) miles south of the Indiana / Michigan state boundary line. The City is approximately ninety (90) miles east of the city of Chicago and one hundred forty (140) miles north of the city of Indianapolis.

The 2020 U.S. Bureau of the Census population for the City of South Bend was reported as 103,453 and the 2020 Census population for St. Joseph County was reported as 272,912. Accordingly, South Bend is classified as a "Second Class City" under State of Indiana statutes, defined as cities with a population between 35,000 and 600,000 residents.

The City of South Bend and St. Joseph County is a vibrant and diverse area with a strong local economy based on a mix of agricultural, manufacturing and service, higher education, health care and other commercial and tourism-based industries. The diverse economic mix creates varied employment opportunities for residents while providing insulation from economic downturns through diversification. South Bend is home to the University of Notre Dame.

The City of South Bend provides a full range of general governmental services to its residents. Services include general government, public safety, street construction and maintenance, infrastructure construction and maintenance, parks and recreation services, arts and culture, and sanitation services. In addition, the City provides Water Utility, Wastewater Utility and Solid Waste services to commercial and residential properties within the City. City operations also include the Century Center convention venue, Morris Performing Arts Center, Palais Royale Ballroom, Studebaker National Museum, and Public Parking Garages within the City footprint.

The City of South Bend governmental structure includes elected officials as follows with defined management and legislative authority in compliance with Indiana law.

Mayor	Chief Executive Officer	4-year term
Common Council	9 member legislative body 6 from defined districts within the City 3 at-large members	4-year term
City Clerk	Secretary of the Common Council	4-year term

The current terms of office for Common Council members, Mayor and City Clerk expired on December 31, 2023.

The City of South Bend was incorporated in 1865, is compliant with Indiana statutes, and remains as such through the period covered by this Management's Discussion and Analysis report.

Financial Highlights

	Governmental Activities		Business-type Activities		Government-wide		Component Units	
	2023	2022	2023	2022	2023	2022	2023	2022
Assets/deferred outflows	\$ 812,439,405	\$ 759,570,783	\$ 313,629,613	\$ 312,449,875	\$ 1,126,069,018	\$ 1,072,020,658	\$ 42,674,880	\$ 41,620,001
Liabilities/deferred inflows	505,821,122	457,978,781	66,961,157	71,340,594	572,782,279	529,319,375	5,027,814	5,665,392
Net Position								
Net investment in capital assets	124,800,129	138,388,784	169,948,896	171,543,157	294,749,025	309,931,941	36,363,853	33,663,696
Restricted	11,149,383	10,969,003	27,131,095	50,422,677	38,280,478	61,391,680	-	-
Unrestricted	170,668,771	152,234,215	49,588,465	19,143,447	220,257,236	171,377,662	1,283,213	2,290,913
Total Net Position	\$ 306,618,283	\$ 301,592,002	\$ 246,668,456	\$ 241,103,028	\$ 553,286,739	\$ 542,701,283	\$ 37,647,066	\$ 35,954,609
Change vs. prior year	\$ 5,026,281	\$ 86,416,546	\$ 5,559,175	\$ 12,216,182	\$ 10,585,456	\$ 98,632,728	\$ 1,692,457	\$ 1,724,757
Expenses	244,916,132	155,442,656	81,641,472	67,210,108	326,557,604	222,652,764	103,904,840	14,408,642
Revenues	249,942,413	241,859,202	87,200,647	79,426,290	337,143,060	321,285,492	15,857,568	16,133,399

- Government-wide net position was \$553,286,739 as of December 31, 2023.
- Government-wide net position increased by \$10,585,456 or 2.0% during fiscal year 2023. Governmental activity net position increased by \$5,026,281 or 1.7% and business-type activity net position increased by \$5,559,175 or 2.3% during fiscal year 2023. The increase in government-wide net position is primarily due to improvements in pension liabilities and establishment of capital assets.
- Total assets and deferred outflows of resources as of December 31, 2023 of \$1,126,069,018 increased by \$54,058,360 or 5.0% as compared to total assets and deferred outflows of resources as of December 31, 2022. The increase is primarily attributable to continued increases in cash on hand, stemming from debt issuance and an operating surplus in 2023.
- Total liabilities and deferred inflows of resources as of December 31, 2023 of \$572,782,279 increased by \$43,462,904 or 8.2% as compared to total liabilities and deferred inflows of resources as of December 31, 2022. This increase was primarily due to the issuance of new debt in 2023.
- As of December 31, 2023, the government-wide net position of \$553,286,739 has \$294,749,025 invested in capital assets (net of debt) which is not available for spending, \$38,280,478 classified as restricted for debt service; capital outlays; and other uses; and \$220,257,236 classified as unrestricted.
- Government-wide revenues received in fiscal 2023 totaled \$337,143,060 an increase of \$15,857,568,119 or 4.9% compared to government-wide revenues received in fiscal 2022. Governmental activity revenues increased by \$8,083,211 or 3.3%, and business-type activity revenue increased by \$7,774,357 or 9.8%.
- Government-wide expenses in 2023 totaled \$326,557,604 and an increase of \$103,904,840 (46.7%) compared to expenses in 2022. Governmental activity expenses increased by \$89,473,476 or 57.6%, while business-type activity expenses increased by \$14,431,364 or 21.5% compared to fiscal 2022.
- The financial statements contain information for a single discrete component unit, the South Bend Public Transportation Corporation (Transpo).
- Explanatory commentary concerning the changes in assets, liabilities, revenues, and expenditures can be found in later sections of this MD&A.

Overview of the Financial Statements

The City of South Bend's 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 includes 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 of South Bend's finances using "accrual-based accounting," a method of accounting used by private sector businesses.

Statement of Net Position

This statement reports all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the City of South Bend as of December 31, 2023. The difference between total assets and deferred outflows of resources less total liabilities and deferred inflows of resources is reported as "net position," and can generally be thought of as the net worth of the City. Increases in net position generally indicate an improvement in financial position while decreases in net position may indicate a deterioration of financial position.

Statement of Activities

This statement serves the purpose of the traditional income statement. It provides consolidated reporting of the results of all activities of the City of South Bend for the year ended December 31, 2023. Changes in net position are recorded in the period in which the underlying event takes place, which may differ from the period in which cash is received or disbursed. The statement of activities displays the expense of the City's various programs net of the related revenues, as well as a separate presentation of revenue available for general purposes including property and local income taxes, fees for services and other revenue sources.

The government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) and other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The major governmental activities of the City of South Bend include general government, public safety, street construction and maintenance, infrastructure construction and maintenance, parks and recreation services, and arts and culture. The major business-type activities of the City include the water utility, wastewater utility, solid waste sanitation services, Century Center convention center, the Morris Performing Arts Center, the building department, and the downtown parking garages.

Component units are included in our basic financial statements, in accordance with GASB Statement 61. These units are legally separate entities for which the City is financially accountable. Component units are presented as either discrete or blended, depending on the level of oversight exercised and the relationship between the City and the external entity. Blended component units include the South Bend Redevelopment Authority, the City of South Bend Building Corporation, the Urban Enterprise Association of South Bend, and the VPA Foundation. These entities are set up to exclusively benefit or provide services to the City, and the management team of the City has operational responsibility for these entities. Accordingly, the financial information for these entities is blended into the primary government in these statements.

In contrast, the City has included the South Bend Public Transportation Corporation (Transpo) as a discrete component unit. Although the City does not have operational responsibility for Transpo, and no financial benefit or burden accrues to the City due to Transpo's operations, Transpo is nonetheless fiscally dependent on the City. This dependency exists because the South Bend Common Council has the authority

to approve and modify Transpo's budget and levy taxes on behalf of Transpo. More information on the City's component units can be found in Note 1 to the Financial Statements.

Fund Financial Statements

A fund is a group 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 of the funds of the City of South Bend can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. Each fund has its own cash balance which must be maintained according to the City's cash reserve policy.

Governmental Funds

Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on short-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 short-term financing requirements. Governmental funds use the modified accrual accounting method.

The City maintains six (6) major governmental funds (General, Parks and Recreation, Local Income Tax Public Safety, Local Income Tax Economic Development, American Rescue Plan, and River West TIF) and seventy-three (73) nonmajor governmental funds.

Proprietary Funds

The City of South Bend maintains two types of proprietary funds: enterprise and internal service.

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements.

The City maintains seven (7) enterprise funds. Information is presented separately in the proprietary statement of net position and the proprietary statement of revenues, expenses and changes in fund net position for the Water utility and Wastewater utility, which are considered major enterprise funds. Data from the other five (5) nonmajor enterprise funds (Century Center, Consolidated Building Department, Parking Garage, Solid Waste, and Morris Performing Arts Center) are combined into a single, aggregated presentation.

Individual fund data for each of these nonmajor enterprise funds is provided in the form of combining statements elsewhere in this report.

- **Internal service funds** are used to accumulate and allocate costs internally among the City's various functions and funds. The City maintains seven (7) internal service funds. The City of South Bend uses internal service funds to account for its self-funded liability insurance program, self-funded employee health benefits program, unemployment compensation claims, police take-home vehicle program, Innovation & Technology and 311 call center, parental leave benefit for City employees, and Central Services unit (a division that accounts for expenses related to fuel, vehicle repairs, facilities management, and other services provided to City departments on a cost-reimbursement basis).

Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements but are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support City programs.

The City maintains four (4) fiduciary funds, which consist of two (2) pension trust funds (1925 Police Officers' Pension and 1937 Firefighters' Pension), and two custodial funds (Morris / Palais Box Office Fund and Police Distributions Payable Fund).

Pension Trust Fund Operations

The vast majority of City employees are covered by the Public Employees Retirement Fund (PERF) and the 1977 Police Officers' and Firefighters' Pension Fund, both of which are administered by the State of Indiana.

However, certain police officers and firefighters hired before May 1, 1977 (who did not opt into the 1977 fund) continue to be members of the 1925 Police Officers' Pension Fund or the 1937 Firefighters' Pension Fund. These two funds are administered by the City. The number of police officers and firefighters in the City-managed pension trust funds will continue to decline in the future as current participants pass away.

The State makes certain contributions toward the funding of the 1925 Police Officers' and 1937 Firefighters' pension plans.

See Note 18 and the items in the Required Supplementary Information section for more information.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential in order to have a full understanding of the data provided in the government-wide and fund financial statements. These notes should be considered to be a part of the overall financial statements.

Other Information

In addition to the basic financial statements and accompanying notes and disclosures, this ACFR presents supplementary information ("Required Supplementary Information" or "RSI") immediately following the basic financial statements.

The combining statements referred to earlier in connection with nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds are presented immediately after the Required Supplementary Information within the financial statement section of the ACFR.

Other supplementary information is found in the Statistical Section.

Government-wide Financial Statements

The following financial analysis will focus on the statement of net position and statement of changes in net position of the City's governmental and business-type activities.

Statement of Net Position

	Governmental Activities		Business-type Activities		Government-wide		Component Units	
	2023	2022	2023	2022	2023	2022	2023	2022
Assets								
Current and other	\$ 474,083,989	\$ 440,457,360	\$ 96,317,777	\$ 85,365,919	\$ 570,401,766	\$ 525,823,279	\$ 5,788,812	\$ 6,825,517
Capital assets (net)	290,688,734	278,350,367	213,199,262	223,398,255	503,887,996	501,748,622	36,375,080	33,819,669
Total Assets	764,772,723	718,807,727	309,517,039	308,764,174	1,074,289,762	1,027,571,901	42,163,892	40,645,186
Deferred Outflows	47,666,682	40,763,056	4,112,574	3,685,701	51,779,256	44,448,757	510,988	974,815
Liabilities								
Current	28,190,240	22,329,793	7,792,992	6,410,324	35,983,232	28,740,117	352,001	420,662
Long-term	362,897,839	325,726,634	56,399,255	62,340,275	419,297,094	388,066,909	371,685	1,185,709
Total Liabilities	391,088,079	348,056,427	64,192,247	68,750,599	455,280,326	416,807,026	723,686	1,606,371
Deferred Inflows	114,733,043	109,922,354	2,768,910	2,589,995	117,501,953	112,512,349	4,304,128	4,059,021
Net Position								
Net investment in capital assets	124,800,129	138,388,784	169,948,896	171,543,157	294,749,025	309,931,941	36,363,853	33,663,696
Restricted	11,149,383	10,969,003	27,131,095	50,422,677	38,280,478	61,391,680	-	-
Unrestricted	170,668,771	152,234,215	49,588,465	19,143,447	220,257,236	171,377,662	1,283,213	2,290,913
Total Net Position	\$ 306,618,283	\$ 301,592,002	\$ 246,668,456	\$ 241,109,281	\$ 553,286,739	\$ 542,701,283	\$ 37,647,066	\$ 35,954,609

- As of December 31, 2023, total assets and deferred outflows exceeded liabilities and deferred inflows by \$553,286,739, an increase of \$10,585,456 or 2.0%, from the net position level as of December 31, 2022.
- Governmental activities net position of \$306,618,283 increased by \$5,206,281 or 1.7%, from December 31, 2022
- Business-type net position of \$246,668,456 increased by \$5,559,175 or 2.3%, from December 31, 2022.
- Total assets and deferred outflows of resources as of December 31, 2023 of \$1,126,069,018 increased by \$54,048,360 or 5.0% as compared to total assets and deferred outflows of resources as of December 31, 2022. The increase is primarily attributable to continued increases in cash on hand, stemming from debt issuance and an operating surplus in 2023.
- Total liabilities and deferred inflows of resources as of December 31, 2023 of \$572,782,279 increased by \$43,462,904 or 8.2% as compared to total liabilities and deferred inflows of resources as of December 31, 2022. This increase was primarily due to the issuance of new debt in 2023.

Statement of Activities

	Governmental Activities		Business-type Activities		Government-wide		Component Units	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue								
Program revenue								
Charges for Services	\$ 12,764,775	\$ 13,227,837	\$ 81,679,609	\$ 77,726,352	\$ 94,444,384	\$ 90,954,189	\$ 1,556,876	\$ 1,458,626
Operating grants	20,414,840	21,370,099	-	-	20,414,840	21,370,099	4,983,975	5,527,775
Capital grants	1,000,000	1,000,000	300,410	7,410	1,300,410	1,007,410	5,562,287	5,103,444
General revenue								
Property Tax	98,454,889	88,670,960	-	-	98,454,889	88,670,960	4,565,969	4,001,402
Other Tax	45,339,137	32,260,782	1,769,855	1,912,500	47,108,992	34,173,282	-	-
State-shared revenue	18,725,812	61,869,953	-	-	18,725,812	61,869,953	-	-
Investment Earnings	12,192,479	(999,162)	3,450,773	(219,972)	15,643,252	(1,219,134)	29,040	26,052
Other Revenue	35,817,983	20,522,516	-	-	35,817,983	20,522,516	-	16,100
Total Revenue	244,709,915	237,922,985	87,200,647	79,426,290	331,910,562	317,349,275	16,698,147	16,133,399
Expenses								
General Government	26,825,090	21,881,174	-	-	26,825,090	21,881,174	-	-
Public Safety	94,934,628	56,739,974	-	-	94,934,628	56,739,974	-	-
Highways & Streets	31,556,893	24,745,703	-	-	31,556,893	24,745,703	-	-
Economic Development	49,277,781	25,843,717	-	-	49,277,781	25,843,717	-	-
Culture & Recreation	36,451,399	20,604,274	-	-	36,451,399	20,604,274	-	-
Interest on long-term debt	5,870,341	5,627,814	-	-	5,870,341	5,627,814	-	-
Water Utility	-	-	21,051,699	15,760,389	21,051,699	15,760,389	-	-
Wastewater Utility	-	-	36,522,974	30,960,152	36,522,974	30,960,152	-	-
Century Center	-	-	5,202,221	4,553,091	5,202,221	4,553,091	-	-
Building Department	-	-	2,297,459	1,826,813	2,297,459	1,826,813	-	-
Parking	-	-	1,573,973	1,181,311	1,573,973	1,181,311	-	-
Solid Waste	-	-	8,334,688	7,807,892	8,334,688	7,807,892	-	-
Emergency Medical Services	-	-	-	-	-	-	-	-
Morris Performing Arts Ctr	-	-	1,425,960	1,184,243	1,425,960	1,184,243	-	-
Transpo	-	-	-	-	-	-	15,005,690	14,408,642
Total Expenses	244,916,132	155,442,656	76,408,974	63,273,891	321,325,106	218,716,547	15,005,690	14,408,642
Change in Net Position								
Before Transfers	(206,217)	82,480,329	10,791,673	16,152,399	10,585,456	98,632,728	1,692,457	1,724,757
Transfers	5,232,498	3,936,217	(5,232,498)	(3,936,217)	-	-	-	-
Change in Net Position	5,026,281	86,416,546	5,559,175	12,216,182	10,585,456	98,632,728	1,692,457	1,724,757
Beginning Net Position	301,592,002	215,175,456	241,109,281	228,893,099	542,707,536	444,068,555	\$ 35,954,609	34,229,852
Ending Net Position	\$ 306,618,283	\$ 301,592,002	\$ 246,668,456	\$ 241,109,281	\$ 553,286,739	\$ 542,707,536	\$ 37,647,066	\$ 35,954,609

Governmental Activities

Net position for governmental activities increased by \$5,026,281 during fiscal 2023, an increase of 1.7% from the balance of net position as of December 31, 2022. Governmental activity revenue (including transfers) increased by \$8,083,211 or 3.3%, while governmental activity expenses increased by \$89,43,476 or 57.7%.

Business-type Activities

Net position from business-type activities increased by \$5,559,175 (2.3%) from the balance of net position at December 31, 2022.

- During 2023, business-type activities revenue of \$87,200,647 increased by \$7,774,357 or 9.8%, over fiscal 2022.
- During 2023, business-type activities expenses of \$76,408,974 increased by \$13,128,830 or 20.7% compared to fiscal 2022.

These changes are due primarily to the normal fluctuations in operations from year-to-year. In addition, operations in the business-type activities continue to expand back to normal levels following lower levels of activity during the COVID-19 pandemic (particularly for the Century Center and the Morris Performing Arts Center).

Component Unit

Net position for the South Bend Public Transportation Corporation increased by \$1,692,457 (4.7%) from the balance of net position at December 31, 2022.

Financial Analysis of Governmental Funds

The City of South Bend uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Funds of the City are divided into three categories:

- Governmental funds,
- Proprietary funds, and
- Fiduciary funds.

The following balance sheet presents a consolidated look at the City's governmental funds, which account for all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, and capital project funds.

These funds are accounted for on the modified accrual basis of accounting.

**Condensed Balance Sheet,
Statement of Revenue, Expenditures, and Changes in Fund Balance
As of and for the Year Ended December 31, 2023**

	General Fund	Parks and Recreation	Local Income Tax Public Safety	Local Income Tax Economic Development	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Total assets	\$ 160,742,557	\$ 21,118,573	\$ 6,148,468	\$ 26,825,114	\$ 10,119,722	\$ 59,035,168	\$ 165,278,160	\$ 449,267,762
Total liabilities and deferred inflows	58,437,187	13,154,875	-	519,321	9,186,433	20,703,989	31,212,099	133,213,904
Fund Balances								
Nonspendable	175,000	26,893	-	-	-	-	642,076	843,969
Restricted	-	7,936,805	6,148,468	-	933,289	38,331,179	125,168,909	178,518,650
Committed	-	-	-	-	-	-	7,745,034	7,745,034
Assigned	-	-	-	26,305,793	-	-	756,669	27,062,462
Unassigned	102,130,370	-	-	-	-	-	(246,627)	101,883,743
Total fund balances	102,305,370	7,963,698	6,148,468	26,305,793	933,289	38,331,179	134,066,061	316,053,858
Total liabilities and fund balances	160,742,557	21,118,573	6,148,468	26,825,114	10,119,722	59,035,168	165,278,160	449,267,762
Revenues	101,284,583	17,464,742	12,905,361	18,831,191	2,545,986	21,713,652	67,705,538	242,451,053
Expenditures	110,043,921	21,087,502	9,498,558	7,830,566	2,158,632	19,311,142	99,523,856	269,454,177
Net Surplus (deficit)	(8,759,338)	(3,622,760)	3,406,803	11,000,625	387,354	2,402,510	(31,818,318)	(27,003,124)
Other sources (uses)	(2,382,375)	5,804,530	-	(8,029,012)	-	(4,270,792)	53,432,160	44,554,511
Net Change in Fund Balances	(11,141,713)	2,181,770	3,406,803	2,971,613	387,354	(1,868,282)	21,613,842	17,551,387
Beginning Fund Balances	113,447,083	5,781,928	2,741,665	23,334,180	545,935	40,199,461	112,452,219	298,502,471
Ending Fund Balances	102,305,370	7,963,698	6,148,468	26,305,793	933,289	38,331,179	134,066,061	316,053,858

As of December 31, 2023, the City governmental funds reported a combined ending fund balance of \$316,053,858. This fund balance is comprised of the following components:

- The non-spendable fund balance of \$843,969 is sequestered for inventory, prepaids, the long-term portions of notes/loans receivable, and property held for resale in the General Fund, and is, therefore, not available for new spending.
- The restricted fund balance of \$178,518,650 consists of monies in debt service funds or other funds such as road and tax increment financing funds that are limited by external parties as to their use.
- The committed fund balance of \$7,745,034 is designated by the South Bend Common Council or South Bend Redevelopment Commission to be used for certain purposes such as for economic development projects.
- The assigned fund balance of \$27,062,462 includes balances in local option income tax funds that have not been committed to certain projects and are available for spending by the City.
- The remaining unassigned fund balance of \$101,883,743 consists of money in the General Fund that has not been obligated in any manner by the City or deficit balances in the non-major funds.

The **General Fund** is the primary operating fund for City operations including general government, public safety, certain culture and recreation expenses, and certain debt service obligations.

As of December 31, 2023, the General Fund balance of \$102,305,370 represents a decrease of \$11,141,713, or 9.8% from the balance as of December 31, 2022.

As of December 31, 2023, the General Fund had an unassigned fund balance of \$102,130,370, which is equal to 92.8% of 2023 General Fund expenditures.

The General Fund unassigned fund balance has traditionally been used by the City to fund certain capital projects and emergency contingencies. In addition, the City used the unassigned fund balance in 2023 as a cash flow bridge to the receipt of property tax revenues from the County collection authority which distributes property tax revenue twice per year (June and December). The General Fund unassigned

balance provided sufficient cash to cover City operating obligations without incurring tax anticipation notes and resultant borrowing costs during fiscal 2023.

As discussed in Governmental Accounting, Auditing, and Financial Reporting (GAAFR), a General Fund unassigned fund balance should be either 1) no less than 5 to 15 percent of regular General Fund operating revenues, or 2) no less than one to two months of regular General Fund operating expenditures. An unassigned fund balance may be higher if circumstances dictate, such as a delay in collection of a major revenue source. The City has a policy to maintain fund reserves equal to at least 50% of annual expenditures and exceeded this target at December 31, 2023.

The **Parks and Recreation Fund** balance increased by \$2,181,770 during 2023, due primarily to a planned buildup of fund balance following a large spenddown in 2019. As of December 31, 2023, the fund balance in the Parks and Recreation Fund was \$7,963,698, or 37.8% of 2023 expenditures. The City has a policy to maintain fund reserves equal to at least 25% of annual expenditures in this fund and meets this target as of December 31, 2023.

The **Local Income Tax – Public Safety Fund** was created in October 2009, with the local legislative passage of an increase in local option income taxes of 0.95%, a part of which (0.25%) tax increase was established to fund public safety expenditures. The City has established the Local Income Tax – Public Safety Fund as a major governmental fund, due solely to its purpose of creating a funding source to sustain public safety staffing levels, which were compromised by state implementation of property tax reform that has reduced property tax revenues, which historically are the source of public safety funding. Local Income Tax – Public Safety funds are used to cover the personnel costs of police officers and firefighters. Receipts of Local Income Tax – Public Safety tax revenue commenced in January 2010. The increase in fund balance in the amount of \$3,406,803 during 2023 was due primarily to lower-than budgeted expenditures. The ending fund balance was \$6,148,468, or 64.7% of annual expenditures.

The **Local Income Tax – Economic Development** fund is used to fund major capital and construction projects, economic development initiatives, certain subsidies and support to organizations and units that benefit City economic development and cultural venues, certain City-wide expenditures such as major technology costs, and certain debt service payments. The Local Income Tax – Economic Development Fund balance increased by \$2,971,613 during 2023 due to normal fluctuations in operations and an additional income tax distribution. The City has operationally sequestered Local Income Tax – Economic Development funds for use in major economic development initiatives, certain subsidies and support to organizations and units that benefit City economic development and cultural venues, operational costs of the street, code enforcement and community investment departments and certain debt service payments. As of December 31, 2023, the Local Income Tax – Economic Development fund balance was \$26,305,793, or 165.9% of 2023 expenditures and transfers out. The City policy target is 50%.

The **American Rescue Plan Fund** is used to account for the proceeds from the American Rescue Plan Act, which was signed by President Joe Biden in 2021. As a part of this legislation, the City of South Bend received nearly \$60 million in "State and Local Fiscal Recovery Funds". The first distribution of these funds (equal to half the total awarded amount) was received by the City in 2021, with the second tranche was received in 2022. The ending fund balance of this fund as of December 31, 2023 was \$933,289.

The fund balance in the **River West TIF Fund** decreased by \$1,868,282 during 2023. As of December 31, 2023, the River West TIF Fund balance was \$38,331,179, almost entirely restricted for use in economic development projects.

During 2023, the fund balances in **nonmajor governmental funds** increased by \$21,613,842 due primarily to a bond issued during the year, which was not fully spent.

The total balance in nonmajor governmental funds was \$134,066,061 as of December 31, 2023. These fund balances provide the necessary resources that the City requires to meet future capital construction needs, ongoing debt service obligations, and economic development project initiatives in order to fuel community growth within the City.

Individual fund data for each of the nonmajor governmental funds is provided in the form of the combining statements immediately following the Required Supplemental Information within the Financial Section of the ACFR.

Governmental Funds Revenue

The following schedule presents a summary of governmental fund revenues for the year ended December 31, 2023, with comparison to the prior year:

	2023 Actual	% of Total	2022 Actual	% of Total
Tax Based				
General Property	\$ 98,454,889	40.6%	\$ 88,670,960	37.6%
Local Income Tax	44,541,700	18.4%	31,464,822	13.3%
Hotel/Motel Tax	797,437	0.3%	795,960	0.3%
Total Tax	143,794,026	59.3%	120,931,742	51.2%
Non-Tax Based				
Licenses & Permits	246,565	0.1%	350,561	0.1%
Intergovernmental	38,058,277	15.7%	82,567,947	35.0%
Charges for Services	12,602,548	5.2%	13,109,188	5.6%
Fines and Forfeitures	739,837	0.3%	593,118	0.3%
Interest Income	12,192,479	5.0%	(999,162)	-0.4%
Other	34,817,321	14.4%	19,557,382	8.3%
Total Non-Tax Based	98,657,027	40.7%	115,179,034	48.8%
Total Revenue	\$ 242,451,053	100.0%	\$ 236,110,776	100.0%

Tax revenue continues to represent the most significant ongoing source of revenue required to support services provided by the City. Property tax revenue is the primary source of funding for governmental expenditures. Property tax revenue is based on a relationship between two variables. The first variable is the net assessed property valuation of industrial, commercial and residential parcels for both real and personal property. The second variable is the application of a tax rate to arrive at the total tax levy. Taxable property is assessed at 100% of the true tax value. The amount of property tax levied (billed to property owners) is further restricted by State of Indiana-enacted property tax legislative reform (the “circuit breaker” property tax caps) to no more than 1.0% (homestead), 2.0% (other residential/rental) or 3.0% (commercial/industrial) of gross assessed valuation.

Property tax revenue includes taxes collected on behalf of the following funds: General Fund, Parks and Recreation Fund, Cumulative Capital Development Fund, Redevelopment Commission Tax Incremental Financing (TIF) Funds, and a special levy to cover debt service for City-issued Parks bonds.

The City recognizes the need to further diversify the revenue stream and to reduce its dependency on general property taxes to ensure that a broad base of users of City services, including nonresidents who work in the City, share in the funding of basic City services.

As a result of the need to diversify the revenue stream, the City of South Bend Common Council, the City of Mishawaka Common Council, and Saint Joseph County Council (together comprising the local income

tax council) have adopted a Local Income Tax rate of 1.75%. The Local Income Tax consists of four components:

- 0.50% for the expenditure rate–certified shares component (formerly the County Option Income Tax), which is deposited directly into the City's general fund,
- 0.40% for the economic development component (formerly the Economic Development Income Tax),
- 0.25% for the public safety component (formerly the Public Safety Local Option Income Tax), and
- 0.60% property tax relief component. The property tax relief component of the Local Income Tax does not result in any direct revenue to the City, but rather reduces circuit breaker property tax losses.

The City continues to seek diversified sources of revenue that will reduce its reliance on property and income taxes. One viable source of revenue is from user fees and/or charges for services currently being performed. City-performed services are priced at levels representing the full cost of service, taking into consideration fees charged by providers of similar services. The City performs ongoing reviews of user fee costs incurred and revises service fee prices as required.

Total tax revenue was \$143,794,026 during 2023 and increased by \$22,862,284, or 18.9%, from 2022. Property tax revenue was stronger than expected during 2023, driven by rising real estate values. Income tax was also strong in 2023, recovering from the COVID-19 pandemic in 2020.

Total non-tax-based revenue was \$98,657,027 in 2023 and decreased \$16,522,007, or 14.3%, from 2022. This is due primarily due to higher-than-normal intergovernmental revenue in 2022, stemming mainly from the City's recognition of a significant portion of the ARPA revenue in 2022.

Governmental Fund Expenditures

The City accounts for government fund expenditures in eight functional categories as follows:

- (1) general government,
- (2) public safety,
- (3) highways and streets,
- (4) community and economic development,
- (5) culture and recreation,
- (6) bond issuance costs,
- (7) debt service, and
- (8) capital outlay.

The following schedule presents a summary of governmental fund expenditures for the year ended December 31, 2023, in comparison to fiscal year 2022.

City of South Bend, Indiana

Management's Discussion and Analysis (Continued)

December 31, 2023

	2023 Actual	% of Total	2022 Actual	% of Total
General Government	\$ 24,203,487	9.0%	\$ 23,212,153	11.0%
Public Safety	89,702,272	33.3%	82,671,364	39.2%
Highways and Streets	26,088,643	9.7%	19,032,317	9.0%
Community & Economic Development	22,934,480	8.5%	14,239,039	6.8%
Culture and Recreation	29,035,558	10.8%	17,263,972	8.2%
Debt Service	22,880,747	8.5%	22,481,891	10.7%
Capital Outlay	54,608,990	20.3%	32,047,181	15.2%
Total Expenditures	\$ 269,454,177	100.0%	\$ 210,947,917	100.0%

Governmental fund expenditures in fiscal 2023 of \$269,454,177 increased by \$58,506,260, or 27.7%, in comparison to governmental fund expenditures in fiscal 2022.

Capital outlay expenditures increased by \$22,651,809, or 70.4%, during 2023.

Public Safety expenditures continue to be the primary use of government fund resources with 33.3% of expenditures used for this purpose in fiscal 2023. Public safety spending is followed by:

- capital outlay expenditures (20.3%),
- culture and recreation (10.8%),
- highways and streets (9.7%),
- general government (9.0%),
- debt service expenditures (8.5%),
- and community and economic development (8.5%).

Note: "General government" spending is comprised of the executive offices of the Mayor, Common Council, City Clerk, Legal, Controller, Human Resources and Innovation & Technology.

Proprietary funds

Condensed Statement of Net Position
Revenue, Expenses, and Changes in Fund Net Position
As of and for the Year Ended December 31, 2023

	Enterprise Funds				Governmental Activities Proprietary Internal Service
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total Enterprise	
Total assets	\$ 81,026,289	\$ 196,918,728	\$ 31,591,845	\$ 309,536,862	\$ 28,291,988
Total deferred outflows	1,210,493	2,084,222	817,859	4,112,574	1,334,420
Total liabilities	14,882,613	42,622,300	6,707,157	64,212,070	12,750,198
Total deferred inflows	1,322,394	963,869	482,647	2,768,910	787,488
Net Position					
Net investment in capital assets	45,626,595	104,233,971	20,088,330	169,948,896	2,671,148
Restricted:					
Customer repair and deposit	1,342,137	3,193,917	-	4,536,054	-
Cash with fiscal agent	-	-	-	-	-
Bond reserve	1,470,040	3,871,800	-	5,341,840	-
Operating reserve	3,007,946	5,731,458	-	8,739,404	-
Capital outlay	2,665,897	4,406,002	1,441,898	8,513,797	-
Unrestricted	11,919,160	33,979,633	3,689,672	49,588,465	13,417,574
Total net position	66,031,775	155,416,781	25,219,900	246,668,456	16,088,722
Operating Revenues	21,922,958	44,725,771	15,011,100	81,659,829	41,631,515
Operating Expenses	20,652,897	35,546,913	18,701,969	74,901,779	42,792,066
Operating Income (Loss)	1,270,061	9,178,858	(3,690,869)	6,758,050	(1,160,551)
Non-Operating Revenue (Expenses)	618,565	1,274,838	1,838,585	3,731,988	905,253
Income (Loss) before Contributions &	1,888,626	10,453,696	(1,852,284)	10,490,038	(255,298)
Capital Contributions	-	293,000	8,636	301,636	-
Transfers in	134,865	201,195	527,035	863,095	-
Transfers Out	(1,606,468)	(4,489,126)	-	(6,095,594)	-
Change in Net Position	417,023	6,458,765	(1,316,613)	5,559,175	(255,298)
Total Net Position - Beginning	65,614,752	148,958,016	26,536,513	241,109,281	16,344,020
Total Net Position - Ending	\$ 66,031,775	\$ 155,416,781	\$ 25,219,900	\$ 246,668,456	\$ 16,088,722

The City of South Bend maintains two types of proprietary funds: enterprise and internal service.

The City maintains seven (7) enterprise funds. Information is presented separately in the Proprietary Statement of Net Position, the Proprietary Statement of Revenues and Expenditures, and Changes in Fund Net Position for the Water Utility and Wastewater Utility, which are considered major enterprise funds. Data from the other five (5) nonmajor enterprise funds (Century Center, Consolidated Building Department, Parking Garage, Solid Waste, and Morris Performing Arts Center) are combined into a single, aggregated presentation.

December 31, 2023

The City maintains seven (7) internal service funds. The City of South Bend uses internal service funds to account for its self-funded liability insurance program, self-funded employee health benefits program, unemployment compensation claims, police take-home vehicle insurance program, Innovation & Technology and 311 call center, parental leave benefit for City employees, and central services unit (a department that accounts for expenses related to fuel, vehicle repairs, and other services provided to City departments on a cost-reimbursement basis). Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements but are combined into a single, aggregated presentation in the proprietary fund financial statements. The internal service funds have been combined into a single, aggregated presentation.

As of December 31, 2023, City enterprise funds reported a net position of \$246,668,456, which represents an increase of \$5,559,175, or 2.3% from the net position as of December 31, 2022.

As of December 31, 2023, enterprise fund net position includes net investment in capital assets of \$169,948,896 restricted net position of \$27,131,095 and unrestricted net position of \$49,588,465.

During 2023, the **Water utility** experienced an increase in net position of \$417,023 and the **Wastewater utility** experienced an increase in net position of \$6,458,765.

Nonmajor Enterprise Funds experienced a decrease in net position of \$1,316,613 during 2023, which was due primarily to an expansion in services following reopening after the COVID-19 pandemic. The **Century Center Fund** reported a decrease in net position of \$207,766. The **Parking Garage Fund** reported a decrease in net position of \$624,296. The **Consolidated Building Fund** reported a decrease in net position of \$88,068 during 2023. The **Solid Waste Fund** reported a decrease in net position of \$140,184, which is the result of unsustainably low charge rates. The City will need to evaluate how to bring the Solid Waste Fund to sustainability over the upcoming years. The **Morris Performing Arts Center Fund** reported a decrease in net position of \$256,299.

Internal Services Funds reported net position of \$16,088,722 as of December 31, 2023, a decrease of \$255,298 compared to net position as of December 31, 2022. The **Liability Insurance Fund** increased in net position by \$728,202 in 2023. The **Central Services Fund** decreased its net position by \$1,216,408. The **Self-Funded Employee Benefits Fund** decreased in net position by \$33,451 due to slightly higher-than-expected healthcare costs. The **Innovation & Technology and 311 Call Center fund** is a fully allocated fund which supports most City departments and increased in net position by \$23,171 in fiscal 2023. The **Unemployment Compensation Insurance Fund** decreased in net position by \$71,262, and the **Parental Leave Fund** increased in net position by \$221,411.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City maintains three fiduciary funds, which consist of two pension trust funds (1925 Police Officers' Pension and 1937 Firefighters' Pension) and two custodial funds (Morris / Palais Box Office and Police Distributions Payable).

Management’s Discussion and Analysis (Continued)

December 31, 2023

	Pension Trust Funds	Custodial Fund
Total assets	\$897,366	\$271,754
Total liabilities	182	271,754
Fiduciary net position restricted for pensions	<u>897,184</u>	<u>-</u>
Total additions	10,090,277	6,216,932
Total deductions	10,153,967	6,216,932
Net increase (decrease) in net position	<u>\$(63,690)</u>	<u>\$-</u>

Effective in fiscal 2009, with the passage of State legislation, the State of Indiana began making contributions to the 1925 Police Officers’ and 1937 Firefighters’ Pension Funds. These funds no longer receive property tax revenue distributions beyond fiscal 2009. The administration of the pension plans is the responsibility of the City.

The net position maintained in the pension trust is the result of timing differences in the payment of pension benefits and the contributions received from the State of Indiana (the State reimburses in June and September for expenses paid in the previous calendar year). The cost of healthcare benefits to pension members are not covered by State contributions. The 1925 Police Officers’ and 1937 Firefighters’ pension funds will no longer pay retiree health insurance costs, these costs will be paid from the regular Police Department and Fire Department operating budgets.

General Fund Budgetary Highlights

The City prepares an annual budget for General Fund expenditures, which is subject to City of South Bend Common Council approval for adoption, before November 1 of the year preceding the budget period, according to state law concerning the annual budget of second-class cities and towns. The Common Council adopted the 2023 budget at its meeting held in October 2022.

The General Fund budget applicable for fiscal 2023 is reported as follows:

	Original <i>(inclusive of encumbrances carried forward)</i>	Final	Actual Budgetary Basis	Variance
Revenues / Transfers In	\$103,521,489	\$103,521,489	\$111,481,315	\$7,959,826
Expenditures / Transfers Out	148,623,151	129,394,327	122,666,924	\$6,727,403
Surplus (Deficit)	<u>\$(45,101,662)</u>	<u>\$(25,872,838)</u>	<u>\$(11,185,609)</u>	<u>\$14,687,229</u>

General Fund revenues/transfers in was originally budgeted at \$103,301,301 for fiscal 2023. The revenue budget may be increased or decreased at any time based on updated revenue projections. By closely aligning the budget with actual results, the City is able to increase the meaningfulness of its analysis. The revenue/transfers in budget was increased primarily due to an increase in the property tax estimate because of higher collections than anticipated.

During 2023, the General Fund collected \$111,481,315 in revenues/transfers in on a budgetary basis, which was \$7,959,826 higher than the original budget. This difference is 7.7% higher than the original budget. This increase over budget is due mainly to the receipt of higher-than-expected property and income taxes in 2023.

General Fund expenditures/transfers out were originally budgeted at \$148,623,151 for fiscal 2023, which included roughly \$32.4 million in encumbrances that were carried forward from the previous year. During the year, the General Fund expenditure/transfers out budgets were decreased to \$129,394,327.

General Fund spending is reviewed on a monthly basis under the direction of the City Controller to ensure spending remains within budgetary constraints. Monthly reviews are conducted with General Fund department management to review spending projections to ensure that annual expenditure remains within the budgetary levels. Budget amendments for cost-neutral redistribution between expense categories (i.e., personnel, supplies, services, capital) were submitted to Common Council four times during 2023, as required to adjust the budget to prevent any budget overruns in any expenditure category.

Additional appropriations for projects, initiatives, or unbudgeted spending requirements within the General Fund as deemed necessary by the Mayor are presented to the Common Council for adoption.

Capital Assets and Debt Administration

Capital Assets of the Primary Government

	Governmental Activities		Business-type Activities		Government-wide	
	2023	2022	2023	2022	2023	2022
Assets not depreciated						
Land	\$14,697,605	\$14,496,141	\$2,586,613	\$2,586,613	\$17,284,218	\$17,082,754
Construction in Progress	25,337,577	19,667,573	1,383,548	7,955,682	26,721,125	27,623,255
Total	40,035,182	34,163,714	3,970,161	10,542,295	44,005,343	44,706,009
Assets depreciated						
Buildings	150,847,944	148,814,102	90,278,919	90,274,609	241,126,863	239,088,711
Non-building improvements	55,206,493	50,031,890	27,161,302	27,112,178	82,367,795	77,144,068
Machinery and Equipment	63,575,393	55,962,055	43,385,449	43,592,444	106,960,842	99,554,499
Roads and Infrastructure	510,099,659	496,419,566	250,557,156	243,237,499	753,462,702	739,657,065
Total Cost	779,729,489	751,227,613	411,382,827	404,216,730	1,191,112,314	1,155,444,343
Accumulated Depreciation						
Buildings	71,157,743	67,181,604	47,274,941	45,322,449	118,432,684	112,504,053
Non-building improvements	18,423,194	16,415,602	14,785,557	13,541,842	33,208,751	29,957,444
Machinery and Equipment	47,002,838	44,152,792	34,496,735	31,935,079	81,499,573	76,087,871
Roads and Infrastructure	392,492,163	379,290,962	105,596,491	100,561,400	498,088,654	479,852,362
Total Accum. Depreciation	529,075,937	507,040,960	202,153,724	191,360,771	731,229,662	698,401,730
Net Depreciated Assets	250,653,551	244,186,653	209,229,101	212,855,960	459,882,652	457,042,613
Net Capital Assets	\$290,688,733	\$278,350,367	\$213,199,262	\$223,398,254	\$503,887,995	\$501,748,622

The investment in capital assets includes land and land improvements, buildings and building improvements, vehicles, information technology equipment, machinery and equipment, and construction in progress. A detailed explanation of these capital assets can be found in the Notes to the Financial Statements.

Under the category of roads and infrastructure, the current cost amount of \$779,729,489 includes estimated costs derived primarily from the City’s 2006 implementation of GASB Statement No. 89, which required the retroactive reporting of infrastructure capital assets. All other assets are recorded at historical cost.

Capital Assets Analysis

As of December 31, 2023, government-wide capital assets were valued at \$503,887,995, net of accumulated depreciation, an increase of \$2.1 million, or 0.4%, since December 31, 2022. Construction in Progress decreased by \$902,130 and capitalized assets in land, buildings, improvements, machinery and equipment, and roads increased by \$3.0 million, net of depreciation, since December 31, 2022.

As of December 31, 2023, the cost of Roads & Infrastructure (\$760,656,815) was the major asset class followed by Buildings (\$241,126,863) and Machinery & Equipment (\$106,960,842).

Additional information on capital assets can be found in the notes to the financial statements in Note 6.

Debt Administration

Outstanding debt principal as of December 31, 2023 was \$226,214,890, an increase of \$14,380,813, or 6.8% from 2022. City outstanding debt includes general obligation bonds, revenue bonds, mortgage bonds, notes and loans payable and financed purchase agreements.

	<u>Beginning</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending</u>
Governmental Activities				
General Obligation Bonds	\$14,886,850	-	\$(1,102,786)	\$13,784,064
Revenue Bonds	121,492,117	\$33,098,353	(10,328,098)	144,262,372
Mortgage Bonds	4,568,551	-	(1,043,160)	3,525,391
Notes and Loans	2,781,851	-	(303,221)	2,478,630
Financed purchase agreements	14,679,571	6,930,647	(5,353,052)	16,257,166
Total Governmental Activities Debt	<u>158,408,940</u>	<u>40,029,000</u>	<u>(18,130,317)</u>	<u>180,307,623</u>
Business-Type Activities				
Revenue Bonds	50,638,747	-	(7,859,002)	42,779,745
Mortgage Bonds	-	-	-	-
Notes and Loans	196,030	-	(25,513)	170,517
Financed purchase agreements	2,590,360	1,225,000	(858,355)	2,957,005
Total Business-Type Activities Debt	<u>53,425,137</u>	<u>1,225,000</u>	<u>(8,742,870)</u>	<u>45,907,267</u>
Total Debt	<u>\$211,834,077</u>	<u>\$41,254,000</u>	<u>\$(26,873,187)</u>	<u>\$226,214,890</u>

During 2023, the City entered into financed purchase agreements in the amount of \$8,155,647 to purchase certain vehicles and equipment. The lease terms are typically for five years with semi-annual debt service paid from the operating budgets of the user departments. Financed purchase agreements are used to acquire police vehicles, fire trucks, ambulances, garbage trucks, computer replacements, copiers and other vehicles and equipment. The City solicits competitive financing proposals for lease financing from local and national companies and the interest rate achieved during 2023 was on average around 5% for these leases.

Under the Indiana Constitution and State statute, the City's general obligation bonded debt and certain other debt is subject to a legal limitation based upon 2% of 1/3 of the total assessed value of real and personal property. The City issued one lease-rental revenue bonds in 2023 for \$33,098,353 to support capital projects. The revenue backup on this bond issuance is TIF revenues, and this debt issuance is not

subject to the constitutional debt limitation. A calculation of the City’s legal debt limitation can be found in the statistical debt capacity section of this document.

Additional information on debt can be found in the Notes to the Financial Statements in Note 8 – Financed Purchase Agreements and Note 9 - Long-term Debt.

Economic Factors and 2024 Budget

Economic Factors

Property tax revenue, historically and at present, is the principal source of revenue for funding of governmental activities within the City of South Bend.

The State of Indiana General Assembly enacted property tax reform legislation in March 2008. Known as the “Circuit Breaker”, House Enrolled Act 1001 (HEA 1001) limits property taxes paid to 1% of gross assessed value for residential homesteads, 2% for agricultural/rental properties, and 3% for all other real and personal property.

Under current legislation, all Indiana localities assess properties based on market values. Each year properties are “trended”, which involves comparing property values to sales activity in the neighborhood and adjusting the current assessed values up or down according to the trended data.

The Circuit Breaker legislation was phased in commencing in fiscal 2009 and has led to significant reductions in property tax revenues available to fund City governmental operations since then. In 2023, the primary funds supported by property taxes (General Fund, Parks and Recreation Fund, and Cumulative Capital Development Fund) lost approximately \$42.6 million in taxable property tax levy due to the circuit breaker caps (Department of Local Government Finance, 2023 St. Joseph County Circuit Breaker Report).

As a consequence of the state enacted legislation in 2008, the City enacted a 0.95% local option income tax increase to partially offset the property tax revenue loss. The local option tax increase became effective in October 2009 and has resulted in an increase in local income taxes available to the City to fund ongoing governmental operations of public safety, parks and recreation, highways and streets and general government.

Management of the City of South Bend will continue to oversee the financial affairs from a position of fiscal conservatism. Special attention will be given to maintaining adequate fund reserves in the General Fund and the income tax funds as they are very important to the continued financial strength of the City.

Job creation is the primary engine to drive economic recovery. With the economic outlook for 2024 and beyond forecasted to be stronger, the City has opportunity to invest. Significant concerns linger (particularly around inflation and its impact on both city finances and resident well-being), but the City is excited to use recent-year surpluses to reinvest back into our community. Particularly with the passage of the American Recovery Plan in early 2021, the City has the opportunity to invest in large-scale economic development and infrastructure projects to attempt to change the trajectory of the local economy and put the City back on the path to growth.

2024 Budget and Beyond

The City will engage to ensure effective delivery of required services to taxpayers and residents within the constraints of available financial resources. The City will continue to provide required services within the constraints of a balanced General Fund budget. In the spirit of fiscal responsibility, the City has engaged in a process of program budgeting for the 2024 budgets. This program budgeting is in addition to the state-required fund and account budgeting through the Indiana Department of Local Government Finance.

Through its Office of Innovation, the City continues to pursue reengineering programs targeted to create efficiency and cost improvements within City operations. These include purchasing process reengineering, back-office process improvements for human resources, performance management and other customer service operations. These initiatives, upon successful deployment completion, will achieve the desired results to create efficiency gains in the delivery of services to taxpayers.

The City is committed to creating a budget for fiscal 2024 that will remain fiscally responsible to the effective delivery of required services to City residents and stakeholders within the existing revenue constraints, as well as new revenue constraints imposed by the uncertain economic conditions we now face.

Specific concerns for the 2024 budget include the continuing impact of Circuit Breaker property tax reform on City revenue, the need for economic stimulus in our City and the need to address ever-increasing public safety costs, high health and pension costs and other stagnant or declining revenue sources such as gasoline, wheel and auto excise taxes.

Requests for Information

This Management's Discussion and Analysis, as contained within the City of South Bend Annual Comprehensive Financial Report, is intended to provide readers with a general overview of the financial condition of the City of South Bend as of December 31, 2023.

Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to:

Kyle Willis, Controller
City of South Bend
Department of Administration and Finance
227 W. Jefferson Blvd., 12th Floor
South Bend, IN 46601
Telephone (574) 235-9822
Email: kwillis@southbendin.gov

December 31, 2023

	Governmental Activities	Business-type Activities	Total	Component Unit
Assets				
Cash and cash equivalents	\$ 185,621,774	\$ 37,543,398	\$ 223,165,172	\$ 934,675
Investments	153,256,795	18,045,783	171,302,578	-
Receivables:				
Accounts - net	2,461,836	7,018,778	9,480,614	397,312
Interest	910,234	263,762	1,173,996	-
Taxes	289,170	637,500	926,670	-
Intergovernmental	3,754,480	-	3,754,480	-
Property taxes	102,722,770	-	102,722,770	3,965,027
Loans	12,824,667	-	12,824,667	-
Internal balances	(24,329)	6,221	(18,108)	-
Inventory	1,658,456	2,312,731	3,971,187	381,668
Prepaid expenses	1,515,963	24,714	1,540,677	110,130
Restricted assets	17,087	30,464,890	30,481,977	-
Property held for resale	9,075,086	-	9,075,086	-
Capital assets:				
Assets not subject to depreciation	40,035,182	3,970,161	44,005,344	1,853,026
Assets subject to depreciation - net	250,653,552	209,229,101	459,882,653	34,522,054
Total assets	<u>764,772,723</u>	<u>309,517,039</u>	<u>1,074,289,763</u>	<u>42,163,892</u>
Deferred outflows of resources				
Unamortized loss on refunding	1,656,649	458,388	2,115,037	-
Deferred outflows related to pensions	39,913,827	2,592,114	42,505,941	510,988
Deferred outflows related to OPEB	6,096,206	1,062,072	7,158,278	-
Total deferred outflows of resources	<u>47,666,682</u>	<u>4,112,574</u>	<u>51,779,256</u>	<u>510,988</u>
Liabilities				
Accounts payable	13,433,590	4,100,958	17,534,548	87,644
Due to other governmental units	400,822	-	400,822	-
Performance deposits payable	133,356	7,000	140,356	-
Accrued liabilities and other:				
Accrued payroll payable	3,125,715	573,348	3,699,063	135,625
Accrued interest payable	2,648,154	338,647	2,986,801	-
Taxes payable	284,137	114,205	398,342	-
Other current payables	78,474	(64,923)	13,551	128,732
Customer deposits payable	26,499	2,723,757	2,750,256	-
Unearned revenue	8,059,493	-	8,059,493	-
Noncurrent liabilities:				
Due within one year:				
Compensated absences	5,545,109	170,552	5,715,661	264,603
Claims payable	5,936,210	-	5,936,210	-
General obligation bonds payable	290,000	-	290,000	-
Revenue bonds payable	10,092,408	6,860,000	16,952,408	-
Mortgage bonds payable	280,000	-	280,000	-
Notes and loans payable	309,315	26,373	335,688	-
Financed purchase agreements	5,130,399	909,744	6,040,143	-
Due in more than one year:				
General obligation bonds payable	13,494,064	-	13,494,064	-
Revenue bonds payable	134,169,964	35,919,745	170,089,709	-
Mortgage bonds payable	3,245,391	-	3,245,391	-
Notes and loans payable	2,169,315	144,144	2,313,459	-
Financed purchase agreements	11,126,768	2,047,261	13,174,029	-
Net pension liability	148,065,944	6,306,929	154,372,873	107,082
Total OPEB liability	23,042,952	4,014,507	27,057,459	-
Total liabilities	<u>391,088,079</u>	<u>64,192,247</u>	<u>455,280,326</u>	<u>723,686</u>

Statement of Net Position (Continued)

December 31, 2023

	Governmental Activities	Business-type Activities	Total	Component Unit
Deferred inflows of resources				
Unamortized gain on refunding	145,913	612,446	758,359	-
Deferred inflows related to pensions	1,386,135	329,431	1,715,566	339,101
Deferred inflows related to OPEB	10,487,023	1,827,033	12,314,056	-
Deferred inflows related to property taxes receivable	102,713,972	-	102,713,972	3,965,027
Total deferred inflows of resources	<u>114,733,043</u>	<u>2,768,910</u>	<u>117,501,953</u>	<u>4,304,128</u>
Net position				
Net investment in capital assets	124,800,129	169,948,896	294,749,025	36,363,853
Restricted:				
Debt service	11,149,383	-	11,149,383	-
Customer repair and deposit	-	4,536,054	4,536,054	-
Bond reserve	-	5,341,840	5,341,840	-
Operating reserve	-	8,739,404	8,739,404	-
Capital outlay	-	8,513,797	8,513,797	-
Unrestricted	170,668,771	49,588,465	220,257,236	1,283,213
Total net position	<u>\$ 306,618,283</u>	<u>\$ 246,668,456</u>	<u>\$ 553,286,739</u>	<u>\$ 37,647,066</u>

Functions/programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 26,825,090	\$ 617,503	\$ 2,121,150	\$ -	\$ (24,086,437)	\$ -	\$ (24,086,437)	\$ -
Public safety	94,934,628	7,657,412	10,721,139	-	(76,556,077)	-	(76,556,077)	-
Highways and streets	31,556,893	287,847	1,238,248	-	(30,030,798)	-	(30,030,798)	-
Community and economic development	49,277,781	855,118	6,334,303	1,000,000	(41,088,360)	-	(41,088,360)	-
Culture and recreation	36,420,777	3,346,895	-	-	(33,073,882)	-	(33,073,882)	-
Interest on long-term debt	5,870,341	-	-	-	(5,870,341)	-	(5,870,341)	-
Total governmental activities	<u>244,885,510</u>	<u>12,764,775</u>	<u>20,414,840</u>	<u>1,000,000</u>	<u>(210,705,895)</u>	<u>-</u>	<u>(210,705,895)</u>	<u>-</u>
Business-type activities:								
Water utility	21,051,699	21,924,430	-	-	-	872,731	872,731	-
Wastewater utility	36,522,974	44,744,079	-	293,000	-	8,514,105	8,514,105	-
Century center	5,202,221	3,178,260	-	-	-	(2,023,961)	(2,023,961)	-
Consolidated building	2,297,459	2,118,723	-	-	-	(178,736)	(178,736)	-
Parking garage	1,573,973	912,261	-	-	-	(661,712)	(661,712)	-
Solid waste	8,334,688	7,640,735	-	7,410	-	(686,543)	(686,543)	-
Morris performing arts center	1,425,960	1,161,121	-	-	-	(264,839)	(264,839)	-
Total business-type activities	<u>76,408,974</u>	<u>81,679,609</u>	<u>-</u>	<u>300,410</u>	<u>-</u>	<u>5,571,045</u>	<u>5,571,045</u>	<u>-</u>
Total primary government	<u>\$ 321,294,484</u>	<u>\$ 94,444,384</u>	<u>\$ 20,414,840</u>	<u>\$ 1,300,410</u>	<u>\$ (210,705,895)</u>	<u>\$ 5,571,045</u>	<u>\$ (205,134,850)</u>	<u>\$ -</u>
Component unit:								
South Bend Public Transportation Corp.	\$ 15,005,690	\$ 1,556,876	\$ 4,983,975	\$ 5,562,287	\$ (2,902,552)	\$ -	\$ (2,902,552)	\$ (2,902,552)
General revenues:								
Taxes:								
Property taxes					98,454,889	-	98,454,889	4,565,969
Income taxes					44,541,700	-	44,541,700	-
Hotel/motel taxes					797,437	1,769,855	2,567,292	-
State-shared revenue					18,725,812	-	18,725,812	-
Unrestricted investment income (loss)					12,192,479	3,450,773	15,643,252	29,040
Gain on sale of capital assets					14,260	-	14,260	-
Other miscellaneous income					35,803,723	-	35,803,723	-
Total general revenues					<u>210,530,300</u>	<u>5,220,628</u>	<u>215,750,927</u>	<u>4,595,009</u>
Transfers					<u>5,201,876</u>	<u>(5,232,498)</u>	<u>(30,622)</u>	<u>-</u>
Change in net position					<u>5,026,281</u>	<u>5,559,175</u>	<u>10,585,456</u>	<u>1,692,457</u>
Net position - Beginning of year					<u>301,592,002</u>	<u>241,109,281</u>	<u>542,701,283</u>	<u>35,954,609</u>
Net position - End of year					<u>\$ 306,618,283</u>	<u>\$ 246,668,456</u>	<u>\$ 553,286,739</u>	<u>\$ 37,647,066</u>

See Notes to Financial Statements

Governmental Funds
Balance Sheet
December 31, 2023

	General Fund	Parks and Recreation	Local Income Tax Public Safety	Local Income Tax Economic Development	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Assets								
Cash and cash equivalents	\$ 50,292,088	\$ 4,277,824	\$ 2,824,437	\$ 12,182,746	\$ 4,648,722	\$ 15,621,375	\$ 85,820,473	\$ 175,667,665
Investments	56,129,565	4,608,271	3,304,744	14,289,935	5,439,255	18,277,833	38,805,234	140,854,837
Receivables:								
Accounts	1,721,897	6,282	-	(824)	-	-	618,851	2,346,206
Interest	328,729	27,077	19,287	83,256	31,745	108,975	238,778	837,847
Taxes	-	-	-	-	-	-	289,170	289,170
Intergovernmental	-	-	-	-	-	-	3,754,480	3,754,480
Property taxes	51,869,256	12,172,226	-	-	-	18,701,787	19,979,501	102,722,770
Loans	-	-	-	-	-	508,000	12,316,667	12,824,667
Due from other funds	226,022	-	-	-	-	-	43	226,065
Advances to other funds	-	-	-	-	-	-	642,076	642,076
Inventory	-	26,893	-	-	-	-	-	26,893
Property held for resale	175,000	-	-	270,001	-	5,817,198	2,812,887	9,075,086
Restricted assets	-	-	-	-	-	-	-	-
Total assets	<u>\$ 160,742,557</u>	<u>\$ 21,118,573</u>	<u>\$ 6,148,468</u>	<u>\$ 26,825,114</u>	<u>\$ 10,119,722</u>	<u>\$ 59,035,168</u>	<u>\$ 165,278,160</u>	<u>\$ 449,267,762</u>
Liabilities								
Accounts payable	\$ 1,838,120	\$ 566,788	\$ -	\$ 513,156	\$ 1,244,017	\$ 1,953,677	\$ 6,180,774	\$ 12,296,532
Due to other funds	14,632	7,110	-	165	-	-	\$ 227,833	249,740
Due to other governments	400,822	-	-	-	-	-	-	400,822
Advances from other funds	-	-	-	-	-	-	642,076	642,076
Performance deposits payable	103,881	-	-	6,000	-	18,525	4,950	133,356
Accrued liabilities and other:								
Accrued payroll payable	2,316,891	267,674	-	-	-	-	345,463	2,930,028
Taxes payable	205,260	31,627	-	-	-	-	30,163	267,050
Other current payables	28,113	-	-	-	-	30,000	20,361	78,474
Customer deposits	-	-	-	-	-	-	26,499	26,499
Unearned revenue	-	109,451	-	-	7,942,416	-	-	8,051,867
Total liabilities	<u>4,907,719</u>	<u>982,650</u>	<u>-</u>	<u>519,321</u>	<u>9,186,433</u>	<u>2,002,202</u>	<u>7,478,119</u>	<u>25,076,444</u>
Deferred inflows of resources								
EMS Medicaid receivable	1,669,008	-	-	-	-	-	-	1,669,008
Intergovernmental receivable	-	-	-	-	-	-	3,754,480	3,754,480
Property taxes receivable	51,860,460	12,172,225	-	-	-	18,701,787	19,979,500	102,713,972
Total deferred inflows of resources	<u>53,529,468</u>	<u>12,172,225</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,701,787</u>	<u>23,733,980</u>	<u>108,137,460</u>
Fund balances								
Nonspendable	175,000	26,893	-	-	-	-	642,076	843,969
Restricted	-	7,936,805	6,148,468	-	933,289	38,331,179	125,168,909	178,518,650
Committed	-	-	-	-	-	-	7,745,034	7,745,034
Assigned	-	-	-	26,305,793	-	-	756,669	27,062,462
Unassigned	102,130,370	-	-	-	-	-	(246,627)	101,883,743
Total fund balances	<u>102,305,370</u>	<u>7,963,698</u>	<u>6,148,468</u>	<u>26,305,793</u>	<u>933,289</u>	<u>38,331,179</u>	<u>134,066,061</u>	<u>316,053,858</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 160,742,557</u>	<u>\$ 21,118,573</u>	<u>\$ 6,148,468</u>	<u>\$ 26,825,114</u>	<u>\$ 10,119,722</u>	<u>\$ 59,035,168</u>	<u>\$ 165,278,160</u>	<u>\$ 449,267,762</u>

See Notes to Financial Statements

Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Position

December 31, 2023

Fund balances reported in governmental funds	\$ 316,053,858
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 are not reported in the funds	288,009,238
Prepaid expenses are not available to pay for current period expenditures, and therefore are not reported in the funds	96,205
Deferred outflows on refunding are not due and payable in the current period and are not reported in the funds	1,656,649
Deferred outflows related to pensions are not due and payable in the current period and are not reported in the funds	38,967,250
Deferred outflows related to OPEB are not due and payable in the current period and are not reported in the funds	5,708,363
Notes and loans payable, general obligation bonds payable, mortgage bonds payable, revenue bonds payable, and financed purchase agreements are not due and payable in the current period and are not reported in the funds	(178,772,303)
Accrued interest is not due and payable in the current period and is not reported in the funds	(2,619,545)
Employee compensated absences are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities	(5,422,300)
Net pension liabilities do not present a claim on current financial resources and are not reported as fund liabilities	(145,762,808)
Total OPEB liability does not present a claim on current financial resources and is not reported as fund liability	(21,576,951)
Deferred inflows on refunding are not receivable and not available to pay current period expenditures, and thus not included in the governmental fund balance	(145,913)
Deferred inflows of resources related to pensions do not present a claim on current financial resources and are not reported as fund liabilities	(1,265,835)
Deferred inflows of resources related to OPEB do not present a claim on current financial resources and are not reported as fund liabilities	(9,819,835)
Future inflows related to EMS Medicaid revenue, opioid settlement, and other inflows are not reported as revenue in the governmental funds until they become available to finance current period expenditures	5,423,488
Internal service funds are included as part of governmental activities	<u>16,088,722</u>
Net position of governmental activities	<u>\$ 306,618,283</u>

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2023

	General Fund	Parks and Recreation	Local Income Tax Public Safety	Local Income Tax Economic Development	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Revenues								
Property taxes	\$ 48,636,182	\$ 11,441,105	\$ -	\$ -	\$ -	\$ 19,559,921	\$ 18,817,681	\$ 98,454,889
Income taxes	14,189,571	-	12,690,915	17,660,862	-	-	352	44,541,700
Hotel/motel taxes	-	-	-	-	-	385,000	412,437	797,437
Licenses and permits	219,971	289	-	-	-	-	26,305	246,565
Intergovernmental	14,111,091	996,197	-	44,703	2,189,244	331,620	20,385,422	38,058,277
Charges for services	5,630,413	3,171,541	-	-	-	-	3,800,594	12,602,548
Fines and forfeitures	9,045	-	-	-	-	-	730,792	739,837
Investment income (loss)	4,827,984	205,228	214,446	1,117,002	356,742	1,436,311	4,034,766	12,192,479
Other	13,660,326	1,650,382	-	8,624	-	800	19,497,189	34,817,321
Total revenues	<u>101,284,583</u>	<u>17,464,742</u>	<u>12,905,361</u>	<u>18,831,191</u>	<u>2,545,986</u>	<u>21,713,652</u>	<u>67,705,538</u>	<u>242,451,053</u>
Expenditures								
Current:								
General government	18,450,450	1,388,050	-	31,911	-	-	4,333,076	24,203,487
Public safety	79,692,577	-	9,498,558	-	-	-	511,137	89,702,272
Highways and streets	4,737,478	-	-	2,563,760	-	-	18,787,405	26,088,643
Community and economic development	-	-	-	3,457,808	-	988,765	18,487,907	22,934,480
Culture and recreation	1,974,507	16,735,185	-	1,100,000	-	-	9,225,866	29,035,558
Capital outlay:								
General government	495,176	-	-	64,117	2,158,632	-	273,206	2,991,131
Public safety	3,326,446	-	-	-	-	-	4,449,206	7,775,652
Highways and streets	29,380	-	-	-	-	-	4,266,168	4,295,548
Community and economic development	-	-	-	277,720	-	13,806,116	11,781,830	25,865,666
Culture and recreation	-	2,444,510	-	-	-	-	11,236,483	13,680,993
Debt service:								
Principal	1,273,218	462,762	-	200,000	-	3,874,615	10,747,987	16,558,582
Interest on long-term debt	64,689	56,995	-	135,250	-	641,646	4,933,226	5,831,806
Bond issuance costs	-	-	-	-	-	-	490,359	490,359
Total expenditures	<u>110,043,921</u>	<u>21,087,502</u>	<u>9,498,558</u>	<u>7,830,566</u>	<u>2,158,632</u>	<u>19,311,142</u>	<u>99,523,856</u>	<u>269,454,177</u>
Excess of revenues (under) over expenditures	<u>(8,759,338)</u>	<u>(3,622,760)</u>	<u>3,406,803</u>	<u>11,000,625</u>	<u>387,354</u>	<u>2,402,510</u>	<u>(31,818,318)</u>	<u>(27,003,124)</u>
Other financing sources (uses)								
Issuance of debt	1,827,500	394,616	-	-	-	-	33,052,000	35,274,116
Premium on debt	-	-	-	-	-	-	3,943,353	3,943,353
Proceeds from sale of capital assets	14,260	67,974	-	-	-	-	22,310	104,544
Transfers in	19,960,737	5,341,940	-	-	-	8	23,572,270	48,874,955
Transfers out	(24,184,872)	-	-	(8,029,012)	-	(4,270,800)	(7,157,773)	(43,642,457)
Total other financing sources (uses)	<u>(2,382,375)</u>	<u>5,804,530</u>	<u>-</u>	<u>(8,029,012)</u>	<u>-</u>	<u>(4,270,792)</u>	<u>53,432,160</u>	<u>44,554,511</u>
Net change in fund balances	(11,141,713)	2,181,770	3,406,803	2,971,613	387,354	(1,868,282)	21,613,842	17,551,387
Fund balances - Beginning of year	<u>113,447,083</u>	<u>5,781,928</u>	<u>2,741,665</u>	<u>23,334,180</u>	<u>545,935</u>	<u>40,199,461</u>	<u>112,452,219</u>	<u>298,502,471</u>
Fund balances - End of year	<u>\$ 102,305,370</u>	<u>\$ 7,963,698</u>	<u>\$ 6,148,468</u>	<u>\$ 26,305,793</u>	<u>\$ 933,289</u>	<u>\$ 38,331,179</u>	<u>\$ 134,066,061</u>	<u>\$ 316,053,858</u>

See Notes to Financial Statements

Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds

For the Year Ended December 31, 2023

Net change in fund balances - Total governmental funds	\$ 17,551,387
Amount reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay	34,985,627
Depreciation expense	(22,634,746)
Net book value of assets disposed and transferred	(513,857)
Prepaid expenses recorded in the statement of net position do not require the use of current financial resources, and therefore are not reported in the fund statements	(83,232)
Issuance of debt (from notes and loans payable, mortgage bonds payable, revenue bonds payable, and financed purchase agreements) provide financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position	(35,274,116)
Premium on debt proceeds provide financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position	(3,943,353)
Repayment of debt principal is an expenditure in the governmental funds, but not in the statement of activities (where it reduces long-term debt)	16,558,582
Other adjustments related to debt premiums, discounts, deferred inflows of resources, and deferred outflows of resources	762,378
Changes in accrued interest payable and other	(314,694)
Changes in compensated absences reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment	(530,361)
Recognition of revenue previously received and available, and thus previously recognized in the governmental funds	-
Changes in the total OPEB liability reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment	1,536,994
Future receipts of EMS Medicaid revenue and other revenues are not available to pay current period expenditures, and thus is not included in governmental fund balance	2,244,602
Changes in the net pension liabilities and related deferred inflows and outflows of resources reported in the statement of activities do not require the use of current resources, and therefore are not reported in the fund statements until they come due for payment	(5,063,632)
Internal service funds are included as part of governmental activities - Change in net position	<u>(255,298)</u>
Change in net position of governmental activities	<u>\$ 5,026,281</u>

Proprietary Funds
Statement of Net Position
December 31, 2023

	Enterprise Funds				Governmental Activities
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	Proprietary Internal Service
Assets					
Current assets:					
Cash and cash equivalents	\$ 10,413,228	\$ 24,608,181	\$ 2,521,989	\$ 37,543,398	\$ 9,954,109
Investments	4,209,282	11,662,124	2,174,377	18,045,783	12,401,958
Receivables:					
Accounts	1,854,483	3,852,691	1,471,703	7,178,877	115,630
Allowance for doubtful accounts	(50,000)	(85,100)	(24,999)	(160,099)	-
Interest	75,290	171,292	17,180	263,762	72,387
Taxes	-	-	637,500	637,500	-
Due from other funds	9,682	14,458	1,904	26,044	-
Inventory	1,783,681	368,750	160,300	2,312,731	1,631,563
Prepaid expenses	-	-	24,714	24,714	1,419,758
Total current assets	<u>18,295,646</u>	<u>40,592,396</u>	<u>6,984,668</u>	<u>65,872,710</u>	<u>25,595,405</u>
Noncurrent assets:					
Restricted assets	8,653,723	17,438,366	4,372,801	30,464,890	17,087
Capital assets:					
Assets not subject to depreciation	1,760,499	364,208	1,845,454	3,970,161	-
Assets subject to depreciation	52,316,421	138,523,758	18,388,922	209,229,101	2,679,496
Total noncurrent assets	<u>62,730,643</u>	<u>156,326,332</u>	<u>24,607,177</u>	<u>243,664,152</u>	<u>2,696,583</u>
Total assets	<u>81,026,289</u>	<u>196,918,728</u>	<u>31,591,845</u>	<u>309,536,862</u>	<u>28,291,988</u>
Deferred outflows of resources					
Unamortized loss on refunding	7,467	450,921	-	458,388	-
Deferred outflows related to pensions	853,372	1,158,590	580,152	2,592,114	946,577
Deferred outflows related to OPEB	349,654	474,711	237,707	1,062,072	387,843
Total deferred outflows of resources	<u>1,210,493</u>	<u>2,084,222</u>	<u>817,859</u>	<u>4,112,574</u>	<u>1,334,420</u>
Liabilities					
Current liabilities:					
Accounts payable	1,873,663	1,096,956	1,130,339	4,100,958	1,137,058
Due to other funds	-	2,818	17,005	19,823	654
Performance deposits payable	-	-	7,000	7,000	-
Accrued liabilities and other:					
Accrued payroll payable	167,703	235,189	170,456	573,348	195,687
Accrued interest payable	157,400	152,352	28,895	338,647	28,609
Taxes payable	79,888	20,529	13,788	114,205	17,087
Other current payables	-	31,842	(96,765)	(64,923)	-
Customer deposits payable	1,297,368	1,312,784	113,605	2,723,757	-
Compensated absences	63,237	51,571	55,744	170,552	122,809
Claims payable	-	-	-	-	5,936,210
Revenue bonds payable	720,000	6,140,000	-	6,860,000	-
Notes and loans payable	26,373	-	-	26,373	-
Financed purchase agreements	-	-	909,744	909,744	714,270
Total current liabilities	<u>4,385,632</u>	<u>9,044,041</u>	<u>2,349,811</u>	<u>15,779,484</u>	<u>8,152,384</u>
Noncurrent liabilities:					
Revenue bonds payable	6,954,829	28,964,916	-	35,919,745	-
Notes and loans payable	144,144	-	-	144,144	-
Financed purchase agreements	-	-	2,047,261	2,047,261	828,677
Net pension liability	2,076,358	2,818,990	1,411,581	6,306,929	2,303,136
Total OPEB liability	1,321,650	1,794,353	898,504	4,014,507	1,466,001
Total noncurrent liabilities	<u>10,496,981</u>	<u>33,578,259</u>	<u>4,357,346</u>	<u>48,432,586</u>	<u>4,597,814</u>
Total liabilities	<u>14,882,613</u>	<u>42,622,300</u>	<u>6,707,157</u>	<u>64,212,070</u>	<u>12,750,198</u>

Proprietary Funds
Statement of Net Position (Continued)

December 31, 2023

	Enterprise Funds			Total	Governmental Activities
	Water Utility	Wastewater Utility	Nonmajor Enterprise		Proprietary Internal Service
Deferred inflows of resources					
Unamortized gain on refunding	612,446	-	-	612,446	-
Deferred inflows related to pensions	108,455	147,245	73,731	329,431	120,300
Deferred inflows related to OPEB	601,493	816,624	408,916	1,827,033	667,188
Total deferred inflows of resources	<u>1,322,394</u>	<u>963,869</u>	<u>482,647</u>	<u>2,768,910</u>	<u>787,488</u>
Net position					
Net investment in capital assets	45,626,595	104,233,971	20,088,330	169,948,896	2,671,148
Restricted:					
Customer repair and deposit	1,342,137	3,193,917	-	4,536,054	-
Cash with fiscal agent	-	-	-	-	-
Bond reserve	1,470,040	3,871,800	-	5,341,840	-
Operating reserve	3,007,946	5,731,458	-	8,739,404	-
Capital outlay	2,665,897	4,406,002	1,441,898	8,513,797	-
Unrestricted	11,919,160	33,979,633	3,689,672	49,588,465	13,417,574
Total net position	<u>\$ 66,031,775</u>	<u>\$ 155,416,781</u>	<u>\$ 25,219,900</u>	<u>\$ 246,668,456</u>	<u>\$ 16,088,722</u>

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2023

	Enterprise Funds				Governmental
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	Activities Proprietary Internal Service
Operating revenues					
Metered revenue	\$ 15,026,734	\$ 43,100,811	\$ -	\$ 58,127,545	\$ -
Convention fees	-	-	3,873,134	3,873,134	-
Fire protection revenue	3,121,427	-	-	3,121,427	-
Licenses and permits	-	-	2,099,002	2,099,002	-
Interest and penalty charges	102,349	628,806	-	731,155	-
Parking fees	-	-	1,035,542	1,035,542	-
Solid waste fees	-	-	7,622,504	7,622,504	-
Employee/employer contributions	-	-	-	-	31,190,016
Charges for sales and services	-	-	-	-	8,928,541
Water leak insurance revenue	1,101,979	-	-	1,101,979	-
Charges to other funds	1,633,074	401,592	70,842	2,105,508	160,000
Other	937,395	594,562	310,076	1,842,033	1,352,958
Total operating revenues	<u>21,922,958</u>	<u>44,725,771</u>	<u>15,011,100</u>	<u>81,659,829</u>	<u>41,631,515</u>
Operating expenses					
Personnel services	5,765,034	8,066,235	4,299,825	18,131,094	6,127,944
Materials and supplies	1,224,368	3,992,835	2,251,446	7,468,649	7,634,932
Contractual services	9,063,717	9,810,343	6,621,959	25,496,019	9,035,895
Insurance claims and premiums	-	-	-	-	19,162,359
General and administration	2,848,061	6,169,511	3,788,489	12,806,061	719,056
Depreciation	1,751,717	7,507,989	1,740,250	10,999,956	111,880
Total operating expenses	<u>20,652,897</u>	<u>35,546,913</u>	<u>18,701,969</u>	<u>74,901,779</u>	<u>42,792,066</u>
Operating income (loss)	<u>1,270,061</u>	<u>9,178,858</u>	<u>(3,690,869)</u>	<u>6,758,050</u>	<u>(1,160,551)</u>
Nonoperating revenues (expenses)					
Investment income	1,015,895	2,232,591	201,062	3,449,548	970,854
Hotel/motel tax revenues	-	-	1,769,855	1,769,855	-
Interest expense	(398,802)	(976,061)	(132,332)	(1,507,195)	(65,601)
(Loss) gain on sale of assets	1,472	18,308	-	19,780	-
Total nonoperating revenues (expenses)	<u>618,565</u>	<u>1,274,838</u>	<u>1,838,585</u>	<u>3,731,988</u>	<u>905,253</u>
Income (loss) - Before contributions and transfers	<u>1,888,626</u>	<u>10,453,696</u>	<u>(1,852,284)</u>	<u>10,490,038</u>	<u>(255,298)</u>
Capital contributions - Other capital contributions	-	293,000	8,636	301,636	-
Transfers in	134,865	201,195	527,035	863,095	-
Transfers out	<u>(1,606,468)</u>	<u>(4,489,126)</u>	<u>-</u>	<u>(6,095,594)</u>	<u>-</u>
Change in net position	417,023	6,458,765	(1,316,613)	5,559,175	(255,298)
Net position - Beginning of year	<u>65,614,752</u>	<u>148,958,016</u>	<u>26,536,513</u>	<u>241,109,281</u>	<u>16,344,020</u>
Net position - End of year	<u>\$ 66,031,775</u>	<u>\$ 155,416,781</u>	<u>\$ 25,219,900</u>	<u>\$ 246,668,456</u>	<u>\$ 16,088,722</u>

	Enterprise Funds			Total	Governmental
	Water Utility	Wastewater Utility	Nonmajor Enterprise		Activities Proprietary Internal Service Fund
Cash flows from operating activities					
Receipts from customers and users	\$ 20,071,442	\$ 44,206,850	\$ 15,368,331	\$ 79,646,623	\$ 1,637,191
Receipts from interfund services and reimbursements	1,603,772	1,015	411	1,605,198	39,888,973
Payments to suppliers	(10,434,375)	(14,162,987)	(8,611,134)	(33,208,496)	(35,469,253)
Payments to employees	(6,016,172)	(6,781,516)	(5,283,988)	(18,081,676)	(5,528,706)
Internal activity - payments to other funds	(2,848,061)	(6,169,527)	(2,336,419)	(11,354,007)	(719,422)
Internal activity - payments from other funds	96,985	348,475	70,842	516,302	-
Net cash provided by (used in) operating activities	<u>2,473,591</u>	<u>17,442,310</u>	<u>(791,957)</u>	<u>19,123,944</u>	<u>(191,217)</u>
Cash flows from noncapital financing activities					
Transfers to other funds	134,865	201,195	527,035	863,095	-
Transfers to other funds	(1,606,468)	(4,489,126)	-	(6,095,594)	-
Hotel/motel tax	-	-	1,769,855	1,769,855	-
Net cash (used in) provided by noncapital financing activities	<u>(1,471,603)</u>	<u>(4,287,931)</u>	<u>2,296,890</u>	<u>(3,462,644)</u>	<u>-</u>
Cash flows from capital and related financing activities					
Proceeds from capital debt issued for future capital purchase	-	-	1,225,000	1,225,000	811,531
Proceeds from capital grant	-	293,000	8,636	301,636	-
Proceeds from sales of capital assets	1,472	18,308	-	19,780	-
Purchase of capital assets	(694,218)	(53,306)	(53,433)	(800,957)	(642,934)
Principal paid on capital debt and financed purchase agreements	(1,045,513)	(6,420,000)	(932,904)	(8,398,417)	(825,934)
Interest paid on capital debt and financed purchase agreements	(354,962)	(1,074,541)	(48,961)	(1,478,464)	(57,726)
Debt service charge	(1,200)	(2,050)	-	(3,250)	-
Net cash (used in) capital and related financing activities	<u>(2,094,421)</u>	<u>(7,238,589)</u>	<u>198,338</u>	<u>(9,134,672)</u>	<u>(715,063)</u>
Cash flows from investing activities					
Interest received on investments	1,000,064	2,177,037	196,143	3,373,244	948,658
Proceeds from sale and maturities of investment securities	(1,698,125)	(3,685,382)	(216,476)	(5,599,983)	(444,999)
Net cash provided by (used in) investing activities	<u>(698,061)</u>	<u>(1,508,345)</u>	<u>(20,333)</u>	<u>(2,226,739)</u>	<u>503,659</u>
Net increase (decrease) in cash and cash equivalents	<u>(1,790,494)</u>	<u>4,407,445</u>	<u>1,682,938</u>	<u>4,299,889</u>	<u>(402,621)</u>
Cash and cash equivalents - beginning of year	<u>20,857,440</u>	<u>37,639,107</u>	<u>5,211,848</u>	<u>63,708,395</u>	<u>10,373,823</u>
Cash and cash equivalents - end of year	<u>\$ 19,066,946</u>	<u>\$ 42,046,552</u>	<u>\$ 6,894,786</u>	<u>\$ 68,008,284</u>	<u>\$ 9,971,202</u>

Proprietary Funds
Statement of Cash Flows (Continued)
For the Year Ended December 31, 2023

	Enterprise Funds				Governmental Activities Proprietary Internal Service Fund
	Water Utility	Wastewater Utility	Nonmajor Enterprise	Total	
Classification of cash and cash equivalents					
Cash and investments	\$ 14,622,505	\$ 36,270,310	\$ 4,696,362	\$ 55,589,177	\$ 22,356,073
Restricted cash and investments	8,653,723	17,438,366	4,372,801	30,464,890	17,087
Less amounts classified as investments	(4,209,282)	(11,662,124)	(2,174,377)	(18,045,783)	(12,401,958)
Total cash and cash equivalents	<u>\$ 19,066,946</u>	<u>\$ 42,046,552</u>	<u>\$ 6,894,786</u>	<u>\$ 68,008,284</u>	<u>\$ 9,971,202</u>
Reconciliation of operating income (loss) to net cash from operating activities					
Operating income (loss)	1,270,061	9,178,858	(3,690,869)	6,758,050	(1,160,551)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	1,751,714	7,507,989	1,740,250	10,999,953	111,880
(Increase) decrease in assets					
Receivables	(210,963)	(252,563)	316,584	(146,942)	(70,534)
Due from other funds	388	1,015	6,664	8,067	-
Inventory	(531,630)	(188,212)	(106,776)	(826,618)	(266,030)
Prepaid expenses and other assets	2,910	1,575	(21,249)	(16,764)	211,891
Increase (decrease) in liabilities					
Accounts payable	(265,001)	486,383	948,530	1,169,912	(795,894)
Taxes payable	(1,448)	(4,882)	(11,306)	(17,636)	550
Due to other funds	-	(16)	6,595	6,579	(366)
Accrued payroll payable	28,326	30,539	39,116	97,981	62,384
Compensated absences payable	(3,451)	(694)	(8,105)	(12,250)	16,218
Customer deposits	(7,469)	135,234	21,842	149,607	-
Other current payables	-	(6,567)	(207,140)	(213,707)	-
Estimate of unfiled claims	-	-	-	-	1,350,092
(Increase) decrease in deferred outflows of resources					
Pension items	(107,381)	(132,493)	(44,150)	(284,024)	(77,015)
OPEB items	(131,903)	(175,199)	(81,251)	(388,353)	(134,022)
Increase (decrease) in net pension liabilities	168,343	194,548	40,654	403,545	79,063
Increase (decrease) in OPEB liability	407,313	536,698	241,544	1,185,555	400,206
Increase (decrease) in deferred inflows of resources					
Pension items	(49,545)	(70,082)	(39,794)	(159,421)	(63,873)
OPEB items	153,327	200,179	86,904	440,410	144,784
Total adjustments	<u>1,203,530</u>	<u>8,263,452</u>	<u>2,898,912</u>	<u>12,365,894</u>	<u>969,334</u>
Net cash provided by (used in) operating activities	<u>\$ 2,473,591</u>	<u>\$ 17,442,310</u>	<u>\$ (791,957)</u>	<u>\$ 19,123,944</u>	<u>\$ (191,217)</u>
Noncash investing, capital, and financing activities					
Capital assets acquired through financed purchases	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets disposed (at cost)	-	(207,000)	-	(207,000)	(20,471)
Capital assets transferred from/to another fund (cost)	-	-	-	-	-
Capital asset contribution	-	293,000	8,636	301,636	-
Work in progress completed transferred to capital assets	-	-	-	-	-
Accumulated depreciation on disposals of capital assets	-	207,000	-	207,000	20,471
Accumulated depreciation on transfers of capital assets	-	-	-	-	-

Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2023

	Pension Trust Funds	Custodial Funds
Assets		
Cash and cash equivalents	\$ 412,228	\$ 271,754
Investments:		
U.S. Treasuries	68,013	-
U.S. Government Agency Securities	413,428	-
Tax-Exempt Municipal Bonds	889	-
Receivables - Interest	2,808	-
Total assets	897,366	\$ 271,754
Liabilities		
Accounts payable	182	24,490
Customer deposits payable	-	(736,702)
Police distribution payable	-	983,966
Total liabilities	182	\$ 271,754
Net position restricted for pensions	\$ 897,184	

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2023

	Pension Trust Funds	Custodial Funds
Additions		
Investment income (loss) - Interest and dividends	\$ 39,989	\$ -
Police asset seizures	-	74,931
Contributions:		
On behalf	10,048,122	-
Other	2,166	-
Total contributions	10,050,288	-
Customer deposits	-	6,142,001
Total additions	10,090,277	6,216,932
Deductions		
Benefit payments	10,103,848	-
Police distributions	-	139,882
Police distributions payable	-	(64,951)
Customer deposits distributed	-	6,142,001
Customer deposits payable	-	-
Administrative expenses	50,119	-
Total deductions	10,153,967	6,216,932
Net (decrease) increase in net position	(63,690)	-
Net position - Beginning of year	960,874	-
Net position - End of year	\$ 897,184	\$ -

December 31, 2023

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The City of South Bend (the "City") was established under the laws of the State of Indiana and operates under a Council-Mayor form of government. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The component units discussed below are included in the primary government's reporting entity because of the significance of their operational or financial relationships with the primary government. Blended component units, although legally separate entities are in substance part of the government's operations and exist solely to provide services for the government; data from these units is combined with data of the primary government. Discretely presented component units are involved in activities of an operational nature independent from the primary government; their transactions are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

Component Units and Related Organizations

Blended Component Units

The City's financial statements contain four blended component units:

- The South Bend Redevelopment Authority is a significant blended component unit of the City. Although it is legally separate from the City, the Redevelopment Authority is reported as if it were part of the City because its sole purpose is to finance and construct land, building, and other improvements for use by the City.
- The City of South Bend Building Corporation is a legally separate nonprofit corporation and a significant blended component unit of the City. The Building Corporation is reported as if it were part of the City because its main purpose is to finance construction and remodeling of City buildings. Debt of the Building Corporation is repaid through lease payments from the City.
- The Urban Enterprise Association of South Bend ("UEA") is a legally separate nonprofit corporation, which is reported as if it were a part of the City because the City is the sole corporate member. The UEA exists exclusively to benefit the City through a variety of economic development programs. Additionally, the City appoints the majority of its governing board, and the organization is staffed by City staff members through a management agreement.
- The Venues Parks & Arts Foundation ("VPA Foundation") is a legally separate nonprofit corporation, which is reported as if it were a part of the City. The VPA Foundation exists solely to raise money through donations and grants for the City.

Financial statements for any of the City's blended component units are available at the City Controller's Office, City of South Bend, 227 West Jefferson, 12th Floor County-City Building, South Bend, Indiana 46601.

Discretely Presented Component Unit

The South Bend Public Transportation Corporation ("Transpo") is a discretely presented component unit in these financial statements. Although the City does not have operational responsibility for Transpo, and no financial benefit or burden accrues to the City due to Transpo's operations, Transpo is nonetheless fiscally dependent on the City, per the following relationship:

Note 1 – Summary of Significant Accounting Policies (Continued)

Pursuant to Indiana law, Transpo is required to submit its proposed budget and tax levy to the Common Council of the City of South Bend for adoption. Specifically, Indiana Code § 6-1.1-17-20 requires that Transpo, as a political subdivision governed by a majority of unelected officials, submit its proposed budget and property tax levy to the Common Council of the City of South Bend. Pursuant to Indiana Code § 6-1.1-17-20(e), the Common Council of the City of South Bend is required to review Transpo's budget and proposed tax levy and adopt a final budget and tax levy for Transpo. The Common Council of the City of South Bend may reduce or modify, but may not increase, the proposed budget or tax levy.

Because Transpo does not have the ability to complete the above essential events without substantive approval from the South Bend Common Council, it is fiscally dependent upon the City of South Bend, and the City of South Bend is financially accountable for Transpo. Transpo is therefore a component unit of the City of South Bend.

The financial statements of Transpo, including all note disclosures, may be obtained from its offices as follows:

South Bend Public Transportation Corporation
1401 S Lafayette Blvd
South Bend, IN 46613

Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations generally does not extend far beyond making the appointments. The mayor and the Common Council appoint the board members of the South Bend Housing Authority, St. Joseph County Housing Consortium, and the Saint Joseph County Board of Managers for Hotel-Motel Tax.

Accounting and Reporting Principles

The City follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the City.

Basis of Presentation

Governmental accounting principles require that financial reports include two different perspectives: the government-wide perspective and the fund-based perspective.

Government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements.

The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual basis of presentation found in the fund-based statements. The primary government is reported separately from the single

Note 1 – Summary of Significant Accounting Policies (Continued)

discretely presented component unit 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 revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Except for interfund activity and balances between the funds that underlie governmental activities and the funds that underlie business-type activities, the effect of interfund activity has been eliminated from these statements.

Fund Financial Statements

The City accounts for its various activities in several different funds in order to demonstrate accountability for how we have spent certain resources; separate funds allow us to show the particular expenditures for which specific revenue was used. The various funds are aggregated into three broad fund types:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, and capital project funds. The City reports the following funds as “major” governmental funds:

- The General Fund is the primary operating fund because it accounts for all financial resources used to provide government services other than those specifically assigned to another fund.
 - As in prior years, the City has determined that the neither the Rainy Day fund nor the Local Income Tax Certified Shares fund met the requirements of a special revenue fund. Therefore, both are reported within the General Fund.
- The Parks and Recreation Fund is used to account for the operation of the City parks system. Financing is provided by a specific annual property tax levy to the extent that user fees and miscellaneous revenues are insufficient to provide such financing.
- The Local Income Tax – Public Safety Fund is used to account for the City's share of the public safety portion of the local income tax. Expenditures are restricted to public safety.
- The Local Income Tax – Economic Development Fund is to account for the City's share of the economic development portion of the local income tax. Expenditures include economic development and any lawful purpose of the City.
- The American Rescue Plan Fund is used to account for the receipt and expenditures of the funds that the City received from the American Rescue Plan Act of 2021. As a part of this legislation, Congress allocated \$350 billion to state, local, territorial and Tribal governments to respond to the COVID-19 pandemic, provide economic relief, and lay the foundation for a strong and equitable recovery.
- The River West TIF (Tax Increment Financing) Fund is used to account for public improvement projects in the river west economic development area. Financing is provided

Note 1 – Summary of Significant Accounting Policies (Continued)

by property tax proceeds in excess of those attributable to the assessed value of property in the district before redevelopment.

Proprietary Funds

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the City). The City reports the following funds as “major” enterprise funds:

- The Water Utility Fund accounts for the operation of the City's water distribution system.
- The Wastewater Utility Fund accounts for the operation of the City's wastewater treatment plant, pumping stations, and collection systems.

The City's internal service funds are used to account for various City liability coverage, employee medical coverage, police officers' take-home vehicle, innovation & technology/311 call center, unemployment claims, parental leave program, and central services such as fuel, vehicle repairs, and various supplies provided to other departments on a cost-reimbursement basis. The activities are accounted for on a full accrual basis, so that the full costs are recognized and allocated to the various funds in the year that the costs are incurred.

Fiduciary Funds

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts will not be used to operate our government's programs. Activities that are reported as fiduciary include the following:

- The pension trust funds account for the activities of the 1925 Police and 1937 Fire Pension Funds which accumulate resources for pension benefit payments.
- The custodial funds accounts for assets held by the City for assets seized by the South Bend Police Department during their normal operations as well as for customer deposits held on behalf of promoters at the Morris Performing Arts Center. The City is compelled to disburse the resources upon receiving so all amounts are recorded as a liability.

Interfund Activity

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

- Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.
- Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out.

Note 1 – Summary of Significant Accounting Policies (Continued)

Basis of Accounting

Full Accrual Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Modified Accrual Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources.

- Revenue is recognized when it is both measurable and available. Revenues are considered available if they are collected during the fiscal year, or collected soon enough after the end of the year, that they are available to pay for obligations outstanding at the end of the year. For this purpose, the City considers amounts collected within 60 days of year end to be available for recognition.
- Expenditures are reported when the goods are received or the services are rendered.
 - Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future.
 - Conversely, liabilities that will be funded in the future (such as pension and retiree healthcare related costs, debt obligations, and employee vacation pay) are not recorded as expenditures until they come due for payment.

Elements of the Statement of Net Position

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Investments

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

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. A “nonparticipating” instrument is one that does not recognize market fluctuations in its valuation.

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.

Open-end mutual funds and money market investments are reported at fair value.

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

Note 1 – Summary of Significant Accounting Policies (Continued)

in the operating statement.

Inventories and Prepaid Items

Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in government-wide, proprietary fund, internal service fund financial statements.

Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Restricted assets also include customer deposits, operating reserves, capital outlay accounts, and debt service reserve funds.

Capital Assets

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

- Capital assets are recorded at historical cost or estimated historical cost.
- Donated capital assets are recorded at estimated acquisition value at the date of donation.
- The City has implemented retroactive reporting of its infrastructure as of December 31, 2006.
- For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.
- All land purchases are capitalized regardless of acquisition price. Land is never depreciated.
- The City has implemented the requirements of GASB Statement No. 87 and determined that there were no assets that met the definition of a lease under the new standard.
- Major outlays for capital assets and improvements are capitalized when projects have completed the construction phase. The City has implemented the requirements in GASB Statement No. 89, and no interest was capitalized during the construction of capital assets of business-type activities.
- Infrastructure, intangibles, buildings, equipment, roads, and vehicles are depreciated using the straight line method over the following useful lives:

Capital Asset Class	Capitalization Threshold	Useful Lives (in years)
Buildings and improvements	\$ 100,000	20 - 30
Large office equipment	10,000	5 - 10
Vehicles and other equipment	10,000	5 - 20
Roads – collectors and residential	250,000	40 - 50
Utilities infrastructure (large)	250,000	30 - 99

Long-term Obligations

In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund-type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the

Note 1 – Summary of Significant Accounting Policies (Continued)

effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances as an “other financing source,” as well as bond premiums and discounts. Net position restricted for debt service and for capital outlay shown in the business-type activities and in the enterprise funds are restricted pursuant to state statute and/or local ordinance.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

The City has three items that qualify for reporting in this category: the deferred charge on refunding, deferred charges on pensions, and deferred charges on other post-employment benefits (OPEB) that are reported in the governmental activities statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources are recorded with respect to pensions per GASB Statement No. 68 and OPEB per GASB Statement No. 75.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

The City has four items that qualify for reporting in this category: an unamortized gain on a refunding transaction, deferred inflows related to pensions (per GASB Statement No. 68) and OPEB (per GASB Statement No. 75), and deferred inflows related to property taxes receivable. The deferred inflow related to property taxes results from property taxes that are levied prior to the end of the fiscal year, but will not be received or legally allowed to be spent until a subsequent fiscal year.

Flow Assumptions

Net Position Flow Assumption

The City will sometimes fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

The City will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to

Note 1 – Summary of Significant Accounting Policies (Continued)

consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

- Nonspendable fund balances include items that cannot be spent. This includes activity that is not in a spendable form (inventory, long-term portions of loans, property held for resale) and activity that is legally or contractually required to remain intact, such as principal balances in a permanent fund.
- Restricted fund balances have constraints placed upon the use of the resources either by an external party such as a grantor or creditor or imposed by law through constitutional provisions or enabling legislation.
- Committed fund balances can be used only for specific purposes pursuant to constraints imposed by a formal action by the South Bend Common Council or by the South Bend Redevelopment Commission. This formal action is the passage of an ordinance by the Council or resolution by the Commission specifying the purposes for which the funds can be used. The same type of formal action is necessary to remove or change the use. The South Bend Common Council is the highest level of authority for the non-TIF Funds. The South Bend Redevelopment Commission is the highest level of decision-making authority for the TIF Funds and certain other Redevelopment Commission-controlled funds.
- Assigned fund balances include amounts that are constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. For the governmental fund types other than the General Fund, this is the residual amount within the fund that is not restricted or committed. Currently, state statute does not require the City's Common Council to undertake any resolution regarding the assignment of fund balances. Assignments of fund balance are imposed by informal action of the City Controller. Formal action by a governing body is not required to assign fund balances.
- The unassigned fund balance is the residual amount of the General Fund not included in the four categories above. Only the General Fund may report a positive unassigned fund balance whereas other governmental funds may need to report a negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

Minimum Fund Balance Requirements

The fund balance policy proscribes the minimum fund balance as noted below. This is deemed to be the prudent amount to maintain the City's ability to meet obligations.

- General Fund: 50% of annual expenditures
- Local Income Tax-Economic Development: 50% of annual expenditures

Note 1 – Summary of Significant Accounting Policies (Continued)

- Water Works Operations: 5% of annual expenditures
- Wastewater Operations: 5% of annual expenditures
- Other: generally 25% of annual expenditures

The detail of the fund balance classifications of the governmental funds for the year ended December 31, 2023 can be found in Note 16.

Revenues and Expenses / Expenditures

Property Tax Revenue

Property taxes levied are collected by the County Treasurer and are usually distributed to the City in June and in December. State statute (IC § 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by December 31 of the prior year. These rates are based on the taxable valuation of property as of the preceding January 1. 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, at which time penalties and interest are assessed.

Property taxes levied not later than December 31 are recorded as a receivable at year-end, reduced by any amounts received prior to December 31 (if any) and an estimated allowance for uncollectible property taxes with an offset to deferred inflows of resources for the same amount. Property tax revenue is recognized in the year for which the taxes are levied, subject to the available and measurable criteria for property taxes reported in the fund financial statements.

Pension

The City offers several defined benefit pension plans to its employees. For each plan, the City records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring net pension liability in each plan, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the pension plans' fiduciary net position have been determined on the same basis as they are reported by the pension plans. 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.

Net pension liability, expenses and deferred inflows and outflows of resources for each plan are allocated between governmental activities and proprietary funds based on applicable salaries covered by each plan.

Other Postemployment Benefit Costs

The City offers post-employment healthcare benefits to retirees. For purposes of measuring the total OPEB liability in the government-wide financial statements, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense of the City of South Bend Retiree Healthcare Plan (SBRHP) have been determined on the same basis as they are reported.

OPEB liability, expense and deferred inflows and outflows of resources are allocated between governmental activities and proprietary funds based on applicable salaries.

Compensated Absences (Vacation and Sick Leave)

- **Sick Leave** - City employees earn sick leave at the rate of four to eight days per year, depending

Note 1 – Summary of Significant Accounting Policies (Continued)

upon employee classification and length of service.

- Police officers, teamsters, 40 hour-per-week firefighters, and all other employees earn eight sick days per year, regardless of tenure of service.
- Firefighters working 24-hour workdays with tenure greater than five years earn five days of sick leave per year, and firefighters working 24-hour workdays with tenure less than five years, earn four days of sick leave per year.
- Sick leave may accumulate to a maximum 90 days for police officers, 100 days for 40-hour-per-week firefighters, 38 days for 24-hour-per-day firefighters, 75 days for teamsters, and 65 days for all other employees.
- Accumulated sick leave is paid to firefighters and police officers upon termination of employment depending upon the number of sick leave hours transacted, at a rate of 50% to 100% of the base hourly rate of pay for firefighters and at a rate of one-half the first class patrolman rank rate of pay for police officers. Accumulated sick leave is paid to teamster employees, upon retirement, at a rate of 50% of the employee's base regular rate of pay.
- Sick leave buy-back during employment is paid to firefighters and police officers annually upon request. Upon request, firefighters are paid unused sick days earned in the previous year in excess of 252 hours in the sick day bank at the base hourly rate of pay. Upon request, police officers are paid up to a maximum eight unused sick days at the first class patrolman rate of pay.
- **Vacation Leave** - Primary government employees earn vacation leave at rates from 10 days to 28 days based upon hire date, years of service, and employee classification.
 - Vacation leave does not accumulate from year to year for police officers, firefighters, and teamster employees. Non-bargaining employees carry over to the following year unused vacation time up to a maximum of 160 hours.
 - Unused vacation leave is paid to employees upon termination of employment.
 - Firefighters may sell back vacation leave, up to a maximum three days per year, during selected times of the year, at the employee's normal hourly rate of pay.
- **Personal Leave**
 - City police officers earn personal leave at the rate of seven days per year, and have the opportunity to earn an additional three days leave with participation in regularly scheduled police practice shooting exercises. Police officers' personal leave does not accumulate from year to year.
 - City employees under the teamster contract can use up to four days of their sick leave for personal leave. Personal leave of absence may be available for certain personal, family, and medical reasons when other forms of leave have been exhausted or otherwise not available.
 - Leaves of absences are unpaid although employees may use accrued vacation, sick, and comp time. A leave of absence may not exceed 30 calendar days, however an employee facing exceptional circumstances may seek an additional 30 calendar day leave of absence subject to approval by the department and HR department. Employees who are enrolled in the City's insurance plans will be covered during the initial leave of absence, but benefit time, such as vacation and sick time, will not accrue during this period. While every effort will be made to retain employment

Note 1 – Summary of Significant Accounting Policies (Continued)

opportunities for an individual during this time, there is no guarantee of employment at the completion of personal leave of absence.

• **Compensatory Leave**

- City firefighters can elect to receive compensation for overtime hours worked either through wage payment or compensatory time off work up to a maximum of 240 hours.
- All other non-exempt employees working overtime hours earn compensatory time off up to a maximum balance of 36 hours, after which they are paid overtime wage.
- All exempt employees working overtime hours earn compensatory time up to a maximum of 160 hours.

Unused vacation leave for all City employees, and unused sick leave and compensatory leave of firefighters, police officers, and teamsters, is accrued when incurred and reported as a liability in the statement of net position. Amounts due and payable at year end are included in the proprietary fund statements. A liability for these amounts is reported in governmental funds only for employee terminations as of year-end.

Proprietary Funds Operating Classification

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 Water and Wastewater Utility Funds, nonmajor proprietary funds, and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Use of Estimates

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

Upcoming Accounting Pronouncements

The following pronouncements issued by the GASB will be effective and/or are anticipated to be reflected in the City's financial statements for the year ending December 31, 2024:

- GASB Statement No. 101, Compensated Absences:
 - Aligns and clarifies the situations in which compensated absences liabilities must be recognized and updates compensated absences disclosure requirements.
- GASB Statement No. 100, Accounting Changes and Error Corrections:
 - Amends GASB Statement No. 62 to update and align requirements for reporting changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity. Includes requirements for disclosures and presentation within required supplemental information.
- GASB Statement No. 99, Omnibus 2022 (for requirements related to financial guarantees

Note 1 – Summary of Significant Accounting Policies (Continued)

and the classification and reporting of derivative instruments within the scope of Statement 53)

Note 2 – Stewardship, Compliance, and Accountability

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. Annual budgets are adopted for the following governmental funds.

Major governmental funds

- General Fund
- Special Revenue Funds - Park and Recreation, Local Income Tax-Public Safety, Local Income Tax-Economic Development, American Rescue Plan
- Capital Projects Fund - River West TIF

Nonmajor governmental funds:

- Special Revenue Funds - Motor Vehicle Highway, Studebaker Oliver Revitalization Grants, Economic Development State Grants, DCI Operating, DCI Federal Grants, Police State Seizure, Gift Donation Bequest, Unsafe Building, Law Enforcement Continuing Education, Rental Units Regulation, Loss Recovery Fund, Code Enforcement, Local Road and Street, LOIT 2016 Special Distribution, Human Rights Federal Grants, COVID-19 Response, Local Road and Bridge Grant, MVH Restricted, Hazmat, Indiana River Rescue, COPS MORE Grant, Federal Drug Enforcement, Urban Development Action Grant, Leaf Collection and Removal, City Cemetery, Bowman Cemetery, Industrial Revolving Fund
- Debt Service Funds - 2003 Redevelopment Bond - Airport Taxable, 2003 Redevelopment Bond - Palais Royale, 2015 Smart Streets Bond Debt Service, 2015 Park Bond Debt Service, 2017 Park Bond Debt Service, 2017 Eddy St. Commons Bond Debt Service, 2018 Fire Station #9 Bond Debt Service, 2018 TIF Park Bond Debt Service Reserve, 2019 South Shore Double Tracking Bond Debt Service, 2020 TIF Library Bond Debt Service Reserve, Century Center Energy Conservation Debt Service, Redevelopment Authority Debt Service, South Bend Building Corporation Debt Service
- Capital Projects Funds – Fire Department Capital, Coveleski Stadium Capital, Cumulative Capital Development, Cumulative Capital Improvement, Major Moves, Professional Sports Convention Development Area, Morris Performing Arts Center Capital, Redevelopment General, TIF West Washington, TIF River East Development, TIF Southside Development Area No. 1, TIF Douglas Road, TIF River East Residential, Certified Technology Park, Palais Royale Historic Preservation, 2022 Zoo Bond Capital, Airport Urban Enterprise Zone, 2023 RDA Lease-Rental Bond Capital, 2017 Park Bond Capital, 2017 Eddy St. Commons Bond Capital, 2018 Fire Station #9 Bond Capital, 2018 TIF Park Bond Capital, 2021

Note 2 – Stewardship, Compliance, and Accountability

Infrastructure Bond Capital

Note 2 – Stewardship, Compliance, and Accountability (Continued)

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

The City's management cannot transfer budgeted appropriations between funds, departments, divisions, or cost categories (Personnel, Supplies, Services, or Capital) without approval of the Common Council. The Department of Local Government Finance must approve any revisions to the appropriations for any controlled fund or any department of the General Fund. The legal level of budgetary control is by fund, department, division and cost classification (Personnel, Services, Supplies, and Capital).

Budgetary Excess of Expenditures over Appropriations

Expenditures did not exceed appropriations for any funds or any departments within the General Fund, the Parks and Recreation Fund, the Local Income Tax-Public Safety Fund, the Local Income Tax-Certified Shares Fund, the Local Income Tax-Economic Development Fund, the American Rescue Plan Fund, or any other major or nonmajor governmental fund which required legally approved budgets.

Fund Deficits

As of December 31, 2023, the following funds reported a deficit in fund equity: Economic Development State Grants (\$134,586), and COVID-19 Response (\$112,041). These funds account for a variety of grants, some of which are paid on a reimbursement basis. This, plus expenditures awaiting a future funding source, accounts for the current fund deficit. This deficit will be repaid from future revenue.

Note 3 – Deposits and Investments

Allowable Investments

In accordance with Indiana Code 5-13-9, the City of South Bend Common Council has authorized investment 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. The maturity on these investments may not exceed five (5) years, and at least 75% of the City's investment portfolio must have a maturity of two (2) years or less.

In accordance with state law, the Common Council has also authorized investment in money market mutual funds that are in the form of securities of, or interest in, an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual

Note 3 – Deposits and Investments

funds may not exceed 50% of the funds held by the City and available for investment.

The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by the federal agency, a federal

Note 3 – Deposits and Investments (Continued)

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 & Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

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

Finally, the City may invest in municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, or a unit of government, municipal corporation, or special taxing district in Indiana, if the issuer has not defaulted on any of the issuer's obligations within the twenty (20) years preceding the date of the purchase.

Deposit and Investment Risks

The City's cash and investments are subject to several types of risk:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Indiana Code § 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if that institution is a depository eligible to receive state funds and has a principal office or branch that qualifies to receive public funds of the political subdivision.

All City bank balances are insured by either the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories. As such, the City has not formally adopted a deposit policy for custodial credit risk.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk.

At year end, \$117,336,032 in U.S. Treasuries and U.S. Government Agency Securities holdings was uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the City's name.

Note 3 – Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City must follow state statute and limit the stated final maturities of the investments to no more than five years. The City does not have a formal investment policy for interest rate risk.

At year end, the City had the following investments and maturities:

Investment Type	Fair Value	Maturity		
		Less than One Year	One to Two Years	More than Two Years
Time Deposits	\$ 62,377,056	\$19,152,450	\$39,242,146	\$ 3,982,460
U.S. Treasuries	58,422,830	44,584,850	13,837,980	-
U.S. Government Agency Securities	58,913,203	39,213,460	7,207,803	12,491,940
Total	\$179,713,089	\$102,950,760	\$60,287,929	\$16,474,400

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. government agency securities are implicitly guaranteed by the full faith and credit of the U.S. government and are recognized as one of the safest investments available. The City does not have a formal investment policy for credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. It is the City's practice to limit concentration of investments to no more than 10% of any institution's asset base. The government of the United States of America and United States of America governmental agency securities are exempt from this policy requirement.

Fair Value Measurements

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. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The City has the following recurring fair value measurements as of December 31, 2023:

The fair value of Time Deposits, U.S. Treasuries, and U.S. Government Agency securities of \$179,713,089 are valued using significant other observable inputs (Level 2 inputs). The City's Level 2 holdings are valued using a matrix pricing model with inputs from prices and yields of similar fixed income holdings.

Note 3 – Deposits and Investments (Continued)

Note 4 – Receivables

The following receivable accounts have timing and credit characteristics different from typical accounts receivable.

Loans Receivable

As of December 31, 2023, City funds recognized the following loan receivable balances. The schedule shows the total receivable and the portion that is not due within one year. These loans were for economic development projects:

	Receivable	Noncurrent
TIF River West	\$ 508,000	\$ 488,000
Nonmajor governmental funds:		
Community investment grants	117,779	91,867
Industrial revolving fund	12,198,888	9,854,867
Total nonmajor governmental funds	\$ 12,316,667	\$ 9,946,734

Note 5 – Net Investment in Capital Assets

The net investment in capital assets as of December 31, 2023 is calculated as follows:

	Governmental Activities	Business- type Activities	Total
Capital assets not subject to depreciation	\$40,035,182	\$3,970,161	\$44,005,343
Capital assets subject to depreciation - Net	250,653,552	209,229,101	459,882,653
Deferred outflows (capital related)	1,656,649	458,388	2,115,037
General obligations bonds payable-current	(290,000)	-	(290,000)
Revenue bonds payable - current	(10,092,408)	(6,860,000)	(16,952,408)
Mortgage bonds payable - current	(280,000)	-	(280,000)
Notes and loans payable - current	(309,315)	(26,373)	(335,688)
Financed purchase agreements payable-current	(5,130,399)	(909,744)	(6,040,143)
General obligations bonds payable-noncurrent	(13,494,064)	-	(13,494,064)
Revenue bonds payable - noncurrent	(134,169,964)	(35,919,745)	(170,089,709)
Mortgage bonds payable - noncurrent	(3,245,391)	-	(3,245,391)
Notes and loans payable - noncurrent	(2,169,315)	(144,144)	(2,313,459)
Financed purchase agreements payable-noncurrent	(11,126,768)	(2,047,261)	(13,174,029)
Deferred inflows (capital related)	(145,913)	(612,446)	(758,359)
Unspent debt proceeds	12,908,283	2,810,959	15,719,242
Net investment in capital assets	\$124,800,129	\$169,948,896	\$294,749,026

The business-type activities' unspent debt proceeds are financed purchase agreement proceeds, reported as restricted assets.

Notes to Financial Statements (continued)

December 31, 2023

Note 6 – Capital Assets

Capital asset activity of the City's governmental and business-type activities was as follows:

Governmental Activities

	Balance January 1, 2023	Additions / Transfers	Disposals / Transfers	Balance December 31, 2023
Governmental Activities				
Capital assets, non-depreciable				
Land	\$14,496,141	\$201,464	\$-	\$14,697,605
Construction in progress	19,667,573	21,066,726	(15,396,722)	25,337,577
Total capital assets, non-depreciable	<u>34,163,714</u>	<u>21,268,190</u>	<u>(15,396,722)</u>	<u>40,035,182</u>
Capital assets, depreciable				
Buildings	\$148,814,102	\$2,085,319	\$(51,477)	\$150,847,944
Improvements other than buildings	50,031,890	5,331,316	(156,713)	55,206,493
Machinery and equipment	55,962,055	8,324,985	(711,647)	63,575,393
Roads and other infrastructure	496,419,566	13,985,760	(305,667)	510,099,659
Subtotal	<u>751,227,613</u>	<u>29,727,379</u>	<u>(1,225,504)</u>	<u>779,729,489</u>
Less accumulated depreciation for:				
Buildings	\$67,181,604	\$3,976,140	\$-	\$71,157,743
Improvements other than buildings	16,415,602	2,007,592	-	18,423,194
Machinery and equipment	44,152,792	3,561,692	(711,647)	47,002,838
Roads and other infrastructure	379,290,962	13,201,201	-	392,492,163
Subtotal	<u>507,040,960</u>	<u>22,746,625</u>	<u>(711,647)</u>	<u>529,075,937</u>
Net capital assets, depreciable	<u>244,186,654</u>	<u>6,980,754</u>	<u>(513,857)</u>	<u>250,653,552</u>
Total governmental activities capital assets, net	<u>\$278,350,367</u>	<u>\$28,248,944</u>	<u>\$(15,910,579)</u>	<u>\$290,688,734</u>

Business-type Activities

	Balance January 1, 2023	Additions / Transfers	Disposals / Transfers	Balance December 31, 2023
Business-type Activities				
Capital assets, non-depreciable				
Land	\$2,586,613	\$-	\$-	\$2,586,613
Construction in progress	7,955,682	587,317	(7,159,451)	1,383,548
Total capital assets, non-depreciable	<u>10,542,295</u>	<u>587,317</u>	<u>(7,159,451)</u>	<u>3,970,161</u>
Capital assets, depreciable				
Buildings	\$90,274,609	\$4,314	\$-	\$90,278,923
Improvements other than buildings	27,112,178	49,121	-	27,161,299
Machinery and equipment	43,592,444	5	(207,000)	43,385,449
Roads and other infrastructure	243,237,499	7,319,657	-	250,557,156
Subtotal	<u>404,216,730</u>	<u>7,373,097</u>	<u>(207,000)</u>	<u>411,382,827</u>
Less accumulated depreciation for:				
Buildings	\$45,322,449	\$1,952,494	\$-	\$47,274,943
Improvements other than buildings	13,541,842	1,243,715	-	14,785,557
Machinery and equipment	31,935,079	2,768,656	(207,000)	34,496,735
Roads and other infrastructure	100,561,400	5,035,091	-	105,596,491
Subtotal	<u>191,360,771</u>	<u>10,999,956</u>	<u>(207,000)</u>	<u>202,153,726</u>
Net capital assets, depreciable	<u>212,855,960</u>	<u>(3,626,859)</u>	<u>-</u>	<u>209,229,101</u>
Total business-type activities capital assets, net	<u>\$223,398,254</u>	<u>\$(3,039,542)</u>	<u>\$(7,159,451)</u>	<u>\$213,199,262</u>

Note 6 – Capital Assets (Continued)

Depreciation

Accumulated depreciation additions shown in the two schedules above include depreciation expense and also include accumulated depreciation on assets transferred from other funds. Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities:

General government	\$314,236
Public safety	3,264,776
Highways and streets, and other general infrastructure	14,418,649
Culture and recreation	497,297
Economic development	4,139,788
Internal service funds	111,880

Total governmental activities depreciation expense	\$22,746,625
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Business-type Activities:

Water	1,751,717
Wastewater	7,504,031
Century Center	951,218
Building department	9,894
Parking garages	272,023
Solid waste	511,070

Total business-type activities depreciation expense	\$10,999,952
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Construction in Progress

The City has active construction projects at year end. As of December 31, 2023, the City's commitments with contractors are as follows:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Governmental activities:		
Governmental funds:		
Elbel Architectural	\$10,183	\$863
2022 VPA Athletic Court Renovations	1,514,001	(746,050)
2023 Curb & Sidewalks	361,175	341,026
2023 VPA Renovations	295,479	73,493
Byers Softball	36,860	119,206
Century Center Chiller	90,797	49,128
Century Center Gate	1,586	8,415
Century Center Kitchen	53,190	56,810
Century Center Restrooms	183,371	66,629
Century Center Water	10,840	14,160
Community Crossings	1,801,128	873,892
Custom Pumper Fire Trucks	560,240	1,014,316
Eddy & Howard Street Intersection Improvements	2,237,474	177,463
Fire Station #8 Renovations	315,213	1,606,605
Four Winds Field	762,953	16,113,710
Gravity Belt	101,240	350,730
Johnson Intersection	133,275	5,795
MLK Dream Center	1,608,918	14,670,914
Monroe Circle	1,462,747	187,424
New City Hall Renovations	93,846	156,417
Notre Dame Trail	218,741	5,348,991
Paving Projects Ongoing	5,363,147	747,644
Safe Routes Schools	1,578	143,870

Notes to Financial Statements (continued)

December 31, 2023

Note 6 – Capital Assets (Continued)

School Zone Safety	17,924	22,818
Seitz Park Reconstruction	6,894,124	1,922,706
The Hill	445,347	304,653
VPA Splashpads	250,828	111,234
Walker Field Restrooms	33,215	1,928,337
Water/Wastewater	478,160	47,299
Total - governmental activities	\$ 25,337,577	\$45,718,498
Business-type activities:		
Water Utility:		
Northwest Elevated Tank Improvements	1,383,548	2,141,645
	1,383,548	2,141,645
Total business-type activities	\$1,383,548	\$2,141,645
Total Construction in Progress	\$26,721,126	\$47,860,143

Note 7 – Interfund Receivables, Payables, and Transfers

Interfund Receivables & Payables

Interfund balances resulted from the time lag between the dates that (1) interfund loans are repaid, (2) interfund goods and services are provided or reimbursable expenditures occur, (3) transactions are recorded in the accounting system, and (4) payments between funds are made. The composition of interfund balances as of December 31, 2023 is as follows:

Receivable Fund	Payable Fund	Amount
General	Economic State Grants	79,650
	Code Enforcement	11,771
	Covid-19 Response	134,601
	Total General	226,022
Water Utility	General	\$3,024
	Parks & Recreation	2,150
	Local Income Tax-Economic Development	61
	Nonmajor governmental	555
	Wastewater Utility	2,331
	Nonmajor enterprise	1,405
	Internal service	156
	Total Water Utility	9,682
Wastewater Utility	General	5,923
	Parks & Recreation	4,404
	Local Income Tax-Economic Development	45
	Nonmajor governmental	1,138
	Nonmajor enterprise	2,520
	Internal service	428
	Total Wastewater Utility	14,458

Notes to Financial Statements (continued)

December 31, 2023

Note 7 – Interfund Receivables, Payables, and Transfers (Continued)

Receivable Fund	Payable Fund	Amount
Nonmajor enterprise	General	641
	Parks & Recreation	544
	Local Income Tax-Economic Development	54
	Nonmajor governmental	117
	Wastewater Utility	478
	Internal service	70
	Total Nonmajor enterprise	
Nonmajor governmental	General	13
	Parks & Recreation	12
	Local Income Tax-Economic Development	5
	Nonmajor enterprise	3
	Wastewater Utility	9
	Internal service	1
	Total Nonmajor governmental	43
	Total	\$253,100

Interfund Advances

The City has made the following advances between funds:

Receivable Fund	Payable Fund	Amount
Nonmajor governmental	Nonmajor governmental	\$642,076
	Total	<u>\$642,076</u>

The Major Moves Fund advanced funds to the TIF-River East Residential for project costs incurred to construct roads and a parking garage.

Interfund Transfers

Interfund transfers reported in the fund financial statements are comprised of the following:

Receiving Fund	Paying Fund	Amount
General Fund	Local Income Tax-Certified Shares	13,131,810
	Nonmajor Governmental	733,333
	Water Utility	1,606,468
	Wastewater Utility	4,489,126
	Total General Fund	
Parks and Recreation	General Fund	5,341,940
River West TIF	Nonmajor Governmental	8
Nonmajor governmental	General Fund	4,817,405
	Local Income Tax-Economic Development	8,029,012
	River West TIF	4,270,800
	Nonmajor Governmental	6,455,053
	Total Nonmajor governmental	23,572,270
Water Utility	General Fund	134,865
Wastewater Utility	General Fund	201,195
Nonmajor enterprise	General Fund	527,035
	Grand Total	49,738,050

Note 7 – Interfund Receivables, Payables, and Transfers (Continued)

The City typically uses transfers to fund ongoing operating subsidies into the General Fund, the Parks & Recreation Fund, and various nonmajor governmental funds.

Additionally, the City recognizes transfers of Payment in Lieu of Taxes (PILOT) payments from the Water and Wastewater utilities into the General Fund.

Note 8 – Financed Purchase Agreements

Leases as financing for purchases

The City has entered into various lease agreements as lessee for financing the purchase of various types of equipment.

Future minimum financed purchase agreement payments and present values of the net minimum payments under these financed purchase agreements as of December 31, 2023 are as follows:

Governmental Activities			
	Total to Be Paid	Principal	Interest
2024	\$ 5,582,753	\$ 5,130,399	\$ 452,354
2025	5,328,153	5,010,315	317,838
2026	3,531,656	3,363,708	167,948
2027	2,102,808	2,028,810	73,998
2028	739,562	723,935	15,627
	\$ 17,284,932	\$ 16,257,167	\$ 1,027,765
Business-Type Activities			
	Total to Be Paid	Principal	Interest
2024	\$ 980,623	\$ 909,744	\$ 70,879
2025	829,815	778,243	51,572
2026	752,584	719,791	32,794
2027	432,402	417,924	14,478
2028	133,855	131,303	2,552
	\$ 3,129,279	\$ 2,957,005	\$ 172,274

Note 9 – Long-term Obligations

Long-Term Obligations Summary

Long-term obligations activity for the year ended December 31, 2023 is summarized as follows:

Governmental Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation	\$ 14,705,000	\$ -	\$ (1,080,000)	\$ 13,625,000	\$ 290,000
Less unamortized (discounts)/premiums	181,850	-	(22,786)	159,064	-
Net - general obligation	14,886,850	-	(1,102,786)	13,784,064	290,000
Mortgage	4,485,000	-	(1,035,000)	3,450,000	280,000
Less unamortized (discounts)/premiums	83,551	-	(8,160)	75,391	-
Net - Mortgage	4,568,551	-	(1,043,160)	3,525,391	280,000
Revenue	118,110,198	29,155,000	(9,515,131)	137,750,067	10,092,408
Less unamortized (discounts)/premiums	3,381,919	3,943,353	(812,967)	6,512,305	-
Net - Revenue	121,492,117	33,098,353	(10,328,098)	144,262,372	10,092,408
Total bonds payable	140,947,518	33,098,353	(12,474,044)	161,571,827	10,662,408
Notes from direct borrowings payable	2,781,851	-	(303,221)	2,478,630	309,315
Financed purchase agreements	14,679,571	6,930,647	(5,353,051)	16,257,167	5,130,399
Subtotal	158,408,940	40,029,000	(18,130,316)	180,307,624	16,102,121
Accumulated compensated absences	4,985,725	5,545,109	(4,985,725)	5,545,109	5,545,109
Net pension liability	134,934,558	13,131,386	-	148,065,944	-
Total other post-employment benefits (OPEB) liability	22,811,289	231,663	-	23,042,952	-
Total governmental activities	\$321,140,512	\$58,937,158	\$(23,116,041)	\$356,961,629	\$21,647,231

Business-type Activities

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Bonds payable:					
Revenue	\$48,165,000	\$ -	\$(7,440,000)	\$40,725,000	\$6,860,000
Less unamortized (discounts)/premiums	2,473,747	-	(419,002)	2,054,745	-
Net - revenue	50,638,747	-	(7,859,002)	42,779,745	6,860,000
Financed purchase agreements	2,590,360	1,225,000	(858,355)	2,957,005	909,744
Notes from direct borrowings payable	196,030	-	(25,513)	170,517	26,373
Subtotal	53,425,137	1,225,000	(8,742,870)	45,907,267	7,796,117
Accumulated compensated absences	182,802	170,552	(182,802)	170,552	170,552
Net pension liability	5,903,385	403,544	-	6,306,929	-
Total other post-employment benefits (OPEB) liability	2,828,952	1,185,555	-	4,014,507	-
Total business-type activities	\$62,340,276	\$2,984,651	\$(8,925,672)	\$56,399,255	\$7,966,669

Total interest expense for the year was \$7,060,561. The City does not have any unused lines of credit.

Note 9 – Long-term Obligations (Continued)

Revenue Bonds

The City issues bonds to provide for the acquisition and construction of major capital facilities. Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets and to pay debt service.

Utility Revenue Bonds

The City has pledged future revenue, net of operating expenses, to repay water and wastewater utilities' bonds. Bond ordinances require monthly deposits of a portion of user fee revenue sufficient to meet requirements of the next principal, interest, and bank fiscal charge payment. Water and wastewater bond ordinances also require monthly deposits of user fee revenues over 60 months to produce a bond reserve equal to approximately the maximum annual debt service.

During 2023, the Water Utility paid \$1,400,474 in debt payments or approximately 6.38% of operating revenue. The Wastewater Utility paid \$7,494,540 in debt payments or approximately 16.75% of operating revenue.

Other Revenue Bonds

The City has pledged tax incremental financing revenue to meet tax incremental financing and Redevelopment Authority debt requirements.

Mortgage Bonds

The City issues bonds to provide for the acquisition and construction of major capital facilities. Bondholders of mortgage bonds have a claim on the real assets constructed or acquired with the bond proceeds, which the City puts up as collateral for the bond.

The City has pledged assets as collateral in each of the mortgage bonds issued below. Collateralized assets include the Central Police Station and Central Fire Station, and the City's Fire Training Center.

Events of Default

The bonds and direct borrowings of the City contain significant consequences for default. Default on the City's long-term debt is generally defined as one of the following: 1) Failure of the City to make payment on the due date; 2) Declaration of bankruptcy or insolvency by the City; 3) In the case of revenue bonds, the failure to apply collected pledged revenues; 4) In the case of mortgage bonds or revenue bonds secured by a leased asset, the placement of a lien on the underlying asset.

Nearly all of the City's bonds and direct borrowings contain a provision that, in the event of a default, the outstanding principal and any outstanding interest of the debt become immediately due. The events of default are specific and enumerated in each of the provisions – none of the City's bonds or direct borrowings contain a subjective acceleration clause.

Notes to Financial Statements (continued)

December 31, 2023

Bonds Outstanding as of December 31, 2023

Purpose	Outstanding 12/31/2023
<u>Governmental Activities</u>	
<u>General Obligation Bonds</u>	
South Bend Park District Bonds, Series 2017(A-K)	
- Interest rates 3% - 3.25%	
- Original issue \$14,075,000	
- Installments of \$350,000 to \$580,000 plus interest	
- Maturity January 15, 2033	9,650,000
General Obligation Bonds, Series 2018 (Fire Station #9)	
- Interest rates 3% - 3.25%	
- Original issue \$5,045,000	
- Installments of \$75,000 to \$170,000 plus interest	
- Maturity January 15, 2038	3,975,000
Total General Obligation Bonds	\$ 13,625,000
<u>Mortgage Bonds</u>	
Building Corporation First Mortgage Revenue Bonds, Series 2013	
- Original issue \$5,580,000	
- Installments of \$215,000 to \$425,000 plus interest	
- Maturity February 1, 2033	3,450,000
Total Governmental Mortgage Bonds	\$ 3,450,000
<u>Revenue Bonds</u>	
Indiana Bond Bank Special Program Bonds, Series 2011A (TIF A)	
- Interest rates 4% - 5.2%	
- Original issue \$18,030,000	
- Installments of \$260,000 to \$935,000 plus interest	
- Maturity August 1, 2024	1,845,000
Indiana Bond Bank Special Program Bonds, Series 2011A (TIF B)	
- Interest rates 4% - 5.2%	
- Original issue \$10,435,000	
- Installments of \$254,036 to \$530,000 plus interest	
- Maturity August 1, 2024	1,050,000
South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2015 (Refunding 2008)	
- Interest rates 2% - 5%	
- Original issue \$31,450,000	
- Installments of \$650,000 to \$1,210,000 plus interest	
- Maturity February 15, 2033	19,765,000
South Bend Redevelopment Authority Lease Rental Revenue Refunding Bonds, Series 2013	
- Interest rates 2% - 4%	
- Original issue \$3,990,000	
- Installments of \$160,000 to \$375,000 plus interest *	
- Maturity May 1, 2026	895,000
2014 St. Joseph County PSAP (EDIT) Revenue Bonds	
- City's portion of \$9.155M bond (29.03%)	
- Interest rates 2% - 3.625%	
- Original issue \$2,657,697	
- Maturity December 31, 2034	1,605,067

Note 9 – Long-term Obligations (Continued)

South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2015 (Smart Streets Project)	
- Interest rates 3% - 4%	
- Original issue \$25,000,000	
- Installments of \$460,000 to \$840,000 plus interest	
- Maturity February 1, 2037	18,450,000
Economic Development Income Tax Bonds of 2015 (Parks Projects)	
- Interest rates 3% - 3.75%	
- Original issue \$5,605,000	
- Installments of \$16,667 to \$65,000 plus interest	
- Maturity August 1, 2035	3,840,000
Taxable Economic Development Revenue Bonds, Series 2017 (Eddy Street Phase II)	
- Interest rate 5%	
- Original issue \$25,000,000	
- Installments of \$628,472 to \$1,834,750 plus interest	
- Maturity February 15, 2037	22,825,000
Redevelopment District Bonds, Series 2018 (Parks Projects)	
- Interest rates 2% - 3%	
- Original issue \$11,995,000	
- Installments of \$405,000 to \$490,000 plus interest	
- Maturity February 1, 2033	8,140,000
Economic Development Revenue Bonds, Series 2018 (Potawatomi Zoo Project)	
- Interest rates 4% - 5%	
- Original issue \$3,440,000	
- Installments of \$25,000 to \$155,000 plus interest	
- Maturity February 1, 2034	2,610,000
South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2019 (Double Tracking Project)	
- Interest rate 5%	
- Original issue \$7,985,000	
- Installments of \$270,000 to \$500,000 plus interest	
- Maturity February 1, 2030	5,660,000
2020 Taxable Economic Development Tax Increment Revenue Bonds (Library Project)	
- Interest rates 2% - 3%	
- Original issue \$4,225,000	
- Installments of \$75,000 to \$160,000 plus interest	
- Maturity February 1, 2037	3,705,000
2021 Building Corporation LIT Lease Rental Revenue Bonds (Infrastructure Projects)	
- Interest rates 3% - 4%	
- Original issue \$7,610,000	
- Installments of \$150,000 to \$315,000 plus interest	
- Maturity August 1, 2036	6,725,000
South Bend Redevelopment Authority Lease Rental Revenue Bonds of 2022 (Morris PAC Project)	
- Interest rates 3% - 3.125%	
- Original issue \$6,395,000	
- Installments of \$190,000 to \$365,000 plus interest	
- Maturity February 1, 2046	6,100,000
Economic Development Lease Rental Revenue Bonds, Series 2022 (Potawatomi Zoo Project)	
- Interest rates 2% - 4%	
- Original issue \$5,715,000	
- Installments of \$215,000 to \$365,000 plus interest	

Note 9 – Long-term Obligations (Continued)

- Maturity February 1, 2042	5,380,000
Redevelopment Authority Lease Rental Revenue Bonds, Series A of 2023	
- Interest rates 2% - 4%	
- Original issue \$29,155,000	
- Installments of \$110,000 to \$1,530,000 plus interest	
- Maturity February 1, 2041	29,155,000
Total Governmental Revenue Bonds	<u>\$ 137,750,067</u>
Total Governmental Activities	\$ 154,825,067

Business-Type Activities

Revenue Bonds

Amended Water Works Revenue Bonds of 2009, Series B	
- Interest rates 5.41% to 5.89%	
- Original issue \$2,814,256.87	
- Installments of \$124,257 to \$455,000 plus interest	
- Maturity January 1, 2030	2,365,000
Sewage Works 2020 Refunding Revenue Bonds (Refunding 2010)	
- Interest rates 4%	
- Original issue \$4,830,000	
- Installments of \$150,000 to \$555,000 plus interest	
- Maturity December 1, 2030	3,465,000
Water Works Revenue Bonds of 2012	
- Interest rates 2% - 3.7%	
- Original issue \$8,300,000	
- Installments of \$340,000 to \$540,000 plus interest	
- Maturity January 1, 2033	4,280,000
Sewage Works Revenue Bonds Series 2012	
- Interest rates 2% - 2.75%	
- Original issue \$25,000,000	
- Installments of \$1,105,000 to \$1,650,000 plus interest	
- Maturity December 1, 2032	12,985,000
Sewage Works Refunding Revenue Bonds of 2013A	
- Interest rate 1.94%	
- Original issue \$14,765,000	
- Installments of \$715,000 to \$1,065,000 plus interest	
- Maturity December 1, 2024	715,000
Sewage Works Refunding Revenue Bonds of 2015	
- Interest rate 2%	
- Original issue \$27,440,000	
- Installments of \$2,475,000 to \$3,025,000 plus interest	
- Maturity December 1, 2025	5,990,000
Water Works Refunding Revenue Bonds of 2016	
- Interest rate 3%	
- Original issue \$3,300,000	
- Installments of \$260,000 to \$440,000 plus interest	
- Maturity January 1, 2027	930,000

Notes to Financial Statements (continued)

December 31, 2023

Note 9 – Long-term Obligations (Continued)

Sewage Works Refunding Revenue Bonds of 2021	
- Interest rates 2% - 5%	
- Original issue \$12,450,000	
- Installments of \$1,160,000 to \$1,310,000 plus interest	
- Maturity December 1, 2031	9,995,000
Total Business-Type Revenue Bonds	<u>\$ 40,725,000</u>
Total Business-Type Activities	<u>\$ 40,725,000</u>

Notes from Direct Borrowings and Direct Placements

Purpose	Outstanding 12/31/2023
Governmental Activities	
2015 Century Center Energy Conservation Bond	
Interest rates: 3.5%	
Original issue: \$4,167,897	
Installments of \$22,585 to \$176,508 plus interest	
Maturity: May 1, 2031	<u>\$ 2,478,630</u>
Total governmental activities	<u>\$ 2,478,630</u>
Business-type Activities	
2009 Water Works State Revolving Loan	
Interest rate: 3.37%	
Original issue: \$427,332	
Installments of \$17,719 to \$29,459 plus interest	
Maturity: January 1, 2030	<u>\$ 170,517</u>
Total business-type activities	<u>\$ 170,517</u>

Other Long-term Liabilities

Compensated absences for governmental activities typically have been liquidated from the General Fund and special revenue funds. All of the December 31, 2023 compensated absences liabilities are due within one year.

The net 1925 Police and 1937 Firefighters' pension liability will be liquidated from the pension trust funds. The Public Employees' Retirement Fund (PERF) liability will not be liquidated from the pension trust funds.

The total OPEB obligation will be liquidated from the General Fund.

Notes to Financial Statements (continued)

December 31, 2023

Note 9 – Long-term Obligations (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above obligations are as follows:

Bonds (General Obligation, Revenue, and Mortgage)

Year Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$10,662,408	\$6,042,693	\$17,525,101	\$ 6,860,000	\$ 1,248,974	\$ 8,108,974
2025	10,271,766	5,590,900	15,042,665	7,310,000	1,065,979	8,175,979
2026	10,351,120	5,206,666	15,557,786	4,225,000	877,903	5,102,903
2027	10,709,023	4,780,648	15,489,671	4,055,000	741,465	4,796,465
2028	11,243,378	4,387,008	15,630,386	4,160,000	608,603	4,768,603
2029-2033	59,689,948	15,216,249	74,906,196	13,535,000	1,048,557	14,583,557
2034-2038	37,204,505	4,507,093	41,711,597	-	-	-
2039-2043	3,635,000	401,119	4,036,119	-	-	-
2044-2048	1,057,921	42,656	942,656	-	-	-
Totals	\$154,825,067	\$46,175,032	\$201,000,099	\$40,145,000	\$ 5,591,481	\$45,736,481

Notes from Direct Borrowings

Year Ending December 31	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$309,315	\$84,073	\$393,388	\$26,373	\$5,746	\$32,119
2025	315,561	73,193	388,754	27,262	4,858	32,120
2026	321,964	62,093	384,057	28,181	3,939	32,120
2027	328,529	50,767	379,296	29,130	2,989	32,119
2028	335,259	39,210	374,469	30,112	2,008	32,120
2029-2033	868,002	45,886	913,888	29,459	993	30,452
Totals	\$2,478,630	\$355,221	\$2,833,851	\$170,517	\$20,533	\$191,050

Note 10 – Restricted Assets

As of December 31, 2023, the balances of restricted assets in the enterprise funds are comprised of the following:

	Water	Wastewater	Nonmajor Enterprise	Total Enterprise Funds
Payroll taxes/benefits payable	\$167,703	\$235,189	\$106,903	\$509,795
Customer repair and deposit	1,342,137	3,193,917	-	4,536,054
Cash with fiscal agent	-	-	2,810,959	2,810,959
Bond reserve	1,470,040	3,871,800	-	5,341,840
Operating reserve	3,007,946	5,731,458	-	8,739,404
Capital outlay	2,665,897	4,406,002	1,454,939	8,526,838
Total restricted assets	\$8,653,723	\$17,438,366	\$4,372,801	\$30,464,890

Note 11 – Property Held for Resale

The City's Redevelopment Commission has purchased properties in blighted areas for redevelopment and subsequent resale. As of December 31, 2023, the market value of these properties is not known. These properties are recognized as assets in the funds that purchased the property. In the General Fund, the proceeds from the sale of these assets are not expected to have internal or external restrictions on use, and are thus classified as nonspendable fund balance. In all other funds, proceeds from the sale of assets is expected to have internal or external restrictions and, thus, property held for resale in funds other than the General Fund is classified as restricted, committed, or assigned fund balance.

Note 12 – Service Concession Arrangement

On July 1, 2013, the City entered into a Service Concession Agreement (SCA) with SMG, a civic center management company, with the purpose of obtaining high-quality professional management of the Century Center. On October 1, 2019, SMG merged with AEG Facilities to form a new company, ASM Global.

The initial term of the contract extended through June 30, 2016 and has been extended three times to now be through December 31, 2023. ASM Global's compensation is a flat fee of \$135,000 for the first year and is then adjusted by the CPI (Consumer Price Index) for each successive year.

There are also additional financial incentives based on various operational goals. ASM Global is responsible for all operations and financial reporting. Additionally, ASM Global contributed a one-time capital infusion of \$575,000, to be used for capital improvement that was amortized over seventy-two (72) months and is fully amortized as of December 31, 2023. No other assets or liabilities or deferred inflows of resources are remaining on the financial statements related to this SCA. Both parties retain certain rights regarding operations and contract cessation.

Note 13 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job-related illnesses or injuries to employees; medical benefits provided to employees, retirees, and dependents; and natural disasters. Theft of, damage to, and destruction of assets; errors and omissions; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage in 2021, 2022, or 2023. There were no significant reductions in insurance by major category of risk.

Liability Insurance

The City has chosen to establish a risk financing fund for risks associated with job-related illnesses or injuries to employees, automobile liability, and comprehensive liability. The risk financing fund is accounted for in the Liability Insurance Premium Reserve Fund, an internal service fund, whereby assets are set aside for claim settlements.

Excess policies through commercial insurance covers individual claims in excess of \$400,000 per claim for job-related illnesses or injuries to employees (workers' compensation) and claims for damage to and destruction of assets (property damage) with various self-retention amounts.

Note 13 – Risk Management (Continued)

In recent years, no claims resulting from property damage exceeded the property insurance self-retention amount. A premium is charged to each fund based on a study of paid claims and based on the number of employees and percent of the total budget. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNRs).

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of payouts, and other economic and social factors. The entire insurance liability balance is reported as a current liability as the City has the intent to pay within one year.

Group Health Insurance

The City has chosen to establish a risk financing fund for risks associated with medical benefits of employees and their covered dependents. The risk financing fund is accounted for in the Self-Funded Employee Benefits Fund, an internal service fund, whereby assets are set aside for benefit costs.

An excess policy through commercial insurance covers individual claims in excess of \$300,000 per year. Claims resulting from this risk exceeded the self-retention amount during and 2021 by \$464,747. No claims exceeded the self-retention amount during 2022 or 2023.

A premium is charged to each fund based on the number of employees and estimated costs exceeding the employees' contributions. Provisions are also made for unexpected and unusual claims. Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNRs).

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of payouts, and other economic and social factors. Changes in the estimated liability for the past two fiscal years were as follows:

	Liability Insurance		Group Health	
	2023	2022	2023	2022
Unpaid claims - Beginning of year	\$3,512,330	\$3,151,622	\$1,073,788	\$849,384
Included claims, including claims incurred but not reported	2,633,062	1,928,796	16,560,413	16,026,896
Claim payments	(1,346,212)	(1,568,088)	(16,497,171)	(15,802,492)
Unpaid claims - End of year	\$4,799,180	\$3,512,330	\$1,137,030	\$1,073,788

Note 14 – Subsequent Events

On March 28, 2024, the South Bend Redevelopment Commission approved a deal for the development of the “Madison Lifestyle District” in conjunction with Beacon Health System and Great Lakes Capital. This development deal utilizes \$24 million in City bond funding, \$12 million in state READI grant funding, and over \$100 million in private investment. The City additionally purchased a building from Beacon Health System for \$4 million. On May 15, 2024 the City issued revenue bonds through the Indiana Finance Authority’s State Revolving Fund (SRF) for the Water Works Department in the amount of

Note 14 – Subsequent Events

\$14,643,500. Proceeds will be used for treatment plant improvements, the distribution system improvements, and replacing lead line service lines in portions of the City. On June 12, 2024, the South Bend Redevelopment Commission issued \$44,860,000 in lease rental revenue bonds for renovations and improvements to Four Winds Field at Coveleski Stadium. The bond proceeds will be used to renovating and improvements to modernize the existing stadium infrastructure, adding a full second level above the existing facility, renovating the primary seating areas and suites, adding a new 20,000 square foot, four-story club and event space building, and adding a new playground and splash pad with additional improvements including, without limitation, additional restrooms, additional circulation space, updated retail and concessions areas, and a new improved entrance for the purpose of increasing the Stadium’s capacity and providing for increased future success.

Note 15 – Conduit Debt Obligations

From time to time, the City has issued conduit debt obligations to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by private sector revenue sources or by the underlying assets constructed with the bond proceeds, and are not secured by any asset or revenue source of the City, nor by the full faith and credit of the City.

Neither the City, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2023, there were five series of conduit debt obligations outstanding:

Issue Description	Issue Date	Maturity Date	Original Issue Amount	Estimated Amt Outstanding (12/31/2023)
PEI/GENESIS Project	1/30/2007	4/1/2033	\$ 8,105,000	\$ 4,520,000
Erskine Commons Project	2/8/2006	2/1/2025	2,440,000	315,000
Stanley Clark School Project	12/9/2005	11/1/2030	15,000,000	6,585,000
Erskine Village Project	4/19/2005	2/1/2027	5,485,000	1,695,000
Southfield Village Project	5/1/1999	11/15/2029	17,665,000	7,420,000
			\$ 48,695,000	\$ 20,535,000

Note 16 – Fund Balance Constraints

The detail of the various components of fund balance is as follows:

	General Fund	Parks and Recreation	Local Income Tax Public Safety	Local Income Tax Economic Development	American Rescue Plan	River West TIF	Nonmajor Funds	Total
Fund Balances								
Nonspendable								
Advances to other funds	\$-	\$-	\$-	\$-	\$-	\$-	\$642,076	\$642,076
Inventory	-	26,893	-	-	-	-	-	26,893
Property held for resale	175,000	-	-	-	-	-	-	175,000
Total Nonspendable	175,000	26,893	-	-	-	-	642,076	843,969
Restricted								
Debt service	-	-	-	-	-	-	11,149,383	11,149,383
General administration	-	-	-	-	933,289	-	5,024,021	4,713,293
Police and fire salaries	-	-	6,148,468	-	-	-	-	6,148,468
Police and fire programs	-	-	-	-	-	-	1,447,693	1,447,693
Street maintenance	-	-	-	-	-	-	6,981,556	6,981,556
Economic development	-	-	-	-	-	38,331,179	60,804,130	99,135,309
Parks maintenance	-	7,936,805	-	-	-	-	6,618,912	14,555,717
Public safety capital	-	-	-	-	-	-	328,772	328,772
Cultural capital projects	-	-	-	-	-	-	29,660,463	29,660,463
Street capital projects	-	-	-	-	-	-	3,153,979	3,153,979
Total Restricted	-	7,936,805	6,148,468	-	933,289	38,331,179	125,168,909	178,518,650

Note 16 – Fund Balance Constraints

Committed									
General administration	-						3,287,090	3,287,0090	
Street capital projects	-						-	-	
Police and fire programs	-						34,491	34,491	
Economic development	-						3,651,486	3,651,486	
Cultural capital	-						771,967	771,967	
Total Committed	-	-	-	-	-	-	7,745,034	7,745,034	
Assigned									
General administration	-			26,305,793			-	26,305,793	
Police and fire programs	-			-			-	-	
Street maintenance	-			-			513,274	513,274	
Economic development	-			-			243,395	243,395	
Cultural projects	-			-			-	-	
Total Assigned	-	-	-	26,305,793	-	-	756,669	27,062,462	
Unassigned	102,130,370						(246,627)	101,883,743	
Total fund balances	102,305,370	7,963,698	6,148,468	26,305,793	933,289	38,331,179	134,066,061	316,053,858	

Note 16 – Fund Balance Constraints (Continued)

Local Income Tax-Public Safety funds are primarily restricted for payment of police and fire personnel. Parks and Recreation funds are restricted primarily for parks and recreation operating costs, including personnel. The Local Income Tax-Economic Development fund is assigned to general government primarily for debt service payments and operating expenses. River West TIF and Redevelopment Authority Debt Service are restricted for economic development projects and debt service. The government-wide statement of net position reports restricted net position for debt service and capital outlay, which is restricted by enabling legislation.

Note 17 – Other Postemployment Benefits

Plan Description

The City of South Bend Retiree Healthcare Plan (SBRHP) is a single-employer defined benefit healthcare plan administered by the City of South Bend, Department of Administration and Finance, through the City's self-insurance fund. Indiana Code section 5-10-8 gives the unit the authority to establish and amend the plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. Namely, employer contributions to the OPEB plan are not irrevocable, nor are any plan assets legally protected from creditors.

The City issues a publicly available financial report that includes financial statements and required supplementary information for the plan. The report is available by contacting the City Controller's office: 227 West Jefferson Blvd., Suite 1200N, South Bend, IN 46601, Phone: (574) 235-9216.

Benefits Provided and Funding Policy

SBRHP provides for medical insurance benefits to eligible retirees and their spouses. Police officers and firefighters are eligible for retiree health coverage once they attain age 50 with 20 years of service. General employees are eligible for retiree health coverage upon satisfaction of:

- Rule of 85 and age 55; or
- Age 65 with 10 years of service; or
- Age 60 with 15 years of service

Health care coverage ceases when the retiree or dependent reaches age 65. The contribution requirements of plan members for SBRHP are established and can be amended by the City's

Note 17 – Other Postemployment Benefits

Common Council. The required contribution is based on projected "pay-as-you-go" financing requirements. For the year ended December 31, 2023, the City contributed \$1,175,200 to the plan for current premiums.

Police and fire members receiving benefits contributed approximately 35.9% of the total premiums through their required contribution of \$223 per month for retiree-only coverage in the PPO plan and \$141 per month for retiree-only coverage for the HSA plan. Additionally, police and fire members contributed approximately 40.9% of the total premiums through their required contribution of \$699 for retiree and spouse coverage in the PPO plan and \$420 per month for retiree and spouse coverage in the HSA plan.

General employee members receiving benefits contributed 100% of the total premiums through their required contribution of \$648.51 and \$611.99 per month for retiree-only coverage and \$1,709.30 and \$1,592.10 for retiree and spouse coverage for the PPO and HSA plans, respectively.

Note 17 – Other Postemployment Benefits (Continued)

Employees Covered by Benefit Terms

At December 31, 2023, the following employees were covered by the benefit terms:

Active employees with coverage	979
Active employees without coverage	96
Retirees	98
Total	1,173

Total OPEB Liability

The City's total OPEB liability of \$27,057,459 was measured as of December 31, 2023, as determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25% per year
Salary increases	2.65%, average, including inflation
Discount rate	4.31% as of December 31, 2022 and 4.00% as of December 31, 2023
Healthcare cost trend rates	8.0% for 2023, decreasing 0.5% per year to an ultimate rate of 4.5% for 2032 and later years
Retirees' share of benefit-related costs	approximately 35.5% for projected health insurance premiums for retirees and approximately 40.4% for retiree and spouse

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds

Note 17 – Other Postemployment Benefits (Continued)

with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Mortality assumptions are set to reflect general population trends based upon Pub-2010 Mortality tables and the most recent generational projection scale MP-2021 released by the Society of Actuaries (SOA) for future mortality improvement.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the year ending December 31, 2007.

The healthcare coverage election rate was 65% for active police and fire with current coverage, 40% for active general employees with current coverage, and 0% for active employees with no coverage.

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability as of January 1, 2023	\$ 25,640,240
Changes for the year:	
Service cost	1,010,471
Interest	1,123,587
Changes in benefit terms	-
Differences between expected and actual experience	(1,533,821)
Changes in assumptions or other inputs	1,992,181
Benefit payments	(1,175,200)
Net changes	1,417,218
Total OPEB Liability as of December 31, 2023	\$ 27,057,459

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

The following presents the total OPEB liability of the City as of December 31, 2023, 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 (3.00%) or 1-percentage-point higher (5.00%) than the current discount rate:

	1% Decrease (3.00%)	Discount Rate (4.00%)	1% Increase (5.00%)
Total OPEB Liability	29,486,096	27,057,459	24,852,998

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 (7.0% decreasing to 3.5%) or 1-percentage-point higher (9.0% decreasing to 5.5%) than the current healthcare cost trend rate:

Notes to Financial Statements (continued)

December 31, 2023

Note 17 – Other Postemployment Benefits (Continued)

	1% Decrease (7.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (8.0% decreasing to 4.5%)	1% Increase (9.0% decreasing to 5.5%)
Total OPEB Liability	24,071,428	27,057,459	30,581,115

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

For the year ended December 31, 2023, the City recognized OPEB expense of \$1,286,787. As of December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,066,248	\$ (4,690,908)
Changes in assumptions or other inputs	5,092,030	(7,623,148)
Total	\$ 7,158,278	\$ (12,314,056)

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:	Amount
2024	(847,271)
2025	(847,271)
2026	(847,271)
2027	(847,271)
2028	(847,271)
Thereafter	(919,423)

Note 18 – Pension Plans

Plan Descriptions

Public Employees' Retirement Fund (PERF)

The Public Employees' Retirement Fund, a cost-sharing multiple-employer defined benefit pension plan, administered by the Indiana Public Employees' Retirement Plan (INPRS) Board, provides pensions for all full-time employees other than police officers and firefighters, who are covered under the 1977 Police Officers' and Firefighters' Pension and Disability Fund. The pension system issues a publicly available financial report that can be obtained at <http://www.inprs.in.gov>.

1977 Police Officers' and Firefighters' Pension and Disability Fund

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

Note 18 – Pension Plans

1925 Police Officers' Pension Plan

The City contributes to the 1925 Police Officers' Pension Plan, a single-employer defined benefit pension plan administered by the local pension board as authorized by state statute (IC 36-8-6). The financial statements of the plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund).

Management of the 1925 Police Officers' Pension plan is vested in the pension board, which consists of nine members - six elected by plan members, the Mayor, the Chief of Police, and the City Controller. The pension plan is closed to new entrants.

1937 Firefighters' Pension Plan

The City contributes to the 1937 Firefighters' Pension Plan, a single-employer defined benefit pension plan administered by the 1937 Firefighters' Pension Plan Board as authorized by state statute (IC 36-8-7). The financial statements of the plan are included in these financial statements as a pension and other employee benefit trust fund (a fiduciary fund). Management of the 1937 Firefighters' Pension Plan is vested in the pension board. The pension plan is closed to new entrants.

Note 18 – Pension Plans (Continued)

Benefits Provided

Public Employees' Retirement Fund (PERF)

These plans provide retirement, disability and survivor benefits for public employees not covered by the 1977 Police Officers' and Firefighters' Pension and Disability Fund. The Indiana Code, Title 5, Articles 10.2 and 10.3, as amended only by the Indiana General Assembly, identifies the benefit provisions and establishes the authority under which members and employers are obligated to contribute to the plan. The City of South Bend participates in two different plans for non-Public Safety positions: the PERF Hybrid Plan and the My Choice Retirement Savings Plan.

- *PERF Hybrid Plan:* PERF Hybrid consists of two components: a monthly, employer-funded defined benefit component and a member-funded defined contribution account. For the defined benefit component, retirement benefits for employees are calculated as years of credible service times the average highest 20 quarters of salary times 1.1%. Normal retirement ages are age 65 and 10 years (eight years for certain elected officials) of creditable service, age 60 and 15 years of creditable service, and age 55 if age and creditable service total at least 85, with early retirement at 50 with 15 years of service. Vesting period is 10 years. 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 granted by the Indiana General Assembly on an ad hoc basis. For the defined contribution component of the Hybrid plan, an employee who leaves service may withdraw his or her Annuity Savings Account contributions, plus any accumulated interest.
- *My Choice Retirement Savings Plan:* Defined contribution plan with no defined benefit for employee. Employee contributions are fully vested upon hire, employer contributions to employee account are vested based upon full years of participation (20% per year – 5 full years for 100% vesting).

1977 Police Officers' and Firefighters' Pension and Disability Fund

Note 18 – Pension Plans (Continued)

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 as 50% of first-class salary for 20 years of service plus 1% for each six months of active service over 20 years up to a maximum of 12 years (for a total of 32 years of service and 74% of salary). Normal retirement age is 52 with 20 years of service, with early retirement at age 50.

Employees are eligible for non-duty disability benefits after five years of service and for duty related disability benefits upon hire. Disability retirement benefits are based on the severity with a catastrophic disability receiving 100% of salary and less severity receiving lesser amounts ranging down to 35% of salary.

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% increase.

1925 Police Officers' Pension Plan

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by a plan administrator, as provided by state statute. The financial statements of the plan are included in these financial statements as a pension trust fund (a fiduciary fund).

1937 Firefighters' Pension Plan

The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by a plan administrator, as provided by state statute. The financial statements of the plan are included in these financial statements as a pension trust fund (a fiduciary fund).

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

	<u>1925 Police Officer's Pension Plan</u>	<u>1937 Firefighters' Pension Plan</u>
Date of member count	December 31, 2023	December 31, 2023
Inactive plan members or beneficiaries currently receiving benefits	170	120
Active plan members	0	1
Total employees covered by the plan	<u>170</u>	<u>127</u>

Contributions

Public Employees' Retirement Fund

Per Indiana Code, Title 5, Articles 10.2 and 10.3, the contribution requirements of the active employees and the participating employers are established and may be amended by the INPRS Board based on recommendations by the INPRS actuary. Employees are required to contribute 3% of their annual pay. The City’s contractually required contribution rate for the year ended

Note 18 – Pension Plans (Continued)

December 31, 2023 was 11.2% of annual payroll for the PERF Hybrid plan and 10% of annual payroll for the MyChoice Plan. Contributions to the plan from the City were \$3,984,321 for the year ended December 31, 2023.

1977 Police Officers' and Firefighters' Pension and Disability Fund

Per Indiana State statute (IC 36-8-8 and IC 36-8-8.5), the contribution requirements of the active employees and the participating employers are established and may be amended by the INPRS Board based on recommendations by the INPRS actuary. Employees are required to contribute 6% of their annual pay. The City's contractually required contribution rate for the year ended December 31, 2023 was 18% of annual payroll. Contributions to the plan from the City were \$6,438,186 for the year ended December 31, 2023.

1925 Police Officers' Pension Plan

Plan members are required by state statute (IC § 36-8-6-4) to contribute an amount equal to 6% of the salary of a first class patrolman. The contribution requirements of plan members are established by state statute. The City's annual pension cost and related information, as provided by the actuary, is presented in this note. The net pension liability (NPL) is considered an obligation of the City and is reflected in the statement of net position. The State of Indiana is required by statute to reimburse the City for benefits paid and has contributed \$5,981,246 during 2023 on behalf of the City. The City has recognized these on behalf payments as intergovernmental revenue and public safety expenditures in the General Fund.

1937 Firefighters' Pension Plan

Plan members are required by state statute (IC § 36-8-7-8) to contribute an amount equal to 6% of the salary of a first-class firefighter. The contribution requirements of plan members are established by state statute. The City's annual pension cost and related information, as provided by the actuary, is presented in this note. The net pension liability (NPL) is considered an obligation of the City and is reflected in the statement of net position. The State of Indiana is required by statute to reimburse the City for benefits paid and has contributed \$4,059,876 during 2023 on behalf of the City. The City has recognized these on behalf payments as intergovernmental revenue and public safety expenditures in the General Fund.

Net Pension Liability

The City chooses a date for each pension plan to measure its net pension liability. This is based on the measurement date of each pension plan, which may be based on a comprehensive valuation as of that date or based on an earlier valuation that has used procedures to roll the information forward to the measurement date.

	Public Employees' Retirement Fund	1977 Police Officers' and Firefighters' Pension and Disability	1925 Police Officers'	1937 Firefighters'
Measurement date used for the City NPL	June 30, 2023	June 30, 2023	December 31, 2023	December 31, 2023
Based on a comprehensive actuarial valuation as of	June 30, 2023	June 30, 2023	December 31, 2023	December 31, 2023

Note 18 – Pension Plans (Continued)

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

1925 Police Officers' Pension Plan

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance as of January 1, 2023	\$59,314,208	\$606,612	\$58,707,596
Service cost	-	-	-
Interest	2,418,660	-	2,418,660
Plan Amendments	-	-	-
Experience (gains)/ losses	2,315,364	-	2,315,364
Assumption Changes	1,836,473	-	1,836,473
Employer contributions	-	7,957	(7,957)
Non-employer contributing entity contributions	-	5,981,246	(5,981,246)
Net investment income	-	14,162	(14,162)
Benefit payments, including refunds	(5,848,471)	(6,090,239)	241,768
Administrative expenses	-	(16,466)	16,466
Net changes:	722,026	(103,340)	825,366
Balance as of December 31, 2023	\$60,036,234	\$503,272	\$59,532,962

The plan's fiduciary net position represents 0.84% of the total pension liability.

1937 Firefighters Pension Plan

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance as of January 1, 2023	\$43,782,334	\$354,262	\$43,428,072
Service cost	-	-	-
Interest	1,746,130	-	1,746,130
Plan Amendments	-	-	-
Experience (gains)/ losses	641,022	-	641,022
Assumption Changes	1,337,239	-	1,337,239
Employer contributions	-	5,322	(5,322)
Non-employer contributing entity contributions	-	4,059,876	(4,059,876)
Net investment income	-	10,004	(10,004)
Benefit payments, including refunds	(4,083,120)	(4,013,609)	(69,511)
Administrative expenses	-	(26,642)	26,642
Net changes:	(358,729)	34,951	(393,680)
Balance as of December 31, 2023	\$43,423,605	\$389,213	\$43,034,392

The plan's fiduciary net position represents 0.90% of the total pension liability.

Public Employees' Retirement Fund

At December 31, 2023, the City reported a liability of \$19,669,331 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 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

Note 18 – Pension Plans (Continued)

on the City's actuarially required contribution for the year ended June 30, 2023, relative to all other contributing employers. As of June 30, 2023, the City's proportion was 0.55731%, which was a decrease of 0.0255 % from its proportion measured as of June 30, 2022.

1977 Police Officers' and Firefighters' Pension and Disability Fund

As of December 31, 2023, the City reported a net pension liability of \$32,136,188 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 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 actuarially required contribution for the year ended June 30, 2023, relative to all other contributing employers. As of June 30, 2023, the City's proportion was 3.13698%, which was an increase of 0.0023% from its proportion measured as of June 30, 2022.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Public Employees' Retirement Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 402,428	\$ -
Changes in assumptions	1,072,608	-
Net difference between projected and actual earnings on pension plan investments	4,508,264	-
Employer contributions to the plan subsequent to the measurement date	2,016,283	-
Changes in proportion and difference between employer contributions and proportionate share of contributions	84,410	1,027,393
Total	\$ 8,083,993	\$ 1,027,393

1977 Police Officers' and Firefighters' Pension and Disability Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 10,557,057	\$ 64,385
Changes in assumptions	7,234,763	475,725
Net difference between projected and actual earnings on pension plan investments	13,173,136	-
Employer contributions to the plan subsequent to the measurement date	3,254,631	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	187,786	148,063
Total	\$ 34,407,373	\$ 688,173

Note 18 – Pension Plans (Continued)

1925 Police Officers’ Pension Plan

	Deferred Outflows of Resources
Investment experience	<u>\$ 9,424</u>

1937 Firefighters’ Pension Plan

	Deferred Outflows of Resources
Investment experience	<u>\$ 5,151</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and therefore will not be included in future pension expense):

Public Employees’ Retirement Fund

Year Ending June 30	Amount
2024	\$1,679,464
2025	(49,170)
2026	2,795,963
2027	614,060
2028	-
Thereafter	-
Total	<u>\$5,040,317</u>

1977 Police Officers’ and Firefighters’ Pension and Disability Fund

Year Ending June 30	Amount
2024	\$5,591,492
2025	4,165,710
2026	11,675,604
2027	4,723,424
2028	2,851,170
Thereafter	1,457,169
Total	<u>\$30,464,569</u>

1925 Police Officers’ Pension Plan

Year Ending December 31	Amount
2024	\$5,321

Note 18 – Pension Plans (Continued)

2025	3,478
2026	1,331
2027	(706)
2028	-
Thereafter	-
Total	\$9,424

1937 Firefighters' Pension Plan

Year Ending December 31	Amount
2024	\$2,999
2025	2,329
2026	583
2027	(760)
2028	-
Thereafter	-
Total	\$5,151

Actuarial Assumptions

The total pension liability in each actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

	Public Employees' Retirement Fund	1977 Police Officers' and Firefighters' Pension and Disability Fund	1925 Police Officers' Pension Plan	1937 Firefighters' Pension Plan
Inflation	2.00%	2.00%	2.00%	2.00%
Salary increases (including inflation)	2.65% - 8.65%	2.65%	2.65%	2.65%
Investment rate of return (net of expenses)	6.25%	6.25%	1.75%	1.75%
Mortality rates	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019

There were no changes to the actuarial assumptions above for any City pension plan for 2023. The actuarial assumptions used in June 30, 2023 actuarial valuation date valuation were based on the results of an actuarial experience study for the five years ended June 30, 2020.

Discount Rate

As shown below, the discount rate used to measure the total pension liability was determined after considering a projection of the cash flows to determine whether the future contributions (made at

Note 18 – Pension Plans (Continued)

the current contribution rates) will be sufficient to allow the pension plans' fiduciary net position to make all projected future benefit payments of current active and inactive employees.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation update.

	Public Employees' Retirement Fund	1977 Police Officers' and Firefighters' Pension and Disability Fund	1925 Police Officers' Pension Plan	1937 Firefighters' Pension Plan
Assumed investment rate of return	6.25%	6.25%	1.75%	1.75%
Are contributions expected to be sufficient to allow fiduciary net position to pay future benefits?	Yes	Yes	No	No
Discount rate used to measure TPL	6.25%	6.25%	3.71%	3.71%

1925 Police Officers' Pension Plan's and 1937 Firefighters' Pension Plan's fiduciary net position were not projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate incorporates a municipal bond rate which was 3.71 %. The source of that bond rate was the Barclay's 20-year Municipal Bond (as referenced in The Wall Street Journal, December 31, 2023).

Investment Rate of Return

Best estimates of geometric real rates of return as of the June 30, 2023 measurement date for the Public Employees' Retirement Fund and 1977 Police Officers' and Firefighters' Pension and Disability Fund and December 31, 2023 measurement date for the 1925 Police Officers' Pension Plan and 1937 Firefighters' Pension Plan, and for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Public Employees' Retirement Fund and 1977 Police Officers' and Firefighters' Pension and Disability Fund

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public Equity	20%	3.7%
Private Markets	15%	6.4%
Fixed Income - Ex Inflation-Linked	20%	2.2%
Fixed Income - Inflation-Linked	15%	0.5%
Commodities	10%	1.1%
Real Estate	10%	3.4%
Absolute Return	5%	1.6%
Risk Parity	20%	5.9%
Leverage Offset	-15%	

Note 18 – Pension Plans (Continued)

1925 Police Officers’ Pension Plan

Asset Class	Long-term Expected Real Rate of Return
Cash or cash equivalents	1.75%
Fixed income investments	1.75%

1937 Firefighters’ Pension Plan

Asset Class	Long-term Expected Real Rate of Return
Cash or cash equivalents	1.75%
Government agency securities	1.75%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

Pension Plan	1% Decrease (5.25%)	Discount (6.25%)	1% Increase (7.25%)
Public Employees’ Retirement Fund	\$32,054,762	\$19,669,331	\$9,342,321
1977 Police Officers’ and Firefighters’ Pension and Disability Fund	\$74,880,944	\$32,136,188	\$(2,374,989)
Pension Plan	1% Decrease (2.71%)	Discount (3.71%)	1% Increase (4.71%)
1925 Police Officers’ Pension Plan	\$ 64,472,718	\$59,532,962	\$55,224,684
1937 Firefighters’ Pension Plan	46,634,691	43,034,392	39,898,269

Detailed Information

Public Employees’ Retirement Fund, and 1977 Police Officers’ and Firefighters’ Pension and Disability Fund

Detailed information about the plan’s fiduciary net position is available in a separately issued financial report: https://www.in.gov/inprs/files/INPRSAnnualReportBook_FY23.pdf. The plan’s fiduciary net position has been determined on the same basis used by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. 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.

1925 Police Officers’ Pension Plan

The financial statements of the plan are included in these financial statements as a pension and other postemployment benefit trust fund. For the purpose of measuring the net pension liability, deferred outflows of resources, and deferred inflows or resources related to pension and pension

Note 18 – Pension Plans (Continued)

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. Investments are stated at fair value. 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' Pension Plan

The financial statements of the plan are included in these financial statements as a pension and other postemployment benefit trust fund. For the purpose of measuring the net pension liability, deferred outflows of resources, and deferred inflows or 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. Investments are stated at fair value. 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.

Assumption Changes

Public Employees' Retirement Fund / 1977 Police Officers' and Firefighters' Pension and Disability Fund

There were no actuarial assumption changes in the Public Employees Retirement Fund or 1977 Police Officers' and Firefighters' Pension and Disability Fund that impacted the net pension liability.

1925 Police Officers' Pension Plan and 1937 Firefighters' Pension Plan

The following actuarial assumption change occurred for the 1925 Police Officers and 1937 Firefighters pension plans since the Prior Measurement Date.

- Discount rate: The discount rate used for the December 31, 2023 valuation was 3.71%, as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2023. This is decrease from the 4.12% used for the December 31, 2022 valuation.
- Cost-of-living-adjustment (COLA): For converted members, the July 1, 2023 COLA of 3% was used in place of the ongoing valuation assumption to reflect the known increase. Beginning July 1, 2024 the assumption reverts to the assumed rate of 1.95%. For non-converted members, there was no change and the COLA remains at 2.65%.

Investment Policy

The 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension plan's policy in regard to the allocation of invested assets is established and may be amended by the pension board by a majority vote of its members.

It is the policy of the pension board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the pension board's adopted asset allocation policy as of December 31, 2023:

Note 18 – Pension Plans (Continued)

<u>Asset Class Allocation</u>	<u>Target</u>
Cash or cash equivalents	24%
Government agency securities	76%

Rate of Return and Pension Summary

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.75%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The total aggregate amounts, for all City plans, of employer’s pension liability, deferred outflows of resources, deferred inflows of resources and pension expenditures for the period associated with net pension liabilities is as follows:

<u>Plan Description</u>	<u>Net Pension Liability (Asset)</u>	<u>Pension Expenses (Income)</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Public Employees' Retirement Fund	\$19,669,331	\$3,586,395	\$8,083,993	\$1,027,393
1977 Police Officers and Firefighters Pension and Disability Fund	32,136,188	11,081,388	34,407,373	688,173
1925 Police Officers' Pension Plan	59,532,962	6,564,907	9,424	-
1937 Firefighters' Pension Plan	43,034,392	3,720,409	5,151	-
Total Aggregate Amounts	\$154,372,873	\$24,953,099	\$42,505,941	\$1,715,566

Note 19 – Pension Trust Funds

The following are condensed financial statements for the individual pension plans:

	<u>1925 Police Pension</u>	<u>1937 Fire Pension</u>	<u>Total</u>
Statement of Net Position			
Cash and investments	\$503,959	\$390,599	\$894,558
Other assets	1,586	1,222	2,808
Liabilities	(89)	(93)	(182)
Net position	505,456	391,728	897,184
Statement of Changes in Net Position:			
Investment income	24,303	15,686	39,989
Contributions	5,984,746	4,065,542	10,050,288
Benefit payments	(6,090,239)	(4,013,609)	(10,103,848)
Administrative expenses	(19,966)	(30,153)	(50,119)
Net change in net position	\$(101,156)	\$37,466	\$(63,690)

Note 20 – Closure and Post-closure Care Cost

As of January 1, 2008, the City of South Bend's Biosolids Lagoon #4 site has been closed. The City is required to maintain the one-acre site by monitoring methane and groundwater and maintain

December 31, 2023

Note 20 – Closure and Post-closure Care Cost

the site (mowing, cover inspection, gas collection system inspection, cover repair, ditch maintenance, etc.). The closure and post-closure care costs are reported as operating expenses, as incurred. For the year ending December 31, 2023, the total expenses incurred were \$11,924. The remaining expected liability relating to post-closure costs is estimated at less than \$250,000 and due to the minimal nature of these expenditures, is not included in the financial statements. This estimate is subject to changes due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

Note 21 – Tax Abatements

The City enters into property tax abatement agreements with local businesses and also for qualifying residential construction under the City's Municipal Code Chapter 2, Article 6, Tax Abatements, created by Ordinance 7267-83. Under this Article, the City may grant property tax abatements to a business located within or promising to relocate to the City for the purpose of attracting or retaining the business and also for the purpose of encouraging residential construction within economic development target areas. For the fiscal year ended December 31, 2023, the City abated property taxes totaling \$3,045,131 under this program. One property had taxes abated that exceeded 10% of the total amount. Taxes abated on this property were \$511,517.

Required Supplementary Information

Required Supplementary Information
1925 Police Officers' Pension Plan Schedule of Investment Returns

Last Ten Fiscal Years
Years Ended December 31

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	0.80%	1.00%	0.80%	0.60%

Required Supplementary Information
1925 Police Officers' Pension Plan Schedule of Contributions

**Last Ten Fiscal Years
Years Ended December 31**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 6,090,239	\$ 5,950,596	\$ 5,936,871	\$ 6,183,243	\$ 6,363,550	\$ 6,161,954	\$ 6,119,059	\$ 6,133,389	\$ 6,073,049	\$ 6,432,800
Contributions in relation to the actuarially determined contribution	<u>5,981,246</u>	<u>6,011,602</u>	<u>5,947,193</u>	<u>6,045,313</u>	<u>6,107,782</u>	<u>6,220,658</u>	<u>6,204,179</u>	<u>6,364,236</u>	<u>6,323,645</u>	<u>6,116,195</u>
Contribution (Deficiency) Excess	<u>\$ (108,993)</u>	<u>\$ 61,006</u>	<u>\$ 10,322</u>	<u>\$ (137,930)</u>	<u>\$ (255,768)</u>	<u>\$ 58,704</u>	<u>\$ 85,120</u>	<u>\$ 230,847</u>	<u>\$ 250,596</u>	<u>\$ (316,605)</u>
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,200	\$ 441,200
Contributions as a Percentage of Covered Payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1433.3%	1386.3%

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date December 31, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Remaining amortization period 30 years

Asset valuation method Not applicable. Benefits are funded on a pay-as-you-go basis

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 1.75% per year

Retirement age Non-converted - any age with 20 or more years of creditable service; Converted - age 52 with 20 or more years of creditable service and no longer active

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

Other information Cost of living increases of 2.65% per year in retirement for non-converted and 3% on July 1, 2023 and 1.95% thereafter per year for converted

The following actuarial assumption changes occurred for the 1925 Police Officers pension plan since the Prior Measurement Date:

- Discount rate: The discount rate used for the December 31, 2023 valuation was 3.71% as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2023. This is a decrease from the 1.39% used for the December 31, 2022 valuation.

- Cost-of-living-adjustment (COLA): For converted members, the July 1, 2023 COLA of 3% was used in place of the ongoing valuation assumption to reflect the known increase. Beginning July 1, 2024 the assumption reverts to the assumed rate of 1.95%. For non-converted members, there was no change and the COLA remains at 2.65%.

City of South Bend, Indiana

Required Supplementary Information
Schedule of Changes in the City Net Pension Liability and Related Ratios
1925 Police Officers' Pension Plan

Last Ten Fiscal Years
Years Ended December 31

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability										
Service cost	\$ -	\$ -	\$ -	\$ 40,214	\$ 84,969	\$ 92,916	\$ 78,812	\$ 164,481	\$ 184,104	\$ 157,965
Interest	2,418,660	1,061,871	1,174,172	1,771,194	2,445,011	2,337,437	2,653,831	2,344,653	2,415,583	3,721,864
Experience (gains)/losses	2,315,364	2,441,559	139,773	(494,601)	278,613	2,284,134	995,949	396,259	(2,973,249)	-
Plan amendments	-	-	-	-	870,092	-	-	-	-	-
Changes in assumptions	1,836,473	(15,248,062)	(215,355)	(371,926)	7,451,976	(2,697,730)	3,926,922	(5,617,308)	(294,402)	12,487,771
Projected benefit payments	<u>(5,848,471)</u>	<u>(5,786,349)</u>	<u>(5,834,267)</u>	<u>(5,946,093)</u>	<u>(6,112,665)</u>	<u>(6,146,696)</u>	<u>(6,045,097)</u>	<u>(5,977,290)</u>	<u>(6,061,589)</u>	<u>(6,122,870)</u>
Net Change in Total Pension Liability	722,026	(17,530,981)	(4,735,677)	(5,001,212)	5,017,996	(4,129,939)	1,610,417	(8,689,205)	(6,729,553)	10,244,730
Total Pension Liability - Beginning of year	<u>59,314,208</u>	<u>76,845,189</u>	<u>81,580,866</u>	<u>86,582,078</u>	<u>81,564,082</u>	<u>85,694,021</u>	<u>84,083,604</u>	<u>92,772,809</u>	<u>99,502,362</u>	<u>89,257,632</u>
Total Pension Liability - End of year	<u><u>\$60,036,234</u></u>	<u><u>\$59,314,208</u></u>	<u><u>\$76,845,189</u></u>	<u><u>\$81,580,866</u></u>	<u><u>\$86,582,078</u></u>	<u><u>\$81,564,082</u></u>	<u><u>\$85,694,021</u></u>	<u><u>\$84,083,604</u></u>	<u><u>\$92,772,809</u></u>	<u><u>\$99,502,362</u></u>
Plan Fiduciary Net Position										
Contributions - Other	\$7,957	\$ 1,527	\$ 4,119	\$ -	\$ -	\$ -	\$ 13,544	\$ 15,749	\$ 62	\$ 4,329
Contributions - Non-employer Entity	5,981,246	6,007,221	5,947,193	6,045,313	6,107,782	6,220,658	6,204,179	5,991,750	6,378,359	6,111,865
Net investment income	14,162	(417)	(1,009)	3,076	18,102	15,219	6,557	6,713	4,376	3,759
Administrative expenses	(16,466)	(10,653)	(10,321)	(9,942)	(10,304)	(10,054)	(13,577)	(13,551)	(12,462)	(10,957)
Benefit payments, including refunds	<u>(6,090,239)</u>	<u>(5,950,596)</u>	<u>(5,936,871)</u>	<u>(6,183,243)</u>	<u>(6,363,550)</u>	<u>(6,161,954)</u>	<u>(6,119,245)</u>	<u>(6,364,236)</u>	<u>(6,323,646)</u>	<u>(6,705,815)</u>
Net Change in Plan Fiduciary Net Position	(103,340)	47,082	3,111	(144,796)	(247,970)	63,869	91,458	(363,575)	46,689	(596,819)
Plan Fiduciary Net Position - Beginning of year	<u>606,612</u>	<u>559,530</u>	<u>556,419</u>	<u>701,215</u>	<u>949,185</u>	<u>885,316</u>	<u>793,858</u>	<u>1,157,433</u>	<u>1,110,743</u>	<u>1,707,562</u>
Plan Fiduciary Net Position - End of year	<u><u>\$503,272</u></u>	<u><u>\$606,612</u></u>	<u><u>\$559,530</u></u>	<u><u>\$556,419</u></u>	<u><u>\$701,215</u></u>	<u><u>\$949,185</u></u>	<u><u>\$885,316</u></u>	<u><u>\$793,858</u></u>	<u><u>\$1,157,432</u></u>	<u><u>\$1,110,743</u></u>
City's Net Pension Liability - Ending	<u><u>\$59,532,962</u></u>	<u><u>\$58,707,596</u></u>	<u><u>\$76,285,659</u></u>	<u><u>\$81,024,447</u></u>	<u><u>\$85,880,863</u></u>	<u><u>\$80,614,897</u></u>	<u><u>\$84,808,705</u></u>	<u><u>\$83,289,746</u></u>	<u><u>\$91,615,377</u></u>	<u><u>\$98,391,619</u></u>
Plan Fiduciary Net Position as a % of Total Pension Liability	0.84%	1.02%	0.73%	0.68%	0.81%	1.16%	1.03%	0.94%	1.25%	1.12%
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 441,200	\$ 441,200
City's Net Pension Liability as a % of Covered Payroll	-	-	-	-	-	-	-	-	20765%	22301%

Required Supplementary Information
1937 Firefighters' Pension Plan Schedule of Investment Returns

Last Ten Fiscal Years
Years Ended December 31

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	0.80%	1.00%	0.80%	0.60%

City of South Bend, Indiana

**Required Supplementary Information
1937 Firefighters' Pension Plan Schedule of Contributions**

**Last Ten Fiscal Years
Years Ended December 31**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 4,013,609	\$4,110,921	\$4,121,440	\$4,195,490	\$4,439,496	\$4,618,617	\$4,727,592	\$5,152,192	\$4,977,042	\$5,436,400
Contributions in relation to the actuarially determined contribution	<u>4,059,876</u>	<u>4,058,278</u>	<u>4,097,779</u>	<u>4,320,033</u>	<u>4,462,993</u>	<u>4,472,469</u>	<u>4,920,712</u>	<u>5,165,758</u>	<u>5,197,158</u>	<u>5,130,581</u>
Contribution (Deficiency) Excess	<u>\$ 46,267</u>	<u>\$(52,643)</u>	<u>\$(23,661)</u>	<u>\$124,543</u>	<u>\$23,497</u>	<u>\$(146,148)</u>	<u>\$193,120</u>	<u>\$13,566</u>	<u>\$220,116</u>	<u>\$(305,819)</u>
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$328,600	\$328,600
Contributions as a Percentage of Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %	1581.6%	1561.3%

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date December 31, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Remaining amortization period 30 years

Asset valuation method Not applicable. Benefits are funded on a pay-as-you-go basis

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 1.75% per year

Retirement age Non-converted - any age with 20 or more years of creditable service; Converted - age 52 with 20 or more years of creditable service and no longer active

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

Other information Cost of living increases of 2.65% per year in retirement for non-converted and 3% on July 1, 2023 and 1.95% thereafter per year for converted

The following actuarial assumption changes occurred for the 1937 Firefighters' pension plan since the Prior Measurement Date:

- Discount rate: The discount rate used for the December 31, 2023 valuation was 3.71% as directed by INPRS, based on the Barclay's 20-year Municipal Bond Index as of December 31, 2023. This is a decrease from the 1.39% used for the December 31, 2022 valuation.

- Cost-of-living-adjustment (COLA): For converted members, the July 1, 2023 COLA of 3% was used in place of the ongoing valuation assumption to reflect the known increase. Beginning July 1, 2024 the assumption reverts to the assumed rate of 1.95%. For non-converted members, there was no change and the COLA remains at 2.65%.

Required Supplementary Information
 Schedule of Changes in the City Net Pension Liability and Related Ratios
 1937 Firefighters' Pension Plan

**Last Ten Fiscal Years
 Years Ended December 31**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$-	\$ -	\$ -	\$49,137	\$62,978	\$98,529	\$81,717	\$163,162	\$155,487	\$114,297
Interest	1,746,130	783,612	895,656	1,362,747	1,865,607	1,815,032	2,124,050	1,940,826	2,020,796	3,155,669
Experience (gains)/losses	641,022	(255,266)	(562,790)	(457,133)	(1,096,354)	(482,208)	(1,611,010)	(262,337)	(2,816,692)	-
Plan amendments	-	-	-	-	941,442	-	-	-	-	-
Changes in assumptions	1,337,239	(11,312,679)	(218,152)	(422,909)	5,758,955	(2,105,211)	3,179,702	(4,645,609)	(245,887)	9,620,657
Projected benefit payments	(4,083,120)	(4,127,154)	(4,189,691)	(4,299,517)	(4,420,816)	(4,572,612)	(4,727,592)	(4,980,991)	(5,094,762)	(5,206,870)
Net Change in Total Pension Liability	(358,729)	(14,911,487)	(4,074,977)	(3,767,675)	3,111,812	(5,246,470)	(953,133)	(7,784,949)	(5,981,058)	7,683,753
Total Pension Liability - Beginning of year	43,782,334	58,693,821	62,768,798	66,536,473	63,424,661	68,671,131	69,624,264	77,409,213	83,390,271	75,706,518
Total Pension Liability - End of year	\$43,423,605	\$43,782,334	\$58,693,821	\$62,768,798	\$66,536,473	\$63,424,661	\$68,671,131	\$69,624,264	\$77,409,213	\$83,390,271
Plan Fiduciary Net Position										
Contributions - Other	\$5,322	\$3,922	\$-	\$-	\$-	\$-	\$4,251	\$6,279	\$2,667	\$1,484
Contributions - Non-employer Entity	4,059,876	4,058,278	4,097,779	4,320,033	4,462,993	4,472,469	4,920,712	4,866,271	5,039,025	5,129,098
Net investment income	10,004	611	(774)	2,579	9,432	7,596	3,352	2,852	2,675	1,963
Administrative expenses	(26,642)	(16,764)	(11,458)	(10,265)	(10,309)	(12,154)	(14,771)	(14,485)	(14,255)	(10,920)
Benefit payments, including refunds	(4,013,609)	(4,110,921)	(4,121,440)	(4,195,490)	(4,439,496)	(4,618,617)	(4,614,480)	(5,165,758)	(5,197,159)	(5,407,429)
Net Change in Plan Fiduciary Net Position	34,951	(64,874)	(35,893)	116,857	22,620	(150,706)	299,064	(304,841)	(167,047)	(285,804)
Plan Fiduciary Net Position - Beginning of year	354,262	419,136	455,029	338,172	315,552	466,258	167,194	472,035	639,081	924,885
Plan Fiduciary Net Position - End of year	\$389,213	\$354,262	\$419,136	\$455,029	\$338,172	\$315,552	\$466,258	\$167,194	\$472,034	\$639,081
City's Net Pension Liability - Ending	\$43,034,392	\$43,428,072	\$58,274,685	\$62,313,769	\$66,198,301	\$63,109,109	\$68,204,873	\$69,457,070	\$76,937,179	\$82,751,190
Plan Fiduciary Net Position as a % of Total Pension Liability	0.90%	0.81%	0.71%	0.72%	0.51%	0.50%	0.68%	0.24%	0.61%	0.77%
Covered Payroll	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$328,600	\$328,600
City's Net Pension Liability as a % of Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %	23414%	25183%

Required Supplementary Information
 Schedule of City Contributions
 Public Employees' Retirement Fund

Last Nine Fiscal Years
 Years Ended December 31

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$3,984,321	\$3,606,008	\$3,578,344	\$3,621,367	\$3,523,406	\$3,385,879	\$3,320,567	\$3,037,666	\$2,982,234
Contributions in relation to the actuarially determined contributions	\$3,984,321	\$3,606,008	3,578,344	3,621,367	3,523,406	3,385,879	3,320,567	3,037,666	2,982,234
Contribution Excess (Deficiency)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Covered Payroll	\$35,574,290	\$32,965,029	\$32,493,524	\$32,664,657	\$32,020,965	\$30,503,247	\$29,647,920	\$27,389,875	\$26,681,229
Contributions as a Percentage of Covered Payroll	11.2%	10.9%	11.0%	11.1%	11.0%	11.1%	11.2%	11.2%	11.2%

Information is presented for the years available

Contributions in relation to the actuarially determined contributions and covered payroll are reported as of the City's calendar year-end (December 31).

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percent of payroll
Actuarial Amortization Period for Unfunded Liability	20 years, closed
Remaining amortization period	24 years
Asset valuation method	Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Fair Value of Assets subject to a 20% corridor
Inflation	2.00% per year
Salary increase	2.65% to 8.65% per year
Investment rate of return	6.25% per year, includes inflation and net of administrative and investment expenses
Retirement age	Normal retirement ages are age 65 and 10 years (eight years for certain elected officials) of creditable service, age 60 and 15 years of creditable service, and age 55 if age and creditable service total at least 85 with early retirement at 50 with 15 years of service
Mortality	Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019
Other information	The following COLAs, compounded annually, were assumed: 0.40% beginning on January 1, 2026; 0.50% beginning on January 1, 2034; 0.60% beginning on January 1, 2039

There were no actuarial assumption changes in the Public Employees Retirement Fund since the Prior Measurement Date:

City of South Bend, Indiana

**Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Public Employees' Retirement Fund**

**Last Ten Fiscal Years
Years Ended June 30**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	0.55731%	0.58281%	0.60460%	0.59296%	0.59232%	0.58323%	0.57988%	0.54700%	0.55700%	0.56300%
City's proportionate share of the net pension liability (asset)	\$19,669,331	\$18,380,848	\$7,955,615	\$17,909,730	\$19,576,553	\$19,812,587	\$25,871,598	\$24,845,715	\$22,687,694	\$14,807,363
City's Covered Payroll	\$35,037,733	\$33,541,763	\$33,334,366	\$32,011,410	\$30,860,389	\$29,759,859	\$28,768,543	\$26,237,016	\$26,691,229	\$27,509,916
City's Proportionate Share of the Net pension Liability (Asset) as a Percentage of its Covered Payroll	56.14%	54.80%	23.87%	55.95%	63.44%	66.57%	89.93%	94.70%	85.00%	53.83%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	80.8%	82.5%	92.5%	81.4%	80.1%	78.9%	76.6%	75.3%	77.3%	84.3%

City of South Bend, Indiana

**Required Supplementary Information
Schedule of City Contributions
1977 Police Officers' Pension and Disability Fund**

**Last Nine Fiscal Years
Years Ended December 31**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$3,336,579	\$ 2,624,767	\$ 2,638,916	\$ 2,499,056	\$ 2,528,512	\$ 2,479,908	\$ 2,394,421	\$ 2,715,555	\$ 2,625,418
Contributions in relation to the actuarially determined contributions	<u>3,336,579</u>	<u>2,624,767</u>	<u>2,638,916</u>	<u>2,499,056</u>	<u>2,528,512</u>	<u>2,479,908</u>	<u>2,394,421</u>	<u>2,715,555</u>	<u>2,625,418</u>
Contribution Excess (Deficiency)	-	-	-	-	-	-	-	-	-
Covered Payroll	\$18,536,548	\$14,998,666	\$ 15,079,522	\$ 14,280,320	\$ 14,448,643	\$ 14,170,905	\$ 12,873,232	\$ 13,784,545	\$ 13,327,077
Contributions as a Percentage of Covered Payroll	18.0%	17.5%	17.5%	17.5%	17.5%	17.5%	18.6%	19.7%	19.7%

Information is presented for the years available

Contributions in relation to the actuarially determined contributions and covered payroll are reported as of the City's calendar year-end (December 31).

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Actuarial Amortization Period for Unfunded Liability 30 years, open

Remaining amortization period 30 years, open

Asset valuation method Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Market Value of Assets subject to a 20% corridor

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 6.25% per year, includes inflation and net of administrative and investment expenses

Retirement age Normal retirement is age 52 with 20 years of service; early retirement is age 50 with 20 years of service (reduced benefit)

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

Other information Assumed Cost of Living Adjustment (COLA): 1.95% annually

There were no actuarial assumption changes in the Public Employees Retirement Fund since the Prior Measurement Date:

City of South Bend, Indiana

Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Liability 1977 Police Officers' Pension and Disability Fund

**Last Ten Fiscal Years
Years Ended June 30**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability (asset)	1.56571%	1.50982%	1.55846%	1.54916%	1.62738%	1.6501%	1.72294%	1.75600%	1.78700%	1.82900%
City's proportionate share of the net pension liability (asset)	\$16,039,615	\$9,781,397	\$(9,210,737)	\$3,761,481	\$149,979	\$(1,450,622)	\$(265,770)	\$1,559,932	\$(2,640,039)	\$(932,236)
City's Covered Payroll	\$17,011,263	\$15,261,636	\$14,796,362	\$14,365,200	\$14,385,011	\$13,896,923	\$13,968,031	\$13,571,531	\$13,327,077	\$12,981,067
City's Proportionate Share of the Net pension Liability (Asset) as a Percentage of its Covered Payroll	94.29%	64.09%	-62.25%	26.18%	1.04%	-10.44%	-1.90%	11.49%	(19.8)%	(7.2)%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.40%	92.20%	107.80%	96.40%	99.90%	101.50%	100.3%	98.2%	103.2%	101.1%

City of South Bend, Indiana

**Required Supplementary Information
Schedule of City Contributions
1977 Firefighters' Pension and Disability Fund**

**Last Nine Fiscal Years
Years Ended December 31**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$3,101,607	\$ 2,845,694	\$ 2,799,560	\$ 2,795,379	\$ 2,730,295	\$ 2,690,987	\$ 2,556,604	\$ 2,717,624	\$ 2,666,116
Contributions in relation to the actuarially determined contributions	<u>3,101,607</u>	<u>2,845,694</u>	<u>2,799,560</u>	<u>2,795,379</u>	<u>2,730,295</u>	<u>2,690,987</u>	<u>2,556,604</u>	<u>2,717,624</u>	<u>2,666,116</u>
Contribution Excess (Deficiency)	<u>\$-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	17,231,151	16,261,112	15,997,482	\$ 15,973,594	\$ 15,601,683	\$ 15,377,071	\$ 13,745,183	\$ 13,795,047	\$ 13,533,745
Contributions as a Percentage of Covered Payroll	18.00%	17.50%	17.50%	17.50%	17.50%	17.50%	18.60%	19.70%	19.70%

Information is presented for the years available

Contributions in relation to the actuarially determined contributions and covered payroll are reported as of the City's calendar year-end (December 31).

Notes to Schedule of Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date June 30, 2023

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal

Amortization method Level percent of payroll

Actuarial Amortization Period for Unfunded Liability 30 years, open

Remaining amortization period 30 years, open

Asset valuation method Actuarial Value of Assets is equal to a five-year smoothing of gains and losses on the Market Value of Assets subject to a 20% corridor

Inflation 2.00% per year

Salary increase 2.65% per year

Investment rate of return 6.25% per year, includes inflation and net of administrative and investment expenses

Retirement age Normal retirement is age 52 with 20 years of service; early retirement is age 50 with 20 years of service (reduced benefit)

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

Other information Assumed Cost of Living Adjustment (COLA): 1.95% annually

There were no actuarial assumption changes in the Public Employees Retirement Fund since the Prior Measurement Date:

City of South Bend, Indiana

Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Liability 1977 Firefighters' Pension and Disability Fund

**Last Ten Fiscal Years
Years Ended June 30**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's proportion of the net pension liability (asset)	1.57127%	1.62692%	1.68915%	1.70153%	1.75457%	1.78736%	1.77600%	1.75800%	1.81500%	1.79500%
City's proportionate share of the net pension liability (asset)	\$16,096,573	\$10,540,031	\$(9,983,135)	\$ 4,131,447	\$ 161,701	\$(1,571,289)	\$ (273,955)	\$ 1,561,833	\$(2,680,987)	\$ (915,265)
City's Covered Payroll	\$17,071,671	\$16,445,364	\$16,037,134	\$15,778,121	\$15,509,357	\$15,052,876	\$14,398,217	\$13,588,032	\$13,533,745	\$12,744,754
City's Proportionate Share of the Net pension Liability (Asset) as a Percentage of its Covered Payroll	94.29%	64.09%	-62.25%	26.18%	1.04%	-10.44%	-1.90%	11.49%	(19.8)%	(7.2)%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	88.40%	92.20%	107.80%	96.40%	99.90%	101.50%	100.3%	98.2%	103.2%	101.1%

City of South Bend, Indiana

Required Supplementary Information
Schedule of Changes in the City's Total OPEB Liability and Related Ratios

Last Six Fiscal Years
Years Ended December 31

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability						
Service Cost	\$ 1,010,471	\$ 1,371,609	\$ 1,473,053	\$ 1,072,669	\$ 1,049,065	\$ 1,489,465
Interest	1,123,587	628,173	620,338	1,032,011	981,132	1,026,964
Difference between expected and actual experience	(1,533,821)	1,689,861	(2,190,115)	(2,677,265)	-	1,503,991
Changes of assumptions or other inputs	1,992,181	(4,157,551)	(307,148)	5,155,786	-	(8,795,897)
Benefit payments	(1,175,200)	(873,234)	(801,646)	(858,114)	(774,470)	(758,730)
Net change in total OPEB liability	1,417,219	(1,341,143)	(1,205,518)	3,725,087	1,255,727	(5,534,207)
Total OPEB Liability - beginning	25,640,240	26,981,383	28,186,901	24,461,814	23,206,087	28,740,294
Total OPEB Liability - ending	<u>\$27,057,459</u>	<u>\$ 25,640,241</u>	<u>\$ 26,981,383</u>	<u>\$ 28,186,901</u>	<u>\$ 24,461,814</u>	<u>\$ 23,206,087</u>
Plan fiduciary net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability - ending	<u>\$ 27,057,459</u>	<u>\$ 25,640,240</u>	<u>\$ 26,981,383</u>	<u>\$ 28,186,901</u>	<u>\$ 24,461,814</u>	<u>\$ 23,206,087</u>
Plan fiduciary net position as % of total OPEB liability	0%	0%	0%	0%	0%	0%
Covered-Employee Payroll	<u>\$ 70,064,222</u>	<u>\$ 63,979,551</u>	<u>\$ 62,327,863</u>	<u>\$ 62,222,358</u>	<u>\$ 60,754,757</u>	<u>\$ 58,876,762</u>
Net OPEB liability as a % of covered payroll	38.6%	40.1%	43.3%	45.3%	40.3%	39.4%

Information is presented for the years available. No assets are accumulated in a trust.

For fiscal year ended December 31, 2023

	General Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 48,573,110	\$ 48,573,110	\$ 48,636,181	\$ 63,071
Taxes - local income tax	9,737,608	9,737,608	14,189,571	4,451,963
Licenses and permits	278,025	278,025	219,971	(58,054)
Intergovernmental	4,257,918	4,257,918	4,062,969	(194,949)
Charges for services	4,123,028	4,123,028	5,630,413	1,507,385
Fines and forfeitures	8,000	8,000	9,045	1,045
Investment income	1,434,925	1,434,925	2,932,089	1,497,164
Other	13,253,971	13,253,971	13,998,579	744,608
Total revenues	81,666,585	81,666,585	89,678,818	8,012,233
Expenditures:				
Current:				
General government:				
Mayor:				
Personnel services	975,352	975,352	812,524	162,828
Supplies	5,500	5,411	3,655	1,756
Other services and charges	216,587	213,230	212,868	362
City Clerk:				
Personnel services	382,001	385,501	353,630	31,871
Supplies	8,381	11,581	9,689	1,892
Other services and charges	197,015	216,574	187,109	29,465
Common Council:				
Personnel services	435,787	378,211	321,470	56,741
Supplies	2,500	2,410	1,893	517
Other services and charges	239,106	366,706	327,605	39,101
Administration/Finance:				
Personnel services	3,645,848	3,704,096	3,039,462	664,634
Supplies	33,165	33,158	24,368	8,790
Other services and charges	28,598,899	12,213,256	10,995,861	1,217,395
Capital outlay	4,421,562	753,931	253,931	500,000
Innovation and Technology				
Other services and charges	40,135	40,135	40,135	-
Legal Department:				
Personnel services	1,550,076	1,603,444	1,382,316	221,128
Supplies	4,214	4,214	3,312	902
Other services and charges	196,150	209,294	195,815	13,479
Total general government	40,952,278	21,116,504	18,165,643	2,950,861
Public safety:				
Police Department:				
Personnel services	28,033,119	28,983,119	28,594,424	388,695
Supplies	1,518,839	1,458,400	1,377,592	80,808
Other services and charges	9,885,264	9,999,529	9,503,899	495,630
Capital outlay	4,013,660	3,521,229	3,287,851	233,378
Fire Department:				
Personnel services	24,359,719	24,359,719	23,975,978	383,741
Supplies	1,526,893	1,367,105	1,141,920	225,185
Other services and charges	5,287,560	5,680,451	5,504,613	175,838
Total public safety	74,625,054	75,369,552	73,386,277	1,983,275

Required Supplementary Information
 Budgetary Comparison Schedules
 General Fund (Continued)

For fiscal year ended December 31, 2023

	General Fund			
	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Highways and streets:				
Streets and Sewers:				
Other services and charges	1,467,536	1,467,536	1,314,108	153,428
Engineering:				
Personnel services	3,040,073	3,039,548	2,544,589	494,959
Supplies	325,757	156,577	141,529	15,048
Other services and charges	873,305	788,251	694,087	94,164
Capital outlay	29,380	29,380	29,380	-
Total highways and streets	<u>5,736,051</u>	<u>5,481,292</u>	<u>4,723,693</u>	<u>757,599</u>
Community and economic development:				
Other services and charges	33,000	-	-	-
Capital outlay	-	-	-	-
Total community and economic develop	<u>33,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Culture and recreation:				
Park Maintenance				
Other services and charges	1,839,028	1,951,225	1,891,368	59,857
Recreation				
Other services and charges	95,554	134,031	132,245	1,786
Morris Performing Arts Center:				
Personnel services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	184	184	184	-
Palais Royale Ballroom:				
Supplies	5,500	5,500	4,399	1,101
Other services and charges	225,509	225,252	178,243	47,009
Total culture and recreation	<u>2,165,775</u>	<u>2,316,192</u>	<u>2,206,439</u>	<u>109,753</u>
Total expenditures	<u>123,512,158</u>	<u>104,283,540</u>	<u>98,482,052</u>	<u>5,801,488</u>
Other Financing Sources (Uses):				
Debt proceeds	1,827,500	1,827,500	1,827,500	-
Proceeds from sale of capital assets	-	-	14,260	14,260
Transfers in	20,027,404	20,027,404	19,960,737	(66,667)
Transfers out	(25,110,993)	(25,110,787)	(24,184,872)	925,915
Net change in fund balances	(45,101,662)	(25,872,838)	(11,185,609)	14,687,229
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ (45,101,662)</u>	<u>\$ (25,872,838)</u>	<u>\$ (11,185,609)</u>	<u>\$ 14,687,229</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (11,185,609)	
To adjust revenues for accruals			11,605,765	
To adjust expenditures for accruals			(11,561,869)	
Net change in fund balance, GAAP basis			<u>\$ (11,141,713)</u>	

Required Supplementary Information
Budgetary Comparison Schedules
Major Special Revenue Funds
Parks and Recreation Fund

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 11,426,846	\$ 11,426,846	\$ 11,441,107	\$ 14,261
Licenses and permits	-	-	289	289
Intergovernmental	900,762	1,035,762	996,197	(39,565)
Charges for services	2,856,696	2,856,696	3,171,541	314,845
Fines and forfeitures	-	-	-	-
Investment income	15,000	15,000	130,670	115,670
Other	5,262,820	5,307,820	1,650,380	(3,657,440)
	<u>20,462,124</u>	<u>20,642,124</u>	<u>17,390,184</u>	<u>(3,251,940)</u>
Expenditures:				
Current:				
Culture and recreation:				
Personnel services	10,205,569	10,410,569	9,409,288	1,001,281
Supplies	1,995,911	1,822,211	1,611,704	210,507
Other services and charges	7,826,161	8,197,807	7,381,005	816,802
Capital outlay	9,439,092	1,875,393	1,807,647	67,746
	<u>29,466,733</u>	<u>22,305,980</u>	<u>20,209,644</u>	<u>2,096,336</u>
Other Financing Sources (Uses):				
Debt proceeds	436,000	436,000	-	(436,000)
Proceeds from sale of capital assets	-	-	67,974	67,974
Transfers in	5,860,977	5,860,977	5,341,940	(519,037)
Transfers out	-	-	-	-
	<u>(2,707,632)</u>	<u>4,633,121</u>	<u>2,590,454</u>	<u>(2,042,667)</u>
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ (2,707,632)</u>	<u>\$ 4,633,121</u>	<u>\$ 2,590,454</u>	<u>\$ (2,042,667)</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 2,590,454	
To adjust revenues for accruals			469,174	
To adjust expenditures for accruals			(877,858)	
Net change in fund balance, GAAP basis			<u>\$ 2,181,770</u>	

Required Supplementary Information
 Budgetary Comparison Schedules
 Major Special Revenue Funds (Continued)
 Local Income Tax-Public Safety Fund
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - local income tax	\$ 9,488,558	\$ 9,488,558	\$ 12,690,915	\$ 3,202,357
Investment income	10,000	10,000	178,001	168,001
Total revenues	<u>9,498,558</u>	<u>9,498,558</u>	<u>12,868,916</u>	<u>3,370,358</u>
Expenditures:				
Current:				
Public safety:				
Personnel services	<u>9,498,558</u>	<u>9,498,558</u>	<u>9,498,558</u>	<u>-</u>
Total expenditures	<u>9,498,558</u>	<u>9,498,558</u>	<u>9,498,558</u>	<u>-</u>
Net change in fund balances	-	-	3,370,358	3,370,358
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,370,358</u>	<u>\$ 3,370,358</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 3,370,358	
To adjust revenues for accruals			36,446	
To adjust expenditures for accruals			<u>(1)</u>	
Net change in fund balance, GAAP basis			<u>\$ 3,406,803</u>	

Required Supplementary Information
 Budgetary Comparison Schedules
 Major Special Revenue Funds (Continued)
 Local Income Tax-Economic Development Fund
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - local income tax	\$ 13,151,291	\$ 13,151,291	\$ 17,660,862	\$ 4,509,571
Intergovernmental	50,000	50,000	44,703	(5,297)
Investment income	78,445	78,445	750,667	672,222
Other	150,000	150,000	8,624	(141,376)
	<u>13,429,736</u>	<u>13,429,736</u>	<u>18,464,856</u>	<u>5,035,120</u>
Expenditures:				
Current:				
General government:				
Other services and charges	10,356,194	9,420,509	7,100,164	2,320,345
Capital outlay	5,264,846	324,647	324,647	-
	<u>15,621,040</u>	<u>9,745,156</u>	<u>7,424,811</u>	<u>2,320,345</u>
Other Financing Sources (Uses):				
Transfers out	(12,294,020)	(12,294,020)	(8,029,012)	4,265,008
	<u>(14,485,324)</u>	<u>(8,609,440)</u>	<u>3,011,033</u>	<u>11,620,473</u>
Net change in fund balances				
	(14,485,324)	(8,609,440)	3,011,033	11,620,473
Fund balances - Beginning				
	-	-	-	-
Fund balances - Ending				
	<u>\$ (14,485,324)</u>	<u>\$ (8,609,440)</u>	<u>\$ 3,011,033</u>	<u>\$ 11,620,473</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 3,011,033	
To adjust revenues for accruals			366,335	
To adjust expenditures for accruals			(405,755)	
Net change in fund balance, GAAP basis			<u>\$ 2,971,613</u>	

Required Supplementary Information
Budgetary Comparison Schedules
Major Special Revenue Funds (Continued)
American Rescue Plan

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 1,213,406	\$ 1,213,406
Investment income	-	-	180,695	180,695
Total revenues	-	-	1,394,101	1,394,101
Expenditures:				
Current:				
General government:				
Personnel services	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	10,291,678	945,227	945,227	-
Total expenditures	10,291,678	945,227	945,227	-
Net change in fund balances	(10,291,678)	(945,227)	448,874	1,394,101
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ (10,291,678)</u>	<u>\$ (945,227)</u>	<u>\$ 448,874</u>	<u>\$ 1,394,101</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 448,874	
To adjust revenues for accruals			1,121,275	
To adjust expenditures for accruals			(1,182,795)	
Net change in fund balance, GAAP basis			<u>\$ 387,354</u>	

Required Supplementary Information
Budget/GAAP Reconciliation
General Fund and Major Special Revenue Funds
For fiscal year ended December 31, 2023

The major difference between budgetary (Non-GAAP) basis and GAAP basis are as follows:

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

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

	<u>General</u>	<u>Parks and Recreation</u>	<u>Local Income Tax Public Safety</u>	<u>Local Income Tax Economic Development</u>	<u>American Rescue Plan</u>
Net change in fund balances (budgetary basis)	\$ (11,185,609)	\$ 2,590,454	\$ 3,370,358	\$ 3,011,033	\$ 448,874
Adjustments:					
To adjust revenues for accruals	11,605,765	469,174	36,446	366,335	1,121,275
To adjust expenditures for accruals	<u>(11,561,869)</u>	<u>(877,858)</u>	<u>(1)</u>	<u>(405,755)</u>	<u>(1,182,795)</u>
Net change in fund balances (GAAP basis)	<u>\$ (11,141,713)</u>	<u>\$ 2,181,770</u>	<u>\$ 3,406,803</u>	<u>\$ 2,971,613</u>	<u>\$ 387,354</u>

Note 1 – Budgets and Budgetary Accounting

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

- A. After conferring with the Common Council President and several department heads, the City 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 them.
- B. Prior to adoption, the City advertises the budget and the Common Council holds public hearings 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 December 31 prior to 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 fund, department, division, and cost classification for all funds. The City's management cannot transfer budgeted appropriations between cost 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. Formal budgetary integration is required by State statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major governmental funds:

- General Fund
- Special Revenue Funds - Park and Recreation, Local Income Tax-Public Safety, Local Income Tax-Economic Development, American Rescue Plan
- Capital Projects Fund - River West TIF

Note 1 – Budgets and Budgetary Accounting (Continued)

Nonmajor governmental funds:

- Special Revenue Funds - Motor Vehicle Highway, Studebaker Oliver Revitalization Grants, Economic Development State Grants, DCI Operating, DCI Federal Grants, Police State Seizure, Gift Donation Bequest, Unsafe Building, Law Enforcement Continuing Education, Rental Units Regulation, Loss Recovery Fund, Code Enforcement, Local Road and Street, LOIT 2016 Special Distribution, Human Rights Federal Grants, COVID-19 Response, Local Road and Bridge Grant, MVH Restricted, Hazmat, Indiana River Rescue, Police Grants, COPS MORE Grant, Federal Drug Enforcement, Urban Development Action Grant, Leaf Collection and Removal, City Cemetery, Bowman Cemetery, Industrial Revolving Fund.
- Debt Service Funds - 2003 Redevelopment Bond - Airport Taxable, 2003 Redevelopment Bond - Palais Royale, 2015 Smart Streets Bond Debt Service, 2015 Park Bond Debt Service, 2017 Park Bond Debt Service, 2017 Eddy St. Commons Bond Debt Service, 2018 Fire Station #9 Bond Debt Service, 2018 TIF Park Bond Debt Service Reserve, 2019 South Shore Double Tracking Bond Debt Service, 2020 TIF Library Bond Debt Service Reserve, Century Center Energy Conservation Debt Service, Redevelopment Authority Debt Service, South Bend Building Corporation Debt Service
- Capital Projects Funds – Fire Department Capital, Coveleski Stadium Capital, Cumulative Capital Development, Cumulative Capital Improvement, Major Moves, Professional Sports Convention Development Area, Morris Performing Arts Center Capital, Redevelopment General, TIF West Washington, TIF River East Development, TIF Southside Development Area No. 1, TIF Douglas Road, TIF River East Residential, Certified Technology Park, Palais Royale Historic Preservation, 2022 Zoo Bond Capital, Airport Urban Enterprise Zone, 2023 RDA Lease-Rental Bond Capital, 2017 Park Bond Capital, 2017 Eddy St. Commons Bond Capital, 2018 Fire Station #9 Bond Capital, 2018 TIF Park Bond Capital, 2021 Infrastructure Bond Capital

- 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. The net effect of individual amendments to the budget increased the original appropriations by \$92,110,351 in 2023 for the funds listed above.
- I. Expenditures did not exceed appropriations for any funds or any departments within any major or nonmajor governmental fund which required legally approved budgets.

Note 2 – Pension & OPEB Assets

There are no assets accumulated in a trust that meets the criteria in GASB Codification Section P22.101 to pay future pension benefits. There are no assets accumulated in a trust that meets the criteria in GASB Codification Section P52.101 to pay future OPEB benefits.

Other Supplemental Information

SPECIAL REVENUE FUNDS

Motor Vehicle Highway	To account for street construction and the operations of the street maintenance department. Financing is provided by state motor vehicle highway distributions.
Studebaker/Oliver Revitalization Grants	To account for expenditures related to the Studebaker and Oliver revitalization projects. Financing is provided by federal and state grants and loans from other organizations.
Economic Development State Grants	To account for expenditures related to projects promoting economic development. Financing is provided by state grants and loan payments. Expenditures include grants and related expenses.
DCI Operating	To account for the operating expenditures related to the South Bend Department of Community Investment (DCI). Financing will be provided by revenues received from charges for services, other revenue sources, and from fund transfers.
DCI Federal Grants	To account for revenues received from the U.S. Department of Housing and Urban Development related to community improvement projects.
Police State Seizure	To account for law enforcement expenditures financed by the authorized state or local agencies' sale of confiscated property.
Gift Donation Bequest	To account for donations, gifts, or bequeaths for purposes designated by the donor.
Police Curfew Violation	To account for monies received from penalties paid for curfew violations. Expenditures include Drug Abuse Resistance Education and Juvenile Aid Bureau.
Unsafe Building	To receive fines and fees related to Indiana's Unsafe Building law and account for the expenses incurred for board-ups, demolitions, ordinance violation abatements, and other related services.
Law Enforcement Continuing Education	To account for police fees collected to finance police officers' continuing education, training, and supplies and equipment.
Rental Units Regulation	To account for the revenues and expenditures related to the Landlord Registration and the Rental Safety Verification Program (RSVP) ordinances enacted by the Common Council.
Loss Recovery	To account for compensatory or exemplary damage payments from third parties arising from loss or damage to City tangible or intangible property.
Code Enforcement	To account for the activity of the Department of Code Enforcement including Neighborhood Code Enforcement and the South Bend Animal Resource Center.
Local Road and Street	To account for operation and maintenance of local and arterial road and street systems. Financing is provided by state gasoline tax distributions.
LOIT 2016 Special Distribution	To account for a one-time, special distribution of local income taxes from the State of Indiana for the purpose of infrastructure expenditures.
Human Rights Federal Grants	To account for expenditures to prevent discrimination and to promote human rights. Financing is provided by federal grants.
COVID-19 Response	To account for expenditures related to the City's response to the COVID-19 pandemic, including public safety and economic development activity, as well as related grants dedicated to fund these efforts.

Local Road & Bridge Grant	To account for the receipt of the Community Crossings grant and matching revenue and for the payment of expenditures on eligible projects.
MVH Restricted	To account for preventive maintenance of the City's streets. Allowable costs related to preventive maintenance is defined by the state. Financing is provided by state motor vehicle highway distributions.
Morris and Palais Marketing	To account for marketing and promotion expenditures financed by sponsorship solicitations and donations.
Morris PAC Self-Promoted Events	To account for earnings on self-promoted events.
Police Block Grants	To account for federal grants which provide financing for police activities.
Hazmat	To account for monies generated by the South Bend Fire Department's response to hazardous materials incidents. Funds are used to purchase, repair, or replace hazmat equipment, or for training and supplies.
Indiana River Rescue	To account for expenditures related to river rescue training. Financing is provided by registration fees.
Police Grants	To account for federal grants which provide financing for police activities.
Regional Police Academy	To account for revenues (tuition) and expenditures (seminars, travel, lectures, and career days) related to the advancement of present and future police officers.
COPS MORE Grant	To account for a grant which provides financing for police activities. The Community-Oriented Policing Services (COPS) Office of the Department of Justice offers grants through the Making Officer Redeployment Effective (MORE) program.
Federal Drug Enforcement	To account for expenditures for drug enforcement. Financing is provided by distributions from the authorized federal agencies' confiscated property sale.
Urban Development Action Grant	To account for economic development expenditures which are financed by federal grants and loan repayments.
Leaf Collection and Removal	To account for the expenditures of a program to remove leaves from the City each fall. Financing is provided by a monthly service fee charged to all City residents.
Police K-9 Unit	To account for donations for development and maintenance of the K-9 unit.
City Cemetery	To account for expenditures specifically for the City Cemetery. Funding is provided by the sale of cemetery plots and burial expenses.
Bowman Cemetery	To account for the expenditures the City incurs in maintaining the Bowman Cemetery.
Industrial Revolving Fund	To report and administer loan funds for small businesses that is governed by a separate Board of Directors which contracts with the City's Community Investment Department for administration services.
Urban Enterprise Association	<i>Blended Component Unit:</i> Accounts for activities from the UEA, which runs a variety of economic development projects for the City.
VPA Foundation	<i>Blended Component Unit:</i> Accounts for donations for the City's department of Venues Parks & Arts.

DEBT SERVICE FUNDS

2003 Redevelopment Bond Airport Taxable	To accumulate monies as a reserve for the payment of Redevelopment Authority bonds for the airport taxable project.
2003 Redevelopment Bond Palais Royale	To accumulate monies as a reserve for the payment of Redevelopment Authority bonds for the Palais Royale project.
2015 Smart Streets Bond Debt Service	To accumulate monies as a reserve for the payment of Smart Streets Bonds related to the conversion of one-way to two-way streets.
2015 Park Bond Debt Service	To accumulate monies as a reserve for the payment of the 2015 Parks & Recreation Bond debt service payments.
2017 Eddy St. Commons Bond Debt Service	To accumulate monies as a reserve for the payment of the 2017 Eddy Street Commons Phase II Bond debt service payments.
2017 Park Bond Debt Service	This fund is used to collect a separate property tax levy and is used to pay for the semi-annual payment of debt service principal and interest to the bondholders of the 2017 Park District Bonds, Series A-K.
2018 Fire Station #9 Bond Debt Service	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.
2018 TIF Park Bond Debt Service Reserve	To account for assets held to satisfy bond covenant requirements.
2019 South Shore Double Tracking Bond Debt Service	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.
2020 TIF Library Bond Debt Service Reserve	To account for assets held to satisfy bond covenant requirements.
Century Center Energy Conservation Debt Service	To account for debt retirement of a 2015 qualified energy conservation bond for improvements at Century Center. Funding is provided by hotel/motel tax revenue, interest rebates, and transfers from other City funds.
Redevelopment Authority Debt Service	To accumulate monies for the payment of Redevelopment Authority bonds issued to refinance bonds issued for construction of a parking garage facility, bonds issued for central development area land acquisition and construction of public improvements, bonds issued to purchase the Palais Royale, bonds issued to refinance bonds issued for construction of Century Center improvements, and bonds issued to refinance bonds issued for renovations to the Morris Performing Art Center.
South Bend Building Corporation Debt Service	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.

CAPITAL PROJECTS FUNDS

Fire Department Capital	To purchase capital assets for the City's Fire Department, including vehicles (such as fire trucks and ambulances) and capital improvements to Fire Stations.
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Coveleski Stadium Capital	To account for expenditures related to the maintenance and improvement of the baseball stadium. Financing is provided by a rental paid by the semi-pro baseball team.
Cumulative Capital Development	To account for expenditures relating to the purchase or lease of capital improvements in the City. Financing is provided by a specific property tax levy.
Cumulative Capital Improvement	To account for state cigarette tax distributions used for improvement projects.
Major Moves	To account for state distributions used for road construction and other uses authorized by Indiana statute.
Professional Sports Convention Development Area	To account for state distributions of sales tax and income tax earned at specified locations within the area. Restricted for use on capital projects at those specific locations (which include Four Winds Field, Morris Performing Arts Center, and Century Center).
Morris Performing Arts Center Capital	To accumulate monies for major repairs and capital improvements to the Morris Civic Auditorium. Financing is provided by a surcharge on ticket sales for events held at the auditorium.
Redevelopment General	To account for eligible redevelopment initiatives designed to improve educational opportunities and address poverty and unemployment in the City. Financing is provided by an annual payment in lieu of taxes from the Pokagon Band of Potawatomi Indians and a small receipt of local income tax.
TIF – West Washington	To account for expenditures for public improvement projects in the West Washington Economic Development Area. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.
TIF – River East Development	To account for expenditures for improvements in the northeast development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment. During TIF consolidation in 2015, this fund was renamed. It was formerly known as the TIF Northeast Development Fund.
TIF – Southside Development Area No. 1	To account for expenditures for improvements in the Southside development tax incremental district no. 1. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment.
TIF – Douglas Road	To account for expenditures for improvements in the Douglas Road development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment.
TIF – River East Residential	To account for expenditures for improvements in the Northeast Neighborhood Residential development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment. During TIF consolidation in 2015, this fund was renamed. It was formerly known as the TIF Northeast Residential Fund.

Certified Technology Park	To account for expenditures related to acquisition, improvements, construction and maintenance of public facilities, debt service and other permitted uses under I.C. 36-7-32-23 in connection with a certified technology park. Financing is provided by property tax proceeds, state gross retail and uses taxes, and other revenues.
Palais Royale Historic Preservation	To account for expenditures financed by a two percent fee charged for all Palais Royale services.
2022 Zoo Bond Capital	To account for the expenditures of bond funds to be used for the construction, expansion, renovation, equipping, furnishing and improvement of the Potawatomi Zoo.
Airport Urban Enterprise Zone	To account expenditures for improvements in the Zone area, financed by property taxes on qualifying properties in the Zone.
Equipment Vehicle Leasing	To account for proceeds from financed-purchase agreements used to finance major equipment needs of the City.
2017 Park Bond Capital	To account for the expenditures of bond funds relating to the Park District Bonds, Series 2017 A-K to be used for planned capital projects to improve the parks.
2017 Eddy St. Commons Bond Capital	To account for the expenditures of the bond proceeds from to be spent on Phase II of the mixed-use development near the University of Notre Dame.
2018 Fire Station #9 Bond Capital	To account for the expenditures of bond funds relating to the General Obligation Bonds, Series 2018 to be used for the construction of the new Fire Station #9 and additional classroom for the Fire Training Center.
2018 TIF Park Bond Capital	To account for the expenditures of bond funds relating to the Redevelopment District Bonds, Series 2018 to be used for planned capital projects to improve the parks.

	Special Revenue Funds								
	Motor Vehicle Highway	Studebaker Oliver Revitalization Grants	Economic Development State Grants	DCI Operating	DCI Federal Grants	Police State Seizure	Gift Donation Bequest	Unsafe Building	Law Enforcement Continuing Education
Assets									
Cash and cash equivalents	\$ 4,510,784	\$ 299,004	-	\$ 196,152	\$ 1,212,370	\$ 117,773	\$ 2,028,278	\$ 412,553	\$ 460,570
Investments	1,763,213	349,852	-	212,155	-	137,801	2,368,166	482,708	535,681
Receivables:									
Accounts	8,417	-	-	320	127,003	-	-	-	19,081
Interest	11,608	2,043	15	2	-	803	8,408	2,814	3,085
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	117,778	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	1	-	-	2,288,072	-	-	-	-
Restricted assets	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 6,294,022</u>	<u>\$ 650,900</u>	<u>\$ 15</u>	<u>\$ 408,629</u>	<u>\$ 3,745,223</u>	<u>\$ 256,377</u>	<u>\$ 4,404,852</u>	<u>\$ 898,075</u>	<u>\$ 1,018,417</u>
Liabilities									
Accounts payable	\$ 326,521	\$ 525	\$ -	\$ 45,466	\$ 11,603	\$ -	\$ 7,298	\$ 1,730	\$ 49,420
Due to other funds	820	-	\$ 134,601	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	4,950	-
Accrued liabilities and other:									
Accrued payroll payable	163,538	-	-	110,150	-	-	-	-	-
Taxes payable	14,279	-	-	9,618	-	-	-	-	-
Other current payables	-	-	-	-	2,549	-	-	-	-
Customer deposits	2,000	-	-	-	-	-	-	-	-
Total liabilities	<u>507,158</u>	<u>525</u>	<u>134,601</u>	<u>165,234</u>	<u>14,152</u>	<u>-</u>	<u>7,298</u>	<u>6,680</u>	<u>49,420</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	5,786,864	650,375	-	-	3,731,071	256,377	4,397,554	-	968,997
Committed	-	-	-	-	-	-	-	891,395	-
Assigned	-	-	-	243,395	-	-	-	-	-
Unassigned	-	-	(134,586)	-	-	-	-	-	-
Total fund balances	<u>5,786,864</u>	<u>650,375</u>	<u>(134,586)</u>	<u>243,395</u>	<u>3,731,071</u>	<u>256,377</u>	<u>4,397,554</u>	<u>891,395</u>	<u>968,997</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,294,022</u>	<u>\$ 650,900</u>	<u>\$ 15</u>	<u>\$ 408,629</u>	<u>\$ 3,745,223</u>	<u>\$ 256,377</u>	<u>\$ 4,404,852</u>	<u>\$ 898,075</u>	<u>\$ 1,018,417</u>

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	Special Revenue Funds								
	Rental Units Regulation	Loss Recovery Fund	Code Enforcement	Local Road and Street	LOIT 2016 Special Distribution	Human Rights Federal Grants	COVID-19 Response	Local Road and Bridge Grant	MVH Restricted
Assets									
Cash and cash equivalents	\$ 96,398	\$ 996,368	-	\$ 636,266	\$ 30,921	\$ 71,550	-	\$ 196,145	\$ 411,761
Investments	112,600	1,165,804	-	744,463	36,180	83,117	-	229,500	432,468
Receivables:									
Accounts	4,842	-	117,106	5,255	-	-	-	-	-
Interest	659	6,804	380	4,344	211	485	-	1,339	2,679
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	3,754,480	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	-
Restricted assets	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 214,499</u>	<u>\$ 5,923,456</u>	<u>\$ 117,486</u>	<u>\$ 1,390,328</u>	<u>\$ 67,312</u>	<u>\$ 155,152</u>	<u>\$ -</u>	<u>\$ 426,984</u>	<u>\$ 846,908</u>
Liabilities									
Accounts payable	\$ -	\$ -	\$ 26,560	\$ 685,618	\$ 4,314	\$ 23	\$ 32,391	\$ -	\$ -
Due to other funds	-	-	12,762	-	-	-	79,650	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	1,880	-	58,769	-	-	5,613	-	-	-
Taxes payable	164	-	5,131	-	-	490	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>2,044</u>	<u>-</u>	<u>103,222</u>	<u>685,618</u>	<u>4,314</u>	<u>6,126</u>	<u>112,041</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	3,754,480	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>3,754,480</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	704,710	62,998	149,026	-	426,984	846,908
Committed	212,455	2,168,976	14,264	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(112,041)	-	-
Total fund balances	<u>212,455</u>	<u>2,168,976</u>	<u>14,264</u>	<u>704,710</u>	<u>62,998</u>	<u>149,026</u>	<u>(112,041)</u>	<u>426,984</u>	<u>846,908</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 214,499</u>	<u>\$ 5,923,456</u>	<u>\$ 117,486</u>	<u>\$ 1,390,328</u>	<u>\$ 67,312</u>	<u>\$ 155,152</u>	<u>\$ -</u>	<u>\$ 426,984</u>	<u>\$ 846,908</u>

	Special Revenue Funds								
	Hazmat	Indiana River Rescue	COPS MORE Grant	Federal Drug Enforcement	Urban Development Action Grant	Leaf Collection and Removal	City Cemetery	Bowman Cemetery	Industrial Revolving Fund
Assets									
Cash and cash equivalents	\$ 14,754	\$ 212,355	\$ 9,567	\$ 201,296	\$ 31,673	\$ 211,974	\$ 14,438	\$ 227,134	\$ 3,050,363
Investments	17,262	248,467	11,194	-	37,058	247,457	16,894	265,758	-
Receivables:									
Accounts	2,375	23,600	-	-	-	58,350	-	-	810
Interest	100	1,442	-	262	216	1,444	98	1,551	12,838
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	12,198,889
Due from other funds	-	-	-	-	-	43	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	76,300
Restricted assets	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 34,491</u>	<u>\$ 485,864</u>	<u>\$ 20,761</u>	<u>\$ 201,558</u>	<u>\$ 68,947</u>	<u>\$ 519,268</u>	<u>\$ 31,430</u>	<u>\$ 494,443</u>	<u>\$ 15,339,200</u>
Liabilities									
Accounts payable	\$ -	\$ 1,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,106
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	5,513	-	-	-
Taxes payable	-	-	-	-	-	481	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>1,070</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,994</u>	<u>-</u>	<u>-</u>	<u>1,106</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	20,761	201,558	68,947	-	31,430	494,443	15,338,094
Committed	34,491	484,794	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	513,274	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>34,491</u>	<u>484,794</u>	<u>20,761</u>	<u>201,558</u>	<u>68,947</u>	<u>513,274</u>	<u>31,430</u>	<u>494,443</u>	<u>15,338,094</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 34,491</u>	<u>\$ 485,864</u>	<u>\$ 20,761</u>	<u>\$ 201,558</u>	<u>\$ 68,947</u>	<u>\$ 519,268</u>	<u>\$ 31,430</u>	<u>\$ 494,443</u>	<u>\$ 15,339,200</u>

	Special Revenue Funds			Debt Service Funds					
	Urban Enterprise Association	VPA Foundation	Total Special Revenue Funds	2003 Redevelopment Bond - Airport Taxable	2003 Redevelopment Bond - Palais Royale	2015 Smart Streets Bond Debt Service	2015 Park Bond Debt Service	2017 Park Bond Debt Service	2017 Eddy St. Commons Bond Debt Service
Assets									
Cash and cash equivalents	\$ 1,931,171	\$ 6,093,039	\$ 23,674,657	\$ 495,068	\$ 827,681	\$ 1,751,219	\$ 558,162	\$ 70,272	\$ 3,668,987
Investments	179,841	-	9,677,639	579,257	968,429	-	-	82,222	-
Receivables:									
Accounts	251,392	-	618,551	-	-	-	-	-	-
Interest	-	-	63,630	3,381	5,651	7	685	480	15
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	3,754,480	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	1,122,806	-
Loans	-	-	12,316,667	-	-	-	-	-	-
Due from other funds	-	-	43	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	2,364,373	-	-	-	-	-	-
Restricted assets	-	-	-	-	-	-	-	-	-
Total assets	\$ 2,362,404	\$ 6,093,039	\$ 52,470,040	\$ 1,077,706	\$ 1,801,761	\$ 1,751,226	\$ 558,847	\$ 1,275,780	\$ 3,669,002
Liabilities									
Accounts payable	\$ 23,135	\$ -	\$ 1,216,780	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	227,833	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	4,950	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	345,463	-	-	-	-	-	-
Taxes payable	-	-	30,163	-	-	-	-	-	-
Other current payables	17,812	-	20,361	-	-	-	-	-	-
Customer deposits	24,499	-	26,499	-	-	-	-	-	-
Total liabilities	65,446	-	1,872,049	-	-	-	-	-	-
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	3,754,480	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	1,122,805	-
Total deferred inflows of resources	-	-	3,754,480	-	-	-	-	1,122,805	-
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	2,296,958	6,093,039	42,527,094	1,077,706	1,801,761	1,751,226	558,847	152,975	3,669,002
Committed	-	-	3,806,375	-	-	-	-	-	-
Assigned	-	-	756,669	-	-	-	-	-	-
Unassigned	-	-	(246,627)	-	-	-	-	-	-
Total fund balances	2,296,958	6,093,039	46,843,511	1,077,706	1,801,761	1,751,226	558,847	152,975	3,669,002
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,362,404	\$ 6,093,039	\$ 52,470,040	\$ 1,077,706	\$ 1,801,761	\$ 1,751,226	\$ 558,847	\$ 1,275,780	\$ 3,669,002

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	Debt Service Funds		Special Revenue Funds					Capital Projects Funds	
	2018 Fire Station #9 Bond Debt Service	2018 TIF Park Bond Debt Service Reserve	Motor Vehicle Highway	Studebaker Oliver Revitalization Grants	Century Center Energy Conservation Debt Service	Redevelopment Authority Debt Service	South Bend Building Corporation Debt Service	Total Debt Service Funds	Fire Department Capital
Assets									
Cash and cash equivalents	\$ -	\$ 494,886	\$ 20,074	\$ 326,951	\$ 15,102	\$ 447,521	\$ 231,285	\$ 8,907,208	\$ 1,568,457
Investments	-	579,043	-	-	17,670	-	-	2,226,621	-
Receivables:									
Accounts	-	-	-	-	-	-	-	-	300
Interest	-	3,380	-	2	58	1,690	204	15,553	1,452
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	1,122,806	-
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	-
Restricted assets	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 1,077,309</u>	<u>\$ 20,074</u>	<u>\$ 326,953</u>	<u>\$ 32,830</u>	<u>\$ 449,211</u>	<u>\$ 231,489</u>	<u>\$ 12,272,188</u>	<u>\$ 1,570,209</u>
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	-	-	-	-	-	-	1,122,805	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,122,805</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	1,077,309	20,074	326,953	32,830	449,211	231,489	11,149,383	1,570,209
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>-</u>	<u>1,077,309</u>	<u>20,074</u>	<u>326,953</u>	<u>32,830</u>	<u>449,211</u>	<u>231,489</u>	<u>11,149,383</u>	<u>1,570,209</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ 1,077,309</u>	<u>\$ 20,074</u>	<u>\$ 326,953</u>	<u>\$ 32,830</u>	<u>\$ 449,211</u>	<u>\$ 231,489</u>	<u>\$ 12,272,188</u>	<u>\$ 1,570,209</u>

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	Capital Projects Funds								
	Coveleski Stadium Capital	Cumulative Capital Development	Cumulative Capital Improvement	Major Moves	Professional Sports Convention Development Area	Morris Performing Arts Center Capital	Redevelopment General	TIF - West Washington	TIF - River East Development
Assets									
Cash and cash equivalents	\$ 1,284	\$ 65,132	\$ 128,084	\$ 734,249	\$ 115,791	\$ 160,803	\$ 1,489,160	\$ 862,990	\$ 6,704,728
Investments	1,501	133,003	149,864	859,109	135,481	-	1,741,726	1,009,745	7,844,893
Receivables:									
Accounts	-	-	-	-	-	-	-	-	-
Interest	8	775	583	5,014	791	228	10,762	5,894	46,508
Taxes	-	-	-	-	289,170	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	-	616,814	-	-	-	-	-	550,559	7,380,859
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	642,076	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	2,214	436,000	10,300
Restricted assets	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 2,793</u>	<u>\$ 815,724</u>	<u>\$ 278,531</u>	<u>\$ 2,240,448</u>	<u>\$ 541,233</u>	<u>\$ 161,031</u>	<u>\$ 3,243,862</u>	<u>\$ 2,865,188</u>	<u>\$ 21,987,288</u>
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ 7,449	\$ 21,986	\$ 4,445	\$ 19,237	\$ 68,357	\$ 344,411
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,449</u>	<u>21,986</u>	<u>4,445</u>	<u>19,237</u>	<u>68,357</u>	<u>344,411</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	-	616,814	-	-	-	-	-	550,559	7,380,859
Total deferred inflows of resources	<u>-</u>	<u>616,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>550,559</u>	<u>7,380,859</u>
Fund balances									
Nonspendable	-	-	-	642,076	-	-	-	-	-
Restricted	-	198,910	278,531	1,590,923	519,247	-	-	2,246,272	14,262,018
Committed	2,793	-	-	-	-	156,586	3,224,625	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>2,793</u>	<u>198,910</u>	<u>278,531</u>	<u>2,232,999</u>	<u>519,247</u>	<u>156,586</u>	<u>3,224,625</u>	<u>2,246,272</u>	<u>14,262,018</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,793</u>	<u>\$ 815,724</u>	<u>\$ 278,531</u>	<u>\$ 2,240,448</u>	<u>\$ 541,233</u>	<u>\$ 161,031</u>	<u>\$ 3,243,862</u>	<u>\$ 2,865,188</u>	<u>\$ 21,987,288</u>

	Capital Projects Funds								
	TIF - Southside Development Area No. 1	TIF - Douglas Road	TIF - River East Residential	Certified Technology Park	Palais Royale Historic Preservation	2022 Zoo Bond Capital	Airport Urban Enterprise Zone	2023 RDA Lease-Rental Bond Capital	2017 Park Bond Capital
Assets									
Cash and cash equivalents	\$ 5,881,513	\$ 276,977	\$ 4,135,965	\$ 5,325	\$ 58,706	\$ -	\$ 196,088	\$ 28,540,319	\$ 628,237
Investments	6,881,688	324,077	4,839,305	6,231	68,688	-	229,433	-	735,072
Receivables:									
Accounts	-	-	-	-	-	-	-	-	-
Interest	40,050	1,889	28,245	36	400	-	1,340	1	4,291
Taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Property taxes	3,110,843	255,814	6,941,806	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Property held for resale	-	-	-	-	-	-	-	-	-
Restricted assets	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 15,914,094</u>	<u>\$ 858,757</u>	<u>\$ 15,945,321</u>	<u>\$ 11,592</u>	<u>\$ 127,794</u>	<u>\$ -</u>	<u>\$ 426,861</u>	<u>\$ 28,540,320</u>	<u>\$ 1,367,600</u>
Liabilities									
Accounts payable	\$ 867,665	\$ -	\$ 297,139	\$ -	\$ -	\$ -	\$ -	\$ 1,941,913	\$ 267,485
Due to other funds	-	-	-	-	-	-	-	-	-
Advances from other funds	-	-	642,076	-	-	-	-	-	-
Performance deposits payable	-	-	-	-	-	-	-	-	-
Accrued liabilities and other:									
Accrued payroll payable	-	-	-	-	-	-	-	-	-
Taxes payable	-	-	-	-	-	-	-	-	-
Other current payables	-	-	-	-	-	-	-	-	-
Customer deposits	-	-	-	-	-	-	-	-	-
Total liabilities	<u>867,665</u>	<u>-</u>	<u>939,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,941,913</u>	<u>267,485</u>
Deferred inflows of resources									
- unavailable revenue									
Intergovernmental receivable	-	-	-	-	-	-	-	-	-
Property taxes receivable	3,110,843	255,814	6,941,806	-	-	-	-	-	-
Total deferred inflows of resources	<u>3,110,843</u>	<u>255,814</u>	<u>6,941,806</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	11,935,586	602,943	8,064,300	11,592	-	-	-	26,598,407	1,100,115
Committed	-	-	-	-	127,794	-	426,861	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	<u>11,935,586</u>	<u>602,943</u>	<u>8,064,300</u>	<u>11,592</u>	<u>127,794</u>	<u>-</u>	<u>426,861</u>	<u>26,598,407</u>	<u>1,100,115</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,914,094</u>	<u>\$ 858,757</u>	<u>\$ 15,945,321</u>	<u>\$ 11,592</u>	<u>\$ 127,794</u>	<u>\$ -</u>	<u>\$ 426,861</u>	<u>\$ 28,540,320</u>	<u>\$ 1,367,600</u>

	Capital Projects Funds					
	2017 Eddy St. Commons Bond Capital	2018 Fire Station #9 Bond Capital	2018 TIF Park Bond Capital	2021 Infrastructure Bond Capital	Total Capital Projects Funds	Total Nonmajor Governmental Funds
Assets						
Cash and cash equivalents	\$ 25,765	\$ 151,030	\$ 1,085,253	\$ 422,752	\$ 53,238,608	\$ 85,820,473
Investments	-	176,712	1,269,803	494,643	26,900,974	38,805,234
Receivables:						
Accounts	-	-	-	-	300	618,851
Interest	-	1,030	7,410	2,888	159,595	238,778
Taxes	-	-	-	-	289,170	289,170
Intergovernmental	-	-	-	-	-	3,754,480
Property taxes	-	-	-	-	18,856,695	19,979,501
Loans	-	-	-	-	-	12,316,667
Due from other funds	-	-	-	-	-	43
Advances to other funds	-	-	-	-	642,076	642,076
Property held for resale	-	-	-	-	448,514	2,812,887
Restricted assets	-	-	-	-	-	-
Total assets	<u>\$ 25,765</u>	<u>\$ 328,772</u>	<u>\$ 2,362,466</u>	<u>\$ 920,283</u>	<u>\$ 100,535,932</u>	<u>\$ 165,278,160</u>
Liabilities						
Accounts payable	\$ -	\$ -	\$ 919,772	\$ 204,135	\$ 4,963,994	\$ 6,180,774
Due to other funds	-	-	-	-	-	227,833
Advances from other funds	-	-	-	-	642,076	642,076
Performance deposits payable	-	-	-	-	-	4,950
Accrued liabilities and other:						
Accrued payroll payable	-	-	-	-	-	345,463
Taxes payable	-	-	-	-	-	30,163
Other current payables	-	-	-	-	-	20,361
Customer deposits	-	-	-	-	-	26,499
Total liabilities	<u>-</u>	<u>-</u>	<u>919,772</u>	<u>204,135</u>	<u>5,606,070</u>	<u>7,478,119</u>
Deferred inflows of resources						
- unavailable revenue						
Intergovernmental receivable	-	-	-	-	-	3,754,480
Property taxes receivable	-	-	-	-	18,856,695	19,979,500
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,856,695</u>	<u>23,733,980</u>
Fund balances						
Nonspendable	-	-	-	-	642,076	642,076
Restricted	25,765	328,772	1,442,694	716,148	71,492,432	125,168,909
Committed	-	-	-	-	3,938,659	7,745,034
Assigned	-	-	-	-	-	756,669
Unassigned	-	-	-	-	-	(246,627)
Total fund balances	<u>25,765</u>	<u>328,772</u>	<u>1,442,694</u>	<u>716,148</u>	<u>76,073,167</u>	<u>134,066,061</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 25,765</u>	<u>\$ 328,772</u>	<u>\$ 2,362,466</u>	<u>\$ 920,283</u>	<u>\$ 100,535,932</u>	<u>\$ 165,278,160</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Special Revenue Funds							
	Motor Vehicle Highway	Studebaker Oliver Revitalization Grants	Economic Development State Grants	DCI Operating	DCI Federal Grants	Police State Seizure	Gift Donation Bequest	Unsafe Building
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-
Licenses and permits	2,725	-	-	-	-	-	-	-
Intergovernmental	3,274,223	-	85,650	229,133	5,559,168	-	-	-
Charges for services	89,847	-	-	266,888	-	-	-	-
Fines and forfeitures	-	-	-	92,005	-	-	-	68,515
Investment income (loss)	162,055	29,166	-	(1,868)	-	9,330	27,092	37,856
Other	265,667	-	-	24,565	10,722	51,127	3,625,410	-
Total revenues	<u>3,794,517</u>	<u>29,166</u>	<u>85,650</u>	<u>610,723</u>	<u>5,569,890</u>	<u>60,457</u>	<u>3,652,502</u>	<u>106,371</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	119,518	19,230
Public safety	-	-	-	-	-	-	-	-
Highways and streets	8,286,325	-	-	-	-	-	-	-
Community and economic development	-	18,345	144,348	4,077,096	4,176,155	-	27,831	-
Culture and recreation	355,889	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	1,179,815	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal	1,113,112	-	-	-	-	-	-	-
Interest on long-term debt	45,139	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>10,980,280</u>	<u>18,345</u>	<u>144,348</u>	<u>4,077,096</u>	<u>4,176,155</u>	<u>-</u>	<u>147,349</u>	<u>19,230</u>
Excess of revenues (under) over expenditures	<u>(7,185,763)</u>	<u>10,821</u>	<u>(58,698)</u>	<u>(3,466,373)</u>	<u>1,393,735</u>	<u>60,457</u>	<u>3,505,153</u>	<u>87,141</u>
Other financing sources (uses)								
Issuance of debt	2,235,000	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	4,140	-	-	-	-	-	-	-
Transfers in	5,087,500	-	-	3,778,841	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>7,326,640</u>	<u>-</u>	<u>-</u>	<u>3,778,841</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	140,877	10,821	(58,698)	312,468	1,393,735	60,457	3,505,153	87,141
Fund balances - Beginning of year	<u>5,645,987</u>	<u>639,554</u>	<u>(75,888)</u>	<u>(69,073)</u>	<u>2,337,336</u>	<u>195,920</u>	<u>892,401</u>	<u>804,254</u>
Fund balances - End of year	<u>\$ 5,786,864</u>	<u>\$ 650,375</u>	<u>\$ (134,586)</u>	<u>\$ 243,395</u>	<u>\$ 3,731,071</u>	<u>\$ 256,377</u>	<u>\$ 4,397,554</u>	<u>\$ 891,395</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Special Revenue Funds							
	Law Enforcement Continuing Education	Rental Units Regulation	Loss Recovery Fund	Code Enforcement	Local Road and Street	LOIT 2016 Special Distribution	Human Rights Federal Grants	COVID-19 Response
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	23,580	-	-	-	-
Intergovernmental	648,640	-	1,067,118	-	2,246,316	-	8,775	368,404
Charges for services	106,073	-	-	43,575	-	-	20,000	-
Fines and forfeitures	117,605	150,899	-	301,742	-	-	-	-
Investment income (loss)	31,247	6,999	67,288	2,404	114,719	7,802	12,438	-
Other	101,750	-	-	1,345	-	-	-	-
Total revenues	<u>1,005,315</u>	<u>157,898</u>	<u>1,134,406</u>	<u>372,646</u>	<u>2,361,035</u>	<u>7,802</u>	<u>41,213</u>	<u>368,404</u>
Expenditures								
Current:								
General government	-	65,790	-	3,926,155	-	-	202,383	-
Public safety	453,546	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	2,985,618	184,782	-	-
Community and economic development	-	-	-	-	-	-	-	428,867
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	273,206	-	-	-	-
Public safety	301,100	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	968,646	4,314	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	207,530	-	-	-	-
Interest on long-term debt	-	-	-	13,571	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>754,646</u>	<u>65,790</u>	<u>-</u>	<u>4,420,462</u>	<u>3,954,264</u>	<u>189,096</u>	<u>202,383</u>	<u>428,867</u>
Excess of revenues (under) over expenditures	<u>250,669</u>	<u>92,108</u>	<u>1,134,406</u>	<u>(4,047,816)</u>	<u>(1,593,229)</u>	<u>(181,294)</u>	<u>(161,170)</u>	<u>(60,463)</u>
Other financing sources (uses)								
Issuance of debt	-	-	-	232,000	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	18,170	-	-	-	-
Transfers in	-	-	-	3,298,000	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,548,170</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	250,669	92,108	1,134,406	(499,646)	(1,593,229)	(181,294)	(161,170)	(60,463)
Fund balances - Beginning of year	<u>718,328</u>	<u>120,347</u>	<u>1,034,570</u>	<u>513,910</u>	<u>2,297,939</u>	<u>244,292</u>	<u>310,196</u>	<u>(51,578)</u>
Fund balances - End of year	<u>\$ 968,997</u>	<u>\$ 212,455</u>	<u>\$ 2,168,976</u>	<u>\$ 14,264</u>	<u>\$ 704,710</u>	<u>\$ 62,998</u>	<u>\$ 149,026</u>	<u>\$ (112,041)</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Special Revenue Funds							
	Local Road and Bridge Grant	MVH Restricted	Hazmat	Indiana River Rescue	COPS MORE Grant	Federal Drug Enforcement	Urban Development Action Grant	Leaf Collection and Removal
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	1,000,000	3,274,223	-	-	-	-	-	-
Charges for services	-	-	2,375	149,173	-	-	-	455,392
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income (loss)	95,348	61,442	1,407	18,270	332	3,551	16,009	18,864
Other	-	-	-	-	-	155,023	-	-
Total revenues	<u>1,095,348</u>	<u>3,335,665</u>	<u>3,782</u>	<u>167,443</u>	<u>332</u>	<u>158,574</u>	<u>16,009</u>	<u>474,256</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	57,591	-	-	-	-
Highways and streets	3,045,398	3,561,690	-	-	-	-	-	95,819
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	34,530	-	75,609	-	-
Highways and streets	-	662,791	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	169,814	-	-	-	-	-	-
Interest on long-term debt	-	17,716	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>3,045,398</u>	<u>4,412,011</u>	<u>-</u>	<u>92,121</u>	<u>-</u>	<u>75,609</u>	<u>-</u>	<u>95,819</u>
Excess of revenues (under) over expenditures	<u>(1,950,050)</u>	<u>(1,076,346)</u>	<u>3,782</u>	<u>75,322</u>	<u>332</u>	<u>82,965</u>	<u>16,009</u>	<u>378,437</u>
Other financing sources (uses)								
Issuance of debt	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	4,905
Transfers out	-	-	-	-	-	-	-	(275,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(270,095)</u>
Net change in fund balances	<u>(1,950,050)</u>	<u>(1,076,346)</u>	<u>3,782</u>	<u>75,322</u>	<u>332</u>	<u>82,965</u>	<u>16,009</u>	<u>108,342</u>
Fund balances - Beginning of year	<u>2,377,034</u>	<u>1,923,254</u>	<u>30,709</u>	<u>409,472</u>	<u>20,429</u>	<u>118,593</u>	<u>52,938</u>	<u>404,932</u>
Fund balances - End of year	<u>\$ 426,984</u>	<u>\$ 846,908</u>	<u>\$ 34,491</u>	<u>\$ 484,794</u>	<u>\$ 20,761</u>	<u>\$ 201,558</u>	<u>\$ 68,947</u>	<u>\$ 513,274</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Special Revenue Funds					Total Special Revenue Funds	Debt Service Funds	
	City Cemetery	Bowman Cemetery	Industrial Revolving Fund	Urban Enterprise Association	VPA Foundation		2003 Redevelopment Bond - Airport Taxable	2003 Redevelopment Bond - Palais Royale
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	26,305	-	-
Intergovernmental	-	-	-	-	-	17,761,650	-	-
Charges for services	-	-	-	588,230	-	1,721,553	-	-
Fines and forfeitures	-	-	-	-	-	730,766	-	-
Investment income (loss)	1,377	21,664	169,125	225	-	914,142	47,219	78,943
Other	-	-	513,563	86,520	11,435,101	16,270,793	-	-
Total revenues	1,377	21,664	682,688	674,975	11,435,101	37,425,209	47,219	78,943
Expenditures								
Current:								
General government	-	-	-	-	-	4,333,076	-	-
Public safety	-	-	-	-	-	511,137	-	-
Highways and streets	-	-	-	-	-	18,159,632	-	-
Community and economic development	-	-	88,117	653,700	-	9,614,459	-	-
Culture and recreation	-	-	-	-	8,836,818	9,192,707	-	-
Capital outlay:								
General government	-	-	-	-	-	273,206	-	-
Public safety	-	-	-	-	-	411,239	-	-
Highways and streets	-	-	-	-	-	2,815,566	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	1,490,456	-	-
Interest on long-term debt	-	-	-	-	-	76,426	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	-	-	88,117	653,700	8,836,818	46,877,904	-	-
Excess of revenues (under) over expenditures	1,377	21,664	594,571	21,275	2,598,283	(9,452,695)	47,219	78,943
Other financing sources (uses)								
Issuance of debt	-	-	-	-	-	2,467,000	-	-
Premium on debt	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	22,310	-	-
Transfers in	-	-	-	-	-	12,169,246	-	-
Transfers out	-	-	-	-	-	(275,000)	-	-
Total other financing sources (uses)	-	-	-	-	-	14,383,556	-	-
Net change in fund balances	1,377	21,664	594,571	21,275	2,598,283	4,930,861	47,219	78,943
Fund balances - Beginning of year	30,053	472,779	14,743,523	2,275,683	3,494,756	41,912,650	1,030,487	1,722,818
Fund balances - End of year	\$ 31,430	\$ 494,443	\$ 15,338,094	\$ 2,296,958	\$ 6,093,039	\$ 46,843,511	\$ 1,077,706	\$ 1,801,761

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Debt Service Funds							
	2015 Smart Streets Bond Debt Service	2015 Park Bond Debt Service	2017 Park Bond Debt Service	2017 Eddy St. Commons Bond Debt Service	2018 Fire Station #9 Bond Debt Service	2018 TIF Park Bond Debt Service Reserve	2019 South Shore Double Tracking Bond Debt Service	2020 TIF Library Bond Debt Service Reserve
Revenues								
Property taxes	\$ -	\$ -	\$ 1,080,710	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	54,790	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income (loss)	99	5,987	3,692	203	-	47,202	3	18
Other	-	-	-	-	-	-	-	-
Total revenues	<u>99</u>	<u>5,987</u>	<u>1,139,192</u>	<u>203</u>	<u>-</u>	<u>47,202</u>	<u>3</u>	<u>18</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal	1,090,000	240,000	865,000	760,000	215,000	-	720,000	-
Interest on long-term debt	619,319	135,581	314,165	1,169,875	127,856	-	310,125	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>1,709,319</u>	<u>375,581</u>	<u>1,179,165</u>	<u>1,929,875</u>	<u>342,856</u>	<u>-</u>	<u>1,030,125</u>	<u>-</u>
Excess of revenues (under) over expenditures	<u>(1,709,220)</u>	<u>(369,594)</u>	<u>(39,973)</u>	<u>(1,929,672)</u>	<u>(342,856)</u>	<u>47,202</u>	<u>(1,030,122)</u>	<u>18</u>
Other financing sources (uses)								
Issuance of debt	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	1,714,000	338,293	-	1,929,875	342,856	-	1,035,500	-
Transfers out	-	-	-	-	-	-	-	(9)
Total other financing sources (uses)	<u>1,714,000</u>	<u>338,293</u>	<u>-</u>	<u>1,929,875</u>	<u>342,856</u>	<u>-</u>	<u>1,035,500</u>	<u>(9)</u>
Net change in fund balances	4,780	(31,301)	(39,973)	203	-	47,202	5,378	9
Fund balances - Beginning of year	<u>1,746,446</u>	<u>590,148</u>	<u>192,948</u>	<u>3,668,799</u>	<u>-</u>	<u>1,030,107</u>	<u>14,696</u>	<u>326,944</u>
Fund balances - End of year	<u>\$ 1,751,226</u>	<u>\$ 558,847</u>	<u>\$ 152,975</u>	<u>\$ 3,669,002</u>	<u>\$ -</u>	<u>\$ 1,077,309</u>	<u>\$ 20,074</u>	<u>\$ 326,953</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Debt Service Funds				Capital Projects Funds			
	Century Center Energy Conservation Debt Service	Redevelopment Authority Debt Service	South Bend Building Corporation Debt Service	Total Debt Service Funds	Fire Department Capital	Coveleski Stadium Capital	Cumulative Capital Development	Cumulative Capital Improvement
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ 1,080,710	\$ -	\$ -	\$ 581,307	\$ -
Income taxes	-	-	-	-	-	-	-	-
Hotel/motel taxes	221,437	-	-	221,437	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	54,790	-	-	43,758	187,788
Charges for services	-	-	-	-	2,031,836	31,611	-	-
Fines and forfeitures	-	-	-	-	26	-	-	-
Investment income (loss)	8,131	17,767	4,199	213,463	69,811	182	8,861	13,332
Other	36,231	-	-	36,231	-	-	-	-
Total revenues	<u>265,799</u>	<u>17,767</u>	<u>4,199</u>	<u>1,606,631</u>	<u>2,101,673</u>	<u>31,793</u>	<u>633,926</u>	<u>201,120</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	33,159	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	4,037,967	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	996
Debt service:								
Principal	313,180	2,205,000	1,645,000	8,053,180	948,939	-	255,412	-
Interest on long-term debt	94,738	1,447,309	557,118	4,776,086	45,632	-	5,136	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>407,918</u>	<u>3,652,309</u>	<u>2,202,118</u>	<u>12,829,266</u>	<u>5,032,538</u>	<u>33,159</u>	<u>260,548</u>	<u>996</u>
Excess of revenues (under) over expenditures	<u>(142,119)</u>	<u>(3,634,542)</u>	<u>(2,197,919)</u>	<u>(11,222,635)</u>	<u>(2,930,865)</u>	<u>(1,366)</u>	<u>373,378</u>	<u>200,124</u>
Other financing sources (uses)								
Issuance of debt	-	-	-	-	1,430,000	-	-	-
Premium on debt	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	3,825,000	2,217,500	11,403,024	-	-	-	-
Transfers out	-	-	-	(9)	(752,356)	-	(458,333)	(275,000)
Total other financing sources (uses)	<u>-</u>	<u>3,825,000</u>	<u>2,217,500</u>	<u>11,403,015</u>	<u>677,644</u>	<u>-</u>	<u>(458,333)</u>	<u>(275,000)</u>
Net change in fund balances	(142,119)	190,458	19,581	180,380	(2,253,221)	(1,366)	(84,955)	(74,876)
Fund balances - Beginning of year	<u>174,949</u>	<u>258,753</u>	<u>211,908</u>	<u>10,969,003</u>	<u>3,823,430</u>	<u>4,159</u>	<u>283,865</u>	<u>353,407</u>
Fund balances - End of year	<u>\$ 32,830</u>	<u>\$ 449,211</u>	<u>\$ 231,489</u>	<u>\$ 11,149,383</u>	<u>\$ 1,570,209</u>	<u>\$ 2,793</u>	<u>\$ 198,910</u>	<u>\$ 278,531</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Capital Projects Funds							
	Major Moves	Professional Sports Development Area	Morris Performing Arts Center Capital	Redevelopment General	TIF - West Washington	TIF - River East Development	TIF - Southside Development Area No. 1	TIF - Douglas Road
Revenues								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 490,344	\$ 6,216,898	\$ 2,986,918	\$ 233,288
Income taxes	-	-	-	352	-	-	-	-
Hotel/motel taxes	-	-	-	191,000	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	238,248	2,099,188	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income (loss)	78,575	41,432	333	160,206	67,664	544,857	660,169	17,707
Other	28,446	-	378,872	1,364,412	-	-	691,010	-
Total revenues	<u>345,269</u>	<u>2,140,620</u>	<u>379,205</u>	<u>1,715,970</u>	<u>558,008</u>	<u>6,761,755</u>	<u>4,338,097</u>	<u>250,995</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	627,773	-	-	-	-	-	-	-
Community and economic development	-	-	-	1,425,071	-	387,621	572,162	-
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	30,000	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	168,102	3,534,113	6,560,004	-
Culture and recreation	-	3,586,641	1,390,847	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-
Total expenditures	<u>657,773</u>	<u>3,586,641</u>	<u>1,390,847</u>	<u>1,425,071</u>	<u>168,102</u>	<u>3,921,734</u>	<u>7,132,166</u>	<u>-</u>
Excess of revenues (under) over expenditures	<u>(312,504)</u>	<u>(1,446,021)</u>	<u>(1,011,642)</u>	<u>290,899</u>	<u>389,906</u>	<u>2,840,021</u>	<u>(2,794,069)</u>	<u>250,995</u>
Other financing sources (uses)								
Issuance of debt	-	-	-	-	-	-	-	-
Premium on debt	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(763,000)	-	(230,200)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(763,000)</u>	<u>-</u>	<u>(230,200)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(312,504)</u>	<u>(1,446,021)</u>	<u>(1,011,642)</u>	<u>(472,101)</u>	<u>389,906</u>	<u>2,609,821</u>	<u>(2,794,069)</u>	<u>250,995</u>
Fund balances - Beginning of year	<u>2,545,503</u>	<u>1,965,268</u>	<u>1,168,228</u>	<u>3,696,726</u>	<u>1,856,366</u>	<u>11,652,197</u>	<u>14,729,655</u>	<u>351,948</u>
Fund balances - End of year	<u>\$ 2,232,999</u>	<u>\$ 519,247</u>	<u>\$ 156,586</u>	<u>\$ 3,224,625</u>	<u>\$ 2,246,272</u>	<u>\$ 14,262,018</u>	<u>\$ 11,935,586</u>	<u>\$ 602,943</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Capital Projects Funds							
	TIF - River East Residential	Certified Technology Park	Palais Royale Historic Preservation	2022 Zoo Bond Capital	Airport Urban Enterprise Zone	2023 RDA Lease-Rental Bond Capital	2017 Park Bond Capital	2017 Eddy St. Commons Bond Capital
Revenues								
Property taxes	\$ 7,228,216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income taxes	-	-	-	-	-	-	-	-
Hotel/motel taxes	-	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for services	-	-	15,594	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-
Investment income (loss)	262,005	508	5,146	123	18,703	662,994	87,785	1
Other	-	-	-	-	-	727,425	-	-
Total revenues	<u>7,490,221</u>	<u>508</u>	<u>20,740</u>	<u>123</u>	<u>18,703</u>	<u>1,390,419</u>	<u>87,785</u>	<u>1</u>
Expenditures								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Community and economic development	-	-	-	-	-	6,488,594	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlay:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-
Community and economic development	608,199	-	-	-	-	911,412	-	-
Culture and recreation	-	-	-	4,467,956	-	-	862,791	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest on long-term debt	29,946	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	490,359	-	-
Total expenditures	<u>638,145</u>	<u>-</u>	<u>-</u>	<u>4,467,956</u>	<u>-</u>	<u>7,890,365</u>	<u>862,791</u>	<u>-</u>
Excess of revenues (under) over expenditures	<u>6,852,076</u>	<u>508</u>	<u>20,740</u>	<u>(4,467,833)</u>	<u>18,703</u>	<u>(6,499,946)</u>	<u>(775,006)</u>	<u>1</u>
Other financing sources (uses)								
Issuance of debt	-	-	-	-	-	29,155,000	-	-
Premium on debt	-	-	-	-	-	3,943,353	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-
Transfers out	(4,403,875)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(4,403,875)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,098,353</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,448,201	508	20,740	(4,467,833)	18,703	26,598,407	(775,006)	1
Fund balances - Beginning of year	<u>5,616,099</u>	<u>11,084</u>	<u>107,054</u>	<u>4,467,833</u>	<u>408,158</u>	<u>-</u>	<u>1,875,121</u>	<u>25,764</u>
Fund balances - End of year	<u>\$ 8,064,300</u>	<u>\$ 11,592</u>	<u>\$ 127,794</u>	<u>\$ -</u>	<u>\$ 426,861</u>	<u>\$ 26,598,407</u>	<u>\$ 1,100,115</u>	<u>\$ 25,765</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
 Nonmajor Governmental Funds

For the Year Ended December 31, 2023

	Capital Projects Funds			Total Capital Projects Funds	Total Nonmajor Governmental Funds
	2018 Fire Station #9 Bond Capital	2018 TIF Park Bond Capital	2021 Infrastructure Bond Capital		
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ 17,736,971	\$ 18,817,681
Income taxes	-	-	-	352	352
Hotel/motel taxes	-	-	-	191,000	412,437
Licenses and permits	-	-	-	-	26,305
Intergovernmental	-	-	-	2,568,982	20,385,422
Charges for services	-	-	-	2,079,041	3,800,594
Fines and forfeitures	-	-	-	26	730,792
Investment income (loss)	14,405	103,745	88,617	2,907,161	4,034,766
Other	-	-	-	3,190,165	19,497,189
Total revenues	<u>14,405</u>	<u>103,745</u>	<u>88,617</u>	<u>28,673,698</u>	<u>67,705,538</u>
Expenditures					
Current:					
General government	-	-	-	-	4,333,076
Public safety	-	-	-	-	511,137
Highways and streets	-	-	-	627,773	18,787,405
Community and economic development	-	-	-	8,873,448	18,487,907
Culture and recreation	-	-	-	33,159	9,225,866
Capital outlay:					
General government	-	-	-	-	273,206
Public safety	-	-	-	4,037,967	4,449,206
Highways and streets	-	-	1,420,602	1,450,602	4,266,168
Community and economic development	-	-	-	11,781,830	11,781,830
Culture and recreation	-	927,252	-	11,236,483	11,236,483
Debt service:					
Principal	-	-	-	1,204,351	10,747,987
Interest on long-term debt	-	-	-	80,714	4,933,226
Bond issuance costs	-	-	-	490,359	490,359
Total expenditures	<u>-</u>	<u>927,252</u>	<u>1,420,602</u>	<u>39,816,686</u>	<u>99,523,856</u>
Excess of revenues (under) over expenditures	<u>14,405</u>	<u>(823,507)</u>	<u>(1,331,985)</u>	<u>(11,142,988)</u>	<u>(31,818,318)</u>
Other financing sources (uses)					
Issuance of debt	-	-	-	30,585,000	33,052,000
Premium on debt	-	-	-	3,943,353	3,943,353
Proceeds from sale of capital assets	-	-	-	-	22,310
Transfers in	-	-	-	-	23,572,270
Transfers out	-	-	-	(6,882,764)	(7,157,773)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,645,589</u>	<u>53,432,160</u>
Net change in fund balances	14,405	(823,507)	(1,331,985)	16,502,601	21,613,842
Fund balances - Beginning of year	<u>314,367</u>	<u>2,266,201</u>	<u>2,048,133</u>	<u>59,570,566</u>	<u>112,452,219</u>
Fund balances - End of year	<u>\$ 328,772</u>	<u>\$ 1,442,694</u>	<u>\$ 716,148</u>	<u>\$ 76,073,167</u>	<u>\$ 134,066,061</u>

Other Supplemental Information
 Budgetary Comparison Schedule - Major Governmental Funds
 Capital Projects Funds - River West TIF
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 17,704,130	\$ 17,704,130	\$ 19,559,921	\$ 1,855,791
Intergovernmental	396,500	396,500	716,620	320,120
Investment income	538,325	538,325	868,831	330,506
Other	-	-	68,639	68,639
Total revenues	18,638,955	18,638,955	21,214,011	2,575,056
Expenditures:				
Current:				
Economic development:				
Other services and charges	5,536,932	5,549,814	5,503,174	46,640
Capital outlay	12,035,905	13,146,389	12,780,071	366,318
Total expenditures	17,572,837	18,696,203	18,283,245	412,958
Other Financing Sources (Uses):				
Transfers in	-	-	8	8
Transfers out	(3,924,500)	(3,924,500)	(4,270,800)	(346,300)
Net change in fund balances	(2,858,382)	(3,981,748)	(1,340,026)	2,641,722
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (2,858,382)	\$ (3,981,748)	\$ (1,340,026)	\$ 2,641,722
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (1,340,026)	
To adjust revenues for accruals			499,640	
To adjust expenditures for accruals			(1,027,896)	
Net change in fund balance, GAAP basis			\$ (1,868,282)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 Special Revenue Funds - Motor Vehicle Highway

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 1,500	\$ 1,500	\$ 2,725	\$ 1,225
Intergovernmental	3,118,991	3,118,991	3,274,223	155,232
Charges for services	154,800	154,800	89,847	(64,953)
Investment income	8,479	8,479	90,854	82,375
Other	168,650	168,650	265,667	97,017
Total revenues	3,452,420	3,452,420	3,723,316	270,896
Expenditures:				
Current:				
Highways and streets:				
Personnel services	5,315,194	5,225,542	4,492,597	732,945
Supplies	1,536,421	1,289,743	1,146,446	143,297
Other services and charges	5,337,731	4,331,947	3,971,469	360,478
Capital outlay	3,699,542	1,067,160	1,067,160	-
Total expenditures	15,888,888	11,914,392	10,677,672	1,236,720
Other Financing Sources (Uses):				
Debt proceeds	2,235,000	2,235,000	2,235,000	-
Transfers in	5,550,000	5,550,000	5,087,500	(462,500)
Transfers out	-	-	-	-
Net change in fund balances	(4,651,468)	(676,972)	372,284	1,049,256
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (4,651,468)	\$ (676,972)	\$ 372,284	\$ 1,049,256
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 372,284	
To adjust revenues for accruals			71,201	
To adjust expenditures for accruals			(302,608)	
Net change in fund balance, GAAP basis			\$ 140,877	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Studebaker Oliver Revitalization Grants

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 7,715	\$ 7,715	\$ 18,615	\$ 10,900
Other	-	-	-	-
Total revenues	7,715	7,715	18,615	10,900
Expenditures:				
Current:				
Economic development:				
Other services and charges	74,550	26,220	25,658	562
Capital outlay	-	-	-	-
Total expenditures	74,550	26,220	25,658	562
Net change in fund balances	(66,835)	(18,505)	(7,043)	11,462
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (66,835)	\$ (18,505)	\$ (7,043)	\$ 11,462
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (7,043)	
To adjust revenues for accruals			10,551	
To adjust expenditures for accruals			7,313	
Net change in fund balance, GAAP basis			\$ 10,821	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - Economic Development State Grants

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 85,650	\$ 85,650
Investment income	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	85,650	85,650
Expenditures:				
Current:				
Economic development:				
Other services and charges	374,599	151,734	144,348	7,386
Total expenditures	374,599	151,734	144,348	7,386
Net change in fund balances	(374,599)	(151,734)	(58,698)	93,036
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (374,599)	\$ (151,734)	\$ (58,698)	\$ 93,036
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (58,698)	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (58,698)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - DCI Operating
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 229,133	\$ 229,133
Charges for services	1,049,655	1,049,655	266,888	(782,767)
Fines and forfeitures	58,450	58,450	92,005	33,555
Investment income	10,000	10,000	(92)	(10,092)
Other	-	-	24,565	24,565
Total revenues	<u>1,118,105</u>	<u>1,118,105</u>	<u>612,499</u>	<u>(505,606)</u>
Expenditures:				
Current:				
Economic development:				
Personnel services	3,043,673	3,043,673	2,691,232	352,441
Supplies	53,426	51,847	29,510	22,337
Other services and charges	<u>1,803,990</u>	<u>1,335,109</u>	<u>1,294,340</u>	<u>40,769</u>
Total expenditures	<u>4,901,089</u>	<u>4,430,629</u>	<u>4,015,082</u>	<u>415,547</u>
Other Financing Sources (Uses):				
Transfers in	3,559,320	3,559,320	3,778,841	219,521
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(223,664)	246,796	376,258	129,462
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ (223,664)</u>	<u>\$ 246,796</u>	<u>\$ 376,258</u>	<u>\$ 129,462</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 376,258	
To adjust revenues for accruals			(1,777)	
To adjust expenditures for accruals			<u>(62,013)</u>	
Net change in fund balance, GAAP basis			<u><u>\$ 312,468</u></u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - DCI Federal Grants

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,832,655	\$ 2,832,655	\$ 5,559,168	\$ 2,726,513
Fines and forfeitures	-	-	-	-
Other	119,687	119,687	15,178	(104,509)
Total revenues	2,952,342	2,952,342	5,574,346	2,622,004
Expenditures:				
Current:				
Economic development:				
Other services and charges	12,085,586	4,631,396	4,310,457	320,939
Total expenditures	12,085,586	4,631,396	4,310,457	320,939
Net change in fund balances	(9,133,244)	(1,679,054)	1,263,889	2,942,943
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (9,133,244)	\$ (1,679,054)	\$ 1,263,889	\$ 2,942,943
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 1,263,889	
To adjust revenues for accruals			(4,456)	
To adjust expenditures for accruals			134,302	
Net change in fund balance, GAAP basis			\$ 1,393,735	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Police State Seizure

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 51,127	\$ 46,127
Investment income	2,364	2,364	6,281	3,917
Total revenues	<u>7,364</u>	<u>7,364</u>	<u>57,408</u>	<u>50,044</u>
Expenditures:				
Current:				
Public safety:				
Other services and charges	22,000	22,000	-	22,000
Capital outlay	-	-	-	-
Total expenditures	<u>22,000</u>	<u>22,000</u>	<u>-</u>	<u>22,000</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Net change in fund balances	(14,636)	(14,636)	57,408	72,044
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ (14,636)</u>	<u>\$ (14,636)</u>	<u>\$ 57,408</u>	<u>\$ 72,044</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 57,408	
To adjust revenues for accruals			3,049	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			<u>\$ 60,457</u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Gift, Donation, Bequest

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 9,400	\$ 9,400	\$ 26,704	\$ 17,304
Other	53,000	53,000	3,625,410	3,572,410
Total revenues	62,400	62,400	3,652,114	3,589,714
Expenditures:				
Current:				
General government:				
Supplies	10,682	10,682	8,182	2,500
Other services and charges	163,004	195,524	139,302	56,222
Total expenditures	173,686	206,206	147,484	58,722
Net change in fund balances	(111,286)	(143,806)	3,504,630	3,648,436
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (111,286)	\$ (143,806)	\$ 3,504,630	\$ 3,648,436
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 3,504,630	
To adjust revenues for accruals			388	
To adjust expenditures for accruals			135	
Net change in fund balance, GAAP basis			\$ 3,505,153	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - Unsafe Building

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 62,900	\$ 62,900	\$ 68,515	\$ 5,615
Investment income	17,055	17,055	24,876	7,821
Total revenues	79,955	79,955	93,391	13,436
Expenditures:				
Current:				
General government:				
Other services and charges	23,000	21,120	17,500	3,620
Total expenditures	23,000	21,120	17,500	3,620
Net change in fund balances	56,955	58,835	75,891	17,056
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 56,955	\$ 58,835	\$ 75,891	\$ 17,056
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 75,891	
To adjust revenues for accruals			12,980	
To adjust expenditures for accruals			(1,730)	
Net change in fund balance, GAAP basis			\$ 87,141	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Law Enforcement Continuing Education

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 449,000	\$ 648,640	\$ 199,640
Charges for services	115,000	115,000	106,073	(8,927)
Fines and forfeitures	101,200	101,200	117,605	16,405
Investment income	10,442	10,442	20,473	10,031
Other	1,000	1,000	101,750	100,750
	<u>227,642</u>	<u>676,642</u>	<u>994,541</u>	<u>317,899</u>
Total revenues				
Expenditures:				
Current:				
Public safety:				
Supplies	140,373	256,354	209,080	47,274
Other services and charges	202,582	210,813	199,280	11,533
Capital outlay	49,193	333,193	301,100	32,093
	<u>392,148</u>	<u>800,360</u>	<u>709,460</u>	<u>90,900</u>
Total expenditures				
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances				
	(164,506)	(123,718)	285,081	408,799
Fund balances - Beginning				
	-	-	-	-
Fund balances - Ending				
	<u>\$ (164,506)</u>	<u>\$ (123,718)</u>	<u>\$ 285,081</u>	<u>\$ 408,799</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 285,081	
To adjust revenues for accruals			10,775	
To adjust expenditures for accruals			(45,187)	
Net change in fund balance, GAAP basis			<u>\$ 250,669</u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Rental Units Regulation

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 100,000	\$ 100,000	\$ 150,899	\$ 50,899
Investment income	200	200	5,230	5,030
Total revenues	<u>100,200</u>	<u>100,200</u>	<u>156,129</u>	<u>55,929</u>
Expenditures:				
Current:				
General government:				
Personnel services	-	-	63,900	(63,900)
Supplies	-	-	-	-
Other services and charges	<u>153,686</u>	<u>1,475</u>	<u>1,475</u>	<u>-</u>
Total expenditures	<u>153,686</u>	<u>1,475</u>	<u>65,375</u>	<u>(63,900)</u>
Other Financing Sources (Uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(53,486)	98,725	90,754	(7,971)
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ (53,486)</u>	<u>\$ 98,725</u>	<u>\$ 90,754</u>	<u>\$ (7,971)</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 90,754	
To adjust revenues for accruals			1,769	
To adjust expenditures for accruals			<u>(415)</u>	
Net change in fund balance, GAAP basis			<u>\$ 92,108</u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Loss Recovery

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 1,067,118	\$ 1,067,118
Investment income	8,357	8,357	53,138	44,781
Other	-	-	-	-
Total revenues	<u>8,357</u>	<u>8,357</u>	<u>1,120,256</u>	<u>1,111,899</u>
Net change in fund balances	8,357	8,357	1,120,256	1,111,899
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ 8,357</u>	<u>\$ 8,357</u>	<u>\$ 1,120,256</u>	<u>\$ 1,111,899</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 1,120,256	
To adjust revenues for accruals			14,150	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u>\$ 1,134,406</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - Code Enforcement

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Licenses and permits	\$ 37,000	\$ 37,000	\$ 23,580	\$ (13,420)
Charges for services	50,300	50,300	43,575	(6,725)
Fines and forfeitures	342,000	342,000	301,742	(40,258)
Investment income	-	-	1,261	1,261
Other	500	500	1,345	845
	<u>429,800</u>	<u>429,800</u>	<u>371,503</u>	<u>(58,297)</u>
Total revenues				
Expenditures:				
Current:				
General government:				
Personnel services	3,622,450	3,622,450	2,334,799	1,287,651
Supplies	232,038	273,611	212,692	60,919
Other services and charges	2,164,146	2,034,127	1,576,037	458,090
Capital outlay	646,264	273,206	273,206	-
	<u>6,664,898</u>	<u>6,203,394</u>	<u>4,396,734</u>	<u>1,806,660</u>
Total expenditures				
Other Financing Sources (Uses):				
Debt proceeds	232,000	232,000	232,000	-
Proceeds from sale of capital assets	-	-	18,170	18,170
Transfers in	5,568,219	5,568,219	3,298,000	(2,270,219)
	<u>(434,879)</u>	<u>26,625</u>	<u>(477,061)</u>	<u>(503,686)</u>
Net change in fund balances				
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ (434,879)</u>	<u>\$ 26,625</u>	<u>\$ (477,061)</u>	<u>\$ (503,686)</u>
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (477,061)	
To adjust revenues for accruals			1,144	
To adjust expenditures for accruals			<u>(23,729)</u>	
Net change in fund balance, GAAP basis			<u>\$ (499,646)</u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Local Road and Street

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,263,188	\$ 2,263,188	\$ 2,246,316	\$ (16,872)
Investment income	12,385	12,385	74,193	61,808
Total revenues	<u>2,275,573</u>	<u>2,275,573</u>	<u>2,320,509</u>	<u>44,936</u>
Expenditures:				
Current:				
Highways and streets:				
Supplies	367,220	367,220	347,256	19,964
Other services and charges	4,770,601	2,446,746	2,241,701	205,045
Capital outlay	1,098,872	783,788	783,787	1
Total expenditures	<u>6,236,693</u>	<u>3,597,754</u>	<u>3,372,744</u>	<u>225,010</u>
Other Financing Sources (Uses):				
Transfers out	<u>(220,000)</u>	<u>(220,000)</u>	-	220,000
Net change in fund balances	(2,181,120)	457,819	(1,052,235)	(1,510,054)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ (2,181,120)</u>	<u>\$ 457,819</u>	<u>\$ (1,052,235)</u>	<u>\$ (1,510,054)</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,052,235)	
To adjust revenues for accruals			40,526	
To adjust expenditures for accruals			<u>(581,520)</u>	
Net change in fund balance, GAAP basis			<u>\$ (1,593,229)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - LOIT 2016 Special Distribution

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 6	\$ 6	\$ 3,388	\$ 3,382
Other	-	-	-	-
Total revenues	6	6	3,388	3,382
Expenditures:				
Current:				
Highways and streets:				
Other services and charges	189,223	187,723	184,782	2,941
Capital outlay	56,950	4,314	4,314	-
Total expenditures	246,173	192,037	189,096	2,941
Net change in fund balances	(246,167)	(192,031)	(185,708)	6,323
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (246,167)	\$ (192,031)	\$ (185,708)	\$ 6,323
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (185,708)	
To adjust revenues for accruals			4,414	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (181,294)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Human Rights Federal Grants

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 54,600	\$ 54,600	\$ 8,775	\$ (45,825)
Charges for services	85,000	85,000	20,000	(65,000)
Investment income	-	-	6,995	6,995
Other	1,400	1,400	-	(1,400)
Total revenues	141,000	141,000	35,770	(105,230)
Expenditures:				
Current:				
General government:				
Personnel services	189,370	189,370	168,255	21,115
Supplies	2,028	2,028	1,280	748
Other services and charges	64,617	72,568	27,235	45,333
Total expenditures	256,015	263,966	196,770	67,196
Net change in fund balances	(115,015)	(122,966)	(161,000)	(38,034)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (115,015)	\$ (122,966)	\$ (161,000)	\$ (38,034)
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (161,000)	
To adjust revenues for accruals			5,443	
To adjust expenditures for accruals			(5,613)	
Net change in fund balance, GAAP basis			\$ (161,170)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - COVID-19 Response

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 368,404	\$ 368,404
Other	-	-	-	-
Total revenues	-	-	368,404	368,404
Expenditures:				
Current:				
General government:				
Supplies	-	-	-	-
Other services and charges	641,483	551,335	383,405	167,930
Total expenditures	641,483	551,335	383,405	167,930
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net change in fund balances	(641,483)	(551,335)	(15,001)	536,334
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ (641,483)</u>	<u>\$ (551,335)</u>	<u>\$ (15,001)</u>	<u>\$ 536,334</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (15,001)	
To adjust revenues for accruals			1	
To adjust expenditures for accruals			<u>(45,463)</u>	
Net change in fund balance, GAAP basis			<u>\$ (60,463)</u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Local Road and Bridge Grant

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -
Investment income	77	77	50,707	50,630
Total revenues	1,000,077	1,000,077	1,050,707	50,630
Expenditures:				
Current:				
Highways and streets:				
Other services and charges	3,328,691	3,105,996	3,105,996	-
Total expenditures	3,328,691	3,105,996	3,105,996	-
Other Financing Sources (Uses):				
Transfers in	220,000	220,000	-	(220,000)
Net change in fund balances	(2,108,614)	(1,885,919)	(2,055,289)	(169,370)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (2,108,614)	\$ (1,885,919)	\$ (2,055,289)	\$ (169,370)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (2,055,289)	
To adjust revenues for accruals			44,641	
To adjust expenditures for accruals			60,598	
Net change in fund balance, GAAP basis			<u>\$ (1,950,050)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - MVH Restricted

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,118,991	\$ 3,118,991	\$ 3,274,223	\$ 155,232
Investment income	12,362	12,362	39,874	27,512
Total revenues	3,131,353	3,131,353	3,314,097	182,744
Expenditures:				
Current:				
Highways and streets:				
Personnel services	630,273	719,925	582,623	137,302
Supplies	1,311,924	1,410,393	1,386,353	24,040
Other services and charges	1,943,802	1,796,930	1,780,244	16,686
Capital outlay	703,891	703,891	662,791	41,100
Total expenditures	4,589,890	4,631,139	4,412,011	219,128
Net change in fund balances	(1,458,537)	(1,499,786)	(1,097,914)	401,872
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (1,458,537)	\$ (1,499,786)	\$ (1,097,914)	\$ 401,872
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,097,914)	
To adjust revenues for accruals			21,568	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (1,076,346)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - Hazmat

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 10,000	\$ 10,000	\$ 2,375	\$ (7,625)
Investment income	567	567	910	343
Total revenues	10,567	10,567	3,285	(7,282)
Expenditures:				
Current:				
Public safety:				
Supplies	10,000	10,000	-	10,000
Total expenditures	10,000	10,000	-	10,000
Net change in fund balances	567	567	3,285	2,718
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 567	\$ 567	\$ 3,285	\$ 2,718
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 3,285	
To adjust revenues for accruals			497	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 3,782	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Indiana River Rescue

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 90,000	\$ 90,000	\$ 149,173	\$ 59,173
Investment income	7,043	7,043	12,217	5,174
Other	-	-	-	-
Total revenues	97,043	97,043	161,390	64,347
Expenditures:				
Current:				
Public safety:				
Personnel services	-	-	-	-
Supplies	53,500	50,429	31,093	19,336
Other services and charges	38,300	33,700	25,429	8,271
Total expenditures	91,800	118,729	91,052	27,677
Net change in fund balances	5,243	(21,686)	70,338	92,024
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 5,243	\$ (21,686)	\$ 70,338	\$ 92,024
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 70,338	
To adjust revenues for accruals			6,054	
To adjust expenditures for accruals			(1,070)	
Net change in fund balance, GAAP basis			\$ 75,322	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - COPS MORE Grant

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Investment income	-	-	64	64
Other	-	-	-	-
Total revenues	-	-	64	64
Expenditures:				
Current:				
Public safety:				
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Net change in fund balances	-	-	64	64
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ -	\$ -	\$ 64	\$ 64
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 64	
To adjust revenues for accruals			268	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 332	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - Federal Drug Enforcement

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 155,023	\$ 130,023
Investment income	1,809	1,809	3,289	1,480
	26,809	26,809	158,312	131,503
Total revenues				
Expenditures:				
Current:				
Public safety:				
Supplies	6,000	6,000	-	6,000
Other services and charges	-	-	-	-
Capital outlay	-	78,000	75,609	2,391
	6,000	84,000	75,609	8,391
Total expenditures				
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
	20,809	(57,191)	82,703	139,894
Net change in fund balances				
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 20,809	\$ (57,191)	\$ 82,703	\$ 139,894
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 82,703	
To adjust revenues for accruals			262	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 82,965	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - Urban Development Action Grant

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 8,846	\$ 8,846
Other	-	-	-	-
Total revenues	-	-	8,846	8,846
Expenditures:				
Current:				
Economic development:				
Other services and charges	-	-	338,253	(338,253)
Total expenditures	-	-	338,253	(338,253)
Net change in fund balances	-	-	(329,407)	(329,407)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ -	\$ -	\$ (329,407)	\$ (329,407)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (329,407)	
To adjust revenues for accruals			7,163	
To adjust expenditures for accruals			338,253	
Net change in fund balance, GAAP basis			\$ 16,009	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Special Revenue Funds - Leaf Collection and Removal

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 451,610	\$ 451,610	\$ 455,392	\$ 3,782
Investment income	6,690	6,690	13,471	6,781
	458,300	458,300	468,863	10,563
Total revenues				
Expenditures:				
Current:				
Highways and streets:				
Personnel services	89,496	89,496	43,252	46,244
Supplies	7,250	7,250	4,380	2,870
Other services and charges	42,739	42,739	42,675	64
	139,485	139,485	90,307	49,178
Total expenditures				
Other Financing Sources (Uses):				
Transfers out	(300,000)	(300,000)	(275,000)	25,000
	18,815	18,815	108,461	89,646
Net change in fund balances				
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 18,815	\$ 18,815	\$ 108,461	\$ 89,646
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 108,461	
To adjust revenues for accruals			5,393	
To adjust expenditures for accruals			(5,512)	
Net change in fund balance, GAAP basis			\$ 108,342	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Special Revenue Funds - City Cemetery
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 610	\$ 610	\$ 890	\$ 280
Total revenues	<u>610</u>	<u>610</u>	<u>890</u>	<u>280</u>
Net change in fund balances	610	610	890	280
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ 610</u>	<u>\$ 610</u>	<u>\$ 890</u>	<u>\$ 280</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 890	
To adjust revenues for accruals			487	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u><u>\$ 1,377</u></u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - Bowman Cemetery

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 9,594	\$ 9,594	\$ 14,005	\$ 4,411
Total revenues	9,594	9,594	14,005	4,411
Net change in fund balances	9,594	9,594	14,005	4,411
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 9,594	\$ 9,594	\$ 14,005	\$ 4,411
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 14,005	
To adjust revenues for accruals			7,659	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 21,664	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Special Revenue Funds - Industrial Revolving Fund

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment income	2,000	2,000	156,288	154,288
Other	172,000	172,000	513,563	341,563
Total revenues	174,000	174,000	669,851	495,851
Expenditures:				
Current:				
Economic development:				
Other services and charges	823,320	519,124	87,011	432,113
Total expenditures	823,320	519,124	87,011	432,113
Net change in fund balances	(649,320)	(345,124)	582,840	927,964
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (649,320)	\$ (345,124)	\$ 582,840	\$ 927,964
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 582,840	
To adjust revenues for accruals			12,837	
To adjust expenditures for accruals			(1,106)	
Net change in fund balance, GAAP basis			\$ 594,571	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Debt Service Funds - 2017 Park Bond Debt Service

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 1,100,842	\$ 1,100,842	\$ 1,080,710	\$ (20,132)
Intergovernmental	67,677	67,677	54,790	(12,887)
Investment income	3,099	3,099	438	(2,661)
	<u>1,171,618</u>	<u>1,171,618</u>	<u>1,135,938</u>	<u>(35,680)</u>
Total revenues				
Expenditures:				
Current:				
Debt service:				
Other services and charges	<u>1,179,167</u>	<u>1,179,167</u>	<u>1,179,165</u>	<u>2</u>
Total expenditures	<u>1,179,167</u>	<u>1,179,167</u>	<u>1,179,165</u>	<u>2</u>
Net change in fund balances	(7,549)	(7,549)	(43,227)	(35,678)
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ (7,549)</u>	<u>\$ (7,549)</u>	<u>\$ (43,227)</u>	<u>\$ (35,678)</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (43,227)	
To adjust revenues for accruals			3,254	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u>\$ (39,973)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2003 Redevelopment Bond - Airport Taxable
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 30,526	\$ 30,526
Total revenues	-	-	30,526	30,526
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Net change in fund balances	-	-	30,526	30,526
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,526</u>	<u>\$ 30,526</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 30,526	
To adjust revenues for accruals			16,693	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			<u>\$ 47,219</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2003 Redevelopment Bond - Palais Royale
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 51,035	\$ 51,035
Total revenues	-	-	51,035	51,035
Other Financing Sources (Uses):				
Transfers out	-	-	-	-
Net change in fund balances	-	-	51,035	51,035
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,035</u>	<u>\$ 51,035</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 51,035	
To adjust revenues for accruals			27,908	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			<u>\$ 78,943</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Debt Service Funds - 2018 Fire Station #9 Bond Debt Service

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Current:				
Debt service:				
Other services and charges	\$ 342,856	\$ 342,856	\$ 342,856	\$ -
Total expenditures	342,856	342,856	342,856	-
Other Financing Sources (Uses):				
Transfers in	342,857	342,857	342,856	(1)
Net change in fund balances	1	1	-	(1)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 1	\$ 1	\$ -	\$ (1)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ -	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ -	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - 2018 TIF Park Bond Debt Service Reserve
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 20,902	\$ 20,902	\$ 30,515	\$ 9,613
Total revenues	<u>20,902</u>	<u>20,902</u>	<u>30,515</u>	<u>9,613</u>
Net change in fund balances	20,902	20,902	30,515	9,613
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ 20,902</u>	<u>\$ 20,902</u>	<u>\$ 30,515</u>	<u>\$ 9,613</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 30,515	
To adjust revenues for accruals			16,687	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u><u>\$ 47,202</u></u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Debt Service Funds - 2019 South Shore Double Tracking Bond Debt Service

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 10	\$ 10	\$ 3	\$ (7)
Total revenues	10	10	3	(7)
Expenditures:				
Current:				
Debt service:				
Other services and charges	1,030,125	1,030,125	1,030,125	-
Total expenditures	1,030,125	1,030,125	1,030,125	-
Other Financing Sources (Uses):				
Transfers in	1,035,500	1,035,500	1,035,500	-
Net change in fund balances	5,385	5,385	5,378	(7)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 5,385	\$ 5,385	\$ 5,378	\$ (7)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 5,378	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 5,378	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Debt Service Funds - 2020 TIF Library Bond Debt Service Reserve

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 10	\$ 10	\$ 16	\$ 6
Total revenues	10	10	16	6
Other Financing Sources (Uses):				
Transfers out	-	-	(8)	(8)
Net change in fund balances	10	10	8	(2)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 10	\$ 10	\$ 8	\$ (2)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 8	
To adjust revenues for accruals			1	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 9	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - Century Center Energy Conservation Debt Service
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 221,437	\$ 221,437	\$ 221,437	\$ -
Investment income	2,000	2,000	5,924	3,924
Other	80,242	80,242	36,231	(44,011)
Total revenues	303,679	303,679	263,592	(40,087)
Expenditures:				
Current:				
Debt service:				
Other services and charges	397,959	397,959	407,917	(9,958)
Total expenditures	397,959	397,959	407,917	(9,958)
Other Financing Sources (Uses):				
Transfers in	104,255	104,255	-	(104,255)
Net change in fund balances	9,975	9,975	(144,325)	(154,300)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 9,975	\$ 9,975	\$ (144,325)	\$ (154,300)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (144,325)	
To adjust revenues for accruals			2,206	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (142,119)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Debt Service Funds - Redevelopment Authority Debt Service

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 2,750	\$ 2,750	\$ 16,077	\$ 13,327
Total revenues	2,750	2,750	16,077	13,327
Expenditures:				
Current:				
Debt service:				
Other services and charges	3,237,507	3,237,507	3,652,309	(414,802)
Total expenditures	3,237,507	3,237,507	3,652,309	(414,802)
Other Financing Sources (Uses):				
Transfers in	3,249,500	3,249,500	3,825,000	575,500
Net change in fund balances	14,743	14,743	188,768	174,025
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 14,743	\$ 14,743	\$ 188,768	\$ 174,025
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 188,768	
To adjust revenues for accruals			1,690	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 190,458	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Debt Service Funds - South Bend Building Corporation Debt Service
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 3,000	\$ 3,000	\$ 3,995	\$ 995
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>3,995</u>	<u>995</u>
Expenditures:				
Current:				
Debt service:				
Other services and charges	<u>1,423,143</u>	<u>1,423,143</u>	<u>2,202,118</u>	<u>(778,975)</u>
Total expenditures	<u>1,423,143</u>	<u>1,423,143</u>	<u>2,202,118</u>	<u>(778,975)</u>
Other Financing Sources (Uses):				
Debt proceeds	-	-	-	-
Transfers in	2,217,500	2,217,500	2,217,500	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	797,357	797,357	19,377	(777,980)
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ 797,357</u>	<u>\$ 797,357</u>	<u>\$ 19,377</u>	<u>\$ (777,980)</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 19,377	
To adjust revenues for accruals			204	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u>\$ 19,581</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Debt Service Funds - 2015 Smart Streets Bond Debt Service

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,000	\$ 1,000	\$ 91	\$ (909)
Total revenues	1,000	1,000	91	(909)
Expenditures:				
Current:				
Debt service:				
Other services and charges	1,709,669	1,709,669	1,709,319	350
Total expenditures	1,709,669	1,709,669	1,709,319	350
Other Financing Sources (Uses):				
Transfers in	1,713,000	1,713,000	1,714,000	1,000
Net change in fund balances	4,331	4,331	4,772	441
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 4,331	\$ 4,331	\$ 4,772	\$ 441
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 4,772	
To adjust revenues for accruals			8	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 4,780	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Debt Service Funds - 2015 Park Bond Debt Service

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,000	\$ 1,000	\$ 5,303	\$ 4,303
Total revenues	1,000	1,000	5,303	4,303
Expenditures:				
Current:				
Debt service:				
Other services and charges	375,582	375,582	375,581	1
Total expenditures	375,582	375,582	375,581	1
Other Financing Sources (Uses):				
Transfers in	371,981	371,981	338,293	(33,688)
Net change in fund balances	(2,601)	(2,601)	(31,985)	(29,384)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (2,601)	\$ (2,601)	\$ (31,985)	\$ (29,384)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (31,985)	
To adjust revenues for accruals			684	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (31,301)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Debt Service Funds - 2017 Eddy St. Commons Bond Debt Service

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 1,750	\$ 1,750	\$ 187	\$ (1,563)
Total revenues	1,750	1,750	187	(1,563)
Expenditures:				
Current:				
Debt service:				
Other services and charges	1,929,875	1,929,875	1,929,875	-
Total expenditures	1,929,875	1,929,875	1,929,875	-
Other Financing Sources (Uses):				
Transfers in	1,929,875	1,929,875	1,929,875	-
Net change in fund balances	1,750	1,750	187	(1,563)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 1,750	\$ 1,750	\$ 187	\$ (1,563)
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 187	
To adjust revenues for accruals			16	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 203	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - Fire Department Capital

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 75,000	\$ 75,000	\$ -	\$ (75,000)
Charges for services	2,021,345	2,021,345	2,031,836	10,491
Fines and forfeitures	-	-	26	26
Investment income	2,716	2,716	29,370	26,654
Other	-	-	-	-
	2,099,061	2,099,061	2,061,232	(37,829)
Total revenues				
Expenditures:				
Current:				
Public safety:				
Other services and charges	1,145,069	1,145,069	994,570	150,499
Capital outlay	5,885,706	4,103,898	4,037,967	65,931
	7,030,775	5,248,967	5,032,537	216,430
Total expenditures				
Other Financing Sources (Uses):				
Debt proceeds	1,430,000	1,430,000	1,430,000	-
Transfers out	(752,357)	(752,357)	(752,356)	1
	(4,254,071)	(2,472,263)	(2,293,661)	178,602
Net change in fund balances				
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (4,254,071)	\$ (2,472,263)	\$ (2,293,661)	\$ 178,602
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (2,293,661)	
To adjust revenues for accruals			40,440	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (2,253,221)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - Coveleski Stadium Capital

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 25,000	\$ 25,000	\$ 31,611	\$ 6,611
Investment income	4	4	111	107
Total revenues	25,004	25,004	31,722	6,718
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	25,474	33,649	33,159	490
Total expenditures	25,474	33,649	33,159	490
Net change in fund balances	(470)	(8,645)	(1,437)	7,208
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (470)	\$ (8,645)	\$ (1,437)	\$ 7,208
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,437)	
To adjust revenues for accruals			71	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (1,366)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - Cumulative Capital Development

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 511,682	\$ 511,682	\$ 581,307	\$ 69,625
Intergovernmental	41,081	41,081	43,758	2,677
Investment income	1,610	1,610	4,133	2,523
Total revenues	554,373	554,373	629,198	74,825
Expenditures:				
Current:				
General government:				
Other services and charges	261,015	261,015	260,548	467
Capital outlay	-	-	-	-
Total expenditures	261,015	261,015	260,548	467
Net change in fund balances	(206,642)	(206,642)	(89,683)	116,959
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (206,642)	\$ (206,642)	\$ (89,683)	\$ 116,959
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (89,683)	
To adjust revenues for accruals			4,728	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (84,955)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - Cumulative Capital Improvement

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 214,341	\$ 214,341	\$ 187,788	\$ (26,553)
Investment income	3,885	3,885	7,680	3,795
Other	25,000	25,000	-	(25,000)
Total revenues	243,226	243,226	195,468	(47,758)
Other Financing Sources (Uses):				
Transfers out	(300,000)	(300,000)	(275,000)	25,000
Net change in fund balances	(207,770)	(207,770)	(80,528)	127,242
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (207,770)	\$ (207,770)	\$ (80,528)	\$ 127,242
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (80,528)	
To adjust revenues for accruals			5,652	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (74,876)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - Major Moves

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 238,248	\$ 238,248
Investment income	3,857	3,857	53,463	49,606
Other	493,328	493,328	493,328	-
Total revenues	497,185	497,185	785,039	287,854
Expenditures:				
Current:				
Highways and streets:				
Supplies	700,000	699,998	628,041	71,957
Other services and charges	519,497	122,636	97,521	25,115
Capital outlay	494,264	33,493	33,493	-
Total expenditures	1,713,761	856,127	759,055	97,072
Net change in fund balances	(1,216,576)	(358,942)	25,984	384,926
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (1,216,576)	\$ (358,942)	\$ 25,984	\$ 384,926
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 25,984	
To adjust revenues for accruals			(439,771)	
To adjust expenditures for accruals			101,283	
Net change in fund balance, GAAP basis			\$ (312,504)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - Professional Sports Convention Development Area
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,000,000	\$ 2,000,000	\$ 2,055,414	\$ 55,414
Investment income	-	-	15,005	15,005
Other	-	-	-	-
Total revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,070,419</u>	<u>70,419</u>
Expenditures:				
Current:				
Highways and streets:				
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	<u>2,787,981</u>	<u>3,568,457</u>	<u>3,568,457</u>	<u>-</u>
Total expenditures	<u>2,787,981</u>	<u>3,568,457</u>	<u>3,568,457</u>	<u>-</u>
Net change in fund balances	(787,981)	(1,568,457)	(1,498,038)	70,419
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	<u>\$ (787,981)</u>	<u>\$ (1,568,457)</u>	<u>\$ (1,498,038)</u>	<u>\$ 70,419</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,498,038)	
To adjust revenues for accruals			70,201	
To adjust expenditures for accruals			<u>(18,184)</u>	
Net change in fund balance, GAAP basis			<u>\$ (1,446,021)</u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - Morris Performing Arts Center Capital

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	307	307
Total revenues	-	-	379,179	379,179
Expenditures:				
Current:				
Culture and recreation:				
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Capital outlay	1,126,966	1,440,954	1,440,954	-
Total expenditures	1,126,966	1,440,954	1,440,954	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Net change in fund balances	(1,126,966)	(1,440,954)	(1,061,775)	379,179
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (1,126,966)	\$ (1,440,954)	\$ (1,061,775)	\$ 379,179
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (1,061,775)	
To adjust revenues for accruals			26	
To adjust expenditures for accruals			50,107	
Net change in fund balance, GAAP basis			\$ (1,011,642)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - Redevelopment General

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - local income tax	\$ 100	\$ 100	\$ 352	\$ 252
Intergovernmental	763,000	763,000	191,000	(572,000)
Investment income	74,969	74,969	98,249	23,280
Other	1,000,000	1,000,000	1,364,412	364,412
Total revenues	1,838,069	1,838,069	1,654,013	(184,056)
Expenditures:				
Current:				
Economic development:				
Other services and charges	529,366	1,412,408	1,407,909	4,499
Total expenditures	529,366	1,412,408	1,407,909	4,499
Other Financing Sources (Uses):				
Transfers in	150,000	150,000	-	(150,000)
Transfers out	(763,000)	(763,000)	(763,000)	-
Net change in fund balances	695,703	(187,339)	(516,896)	(329,557)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 695,703	\$ (187,339)	\$ (516,896)	\$ (329,557)
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (516,896)	
To adjust revenues for accruals			61,957	
To adjust expenditures for accruals			(17,162)	
Net change in fund balance, GAAP basis			\$ (472,101)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - TIF - West Washington

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 283,927	\$ 283,927	\$ 490,344	\$ 206,417
Investment income	26,079	26,079	45,603	19,524
	310,006	310,006	535,947	225,941
Total revenues				
Expenditures:				
Current:				
Economic development:				
Other services and charges	4,456	4,456	-	4,456
Capital outlay	110,297	209,940	99,745	110,195
	114,753	214,396	99,745	114,651
Total expenditures				
Net change in fund balances	195,253	95,610	436,202	340,592
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 195,253	\$ 95,610	\$ 436,202	\$ 340,592
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 436,202	
To adjust revenues for accruals			22,061	
To adjust expenditures for accruals			(68,357)	
Net change in fund balance, GAAP basis			\$ 389,906	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - TIF - River East Development

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 3,822,890	\$ 3,822,890	\$ 6,216,898	\$ 2,394,008
Investment income	152,018	152,018	360,139	208,121
Other	-	-	1,000	1,000
Total revenues	<u>3,974,908</u>	<u>3,974,908</u>	<u>6,578,037</u>	<u>2,603,129</u>
Expenditures:				
Current:				
Economic development:				
Other services and charges	548,514	371,517	371,517	-
Capital outlay	<u>6,878,071</u>	<u>3,327,923</u>	<u>3,232,307</u>	<u>95,616</u>
Total expenditures	<u>7,426,585</u>	<u>3,699,440</u>	<u>3,603,824</u>	<u>95,616</u>
Other Financing Sources (Uses):				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,451,677)	275,468	2,744,013	2,468,545
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ (3,451,677)</u>	<u>\$ 275,468</u>	<u>\$ 2,744,013</u>	<u>\$ 2,468,545</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 2,744,013	
To adjust revenues for accruals			183,717	
To adjust expenditures for accruals			<u>(317,909)</u>	
Net change in fund balance, GAAP basis			<u>\$ 2,609,821</u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - TIF - Southside Development Area No. 1

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 1,815,749	\$ 1,815,749	\$ 2,986,918	\$ 1,171,169
Investment income	130,009	130,009	411,769	281,760
Total revenues	1,945,758	1,945,758	4,089,697	2,143,939
Expenditures:				
Economic development:				
Other services and charges	554,909	580,807	568,771	12,036
Capital outlay	5,858,331	4,444,839	5,879,206	(1,434,367)
Total expenditures	6,413,240	5,025,646	6,447,977	(1,422,331)
Net change in fund balances	(4,467,482)	(3,079,888)	(2,358,280)	721,608
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (4,467,482)	\$ (3,079,888)	\$ (2,358,280)	\$ 721,608
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (2,358,280)	
To adjust revenues for accruals			248,400	
To adjust expenditures for accruals			(684,189)	
Net change in fund balance, GAAP basis			\$ (2,794,069)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - TIF - Douglas Road

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 166,000	\$ 166,000	\$ 233,288	\$ 67,288
Investment income	6,781	6,781	12,570	5,789
Total revenues	<u>172,781</u>	<u>172,781</u>	<u>245,858</u>	<u>73,077</u>
Expenditures:				
Current:				
Economic development:				
Other services and charges	<u>74,175</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>74,175</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	98,606	172,781	245,858	73,077
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ 98,606</u>	<u>\$ 172,781</u>	<u>\$ 245,858</u>	<u>\$ 73,077</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 245,858	
To adjust revenues for accruals			5,137	
To adjust expenditures for accruals			<u>-</u>	
Net change in fund balance, GAAP basis			<u><u>\$ 250,995</u></u>	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - TIF - River East Residential

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ 5,978,380	\$ 5,978,380	\$ 7,228,216	\$ 1,249,836
Investment income	151,790	151,790	157,758	5,968
Total revenues	<u>6,130,170</u>	<u>6,130,170</u>	<u>7,385,974</u>	<u>1,255,804</u>
Expenditures:				
Current:				
Economic development:				
Other services and charges	<u>525,329</u>	<u>525,329</u>	<u>494,828</u>	<u>30,501</u>
Total expenditures	<u>525,329</u>	<u>863,461</u>	<u>832,960</u>	<u>30,501</u>
Other Financing Sources (Uses):				
Transfers out	<u>(4,403,875)</u>	<u>(4,403,875)</u>	<u>(4,403,875)</u>	<u>-</u>
Net change in fund balances	1,200,966	862,834	2,149,139	1,286,305
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ 1,200,966</u>	<u>\$ 862,834</u>	<u>\$ 2,149,139</u>	<u>\$ 1,286,305</u>
<u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 2,149,139	
To adjust revenues for accruals			104,246	
To adjust expenditures for accruals			<u>194,816</u>	
Net change in fund balance, GAAP basis			<u>\$ 2,448,201</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - Certified Technology Park

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 225	\$ 225	\$ 328	\$ 103
Total revenues	225	225	328	103
Net change in fund balances	225	225	328	103
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ 225	\$ 225	\$ 328	\$ 103
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 328	
To adjust revenues for accruals			180	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 508	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Project Funds - Palais Royale Historical Preservation

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 14,500	\$ 14,500	\$ 15,594	\$ 1,094
Investment income	926	926	3,450	2,524
Total revenues	15,426	15,426	19,044	3,618
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	35,000	35,000	-	35,000
Total expenditures	35,000	35,000	-	35,000
Net change in fund balances	(19,574)	(19,574)	19,044	38,618
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (19,574)	\$ (19,574)	\$ 19,044	\$ 38,618
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 19,044	
To adjust revenues for accruals			1,696	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 20,740	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Project Funds - 2022 Zoo Bond Capital
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	122	122
Total revenues	-	-	122	122
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	-	-	-	-
Total expenditures	-	4,467,628	4,467,955	(327)
Net change in fund balances	-	(4,467,628)	(4,467,833)	(205)
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ -	\$ (4,467,628)	\$ (4,467,833)	\$ (205)
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ (4,467,833)	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ (4,467,833)	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - Airport Urban Enterprise Zone

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ 30	\$ 30	\$ 12,091	\$ 12,061
Total revenues	<u>30</u>	<u>30</u>	<u>12,091</u>	<u>12,061</u>
Net change in fund balances	30	30	12,091	12,061
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 12,091</u>	<u>\$ 12,061</u>

Budget/GAAP Reconciliation

Net change in fund balance, budget basis	\$ 12,091
To adjust revenues for accruals	6,612
To adjust expenditures for accruals	<u>-</u>
Net change in fund balance, GAAP basis	<u><u>\$ 18,703</u></u>

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)
 Capital Projects Funds - 2023 RDA Lease-Rental Bond Capital
 For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes - Property	\$ -	\$ -	\$ -	\$ -
Taxes - local income tax	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment income	\$ -	\$ -	\$ 662,994	\$ 662,994
Other	-	-	-	-
Total revenues	-	-	662,994	662,994
Expenditures:				
Current:				
Highways and streets:				
Personnel services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	5,530,838	6,021,197	(490,359)
Capital outlay	-	794,541	794,541	-
Total expenditures	-	6,325,379	6,815,738	(490,359)
Other Financing Sources (Uses):				
Debt proceeds	-	-	33,098,353	33,098,353
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net change in fund balances	-	(6,325,379)	26,945,609	33,270,988
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ -	\$ (6,325,379)	\$ 26,945,609	\$ 33,270,988
Budget/GAAP Reconciliation				
Net change in fund balance, budget basis			\$ 26,945,609	
To adjust revenues for accruals			-	
To adjust expenditures for accruals			(1,074,627)	
Net change in fund balance, GAAP basis			\$ 25,870,982	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - 2017 Park Bond Capital

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 43,384	\$ 43,384
Total revenues	<u>-</u>	<u>-</u>	<u>43,384</u>	<u>43,384</u>
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	-	-	-	-
Capital outlay	<u>1,526,352</u>	<u>781,279</u>	<u>780,322</u>	<u>957</u>
Total expenditures	<u>1,526,352</u>	<u>781,279</u>	<u>780,322</u>	<u>957</u>
Net change in fund balances	(1,526,352)	(781,279)	(736,938)	44,341
Fund balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - Ending	<u>\$ (1,526,352)</u>	<u>\$ (781,279)</u>	<u>\$ (736,938)</u>	<u>\$ 44,341</u>
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (736,938)	
To adjust revenues for accruals			44,400	
To adjust expenditures for accruals			<u>(82,468)</u>	
Net change in fund balance, GAAP basis			<u>\$ (775,006)</u>	

Other Supplemental Information
 Budgetary Comparison Schedule - Nonmajor Governmental Funds
 (Continued)

Capital Projects Funds - 2018 Fire Station #9 Bond Capital

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 9,313	\$ 9,313
Total revenues	-	-	9,313	9,313
Net change in fund balances	-	-	9,313	9,313
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ -	\$ -	\$ 9,313	\$ 9,313
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 9,313	
To adjust revenues for accruals			5,092	
To adjust expenditures for accruals			-	
Net change in fund balance, GAAP basis			\$ 14,405	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - 2018 TIF Park Bond Capital

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 67,016	\$ 67,016
Total revenues	-	-	67,016	67,016
Expenditures:				
Current:				
Culture and recreation:				
Other services and charges	-	-	-	-
Capital outlay	2,194,506	7,946	7,480	466
Total expenditures	2,194,506	7,946	7,480	466
Net change in fund balances	(2,194,506)	(7,946)	59,536	67,482
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (2,194,506)	\$ (7,946)	\$ 59,536	\$ 67,482
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ 59,536	
To adjust revenues for accruals			36,729	
To adjust expenditures for accruals			(919,772)	
Net change in fund balance, GAAP basis			\$ (823,507)	

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)

Capital Projects Funds - 2021 Infrastructure Bond Capital

For fiscal year ended December 31, 2023

	Budgeted Amounts		Actual Budgetary Basis Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 48,402	\$ 48,402
Total revenues	-	-	48,402	48,402
Expenditures:				
Current:				
Highways and streets:				
Capital outlay	2,054,148	1,330,650	1,236,390	94,260
Total expenditures	2,054,148	1,330,650	1,236,390	94,260
Net change in fund balances	(2,054,148)	(1,330,650)	(1,187,988)	142,662
Fund balances - Beginning	-	-	-	-
Fund balances - Ending	\$ (2,054,148)	\$ (1,330,650)	\$ (1,187,988)	\$ 142,662
 <u>Budget/GAAP Reconciliation</u>				
Net change in fund balance, budget basis			\$ (1,187,988)	
To adjust revenues for accruals			40,215	
To adjust expenditures for accruals			(184,212)	
Net change in fund balance, GAAP basis			\$ (1,331,985)	

NONMAJOR ENTERPRISE FUNDS

Century Center	To account for the operations of the City's convention center.
Consolidated Building	To account for the operation of the consolidated St. Joseph County/ South Bend Building Department.
Parking Garage	To account for the operation and maintenance of the City's parking garages.
Solid Waste	To account for the operations of the Solid Waste department. Revenues come from charging City residents a monthly fee for pick-up and disposal of trash at area landfills and recycling centers
Morris Performing Arts Center	To account for the operation of the Morris Performing Arts Center. Financed by ticket sales (for self-promoted events) and rent from promoters.

	Century Center	Consolidated Building	Parking Garage	Solid Waste	Morris Performing Arts Center	Total
Assets						
Current assets:						
Cash and cash equivalents	\$ 785,757	\$ 958,747	\$ 253,976	\$ 223,863	\$ 299,646	\$ 2,521,989
Investments	-	1,119,236	297,012	411,325	346,804	2,174,377
Receivables:						
Accounts	440,863	295	-	1,030,545	-	1,471,703
Allowance for doubtful accounts	-	-	-	(24,999)	-	(24,999)
Interest	4,444	6,472	1,733	3,384	1,147	17,180
Taxes	637,500	-	-	-	-	637,500
Due from other funds	-	-	-	1,904	-	1,904
Inventory	160,300	-	-	-	-	160,300
Prepaid expenses	24,714	-	-	-	-	24,714
Total current assets	<u>2,053,578</u>	<u>2,084,750</u>	<u>552,721</u>	<u>1,646,022</u>	<u>647,597</u>	<u>6,984,668</u>
Noncurrent assets:						
Restricted assets	1,499,196	3,121	-	2,868,637	1,847	4,372,801
Capital assets:						
Assets not subject to depreciation	713,434	-	1,132,020	-	-	1,845,454
Assets subject to depreciation	12,524,181	21,440	4,005,187	1,838,114	-	18,388,922
Total noncurrent assets	<u>14,736,811</u>	<u>24,561</u>	<u>5,137,207</u>	<u>4,706,751</u>	<u>1,847</u>	<u>24,607,177</u>
Total assets	<u>16,790,389</u>	<u>2,109,311</u>	<u>5,689,928</u>	<u>6,352,773</u>	<u>649,444</u>	<u>31,591,845</u>
Deferred outflows of resources						
Deferred outflows related to pensions	74,614	207,250	-	298,288	-	580,152
Deferred outflows related to OPEB	30,572	84,917	-	122,218	-	237,707
Total deferred outflows of resources	<u>105,186</u>	<u>292,167</u>	<u>-</u>	<u>420,506</u>	<u>-</u>	<u>817,859</u>
Liabilities						
Current liabilities:						
Accounts payable	121,400	4,213	60,569	904,828	39,329	1,130,339
Due to other funds	2,048	-	13,812	-	1,145	17,005
Performance deposits payable	-	7,000	-	-	-	7,000
Accrued liabilities and other:						
Accrued payroll payable	44,257	35,744	9,829	59,474	21,152	170,456
Accrued interest payable	-	-	-	28,895	-	28,895
Taxes payable	15,342	3,121	-	5,193	(9,868)	13,788
Other current payables	(96,765)	-	-	-	-	(96,765)
Customer deposits payable	113,605	-	-	-	-	113,605
Compensated absences	11,858	15,690	-	9,253	18,943	55,744
Financed purchase agreements	-	-	-	909,744	-	909,744
Total current liabilities	<u>211,745</u>	<u>65,768</u>	<u>84,210</u>	<u>1,917,387</u>	<u>70,701</u>	<u>2,349,811</u>
Noncurrent liabilities:						
Financed purchase agreements	-	-	-	2,047,261	-	2,047,261
Net pension liability	181,546	504,265	-	725,770	-	1,411,581
Total OPEB liability	115,558	320,977	-	461,969	-	898,504
Total noncurrent liabilities	<u>297,104</u>	<u>825,242</u>	<u>-</u>	<u>3,235,000</u>	<u>-</u>	<u>4,357,346</u>
Total liabilities	<u>508,849</u>	<u>891,010</u>	<u>84,210</u>	<u>5,152,387</u>	<u>70,701</u>	<u>6,707,157</u>
Deferred inflows of resources						
Deferred inflows related to pensions	9,483	26,339	-	37,909	-	73,731
Deferred inflows related to OPEB	52,591	146,079	-	210,246	-	408,916
Total deferred inflows of resources	<u>62,074</u>	<u>172,418</u>	<u>-</u>	<u>248,155</u>	<u>-</u>	<u>482,647</u>
Net position						
Net investment in capital assets	13,237,615	21,440	5,137,207	1,692,068	-	20,088,330
Restricted:						
Capital outlay	1,441,898	-	-	-	-	1,441,898
Unrestricted	1,645,139	1,316,610	468,511	(319,331)	578,743	3,689,672
Total net position	<u>\$ 16,324,652</u>	<u>\$ 1,338,050</u>	<u>\$ 5,605,718</u>	<u>\$ 1,372,737</u>	<u>\$ 578,743</u>	<u>\$ 25,219,900</u>

Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds

For the Year Ended December 31, 2023

	Century Center	Consolidated Building	Parking Garage	Solid Waste	Morris Performing Arts Center	Total
Operating revenues						
Convention fees	\$ 2,884,462	\$ -	\$ -	\$ -	\$ 988,672	\$ 3,873,134
Licenses and permits	-	2,099,002	-	-	-	2,099,002
Parking fees	123,281	-	912,261	-	-	1,035,542
Solid waste fees	-	-	-	7,622,504	-	7,622,504
Charges to other funds	70,842	-	-	-	-	70,842
Other	99,675	19,721	-	18,231	172,449	310,076
Total operating revenues	<u>3,178,260</u>	<u>2,118,723</u>	<u>912,261</u>	<u>7,640,735</u>	<u>1,161,121</u>	<u>15,011,100</u>
Operating expenses						
Personnel services	458,834	1,267,151	-	1,917,293	656,547	4,299,825
Materials and supplies	974,743	51,820	28,788	1,164,928	31,167	2,251,446
Contractual services	1,317,429	613,934	976,260	3,254,725	459,611	6,621,959
General and administration	1,499,997	354,619	296,902	1,358,336	278,635	3,788,489
Depreciation	951,218	9,896	272,023	507,113	-	1,740,250
Total operating expenses	<u>5,202,221</u>	<u>2,297,420</u>	<u>1,573,973</u>	<u>8,202,395</u>	<u>1,425,960</u>	<u>18,701,969</u>
Operating income (loss)	<u>(2,023,961)</u>	<u>(178,697)</u>	<u>(661,712)</u>	<u>(561,660)</u>	<u>(264,839)</u>	<u>(3,690,869)</u>
Nonoperating revenues (expenses)						
Investment income	46,340	90,668	37,416	18,098	8,540	201,062
Hotel/motel tax revenues	1,769,855	-	-	-	-	1,769,855
Interest expense	-	(39)	-	(132,293)	-	(132,332)
(Loss) gain on sale of assets	-	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>1,816,195</u>	<u>90,629</u>	<u>37,416</u>	<u>(114,195)</u>	<u>8,540</u>	<u>1,838,585</u>
Income (loss) - Before contributions and transfers	<u>(207,766)</u>	<u>(88,068)</u>	<u>(624,296)</u>	<u>(675,855)</u>	<u>(256,299)</u>	<u>(1,852,284)</u>
Capital contributions - Other capital contributions	-	-	-	8,636	-	8,636
Transfers in	-	-	-	527,035	-	527,035
Transfers out	-	-	-	-	-	-
Change in net position	<u>(207,766)</u>	<u>(88,068)</u>	<u>(624,296)</u>	<u>(140,184)</u>	<u>(256,299)</u>	<u>(1,316,613)</u>
Net position - Beginning of year	<u>16,532,418</u>	<u>1,426,118</u>	<u>6,230,014</u>	<u>1,512,921</u>	<u>835,042</u>	<u>26,536,513</u>
Net position - End of year	<u>\$ 16,324,652</u>	<u>\$ 1,338,050</u>	<u>\$ 5,605,718</u>	<u>\$ 1,372,737</u>	<u>\$ 578,743</u>	<u>\$ 25,219,900</u>

	Century Center	Consolidated Building	Parking Garage	Solid Waste	Morris Performing Arts Center	Total
Cash flows from operating activities						
Receipts from customers and users	\$ 3,085,305	\$ 2,127,346	\$ 912,261	\$ 7,610,141	\$ 1,633,278	\$ 15,368,331
Receipts from interfund services and reimbursements	-	-	-	411	-	411
Payments to suppliers	(2,915,695)	(664,619)	(961,989)	(3,564,812)	(504,019)	(8,611,134)
Payments to employees	(1,398,822)	(1,190,517)	(193,744)	(1,860,956)	(639,949)	(5,283,988)
Internal activity - payments to other funds	(251,961)	(354,619)	(92,686)	(1,358,336)	(278,817)	(2,336,419)
Internal activity - payments from other funds	70,842	-	-	-	-	70,842
Net cash provided by (used in) operating activities	<u>(1,410,331)</u>	<u>(82,409)</u>	<u>(336,158)</u>	<u>826,448</u>	<u>210,493</u>	<u>(791,957)</u>
Cash flows from noncapital financing activities						
Transfers from other funds	-	-	-	527,035	-	527,035
Transfers to other funds	-	-	-	-	-	-
Hotel/motel tax	1,769,855	-	-	-	-	1,769,855
Net cash (used in) provided by noncapital financing activities	<u>1,769,855</u>	<u>-</u>	<u>-</u>	<u>527,035</u>	<u>-</u>	<u>2,296,890</u>
Cash flows from capital and related financing activities						
Proceeds from capital debt issued for future capital purchase	-	-	-	1,225,000	-	1,225,000
Purchase of capital assets	(53,433)	-	-	-	-	(53,433)
Principal paid on capital debt	-	(4,673)	-	(928,231)	-	(932,904)
Interest paid on capital debt	-	(49)	-	(48,912)	-	(48,961)
Net cash (used in) provided by capital and related financing activities	<u>(53,433)</u>	<u>(4,722)</u>	<u>-</u>	<u>256,493</u>	<u>-</u>	<u>198,338</u>
Cash flows from investing activities						
Interest received on investments	44,387	89,808	37,858	15,514	8,576	196,143
Proceeds from sale and maturities of investment securities	-	(4,246)	159,555	(254,927)	(116,858)	(216,476)
Net cash provided by (used in) investing activities	<u>44,387</u>	<u>85,562</u>	<u>197,413</u>	<u>(239,413)</u>	<u>(108,282)</u>	<u>(20,333)</u>
Net (decrease) increase in cash and cash equivalents	350,478	(1,569)	(138,745)	1,370,563	102,211	1,682,938
Cash and cash equivalents - beginning of year	1,934,471	963,434	392,721	1,721,939	199,283	5,211,848
Cash and cash equivalents - end of year	<u>\$ 2,284,949</u>	<u>\$ 961,865</u>	<u>\$ 253,976</u>	<u>\$ 3,092,502</u>	<u>\$ 301,494</u>	<u>\$ 6,894,786</u>
Classification of cash and cash equivalents						
Cash and investments	\$ 785,753	\$ 2,077,980	\$ 550,988	\$ 635,190	\$ 646,451	\$ 4,696,362
Restricted cash and investments	1,499,196	3,121	-	2,868,637	1,847	4,372,801
Less amounts classified as investments	-	(1,119,236)	(297,012)	(411,325)	(346,804)	(2,174,377)
Total cash and cash equivalents	<u>\$ 2,284,949</u>	<u>\$ 961,865</u>	<u>\$ 253,976</u>	<u>\$ 3,092,502</u>	<u>\$ 301,494</u>	<u>\$ 6,894,786</u>
Reconciliation of operating income (loss) to net cash from operating activities						
Operating income (loss)	(2,023,961)	(178,697)	(661,712)	(561,660)	(264,839)	(3,690,869)
Adjustments to reconcile operating income (loss) to net cash from operating activities:						
Depreciation and amortization	951,218	9,896	272,023	507,113	-	1,740,250
Changes in assets and liabilities:						
Receivables	(58,685)	(120)	-	(96,768)	472,157	316,584
Due from other funds	6,253	-	-	411	-	6,664
Inventory	(106,776)	-	-	-	-	(106,776)
Prepaid expenses and other assets	(21,251)	-	-	-	2	(21,249)
Increase (decrease) in liabilities						
Accounts payable	51,933	1,140	43,059	855,051	(2,653)	948,530
Taxes payable	(505)	(3)	-	(209)	(10,589)	(11,306)
Due to other funds	(146)	-	6,923	-	(182)	6,595
Accrued payroll payable	(30)	10,566	3,549	15,932	9,099	39,116
Compensated absences payable	(8,525)	(2,037)	-	(5,041)	7,498	(8,105)
Customer deposits	21,842	-	-	-	-	21,842
Other current payables	(207,140)	-	-	-	-	(207,140)
Increase (decrease) in deferred outflows of resources						
Pension items	(2,414)	(16,983)	-	(24,753)	-	(44,150)
OPEB items	(9,497)	(29,379)	-	(42,375)	-	(81,251)
Increase (decrease) in net pension liabilities	(3,119)	17,621	-	26,152	-	40,654
Increase (decrease) in OPEB liability	27,065	87,773	-	126,706	-	241,544
Increase (decrease) in deferred inflows of resources						
Pension items	(5,809)	(13,959)	-	(20,026)	-	(39,794)
OPEB items	9,216	31,773	-	45,915	-	86,904
Total adjustments	<u>613,630</u>	<u>96,288</u>	<u>325,554</u>	<u>1,388,108</u>	<u>475,332</u>	<u>2,898,912</u>
Net cash provided by (used in) operating activities	<u>\$ (1,410,331)</u>	<u>\$ (82,409)</u>	<u>\$ (336,158)</u>	<u>\$ 826,448</u>	<u>\$ 210,493</u>	<u>\$ (791,957)</u>
Noncash investing, capital, and financing activities						
Capital assets acquired through lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets disposed (at cost)	-	-	-	-	-	-
Work in progress completed transferred to capital assets	-	-	-	-	-	-
Accumulated depreciation on disposals of capital assets	-	-	-	-	-	-

INTERNAL SERVICE FUNDS

Liability Insurance Premium Reserve	To account for expenses related to maintaining the City's self-funded liability insurance including administrative costs, claims and premiums. Funding is provided by assessments to certain other City funds.
Self-Funded Employee Benefits	To account for employer and employee contributions for a health plan, and for the payment of healthcare claims for members of the City's plan.
Central Services	To account for expenses related to fuel, vehicle repairs and various supplies provided to City departments on a cost-reimbursement basis.
Police Take Home Vehicle	To account for expenses associated with claims arising from use of program vehicles occurring while officers are not on duty. Funding is provided by officers participating in the program.
Innovation/ Information Technology/ 311 Call Center	To account for expenses associated with the 311 Call Center and Department of Innovation & Technology. The Call Center is a customer service support center where residents and business can receive personal assistance with City-related questions and non-emergency services. The IT Department provides technical services to the various departments within the City. Funding is provided by the departments which benefit from the departments.
Unemployment Compensation Insurance	To account for payment of unemployment claims to the Indiana Department of Workforce Development. Financing is provided by allocating costs to user departments to cover the estimated costs of claims.
Parental Leave	To account for expenses related to the City's Parental Leave Program which provides additional paid time off for employees for the child or adoption of a child. Financing is provided by allocating costs to user departments to cover the estimated costs of the program.

	Liability Insurance Premium Reserve	Self-Funded Employee Benefits	Central Services	Police Take Home Vehicle	Innovation & Technology 311 Call Center	Unemployment Compensation Insurance	Parental Leave	Total
Assets								
Current assets:								
Cash and cash equivalents	\$ 2,989,606	\$ 4,412,325	\$ (675,579)	\$ 382,002	\$ 2,537,467	\$ 20,999	\$ 287,289	\$ 9,954,109
Investments	3,479,074	5,162,660	-	446,962	2,952,548	24,570	336,144	12,401,958
Receivables:								
Accounts	-	63,007	52,623	-	-	-	-	115,630
Interest	20,306	30,131	2	2,609	17,234	143	1,962	72,387
Inventory	-	-	1,631,563	-	-	-	-	1,631,563
Prepaid expenses	527,024	-	-	-	892,734	-	-	1,419,758
Total current assets	<u>7,016,010</u>	<u>9,668,123</u>	<u>1,008,609</u>	<u>831,573</u>	<u>6,399,983</u>	<u>45,712</u>	<u>625,395</u>	<u>25,595,405</u>
Noncurrent assets:								
Restricted assets	-	-	7,148	-	9,939	-	-	17,087
Capital assets:								
Assets not subject to depreciation	-	-	-	-	-	-	-	-
Assets subject to depreciation	1,925,099	-	754,397	-	-	-	-	2,679,496
Total noncurrent assets	<u>1,925,099</u>	<u>-</u>	<u>761,545</u>	<u>-</u>	<u>9,939</u>	<u>-</u>	<u>-</u>	<u>2,696,583</u>
Total assets	<u>8,941,109</u>	<u>9,668,123</u>	<u>1,770,154</u>	<u>831,573</u>	<u>6,409,922</u>	<u>45,712</u>	<u>625,395</u>	<u>28,291,988</u>
Deferred outflows of resources								
Deferred outflows related to pensions	-	-	414,085	-	532,492	-	-	946,577
Deferred outflows related to OPEB	-	-	169,664	-	218,179	-	-	387,843
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>583,749</u>	<u>-</u>	<u>750,671</u>	<u>-</u>	<u>-</u>	<u>1,334,420</u>
Liabilities								
Current liabilities:								
Accounts payable	105,032	49,814	511,464	-	465,388	5,360	-	1,137,058
Due to other funds	-	-	654	-	-	-	-	654
Accrued liabilities and other:								
Accrued payroll payable	-	-	81,861	-	113,826	-	-	195,687
Accrued interest payable	-	-	-	-	28,609	-	-	28,609
Taxes payable	-	-	7,148	-	9,939	-	-	17,087
Other current payables	-	-	-	-	-	-	-	-
Compensated absences	-	-	43,745	-	79,064	-	-	122,809
Claims payable	4,799,180	1,137,030	-	-	-	-	-	5,936,210
Financed purchase agreements	-	-	8,348	-	705,922	-	-	714,270
Total current liabilities	<u>4,904,212</u>	<u>1,186,844</u>	<u>653,220</u>	<u>-</u>	<u>1,402,748</u>	<u>5,360</u>	<u>-</u>	<u>8,152,384</u>
Noncurrent liabilities:								
Financed purchase agreements	-	-	-	-	828,677	-	-	828,677
Net pension liability	-	-	1,007,519	-	1,295,617	-	-	2,303,136
Total OPEB liability	-	-	641,310	-	824,691	-	-	1,466,001
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,648,829</u>	<u>-</u>	<u>2,948,985</u>	<u>-</u>	<u>-</u>	<u>4,597,814</u>
Total liabilities	<u>4,904,212</u>	<u>1,186,844</u>	<u>2,302,049</u>	<u>-</u>	<u>4,351,733</u>	<u>5,360</u>	<u>-</u>	<u>12,750,198</u>
Deferred inflows of resources								
Deferred inflows related to pensions	-	-	52,626	-	67,674	-	-	120,300
Deferred inflows related to OPEB	-	-	291,865	-	375,323	-	-	667,188
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>344,491</u>	<u>-</u>	<u>442,997</u>	<u>-</u>	<u>-</u>	<u>787,488</u>
Net position								
Net investment in capital assets	1,925,099	-	746,049	-	-	-	-	2,671,148
Unrestricted	2,111,798	8,481,279	(1,038,686)	831,573	2,365,863	40,352	625,395	13,417,574
Total net position	<u>\$ 4,036,897</u>	<u>\$ 8,481,279</u>	<u>\$ (292,637)</u>	<u>\$ 831,573</u>	<u>\$ 2,365,863</u>	<u>\$ 40,352</u>	<u>\$ 625,395</u>	<u>\$ 16,088,722</u>

Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds

For the Year Ended December 31, 2023

	Liability Insurance Premium Reserve	Self-Funded Employee Benefits	Central Services	Police Take Home Vehicle	Innovation & Technology 311 Call Center	Unemployment Compensation Insurance	Parental Leave	Total
Operating revenues								
Employee/employer contributions	\$ 3,583,000	\$ 17,264,637	\$ -	\$ 59,460	\$ 9,990,823	\$ 8,305	\$ 283,791	\$ 31,190,016
Charges for sales and services	-	-	8,925,939	-	2,602	-	-	8,928,541
Charges to other funds	-	-	160,000	-	-	-	-	160,000
Other	500,956	645,958	59,794	-	146,250	-	-	1,352,958
Total operating revenues	<u>4,083,956</u>	<u>17,910,595</u>	<u>9,145,733</u>	<u>59,460</u>	<u>10,139,675</u>	<u>8,305</u>	<u>283,791</u>	<u>41,631,515</u>
Operating expenses								
Personnel services	33,878	102,799	2,615,064	-	3,292,807	-	83,396	6,127,944
Materials and supplies	-	63,798	6,535,586	-	1,035,548	-	-	7,634,932
Contractual services	1,661,468	1,069,196	382,745	1,040	5,921,446	-	-	9,035,895
Insurance claims and premiums	1,915,550	17,163,756	-	-	-	83,053	-	19,162,359
General and administration	-	-	718,243	-	813	-	-	719,056
Depreciation	-	-	111,880	-	-	-	-	111,880
Total operating expenses	<u>3,610,896</u>	<u>18,399,549</u>	<u>10,363,518</u>	<u>1,040</u>	<u>10,250,614</u>	<u>83,053</u>	<u>83,396</u>	<u>42,792,066</u>
Operating income (loss)	<u>473,060</u>	<u>(488,954)</u>	<u>(1,217,785)</u>	<u>58,420</u>	<u>(110,939)</u>	<u>(74,748)</u>	<u>200,395</u>	<u>(1,160,551)</u>
Nonoperating revenues (expenses)								
Investment income	255,142	455,503	5,717	34,619	195,371	3,486	21,016	970,854
Interest expense	-	-	(4,340)	-	(61,261)	-	-	(65,601)
(Loss) gain on sale of assets	-	-	-	-	-	-	-	-
Total nonoperating revenues (expenses)	<u>255,142</u>	<u>455,503</u>	<u>1,377</u>	<u>34,619</u>	<u>134,110</u>	<u>3,486</u>	<u>21,016</u>	<u>905,253</u>
Income (loss) - Before contributions and transfers	728,202	(33,451)	(1,216,408)	93,039	23,171	(71,262)	221,411	(255,298)
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Change in net position	728,202	(33,451)	(1,216,408)	93,039	23,171	(71,262)	221,411	(255,298)
Net position - Beginning of year	<u>3,308,695</u>	<u>8,514,730</u>	<u>923,771</u>	<u>738,534</u>	<u>2,342,692</u>	<u>111,614</u>	<u>403,984</u>	<u>16,344,020</u>
Net position - End of year	<u>\$ 4,036,897</u>	<u>\$ 8,481,279</u>	<u>\$ (292,637)</u>	<u>\$ 831,573</u>	<u>\$ 2,365,863</u>	<u>\$ 40,352</u>	<u>\$ 625,395</u>	<u>\$ 16,088,722</u>

	Liability Insurance Premium Reserve	Self-Funded Employee Benefits	Central Services	Police Take Home Vehicle	Innovation/ Technology/ 311 Call Center	Unemployment Compensation Insurance	Parental Leave	Total
Cash flows from operating activities								
Receipts from customers and users	\$ 500,956	\$ 585,359	\$ 342,565	\$ 59,460	\$ 148,851	\$ -	\$ -	\$ 1,637,191
Receipts from interfund services and reimbursements	3,583,000	17,264,637	8,754,774	-	9,994,466	8,305	283,791	39,888,973
Payments to suppliers	(2,873,068)	(19,239,712)	(6,893,705)	(1,041)	(6,419,009)	(42,718)	-	(35,469,253)
Payments to employees	-	-	(2,465,947)	-	(2,979,363)	-	(83,396)	(5,528,706)
Internal activity - payments to other funds	-	-	(718,609)	-	(813)	-	-	(719,422)
Net cash provided by (used in) operating activities	1,210,888	(1,389,716)	(980,922)	58,419	744,132	(34,413)	200,395	(191,217)
Cash flows from capital and related financing activities								
Proceeds from capital debt issued for future capital purchase	-	-	-	-	811,531	-	-	811,531
Proceeds from sales of capital assets	-	-	-	-	-	-	-	-
Purchase of capital assets	(642,934)	-	-	-	-	-	-	(642,934)
Principal paid on capital debt	-	-	(8,254)	-	(817,680)	-	-	(825,934)
Interest paid on capital debt	-	-	(237)	-	(57,489)	-	-	(57,726)
Net cash (used in) provided by capital and related financing activities	(642,934)	-	(8,491)	-	(63,638)	-	-	(715,063)
Cash flows from investing activities								
Interest received on investments	246,184	452,410	6,743	33,905	185,786	3,539	20,091	948,658
Proceeds from sale and maturities of investment securities	(437,213)	491,783	161,460	(50,687)	(507,515)	16,552	(119,379)	(444,999)
Net cash provided by (used in) investing activities	(191,029)	944,193	168,203	(16,782)	(321,729)	20,091	(99,288)	503,659
Net (decrease) increase in cash and cash equivalents	376,925	(445,523)	(821,210)	41,637	358,765	(14,322)	101,107	(402,621)
Cash and cash equivalents - beginning of year	2,612,683	4,857,850	152,782	340,364	2,188,642	35,320	186,182	10,373,823
Cash and cash equivalents - end of year	\$ 2,989,608	\$ 4,412,327	\$ (668,428)	\$ 382,001	\$ 2,547,407	\$ 20,998	\$ 287,289	\$ 9,971,202
Classification of cash and cash equivalents								
Cash and investments	\$ 6,468,682	\$ 9,574,987	\$ (675,576)	\$ 828,963	\$ 5,490,016	\$ 45,568	\$ 623,433	\$ 22,356,073
Restricted cash and investments	-	-	7,148	-	9,939	-	-	17,087
Less amounts classified as investments	(3,479,074)	(5,162,660)	-	(446,962)	(2,952,548)	(24,570)	(336,144)	(12,401,958)
Total cash and cash equivalents	\$ 2,989,608	\$ 4,412,327	\$ (668,428)	\$ 382,001	\$ 2,547,407	\$ 20,998	\$ 287,289	\$ 9,971,202
Reconciliation of operating income (loss) to net cash from operating activities								
Operating income (loss)	473,060	(488,954)	(1,217,785)	58,420	(110,939)	(74,748)	200,395	(1,160,551)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation and amortization	-	-	111,880	-	-	-	-	111,880
Changes in assets and liabilities:								
Receivables	-	(60,599)	(9,935)	-	-	-	-	(70,534)
Due from other funds	-	-	-	-	-	-	-	-
Inventory	-	-	(266,030)	-	-	-	-	(266,030)
Prepaid expenses and other assets	(46,915)	10,980	-	-	212,851	34,975	-	211,891
Accounts payable	(502,107)	(914,385)	291,731	(1)	323,508	5,360	-	(795,894)
Taxes payable	-	-	(1,075)	-	1,625	-	-	550
Due to other funds	-	-	(366)	-	-	-	-	(366)
Accrued payroll payable	-	-	15,578	-	46,806	-	-	62,384
Compensated absences payable	-	-	9,633	-	6,585	-	-	16,218
Other current payables	-	-	-	-	-	-	-	-
Estimate of unfilled claims	1,286,850	63,242	-	-	-	-	-	1,350,092
Increase (decrease) in deferred outflows of resources:								
Pension items	-	-	(13,325)	-	(63,690)	-	-	(77,015)
OPEB items	-	-	(52,684)	-	(81,338)	-	-	(134,022)
Increase (decrease) in net pension liabilities	-	-	(17,502)	-	96,565	-	-	79,063
Increase (decrease) in OPEB liability	-	-	150,111	-	250,095	-	-	400,206
Increase (decrease) in deferred inflows of resources:								
Pension items	-	-	(32,255)	-	(31,618)	-	-	(63,873)
OPEB items	-	-	51,102	-	93,682	-	-	144,784
Total adjustments	737,828	(900,762)	236,863	(1)	855,071	40,335	-	969,334
Net cash provided by (used in) operating activities	\$ 1,210,888	\$ (1,389,716)	\$ (980,922)	\$ 58,419	\$ 744,132	\$ (34,413)	\$ 200,395	\$ (191,217)
Noncash investing, capital, and financing activities								
Capital assets disposed (at cost)	\$ -	\$ -	\$ (20,471)	\$ -	\$ -	\$ -	\$ -	\$ (20,471)
Capital assets transferred from/to another fund (cost)	-	-	-	-	-	-	-	-
Accumulated depreciation on disposals of capital assets	-	-	20,471	-	-	-	-	20,471
Accumulated depreciation on transfers of capital assets	-	-	-	-	-	-	-	-

FIDUCIARY FUNDS

Pension Trust Funds

1925 Police Pension To account for the provision of retirement and disability benefits to police officers hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members, and state pension relief distributions.

1937 Firefighters' Pension To account for the provision of retirement and disability benefits to firefighters hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members and state pension relief distributions.

Custodial Funds

Police Distributions Payable To account for monies collected by the South Bend Police Department from asset seizures and other sources. Proceeds may be used to pay other governmental agencies for monies collected on their behalf or for related expenses.

Morris / Palais Box Office To account for Morris Performing Arts Center and Palais Royale event advance deposits. Customer deposits are used for event-related activity, and any deposit remaining after event expenses is returned to the customer.

Combining Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2023

	Pension Trust Funds			Custodial Funds		
	1925 Police Pension	1937 Firefighters' Pension	Total Pension Trust Funds	Morris / Palais Box Office	Police Distribution Payable	Total Custodial Funds
Assets						
Cash and cash equivalents	\$ 232,233	\$ 179,995	\$ 412,228	\$ (712,212)	\$ 983,966	\$ 271,754
Investments:						
U.S. Treasuries	38,316	29,697	68,013	-	-	-
U.S. Government Agency Securities	232,909	180,519	413,428	-	-	-
Tax-Exempt Municipal Bonds	501	388	889	-	-	-
Receivables - Interest	1,586	1,222	2,808	-	-	-
Total assets	<u>505,545</u>	<u>391,821</u>	<u>897,366</u>	<u>(712,212)</u>	<u>983,966</u>	<u>271,754</u>
Liabilities						
Accounts payable	89	93	182	24,490	-	24,490
Customer deposits payable	-	-	-	(736,702)	-	(736,702)
Police distribution payable	-	-	-	-	983,966	983,966
Total liabilities	<u>89</u>	<u>93</u>	<u>182</u>	<u>(712,212)</u>	<u>983,966</u>	<u>271,754</u>
Net position restricted for pensions	<u>\$ 505,456</u>	<u>\$ 391,728</u>	<u>\$ 897,184</u>			

Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the Year Ended December 31, 2023

	Pension Trust Funds			Custodial Funds		
	1925 Police Pension	1937 Firefighters' Pension	Total Pension Trust Funds	Morris / Palais Box Office	Police Distribution Payable	Total Custodial Funds
Additions						
Investment income (loss) - Interest and dividends	\$ 24,303	\$ 15,686	\$ 39,989	\$ -	\$ -	\$ -
Police asset seizures	-	-	-	-	74,931	74,931
Contributions:						
On behalf	5,984,746	4,063,376	10,048,122	-	-	-
Other	-	2,166	2,166	-	-	-
Net contributions	5,984,746	4,065,542	10,050,288	-	-	-
Customer deposits	-	-	-	6,142,001	-	6,142,001
Total additions	6,009,049	4,081,228	10,090,277	6,142,001	74,931	6,216,932
Deductions						
Benefit payments	6,090,239	4,013,609	10,103,848	-	-	-
Police distributions	-	-	-	-	139,882	139,882
Police distributions payable	-	-	-	-	(64,951)	(64,951)
Customer deposits distributed	-	-	-	6,142,001	-	6,142,001
Customer deposits payable	-	-	-	-	-	-
Administrative expenses	19,966	30,153	50,119	-	-	-
Total deductions	6,110,205	4,043,762	10,153,967	6,142,001	74,931	6,216,932
Net increase (decrease) in net position held in trust	(101,156)	37,466	(63,690)	-	-	-
Net position - Beginning of year	606,612	354,262	960,874	-	-	-
Net position - End of year	\$ 505,456	\$ 391,728	\$ 897,184	\$ -	\$ -	\$ -

Statistical Section

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

The statistical section is organized into the following main categories:

Financial trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt capacity

These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and economic information

These schedules help the reader understand the environment within which the government's financial activities take place.

Operating information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net Position by Component

Last Ten Fiscal Years

	As of December 31,									
	2014 (1)	2015 (1)	2016	2017	2018	2019 (2)	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 168,275,521	\$ 157,604,691	\$ 161,341,318	\$ 155,912,682	\$ 143,282,487	\$ 133,763,392	\$ 128,432,152	\$ 133,711,581	\$ 138,388,784	\$ 124,800,129
Restricted	8,723,878	9,137,552	8,669,117	9,245,531	11,639,254	11,332,302	11,810,879	30,180,859	10,969,003	11,149,383
Unrestricted	<u>(18,581,970)</u>	<u>(25,882,348)</u>	<u>(7,327,797)</u>	<u>(16,751,916)</u>	<u>3,673,134</u>	<u>10,845,011</u>	<u>31,481,927</u>	<u>51,283,016</u>	<u>152,234,215</u>	<u>170,668,771</u>
Total net position	<u>\$ 158,417,429</u>	<u>\$ 140,859,895</u>	<u>\$ 162,682,638</u>	<u>\$ 148,406,297</u>	<u>\$ 158,594,875</u>	<u>\$ 155,940,705</u>	<u>\$ 171,724,958</u>	<u>\$ 215,175,456</u>	<u>\$ 301,592,002</u>	<u>\$ 306,618,283</u>
Business-type activities										
Net investment in capital assets	\$ 136,685,811	\$ 141,998,384	\$ 145,288,974	\$ 145,585,038	\$ 147,069,159	\$ 151,699,680	\$ 158,425,568	\$ 165,916,250	\$ 171,543,157	\$ 169,948,896
Restricted	26,587,012	28,397,290	31,963,852	29,623,015	33,936,695	34,701,170	42,169,068	42,713,237	50,422,677	27,131,095
Unrestricted	<u>22,426,017</u>	<u>24,415,739</u>	<u>25,357,665</u>	<u>28,103,338</u>	<u>30,785,421</u>	<u>19,018,588</u>	<u>12,248,916</u>	<u>20,263,612</u>	<u>19,143,447</u>	<u>49,588,465</u>
Total net position	<u>\$ 185,698,840</u>	<u>\$ 194,811,413</u>	<u>\$ 202,610,491</u>	<u>\$ 203,311,391</u>	<u>\$ 211,791,275</u>	<u>\$ 205,419,438</u>	<u>\$ 212,843,552</u>	<u>\$ 228,893,099</u>	<u>\$ 241,109,281</u>	<u>\$ 246,668,456</u>
Primary government										
Net investment in capital assets	\$ 304,961,332	\$ 299,603,075	\$ 306,630,292	\$ 301,497,720	\$ 290,531,646	\$ 285,463,072	\$ 286,857,720	\$ 299,627,831	\$ 309,931,941	\$ 294,749,025
Restricted	35,310,890	37,534,842	40,632,969	38,868,546	45,575,949	46,033,472	53,979,947	72,894,096	61,391,680	38,280,478
Unrestricted	<u>3,844,047</u>	<u>(1,466,609)</u>	<u>18,029,868</u>	<u>11,351,422</u>	<u>34,458,555</u>	<u>29,863,599</u>	<u>43,730,843</u>	<u>71,546,628</u>	<u>171,377,662</u>	<u>220,257,236</u>
Total net position	<u>\$ 344,116,269</u>	<u>\$ 335,671,308</u>	<u>\$ 365,293,129</u>	<u>\$ 351,717,688</u>	<u>\$ 370,566,150</u>	<u>\$ 361,360,143</u>	<u>\$ 384,568,510</u>	<u>\$ 444,068,555</u>	<u>\$ 542,701,283</u>	<u>\$ 553,286,739</u>

Net position is defined as the difference between total assets and deferred outflows of resources less total liabilities and deferred inflows of resources and can generally be thought of as the net worth of the City of South Bend.

(1) The City implemented the reporting of net pension liability through GASB 68 during 2015. 2014 was restated.

(2) 2019 Net position for governmental and business-type is restated. See Note 20 for information regarding the prior period adjustments.

Source: City of South Bend Annual Comprehensive Financial Reports

Changes in Net Position

Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	\$ (19,013,453)	\$ (21,572,776)	\$ (15,618,817)	\$ (16,750,853)	\$ (12,654,430)	\$ (10,915,147)	\$ (15,594,628)	\$ (13,099,391)	\$ (21,881,174)	\$ (26,825,090)
Public safety	(68,783,155)	(56,528,448)	(55,029,909)	(71,656,865)	(69,209,163)	(92,017,691)	(71,038,475)	(66,584,412)	(56,739,974)	(94,934,628)
Highways and streets	(13,031,500)	(20,045,444)	(13,550,535)	(21,716,658)	(17,223,378)	(27,114,327)	(30,954,585)	(29,402,967)	(24,745,703)	(31,556,893)
Community and economic development	(19,780,791)	(40,727,612)	(28,436,368)	(26,326,989)	(33,801,755)	(44,698,518)	(33,591,809)	(18,151,702)	(25,843,717)	(49,277,781)
Culture and recreation	(16,802,311)	(20,300,768)	(17,156,094)	(19,332,902)	(26,076,331)	(24,641,558)	(18,219,658)	(20,298,172)	(20,604,274)	(36,451,399)
Interest on long-term debt	(2,497,849)	(5,135,146)	(4,727,630)	(4,538,530)	(5,718,172)	(5,746,755)	(5,928,006)	(5,517,287)	(5,627,814)	(5,870,341)
Total governmental activities expenses	(139,909,059)	(164,310,194)	(134,519,353)	(160,322,797)	(164,683,229)	(205,133,996)	(175,327,161)	(153,053,931)	(155,442,656)	(244,916,132)
Business-type activities:										
Water utility	(13,020,610)	(13,609,378)	(14,900,039)	(14,902,682)	(14,788,847)	(16,268,059)	(15,426,501)	(14,387,728)	\$ (15,760,389)	\$ (21,051,699)
Wastewater utility	(25,521,753)	(25,737,867)	(26,420,526)	(32,548,087)	(25,744,139)	(32,482,382)	(30,400,218)	(29,248,157)	(30,960,152)	(36,522,974)
Century center	(4,747,838)	(4,854,747)	(5,364,472)	(5,121,336)	(5,287,797)	(5,469,673)	(3,513,761)	(3,826,100)	(4,553,091)	(5,202,221)
Consolidated building (1)	(3,242,320)	(3,552,347)	(3,240,172)	(3,704,963)	(4,136,837)	(4,329,275)	(1,500,424)	(1,346,344)	(1,826,813)	(2,297,459)
Parking garage	(1,660,596)	(2,139,182)	(909,857)	(1,177,363)	(459,536)	(1,178,641)	(1,262,908)	(966,418)	(1,181,311)	(1,573,973)
Solid waste	(5,811,526)	(5,243,972)	(5,794,913)	(5,169,128)	(5,467,986)	(5,481,420)	(6,169,271)	(6,133,675)	(7,807,892)	(8,334,688)
Emergency medical services (2)	-	(6,596,206)	(7,437,349)	(8,617,050)	(8,987,340)	(7,864,987)	(91,057)	(2,017)	-	-
Morris performing arts center	-	-	-	-	-	-	-	(45,918)	(1,184,243)	(1,425,960)
Total business-type activities expenses	(55,879,605)	(61,899,676)	(64,067,328)	(71,240,609)	(64,872,482)	(73,074,437)	(58,364,140)	(55,956,357)	(63,273,891)	(76,408,974)
Total primary government expenses	(195,788,664)	(226,209,870)	(198,586,681)	(231,563,406)	(229,555,711)	(278,208,433)	(233,691,301)	(209,010,288)	(218,716,547)	(321,325,106)
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,451,438	\$ 1,188,531	\$ 1,622,788	\$ 1,118,328	\$ 718,155	\$ 452,796	\$ 635,786	\$ 619,851	\$ 607,155	\$ 617,503
Public safety	4,992,228	529,386	975,712	648,136	702,977	521,835	5,940,878	6,322,288	6,764,488	7,657,412
Highways and streets	728,343	676,429	707,547	976,095	-	244,790	690,372	416,847	308,415	287,847
Community and economic development	485,938	408,654	481,293	1,489,942	698,252	199,405	1,391,715	1,973,800	1,876,212	855,118
Culture and recreation	3,815,920	3,726,359	4,383,977	4,308,699	4,356,659	4,240,087	3,180,546	3,791,726	3,671,567	3,346,895
Operating grants and contributions	3,203,805	2,813,481	2,644,272	11,828,681	26,248,738	14,701,908	20,139,125	20,180,108	21,370,099	20,414,840
Capital grants and contributions	-	-	-	1,000,000	4,100,000	3,605,801	949,034	3,742,319	1,000,000	1,000,000
Total governmental activities program revenues	14,677,672	9,342,840	10,815,589	21,369,881	36,824,781	23,966,622	32,927,456	37,046,939	35,597,936	34,179,615
Business-type activities:										
Charges for services:										
Water utility	14,373,176	14,204,285	15,091,372	15,290,203	17,183,460	20,440,181	21,536,290	21,486,628	20,856,662	21,924,430
Wastewater utility	34,009,117	36,638,804	39,061,562	38,794,212	39,931,429	41,324,779	39,653,436	41,517,462	42,707,606	44,744,079
Century center	2,227,171	4,202,564	4,796,676	3,055,793	3,258,017	3,268,026	1,047,253	1,465,145	3,340,775	3,178,260
Consolidated building	1,387,571	2,037,950	1,764,100	1,902,493	2,044,582	2,043,272	1,302,594	1,518,911	1,894,252	2,118,723
Parking garage	1,017,218	968,417	996,197	1,264,706	1,323,524	1,004,401	885,672	951,227	828,821	912,261
Solid waste	5,295,712	5,364,871	5,839,143	5,420,711	5,471,364	5,465,311	5,754,646	6,118,743	6,972,856	7,640,735
Blackthorn golf course	1,548,341	109,949	-	-	-	-	-	-	-	-
Emergency medical services	-	6,470,446	7,921,172	7,308,243	6,727,643	5,720,434	797	-	-	-
Morris Performing Arts Center	-	-	-	-	-	-	-	-	1,125,380	1,161,121
Operating grants and contributions	-	-	-	-	278,112	-	-	-	-	-
Capital grants and contributions	95,834	4,683,424	649,609	1,170,970	-	1,710,762	2,142,194	743,450	7,410	300,410
Total business-type activities program revenues	59,954,140	74,680,710	76,119,831	74,207,331	76,218,131	80,977,166	72,322,882	73,801,566	77,733,762	81,980,019
Total primary government program revenues	74,631,812	84,023,550	86,935,420	95,577,212	113,042,912	104,943,788	105,250,338	110,848,505	113,331,698	116,159,634
Net (expenses)/revenues										
Governmental activities	(125,231,387)	(154,967,354)	(123,703,764)	(138,952,916)	(127,858,448)	(181,167,374)	(142,399,705)	(116,006,992)	(119,844,720)	(210,736,517)
Business-type activities	4,074,535	12,781,034	12,052,503	2,966,722	11,345,649	7,902,729	13,958,742	17,845,209	14,459,871	5,571,045
Total primary government net (expenses)/revenues	(121,156,852)	(142,186,320)	(111,651,261)	(135,986,194)	(116,512,799)	(173,264,645)	(128,440,963)	(98,161,783)	(105,384,849)	(205,165,472)

Changes in Net Position (continued)

Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General revenues and other changes in net position										
Governmental activities:										
Taxes:										
Property taxes	\$ 69,221,468	\$ 72,032,049	\$ 76,331,581	\$ 78,266,107	\$ 80,155,902	\$ 82,470,667	\$ 80,188,143	\$ 87,866,397	\$ 88,670,960	\$ 98,454,888
Income taxes	23,822,661	23,879,047	30,789,397	28,179,750	32,911,525	34,643,723	36,897,937	35,736,715	31,464,822	44,541,700
Hotel/motel taxes	-	492,000	396,000	394,000	616,437	630,000	602,937	604,437	795,960	797,437
Community revitalization district taxes	-	-	-	-	-	-	-	-	-	-
State-shared revenue	29,061,942	25,623,373	26,124,184	17,113,289	4,819,125	13,050,283	12,242,415	13,357,839	61,869,953	18,725,812
Unrestricted investment income (loss)	951,901	1,322,674	1,458,787	1,687,888	3,304,646	5,136,772	2,152,868	(52,191)	(999,162)	12,192,479
Other miscellaneous income	6,747,199	11,214,442	6,745,542	8,731,916	10,523,004	17,646,068	17,917,905	19,002,228	20,501,061	35,803,723
Gain (loss) on sale of capital assets	-	-	-	-	-	-	80,339	104,819	21,455	14,260
Transfers	(683,049)	2,846,415	3,681,016	4,123,183	5,229,661	2,768,851	8,101,414	2,837,246	3,936,217	5,232,498
Total governmental activities	<u>129,122,122</u>	<u>137,410,000</u>	<u>145,526,507</u>	<u>138,496,133</u>	<u>137,560,300</u>	<u>156,346,364</u>	<u>158,183,958</u>	<u>159,457,490</u>	<u>206,261,266</u>	<u>215,762,797</u>
Business-type activities:										
Unrestricted Investment earnings	128,168	358,918	570,982	578,773	1,088,896	1,784,206	639,006	4,084	(219,972)	3,450,773
Hotel/motel taxes (3)	1,313,450	-	-	1,275,000	1,275,000	1,275,000	956,250	1,037,500	1,912,500	1,769,855
Other	188,214	-	-	3,588	-	-	(28,470)	-	-	-
Gain (loss) on sale of capital assets	-	-	(1,143,391)	-	-	-	-	-	-	-
Transfers	683,049	(2,846,415)	(3,681,016)	(4,123,183)	(5,229,661)	(2,768,851)	(8,101,414)	(2,837,246)	(3,936,217)	(5,232,498)
Total business-type activities	<u>2,312,881</u>	<u>(2,487,497)</u>	<u>(4,253,425)</u>	<u>(2,265,822)</u>	<u>(2,865,765)</u>	<u>290,355</u>	<u>(6,534,628)</u>	<u>(1,795,662)</u>	<u>(2,243,689)</u>	<u>(11,870)</u>
Total primary government	<u>131,435,003</u>	<u>134,922,503</u>	<u>141,273,082</u>	<u>136,230,311</u>	<u>134,694,535</u>	<u>156,636,719</u>	<u>151,649,330</u>	<u>157,661,828</u>	<u>204,017,577</u>	<u>215,750,927</u>
Special items (Governmental activities):										
Well field contamination settlement	-	-	-	-	-	-	-	-	-	-
Disposal of operations	-	(1,180,964)	-	-	-	-	-	-	-	-
Change in net position										
Governmental activities	3,890,735	(17,557,354)	21,822,743	(456,783)	9,701,852	(24,821,010)	15,784,253	43,450,498	86,416,546	5,026,281
Business-type activities	6,387,416	10,293,537	7,799,078	700,900	8,479,884	8,193,084	7,424,114	16,049,547	12,216,182	5,559,175
Total primary government	<u>\$ 10,278,151</u>	<u>\$ (7,263,817)</u>	<u>\$ 29,621,821</u>	<u>\$ 244,117</u>	<u>\$ 18,181,736</u>	<u>\$ (16,627,926)</u>	<u>\$ 23,208,367</u>	<u>\$ 59,500,045</u>	<u>\$ 98,632,728</u>	<u>\$ 10,585,456</u>

Changes in net assets is defined as the incremental difference between total assets and total liabilities as a result of operations during the fiscal year.

(1) In 2014, Code Enforcement and Animal Care & Control were consolidated with the Building Department to build efficiencies. Prior to 2014, these expenses were included in the general government activities. In 2019, Code Enforcement and Animal Care & Control were moved into a governmental fund and reclassified as general governmental activities again.

(2) In 2015, Emergency Medical Services was reclassified to an enterprise fund. In 2019, EMS activities were reclassified from business-type to public safety governmental activities.

(3) Hotel/motel taxes for the Century Center were mistakenly included in program revenues from 2011-2013 and 2015-2016, but are now represented as general revenues.

Source: City of South Bend Annual Comprehensive Financial Reports (excludes prior period adjustments)

Fund Balances - Governmental Funds

Last Ten Fiscal Years

	As of December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General fund:										
Nonspendable	558,304	491,665	494,730	447,003	425,680	-	-	-	513,253	175,000
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	466,088	1,380,036	1,242,770	820,914	820,834	-	-	-	-
Unassigned	27,029,101	29,664,303	32,077,856	33,776,487	37,383,206	42,478,766	51,026,016	63,401,631	112,933,830	102,130,370
Total general fund	<u>27,587,405</u>	<u>30,622,056</u>	<u>33,952,622</u>	<u>35,466,260</u>	<u>38,629,800</u>	<u>43,299,600</u>	<u>51,026,016</u>	<u>63,401,631</u>	<u>113,447,083</u>	<u>102,305,370</u>
All other governmental funds:										
Nonspendable	20,537,450	27,042,236	23,566,267	21,927,221	22,322	15,686	11,359,804	10,903,713	1,129,310	668,969
Restricted	100,501,274	113,004,506	101,826,640	125,302,667	152,809,121	119,218,398	109,268,103	125,396,563	152,085,918	178,518,650
Committed	12,962,745	2,238,475	2,698,694	2,392,685	3,209,500	4,495,457	6,177,133	8,053,213	8,297,587	7,745,034
Assigned	35,147,874	32,138,059	31,998,790	32,769,201	38,707,987	42,474,803	47,008,958	42,663,195	23,739,112	27,062,462
Unassigned	(5,700,829)	(4,218,596)	(2,301,793)	(626,846)	-	(57,852)	-	(26,633)	(196,539)	(246,627)
Total all other governmental funds	<u>163,448,514</u>	<u>170,204,680</u>	<u>157,788,598</u>	<u>181,764,928</u>	<u>194,748,930</u>	<u>166,146,492</u>	<u>173,813,998</u>	<u>186,990,051</u>	<u>185,055,388</u>	<u>213,748,488</u>
Total of all governmental funds	<u>\$ 191,035,919</u>	<u>\$ 200,826,736</u>	<u>\$ 191,741,220</u>	<u>\$ 217,231,188</u>	<u>\$ 233,378,730</u>	<u>\$ 209,446,092</u>	<u>\$ 224,840,014</u>	<u>\$ 250,391,682</u>	<u>\$ 298,502,471</u>	<u>\$ 316,053,858</u>

Source: City of South Bend Annual Comprehensive Financial Reports

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

	For the Year Ended December 31									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	\$ 93,632,183	\$ 96,033,296	\$ 107,861,553	\$ 106,746,367	\$ 113,683,864	\$ 117,943,632	\$ 117,689,017	\$ 124,207,549	\$ 120,931,742	\$ 143,794,026
Licenses, fees and permits	141,565	151,923	224,677	231,260	245,956	284,048	311,100	303,837	350,561	246,565
Intergovernmental	30,663,505	30,216,059	27,959,813	29,634,896	35,167,863	31,987,992	33,326,540	36,241,803	82,567,947	38,058,277
Charges for services	10,628,976	5,794,168	7,062,108	7,020,575	5,735,251	5,658,913	11,286,157	13,165,015	13,109,188	12,602,548
Fines and forfeitures	563,999	454,327	756,781	562,466	494,836	1,124,570	647,214	613,971	593,118	739,837
Investment income (loss)	955,376	1,253,242	1,624,527	1,687,888	3,304,646	5,136,772	2,152,868	(52,191)	(999,162)	12,192,479
Other revenues	7,904,187	8,816,811	7,179,959	9,703,304	10,523,004	16,237,450	16,959,591	18,963,129	19,557,382	34,817,321
Total revenues	144,489,791	142,719,826	152,669,418	155,586,756	169,155,420	178,373,377	182,372,487	193,443,113	236,110,776	242,451,053
Expenditures										
Current:										
General government	8,022,688	8,420,278	16,311,633	14,221,015	12,763,226	11,714,095	14,890,828	14,088,456	23,212,153	24,203,487
Public safety	66,927,250	61,889,405	64,350,281	72,010,182	75,530,051	74,695,638	77,145,197	80,411,282	82,671,364	89,702,272
Highways and streets	10,441,957	12,787,641	11,294,768	13,600,140	16,906,126	19,636,991	18,741,789	15,999,114	19,032,317	26,088,643
Community and economic development	13,948,089	12,855,704	13,070,606	20,622,330	22,179,273	20,706,436	12,593,759	12,791,198	14,239,039	22,934,480
Culture and recreation	7,309,130	11,068,013	20,894,153	15,904,306	16,597,764	26,106,656	15,993,587	16,644,748	17,263,972	29,035,558
Capital outlay	29,407,934	46,553,570	27,056,295	17,035,543	23,240,519	43,200,250	31,186,219	19,643,464	32,047,181	54,608,990
Debt service:										
Principal	12,882,830	13,319,392	13,055,327	16,634,195	13,134,725	14,124,590	14,569,010	16,121,723	16,158,332	16,558,582
Interest on long-term debt	5,360,219	5,392,298	4,943,021	4,514,526	5,682,429	6,002,448	6,018,810	5,873,228	5,646,097	5,831,806
Bond issuance costs	-	372,432	-	-	165,885	293,022	301,761	258,996	677,462	490,359
Total expenditures	154,300,097	172,658,733	170,976,084	174,542,237	186,199,998	216,480,126	191,440,960	181,832,209	210,947,917	269,454,177
Excess of revenues (under) over expenditures	(9,810,306)	(29,938,907)	(18,306,666)	(18,955,481)	(17,044,578)	(38,106,749)	(9,068,473)	11,610,904	25,162,859	(27,003,124)
Other financing sources (uses)										
Issuance of debt	8,436,905	69,426,593	4,999,053	40,727,816	26,101,096	8,788,457	10,093,069	10,543,000	18,592,507	35,274,116
Premium on debt	171,851	1,919,787	-	6,478	479,608	1,462,841	120,059	1,250,022	283,690	3,943,353
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	(3,482,205)	(35,698,815)	-	-	-	-	-	-	-	-
Transfers in	18,478,925	31,498,681	19,541,050	29,141,285	28,197,288	27,479,435	34,125,738	42,663,275	30,610,209	48,874,955
Transfers out	(16,522,289)	(28,652,266)	(15,860,034)	(25,018,102)	(22,528,488)	(24,110,584)	(26,024,654)	(39,826,029)	(26,673,992)	(43,642,457)
Other	28,476	1,235,744	541,081	(412,028)	942,616	67,236	167,423	131,330	135,516	104,544
Total other financing sources (uses)	7,111,663	39,729,724	9,221,150	44,445,449	33,192,120	13,687,385	18,481,635	14,761,598	22,947,930	44,554,511
Net change in fund balances	\$ (2,698,643)	\$ 9,790,817	\$ (9,085,516)	\$ 25,489,968	\$ 16,147,542	\$ (24,419,364)	\$ 9,413,162	\$ 26,372,502	\$ 48,110,789	\$ 17,551,387
<i>Excludes prior period adjustments</i>										
Debt service as a percentage of noncapital expenditures (1)	12.77%	12.21%	11.27%	14.60%	11.00%	10.89%	13.72%	13.14%	11.89%	9.55%

(1) Formula = Debt service payments (principal and interest) / (Total Governmental Fund expenditures – Governmental Fund capital outlay per reconciliation)

Source: City of South Bend Annual Comprehensive Financial Reports (excludes prior period adjustments)

Last Ten Years
(Amounts in 000's)

Year	Banks		Savings and Loans		Credit Unions		Total Deposits	Percent Increase/ (Decrease)
	Branches	Deposits	Branches	Deposits	Branches	Deposits		
2014	39	2,548,101	-	-	n/a	2,911,596	6,584,545	
2015	40	2,454,129	1	25,077	n/a	3,089,732	5,459,697	-17.08%
2016	39	2,607,360	1	25,077	n/a	3,262,413	5,568,938	2.00%
2017	35	2,853,276	-	-	n/a	3,451,457	5,894,850	5.85%
2018	36	3,179,336	-	-	n/a	3,719,934	6,304,733	6.95%
2019	45	4,789,990	-	-	n/a	4,137,490	8,927,480	41.60%
2020	34	3,336,459	-	-	n/a	5,047,305	8,383,764	-6.09%
2021	34	3,133,766	-	-	n/a	5,628,842	8,762,608	4.52%
2022	33	3,415,861	-	-	n/a	\$ 5,361,837	8,777,698	0.17%
2023	32	3,452,859	-	-	n/a	\$ 5,688,786	9,141,645	4.15%

Banks			Credit Unions		
1st Source Bank	\$ 2,445,350	70.84%	Everwise	\$ 4,089,989	71.90%
Lake City Bank	128,062	3.71%	Notre Dame Federal Credit Union	877,744	15.43%
Jpmorgan Chase Bank, National Assoc.	211,283	6.12%	Community Wide Credit Union	544,793	9.58%
Fifth Third Bank, National Association	112,949	3.27%	AAA Federal Credit Union	65,431	1.15%
Keybank National Association	126,282	3.66%	Policemen's Federal Credit Union	68,043	1.20%
PNC Bank, National Association	106,372	3.08%	South Bend Firefighters' Credit Union	40,147	0.71%
Others	322,561	9.32%	Others	2,639	0.05%
Total	\$ 3,452,859	100.00%	Total	\$ 5,688,786	100.02%

n/a - information is not available

Bank of America closed operations in South Bend prior to June 30, 2014 reducing total bank deposits.

Sources:

Federal Deposit Insurance Corporation Website (www.fdic.gov). Research and Analysis: Summary of Deposits, Deposits Market Share Report, Indiana, St. Joseph County, South Bend, Run Report. (Industry Analysis, Bank Data & Statistics, Reporting Tools, Deposits Market Shares Report)

National Credit Union Association Website (www.ncua.gov). Custom Query, Search Fields, State = Indiana, Total Shares Greater than 1, City = South Bend or Notre Dame. Check data for CU name and total amount of shares and deposits.

In the st

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and other major revenue sources.

Property Taxes Levies and Collections

Last Ten Fiscal Years

Tax Year/ Collection Year	Certified Tax Levy (1)	Circuit Breaker Tax Credit (2)	Post-Circuit Breaker Tax Levy	Taxes Collected (3)	Collected as a Percent of Gross Levy	Collected as a Percent of Net Levy	Outstanding Delinquent Taxes (4)	Outstanding Delinquent Taxes as a Percent of Net Levy
2013/2014	73,981,565	27,051,751	44,833,341	44,540,371	60.20%	99.35%	8,745,941	19.51%
2014/2015	76,533,090	31,636,141	44,896,949	45,265,669	59.15%	100.82%	8,200,000	18.26%
2015/2016	78,503,658	30,864,405	47,639,253	47,766,833	60.85%	100.27%	7,468,597	15.68%
2016/2017	81,487,640	32,421,068	49,066,572	49,080,526	60.23%	100.03%	12,106,873	24.67%
2017/2018	85,426,389	33,910,221	51,516,168	51,498,854	60.28%	99.97%	11,343,797	22.02%
2018/2019	88,747,340	35,874,959	52,872,381	55,470,558	62.50%	104.91%	10,648,543	20.14%
2019/2020	91,764,231	39,908,278	51,855,953	51,748,694	56.39%	99.79%	9,286,878	17.91%
2020/2021	94,929,278	41,202,439	53,726,839	55,516,953	58.48%	103.33%	8,765,528	16.31%
2021/2022	99,710,814	44,460,442	55,250,372	56,378,190	56.54%	102.04%	8,017,401	14.51%
2022/2023	104,710,208	42,628,766	62,081,442	61,739,306	58.96%	99.45%	7,422,218	11.96%

Data provided for General Fund, Parks & Recreation, Cumulative Capital Development, and Park Bond; excludes College Football Hall of Fame and Tax Increment Financing Funds.

Total collections may exceed 100% of adjusted tax levy as prior year collections are not broken out separately by the St. Joseph County Auditor.

Sources:

(1) Department of Local Government Finance Certified Budget Orders (<https://www.in.gov/dlgf/county-specific-information/st-joseph/>)

(2) St. Joseph County Circuit Breaker Report (<https://www.in.gov/dlgf/county-specific-information/st-joseph/>)

(3) Baker Tilly Municipal Advisors - Annual Information for Continuing Disclosure Compliance

(4) Indiana Gateway Abstract Reports: Total Taxes Summary Report (https://gateway.ifonline.org/report_builder/)

Delinquent taxes are not broken out by individual taxing unit. A calculation of South Bend's share of delinquent taxes has been made based on proportionate tax rates by dividing South Bend's total direct tax rate by the total tax rate for Portage Township and then by multiplying it by the amount of delinquent taxes reported for Portage Township.

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years
(Rate per \$100 of Net Assessed Value)

Tax Year/ Collection Year	City Direct Rates					Overlapping Rates (1)					Total Portage Township	
	General Fund	Parks/ Recreation	Park Bond	Cumulative Capital Development	Total Direct	St. Joseph County	Schools Districts	Township	Library	Other (2)		Total Overlapping
2012/2013	2.5678	0.5102	-	0.0328	3.0239	0.6731	1.3493	0.0453	0.3227	0.1971	2.5875	5.6114
2013/2014	2.7977	0.5608	-	0.0328	3.1108	0.7058	1.3577	0.0505	0.3309	0.1849	2.6298	5.7406
2014/2015	2.8313	0.5676	-	0.0325	3.4314	0.6866	1.2940	0.0500	0.3207	0.2125	2.5638	5.9952
2015/2016	2.8703	0.5754	-	0.0321	3.4778	0.6974	1.2682	0.0512	0.3549	0.2224	2.5941	6.0719
2016/2017	2.8382	0.6473	-	0.0313	3.5168	0.6950	1.2049	0.5300	0.3372	0.1822	2.9493	6.4661
2017/2018	2.8267	0.6651	0.0293	0.0303	3.5514	0.6908	1.1685	0.5389	0.3309	0.1907	2.9198	6.4712
2018/2019	2.8140	0.6621	0.0461	0.0300	3.5522	0.6640	1.1312	0.0522	0.3278	0.1518	2.3270	5.8792
2019/2020	2.6687	0.6279	0.0405	0.0285	3.3656	0.6783	1.0414	0.0502	0.3196	0.1548	2.2443	5.6099
2020/2021	2.6562	0.6249	0.0387	0.0285	3.3483	0.6741	1.4505	0.0149	0.3177	0.1558	2.6130	5.9613
2021/2022	2.6125	0.6146	0.0372	0.0282	3.2925	0.6574	1.4195	-	0.3013	0.1530	2.5312	5.8237
2022/2023	2.33592	0.5550	0.0312	0.0282	2.9503	0.5989	1.2708	-	0.2626	0.1392	2.2715	5.2218

(1) Information provided for Portage Township in the City of South Bend. Property tax rates applied to net assessed valuation. Property tax billings are also subject to "circuit breaker" property tax caps on grossed assessed valuation of 1% (homestead residential property), 2% (other residential/rental property), and 3% (nonresidential real and personal property). Therefore, an increase in stated property tax rates will not result in higher property taxes paid for many taxpayers who have reached their cap.

(2) Includes South Bend Transportation and South Bend Regional Airport. Previously included South Bend Redevelopment Commission Debt Exempt from Circuit Breaker, final year 2017/2018.

Source: Department of Local Government Finance Certified Budget Orders (<https://www.in.gov/dlgr/county-specific-information/st-joseph/>)

Detail of Net Assessed Valuation

Assessment For the Year 2022 Payable in 2023

	South Bend Centre Twp	South Bend Clay Twp	South Bend German Twp	South Bend Penn Twp	South Bend Warren Twp	South Bend Portage Twp	Totals	Percent
Gross value of land	\$ 205,537,200	\$ 46,765,100	\$ 115,581,800	\$ 34,964,300	\$ 988,300	\$ 493,541,500	\$ 897,378,200	
Value of improvements	664,672,800	153,723,000	572,570,600	131,139,000	23,489,600	4,191,810,300	5,737,405,300	
Total value of real estate	870,210,000	200,488,100	688,152,400	166,103,300	24,477,900	4,685,351,800	6,634,783,500	
Less: Mortgage, veterans, blind, age 65 & other exemptions	(325,842,057)	(47,354,195)	(125,438,332)	(46,205,624)	-	(1,404,631,958)	(1,949,472,166)	
Investment deductions	-	-	-	-	-	(409,200)	(409,200)	
Tax-exempt property	(47,761,500)	(11,619,940)	(26,185,238)	(20,109,900)	-	(394,131,011)	(499,807,589)	
Tax increment financing (1)	(77,436,414)	(9,255,180)	(287,521,629)	-	(24,477,900)	(811,318,671)	(1,210,009,794)	
Tax abatements	(1,615,316)	-	(71,182,396)	(524,160)	-	(54,871,054)	(128,192,926)	
Net value of real estate	417,554,713	132,258,785	177,824,805	99,263,616	-	2,019,989,906	2,846,891,825	79.92%
Gross personal property assessments	36,700,420	11,937,790	248,993,740	4,054,730	9,787,100	392,169,480	703,643,260	
Less: Investment deductions	(15,390)	-	(4,410,530)	-	-	(19,176,786)	(23,602,706)	
Tax-exempt property	(1,857,424)	(152,741)	(1,746,910)	(2,692,880)	-	(85,479,894)	(91,929,849)	
Net value of personal property	34,827,606	11,785,049	242,836,300	1,361,850	9,787,100	287,512,800	588,110,705	16.51%
Net value of utilities	20,896,810	7,781,880	26,112,580	1,211,410	109,300	71,017,170	127,129,150	3.57%
Total net assessed valuation	\$ 473,279,129	\$ 151,825,714	\$ 446,773,685	\$ 101,836,876	\$ 9,896,400	\$ 2,378,519,876	\$ 3,562,131,680	100.00%
Percentage of Total	13.29%	4.26%	12.54%	2.86%	0.28%	66.77%	100.00%	

Summary:	Personal		Total	Percent
	Real Property	Property/Utilities		
Total value	\$ 6,634,783,500	\$ 830,772,410	\$ 7,465,555,910	100.00%
Exemptions & deductions	(1,949,881,366)	(23,602,706)	(1,973,484,072)	-26.43%
Tax exempt property	(499,807,589)	(91,929,849)	(591,737,438)	-7.93%
Tax increment financing (1)	(1,210,009,794)	-	(1,210,009,794)	-16.21%
Tax abatements	(128,192,926)	-	(128,192,926)	-1.72%
Total net assessed valuation	\$ 2,846,891,825	\$ 715,239,855	\$ 3,562,131,680	47.71%
Percentage of Total	79.92%	20.08%	100.00%	

(1) Tax Increment Financing data from Indiana Department of Local Government Finance Gateway County Abstract Reports

Source: St. Joseph County Auditor's Office

Assessed Value and Actual Value of Taxable Property

Last Ten Fiscal Years

Tax Year/ Collection Year	Gross Assessed Values				Less:	Total Net	(2)	% Taxable
	Real Property	Personal Property	Utilities Property	Total Value	Non-Taxed Property (1)	Taxable Value	City Tax Rate	
2013/2014	4,199,757,500	552,872,520	90,252,180	4,842,882,200	(2,633,155,528)	2,209,726,672	3.1108	45.63%
2014/2015	4,192,804,920	557,759,982	86,924,710	4,837,489,612	(2,577,220,294)	2,260,269,318	3.4314	46.72%
2015/2016	4,199,285,400	603,870,040	83,786,930	4,886,942,370	(2,609,772,627)	2,277,169,743	3.4778	46.60%
2016/2017	4,317,332,400	638,702,010	105,036,200	5,061,070,610	(2,733,570,369)	2,327,500,241	3.5168	45.99%
2017/2018	4,450,601,385	651,845,663	93,615,540	5,196,062,588	(2,779,605,371)	2,416,457,217	3.5514	46.51%
2018/2019	4,899,699,000	634,665,170	105,339,300	5,639,703,470	(3,068,693,472)	2,571,009,998	3.5522	45.59%
2019/2020	5,114,244,500	646,921,594	121,834,780	5,883,000,874	(3,112,064,193)	2,770,936,681	3.3656	47.10%
2020/2021	5,393,811,140	645,296,200	133,481,040	6,172,588,380	(3,285,738,559)	2,886,849,821	3.3483	46.77%
2021/2022	5,748,531,680	645,137,280	139,131,250	6,532,800,210	(3,469,797,299)	3,063,002,911	3.2925	46.89%
2022/2023	6,634,783,500	703,643,260	127,129,150	7,465,555,910	(3,903,424,230)	3,562,131,680	2.9503	47.71%

(1) Non-taxed property includes tax exempt property, tax increment financing property, tax abatements, and adjustments for deductions and exemptions.

(2) City tax rate excludes Redevelopment Commission (Hall of Fame) tax rate.

Source: St. Joseph County Auditor's Office

Net Assessed Value of Taxable Property

Last Ten Fiscal Years

Tax Year/ Collection Year	Real Estate Net Assessed Value	Personal Net Assessed Value	Utilities Net Assessed Value	Total Net Assessed Value	Percent Change
2013/2014	1,687,672,152	431,802,340	90,252,180	2,209,726,672	
2014/2015	1,753,122,893	420,221,715	86,924,710	2,260,269,318	2.29%
2015/2016	1,737,036,616	456,346,197	83,786,930	2,277,169,743	0.75%
2016/2017	1,758,787,301	463,676,740	105,036,200	2,327,500,241	2.21%
2017/2018	1,831,929,345	490,912,332	93,615,540	2,416,457,217	3.82%
2018/2019	1,969,190,797	496,479,901	105,339,300	2,571,009,998	6.40%
2019/2020	2,134,421,914	514,679,987	121,834,780	2,770,936,681	7.78%
2020/2021	2,235,284,708	518,084,073	133,481,040	2,886,849,821	4.18%
2021/2022	2,402,312,000	521,559,661	139,131,250	3,063,002,911	6.10%
2022/2023	2,846,891,825	588,110,705	127,129,150	3,562,131,680	16.30%

Source: St. Joseph County Auditor's Office

Assessed Value of Taxable Property

Last Ten Fiscal Years

Tax Year/ Collection Year	Total Gross Valuation	Deductions (1)	Tax Exempt Property	Tax Increment Financing	Tax Abatements	Net Assessed Valuation
2012/2013	5,091,220,910	(1,397,134,910)	(488,961,977)	(761,349,489)	(72,686,837)	2,371,087,697
2013/2014	4,842,882,200	(1,344,702,776)	(512,692,590)	(713,448,152)	(62,312,010)	2,209,726,672
2014/2015	4,837,489,612	(1,292,923,103)	(510,555,188)	(707,010,507)	(66,731,496)	2,260,269,318
2015/2016	4,886,942,370	(1,305,921,190)	(521,555,123)	(718,066,149)	(64,230,165)	2,277,169,743
2016/2017	5,061,070,610	(1,334,844,637)	(559,770,989)	(743,657,399)	(95,297,344)	2,327,500,241
2017/2018	5,196,062,588	(1,427,692,210)	(553,655,834)	(747,216,585)	(51,040,742)	2,416,457,217
2018/2019	5,639,703,470	(1,455,171,383)	(740,085,791)	(806,734,955)	(66,701,343)	2,571,009,998
2019/2020	5,883,000,874	(1,580,254,616)	(564,471,187)	(876,115,204)	(91,223,186)	2,770,936,681
2020/2021	6,172,588,380	(1,649,281,358)	(567,817,363)	(975,281,036)	(93,358,802)	2,886,849,821
2021/2022	6,532,800,210	(1,768,647,659)	(561,215,590)	(1,025,524,319)	(114,409,731)	3,063,002,911
2022/2023	7,465,555,910	(1,973,484,072)	(591,737,438)	(1,210,009,794)	(128,192,926)	3,562,131,680

(1) Includes homestead standard deduction, supplemental standard deduction, mortgage deduction, blind/disabled deduction, investment deduction, veteran's deduction, over 65 years old deduction, and geothermal deduction. In 2009, a new 35% supplemental standard deduction was provided as a part of "circuit breaker" property tax reform legislation.

Deductions	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023
Homestead Standard Deduction	\$ 852,193,020	\$ 904,481,400	\$ 932,918,401	\$ 964,256,713	1,003,829,055.00
Supplemental Standard Deduction	480,027,204	560,654,768	603,002,529	694,705,463	861,947,660
Mortgage Deduction	39,031,742	38,098,290	37,448,388	38,690,362	38,883,403.00
Age 65 and Over Deduction	22,474,117	22,391,995	23,772,326	24,376,360	24,012,244.00
Veteran's Deduction	13,046,591	13,847,494	14,026,257	14,674,994	14,237,573.00
Blind & Disabled	5,353,196	5,982,136	5,939,885	5,802,048	5,824,908.00
Energy Systems Deduction	472,100	474,200	468,400	482,000	569,500.00
Heritage Barn Deduction	24,500	24,500	24,500	24,500	29,300.00
Fertilizer/Pesticide Deduction	-	-	-	-	-
Investment Deduction	42,548,913	34,299,833	31,680,672	25,635,219	24,150,429
Total	\$ 1,455,171,383	\$ 1,580,254,616	\$ 1,649,281,358	\$ 1,768,647,659	\$ 1,973,484,072

Source: St. Joseph County Auditor's Office

Selected Benchmark Local Governments:

Local Unit	Total Credits (1)	2020 Population (2)	Per Capita Credits
South Bend Civil City	\$ 48,906,390	103,453	\$ 473
Anderson Civil City	15,563,000	54,788	284
East Chicago Civil City	18,735,050	26,370	710
Elkhart Civil City	12,419,450	53,923	230
Evansville Civil City	27,143,500	117,298	231
Fort Wayne Civil City	20,684,060	263,886	78
Gary Civil City	54,843,430	69,093	794
Goshen Civil City	5,300,970	34,517	154
Hammond Civil City	18,125,870	77,879	233
Jeffersonville Civil City	6,250,180	49,447	126
Kokomo Civil City	21,237,500	59,604	356
Lafayette Civil City	4,311,500	70,783	61
LaPorte Civil City	5,583,080	22,471	248
Mishawka Civil City	10,257,330	51,063	201
Muncie Civil City	23,211,820	65,194	356
Noblesville Civil City	6,515,230	69,604	94
St. Joseph County	15,114,010	272,912	55
South Bend School Corporation	16,565,410	103,453	160
Terre Haute Civil City	16,983,240	58,389	291

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local governmental units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Sources:

(1) Department of Local Governmental Finance 2021 Estimated Property Tax Cap Impact Report (<https://www.in.gov/dlgi/county-specific-information/>)

(2) U.S. Census Bureau, 2020 Census information (<http://factfinder.census.gov/>).

Principal Property Taxpayers - Current and Nine Years Ago

For fiscal year ended 12/31/2023

Taxpayer	Type of Business	2023/pay 2024 Net Assessed Value (1)	Rank	Percent of Total	2013/pay 2014 Net Assessed Value (2)	Rank	Percent of Total
AEP / Indiana Michigan Power Company	Electric utility	\$ 111,736,250	1	3.04%	\$ 41,768,792		1.79%
University of Notre Dame	Higher Education	111,102,059	2	3.02%	-	4	0.00%
Honeywell International, Inc/ Bendix Corp.	Mfg. auto and aircraft parts	53,469,360	3	1.45%	48,305,825	2	2.07%
Steel Warehouse Co., Inc./Bendix Corp.	Steel processing	41,805,500	4	1.14%	-		0.00%
Edward Rose of Indiana	Apartment Complexes	33,797,640	5	0.92%	44,136,800	3	1.89%
Commerce Center Development LLC	Office Building	20,473,548	6	0.56%	-		0.00%
JVE Investments LLC/ The Tire Rack, Inc.	Tire sales	20,462,700	7	0.56%	31,986,100		1.37%
Erskine Village Associates	Shopping Center	18,668,500	8	0.51%	8,084,800		0.35%
Walmart Real Estate Business Trust	Shopping Center	18,321,180	9	0.50%	9,189,400		0.39%
Northern Indiana Public Service Co. / NIPSCO	Utility	18,041,400	10	0.49%	19,816,040	10	0.85%
Memorial Health Systems, Inc. (Beacon)	Healthcare	-		0.00%	54,796,356	1	2.34%
KSK Scottsdale Mall	Retail stores	-		0.00%	21,545,600	9	0.92%
Park Jefferson Realty, LLC	Real estate	-		0.00%	-		0.00%
Walmart	Retail stores	-		0.00%	-		0.00%
Total Net Assessed Value - Ten Largest Taxpayers		\$ 447,878,137		12.17%	\$ 279,629,713		11.97%
Total Net Assessed Value (3)		\$ 3,681,270,341		100.00%	\$ 2,336,906,810		100.00%

Sources:

- (1) Baker Tilly Municipal Advisors - Annual Information for Continuing Disclosure Compliance
- (2) 2013 Comprehensive Annual Financial Report
- (3) St. Joseph County Auditor

Property Tax Collections - Cash Basis

Last Ten Fiscal Years

Fund Name	Fund Number	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual
General Fund	101	\$36,708,989	\$37,349,387	\$39,362,139	\$39,568,076	\$40,719,333	\$42,705,987	\$40,660,123	\$43,659,873	\$45,635,698	\$48,636,181
Excess Levy	103	3,648	-	-	-	-	-	-	-	-	-
Parks & Recreation	201	7,365,388	7,487,554	7,902,995	9,033,731	9,591,899	10,048,047	9,566,845	10,271,000	10,742,492	11,441,107
Park Bond (2017 Parks Bond Debt Service)	312	-	-	-	-	703,118	1,166,972	1,087,915	1,116,956	1,149,510	1,080,710
College Football Hall of Fame Debt Service	313	497,768	906,263	1,361,512	820,071	426,604	-	-	-	-	-
River West TIF District (1)	324	14,284,734	16,293,240	18,159,311	17,259,902	18,662,835	18,555,308	16,814,400	18,120,969	16,811,078	19,559,921
Cumulative Capital Development	406	430,786	428,727	440,887	436,823	436,677	455,002	433,812	469,124	492,015	581,307
South Bend Central Development Area TIF (1)	420	4,309,727	-	-	-	-	-	-	-	-	-
West Washington Street TIF District	422	580,987	402,911	453,503	378,994	332,220	261,830	237,261	348,856	308,363	490,344
Central Medical Service Area TIF District (1)	426	851,211	-	-	-	-	-	-	-	-	-
River East (Northeast) TIF District	429	1,568,240	2,421,308	2,348,608	2,630,887	3,062,820	2,722,642	2,997,091	4,328,968	4,209,328	6,216,898
Southside Development Area TIF District	430	2,379,212	2,205,822	2,401,252	2,365,692	2,166,637	1,755,231	3,081,721	2,981,728	2,745,678	2,986,918
Erskine Village TIF District	432	9,175	19,183	-	-	-	-	-	-	-	-
Douglas Road TIF District	435	321,895	270,758	345,262	379,255	-	-	-	269,923	308,581	233,288
River East (Northeast) Residential TIF	436	2,725,909	3,129,681	3,932,947	4,262,917	4,686,651	4,933,558	5,308,975	6,299,000	6,268,217	7,228,216
Airport Urban Enterprise	454	-	-	-	-	-	-	-	-	-	-
Total		\$72,037,669	\$70,914,834	\$76,708,415	\$77,136,348	\$80,788,794	\$82,604,579	\$80,188,143	\$87,866,397	\$88,670,960	\$98,454,890

(2) Name changed in 2015 from TIF Airport to River West TIF due to consolidation of Central Development Area and Central Medical TIFs.

Source: City of South Bend Accounting Records

Local Income Tax Revenue
Economic Development Component

Last Ten Years

Distribution Year	Economic Development Tax Rate (1)	Total County Distributions	Rate of Growth	South Bend Distribution	Rate of Growth	South Bend as a Percent of Total	Actual City Collections During Year
2013	0.40%	20,611,415		8,177,352		39.67%	8,177,352
2014	0.40%	22,063,091	7.04%	8,796,821	7.58%	39.87%	8,796,821
2015	0.40%	23,081,049	4.61%	9,031,709	2.67%	39.13%	9,031,709
2016	0.40%	23,733,626	2.83%	9,594,602	6.23%	40.43%	9,594,602
2017	0.40%	26,149,949	10.18%	10,433,361	8.74%	39.90%	10,433,361
2018 (3)	0.40%	26,745,547	2.28%	10,720,959	2.76%	40.09%	11,885,489
2019 (4)	0.40%	28,586,914	6.88%	11,597,226	8.17%	40.57%	12,474,651
2020 (5)	0.40%	28,744,062	0.55%	12,123,599	4.54%	42.18%	13,405,714
2021 (6)	0.40%	30,245,517	5.22%	12,597,307	3.91%	41.65%	13,006,489
2022 (7)	0.40%	29,091,734	-3.81%	12,065,405	-4.22%	41.47%	12,704,389
2023 (8)	100.40%	32,835,878	12.87%	13,736,992	13.85%	41.84%	17,660,862
Total		\$ 259,052,904		\$ 105,138,341		40.59%	\$ 127,171,439

(1) This tax was first enacted as of July 1, 1995 at the rate of 0.1% of City residents' adjusted gross income. The rate was increased to 0.2% effective July 1, 1997. The Economic Development tax rate for 2010 and subsequent years was increased by City of South Bend Common Council and the Saint Joseph County Common Council.

(3) The City's 2018 Economic Development distribution included \$1,164,530 of supplemental, one-time distributions.

(4) The City's 2019 Economic Development distribution included \$877,425 of supplemental, one-time distributions.

(5) The City's 2020 Economic Development distribution included \$1,282,115 of supplemental, one-time distributions.

(6) The City's 2021 Economic Development distribution included \$409,182 of supplemental, one-time distributions.

(7) The City's 2022 Economic Development distribution included \$638,984 of supplemental, one-time distributions.

(8) The City's 2023 Economic Development distribution included \$3,923,870 of supplemental, one-time distributions.

Sources:

State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports

City of South Bend Accounting Records (Local Income Tax-Economic Development Fund #408)

Local Income Tax Revenue
Certified Shares Component

Last Ten Years

Distribution Year	Certified Shares Tax Rate (1)	Total County Distributions	Rate of Growth	South Bend Distribution	Rate of Growth	South Bend as a Percent of Total	Actual City Collections During Year
2014	0.60%	25,275,541		8,645,811		34.21%	8,483,839
2015	0.60%	26,435,155	4.59%	8,859,912	2.48%	33.52%	8,754,940
2016	0.60%	27,898,910	5.54%	9,454,023	6.71%	33.89%	9,275,956
2017	0.60%	31,321,416	12.27%	10,459,265	10.63%	33.39%	10,267,404
2018 (2)	0.60%	31,947,819	2.00%	12,188,922	16.54%	38.15%	12,213,073
2019 (3)	0.60%	35,539,674	11.24%	12,148,294	-0.33%	34.18%	12,879,847
2020 (4)	0.60%	35,901,334	1.02%	12,440,774	2.41%	34.65%	13,764,809
2021 (5)	0.60%	37,776,651	5.22%	12,912,855	3.79%	34.18%	13,334,937
2022 (6)	0.60%	26,153,469	-30.77%	8,933,585	-30.82%	34.16%	9,591,298
2023 (7)	0.60%	29,519,454	12.87%	10,164,012	13.77%	34.43%	14,189,571
Total		\$ 307,769,423		\$ 106,207,453		34.51%	\$ 112,755,674

(1) This tax was first enacted as of July 1, 1997 at the rate of 0.2% of City residents' adjusted gross income. The Certified Shares rate increased 0.1% each year until it reached 0.6% as of July 1, 2001. The above collections/distribution amounts are net of the additional homestead credits that accompanied the passage of this income tax.

(2) The City's 2018 Certified Shares distribution included \$1,407,558 of supplemental, one-time distributions.

(3) The City's 2019 Certified Shares distribution included \$731,553 of supplemental, one-time distributions.

(4) The City's 2020 Certified Shares distribution included \$1,324,035 of supplemental, one-time distributions.

(5) The City's 2021 Certified Shares distribution included \$422,082 of supplemental, one-time distributions.

(6) The City's 2022 Certified Shares distribution included \$657,713 of supplemental, one-time distributions.

(7) The City's 2023 Certified Shares distribution had \$4,025,559 of supplemental, one-time distributions.

Sources:

State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports
City of South Bend Accounting Records (Local Income Tax-Certified Shares Fund #101)

Local Income Tax Revenue
Public Safety Component

Last Ten Years

Distribution Year	Public Safety Tax Rate (1)	Total County Distributions	Rate of Growth	South Bend Distribution	Rate of Growth	South Bend as a Percent of Total	Actual City Collections During Year
2014	0.25%	13,476,753		6,380,029		47.34%	6,380,029
2015	0.25%	13,734,382	1.91%	6,466,190	1.35%	47.08%	6,466,190
2016	0.25%	14,237,777	3.67%	6,791,160	5.03%	47.70%	6,791,160
2017	0.25%	15,673,247	10.08%	7,467,618	9.96%	47.65%	7,467,618
2018 (3)	0.25%	15,986,699	2.00%	8,487,336	13.66%	53.09%	8,487,336
2019 (4)	0.25%	17,784,064	11.24%	8,560,555	0.86%	48.14%	9,205,130
2020 (5)	0.25%	17,965,039	1.02%	8,766,330	2.40%	48.80%	9,703,297
2021 (6)	0.25%	18,903,448	5.22%	9,094,317	3.74%	48.11%	9,391,746
2022 (7)	0.25%	18,182,334	-3.81%	8,705,124	-4.28%	47.88%	9,168,579
2023 (8)	100.25%	20,522,424	12.87%	9,855,778	13.22%	48.02%	12,690,915
Total		\$ 166,466,167		\$ 80,574,437		48.40%	\$ 73,061,085

(1) This tax was effective in October 2009 at the rate of 0.25% of City residents' adjusted gross income. The measure is being used to support the Public Safety operations consisting of the Police Department and the Fire Department, to keep the staffing levels at their full complement.

(2) The City's 2012 Public Safety distribution included \$549,267, the amount the State of Indiana underpaid the City in 2011.

(3) The City's 2018 Public Safety distribution included \$105,782 of supplemental, one-time distributions.

(4) The City's 2019 Public Safety distribution included \$644,575 of supplemental, one-time distributions.

(5) The City's 2020 Public Safety distribution included \$936,967 of supplemental, one-time distributions.

(6) The City's 2021 Public Safety distribution included \$297,429 of supplemental, one-time distributions.

(7) The City's 2022 Public Safety distribution included \$463,455 of supplemental, one-time distributions.

(8) The City's 2023 Public Safety distribution had \$2,835,137 of supplemental, one-time distributions.

Sources:

State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports
City of South Bend Accounting Records (Local Income Tax-Public Safety Fund #249)

Total Local Income Tax Certified Shares Distributions by Taxing Unit

Last Ten Years

Unit of Government	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total County Certified Distribution	\$32,344,207	\$32,962,518	\$34,170,664	\$37,640,869	\$38,393,656	\$42,710,208	\$43,144,837	\$45,398,521	\$43,666,693	\$49,286,652
Less: Homestead Credit (1)	(7,068,666)	(6,527,363)	(6,271,754)	(6,319,453)	(6,445,837)	(7,170,534)	(7,243,503)	(7,621,870)	(17,513,224)	(19,767,198)
Total Distributive Shares	<u>\$22,923,956</u>	<u>\$26,435,155</u>	<u>\$27,898,910</u>	<u>\$31,321,416</u>	<u>\$31,947,819</u>	<u>\$35,539,674</u>	<u>\$35,901,334</u>	<u>\$37,776,651</u>	<u>\$26,153,469</u>	<u>\$29,519,454</u>
Distributive Shares / Total County Distribution	76.67%	80.20%	81.65%	83.21%	83.21%	83.21%	83.21%	83.21%	59.89%	59.89%

Amount

St. Joseph County	\$ 9,314,201	\$ 9,611,416	\$ 9,983,016	\$10,908,099	\$11,290,728	\$12,351,986	\$12,279,480	\$12,941,856	\$ 8,922,886	\$ 9,976,782
Townships	1,069,408	1,541,211	1,695,662	2,396,851	1,978,069	3,506,429	2,175,833	2,443,619	1,614,656	1,819,814
City of South Bend - Civil City	8,483,839	8,754,940	9,275,956	10,267,284	10,781,364	12,148,294	12,440,774	12,912,855	8,933,585	10,164,012
City of South Bend - Redevelopment	161,972	104,972	178,067	191,981	124,929	70,356	8,775	1,099	92	9
Other Cities & Towns	3,378,481	3,508,422	3,683,131	4,118,009	4,317,405	4,868,878	4,982,004	5,229,085	3,730,865	4,402,111
Libraries	2,126,185	2,144,046	2,279,241	2,541,672	2,569,360	2,889,567	2,927,273	3,006,149	2,071,253	2,339,032
Special Districts	741,455	770,148	803,837	897,520	885,964	1,054,424	1,087,195	1,241,988	880,132	997,694
Total	<u>\$22,923,956</u>	<u>\$26,435,155</u>	<u>\$27,898,910</u>	<u>\$31,321,416</u>	<u>\$31,947,819</u>	<u>\$36,889,934</u>	<u>\$35,901,334</u>	<u>\$37,776,651</u>	<u>\$26,153,469</u>	<u>\$29,699,454</u>

\$180,000

Percentage of Distribution

St. Joseph County	40.63%	36.36%	35.78%	34.83%	35.34%	33.48%	34.20%	34.26%	34.12%	33.59%
Townships	4.67%	5.83%	6.08%	7.65%	6.19%	9.51%	6.06%	6.47%	6.17%	6.13%
City of South Bend - Civil City	37.01%	33.12%	33.25%	32.78%	33.75%	32.93%	34.65%	34.18%	34.16%	34.22%
City of South Bend - Redevelopment	0.71%	0.40%	0.64%	0.61%	0.39%	0.19%	0.02%	0.00%	0.00%	0.00%
Other Cities & Towns	14.74%	13.27%	13.20%	13.15%	13.51%	13.20%	13.88%	13.84%	14.27%	14.82%
Libraries	9.27%	8.11%	8.17%	8.11%	8.04%	7.83%	8.15%	7.96%	7.92%	7.88%
Special Districts	3.23%	2.91%	2.88%	2.87%	2.77%	2.86%	3.03%	3.29%	3.37%	3.36%
Total	110.26%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(1) A portion of the certified shares income tax is used for property tax relief through homestead credits for residential property owners.

Source: State of Indiana Department of Local Government Finance Local Income Tax Distribution Reports

Ten Largest Water Customers

For fiscal year ended 12/31/2023

Customer Name	2023 Revenue	Percentage of Total Water Operating Revenue	Usage CCF*
MEMORIAL HOSPITAL	\$ 215,080	0.95%	108,351
SOUTH BEND COMMUNITY SCHOOLS	251,440	1.11%	98,690
INDIANA UNIVERSITY SOUTH BEND	133,313	0.59%	40,567
H & A PROSPER LLC	62,122	0.28%	43,014
ARAMARK UNIFORM SERVICES INC	58,546	0.26%	39,804
POKAGON GAMING AUTHORITY	66,921	0.30%	40,355
CASTLE POINT APTS PROPERTY LLC	64,378	0.29%	34,256
DEV 1881 EAST IRELAND RD., LLC	65,079	0.29%	29,567
ALLIED SIGNAL AEROSPACE COMPANY	132,495	0.59%	42,306
BOC GASES	43,164	0.19%	30,283
Total of Ten Largest Water Customers	\$ 1,092,538	4.84%	
Total for Operating Revenue for Water Works	\$ 22,562,284	100.00%	

South Bend Community School Corporation
 Memorial Hospital of South Bend
 Irish Hills Apartments
 Indiana University South Bend
 Housing Authority of South Bend
 Honeywell Aerospace Company
 Indian Springs Apartments and Townhomes
 Holy Cross Care Services
 McCormick & Company
 Aramark Uniform Services

* Hundreds of Cubic Feet

Source: City of South Bend Water Utility

Ten Largest Sewage Works Customers

For fiscal year ended 12/31/2023

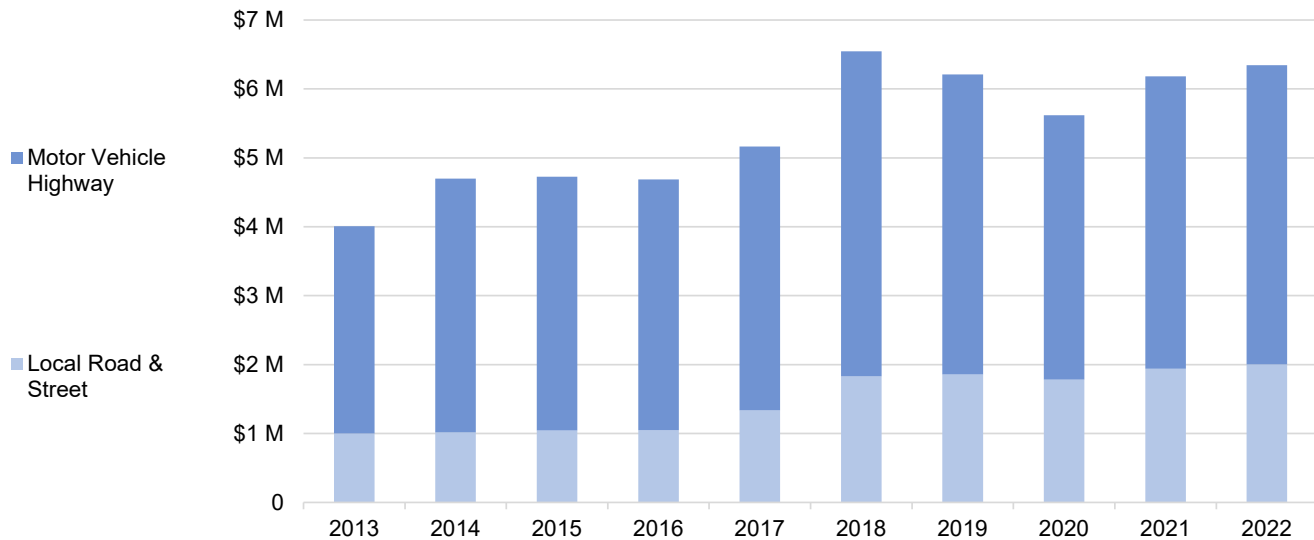
Customer Name	Metered Revenue	Heavy Demand Surcharge	2023 Revenue	Percentage of Total Wastewater Revenue	Usage CCF*
Cleveland-Cliffs Tek Inc	\$ 2,505,542	\$ -	\$ 2,505,542	5.76%	724,145
Town of New Carlisle	204,422	-	204,422	0.47%	67,244
South Bend Ethanol	711,159	-	711,159	1.64%	233,934
South Bend Community Schools	193,455	-	193,455	0.45%	62,347
Pokagon Gaming Authority	112,216	-	112,216	0.26%	36,913
Notre Dame - Facilities Building	1,027,039	-	1,027,039	2.36%	397,341
Memorial Hospital of South Bend	272,566	-	272,566	0.63%	89,660
H & A Prosper, LLC	116,587	-	116,587	0.27%	38,351
Aramark Uniform Services	120,974	-	120,974	0.28%	39,794
Allied Signal Aerospace Company	125,364	-	125,364	0.29%	41,238
Total of Ten Largest Sewer Customers	\$ 5,389,323	\$ -	\$ 5,389,323	12.40%	
Total Operating Revenue for Wastewater			\$ 43,471,462		

*Hundreds of Cubic Feet

Source: City of South Bend Sewage Works Utility

Gasoline Tax Collections - Cash Basis

Last Ten Fiscal Years



Year	Local Road & Street Fund	Motor Vehicle Highway Fund	Total Gasoline Tax	% Change
2014	1,017,383	3,682,329	4,699,712	
2015	1,045,516	3,679,371	4,724,887	0.54%
2016	1,046,446	3,640,561	4,687,007	-0.80%
2017	1,334,565	3,829,167	5,163,732	10.17%
2018	1,827,580	4,717,972	6,545,552	26.76%
2019	1,858,579	4,352,316	6,210,894	-5.11%
2020	1,781,618	3,838,489	5,620,107	-9.51%
2021	1,939,498	4,242,239	6,181,737	9.99%
2022	2,003,475	4,339,494	6,342,969	2.61%
2023	2,040,961	4,455,394	6,496,355	2.42%

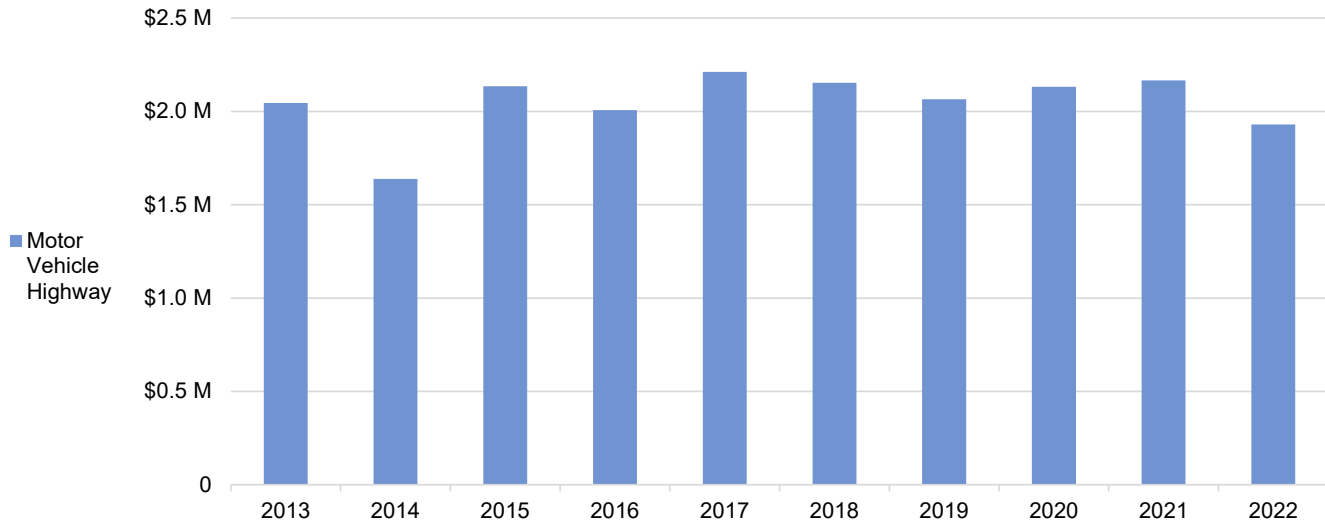
Distributions of gas tax revenue are made monthly by the Indiana Department of Revenue to the Local Road and Street (LR&S) and Motor Vehicle Highway (MVH) funds for use in construction and maintenance of streets and highways. Distributions are based on a complex formula developed by the State of Indiana. The formula takes into account population, road and street mileage and other factors.

Due to an improvement in the economy and temporary increase in state funding for two years, total gas tax increased in 2014. Gas tax remained fairly consistent until 2017, the Indiana General Assembly passed legislation to increase the gas tax. However, after raising the tax, the State revised its distribution formula to keep more funds at the state-level, resulting in a decrease in distributions to local governments starting in 2019. Gas tax revenue continued to decline in 2020 because travel and transportation decreased due to the COVID-19 pandemic.

Source: City of South Bend Accounting Records

Wheel and Excise Surtax Collections - Cash Basis

Last Ten Fiscal Years



Year	Motor Vehicle Highway Fund	% Change
2014	1,637,707	
2015 (1)	2,135,441	30.39%
2016	2,006,547	-6.04%
2017	2,211,731	10.23%
2018	2,152,758	-2.67%
2019	2,065,786	-4.04%
2020	2,131,825	3.20%
2021	2,166,019	1.60%
2022	1,929,591	-10.92%
2023	2,093,052	8.47%

Effective January 1, 2004, St. Joseph County enacted a wheel tax and annual license excise surtax as allowed by Indiana State law to provide additional funding for road maintenance and repair. Indiana State law allows an annual wheel tax of \$5-40 per vehicle and an annual license excise surtax of 2-10%. St. Joseph County has enacted a \$25 County Excise surtax. The tax applies to all passenger cars, trucks less than 11,000 pounds, buses, tractors and motorcycles registered in the County. (Other rates apply to recreational vehicles, semitrailers and trucks exceeding 11,000 pounds.)

During 2004-2007, the City of South Bend deposited the wheel tax and excise surtax in the Local Roads & Streets Fund. Starting in 2008, the Indiana State Board of Accounts (SBOA) required that the taxes be deposited into the Motor Vehicle Highway Fund. Starting in 2019, the SBOA required that the tax revenue be split 50/50 between the Motor Vehicle Highway Fund and a new MVH Restricted Fund.

The tax is collected by the Indiana Bureau of Motor Vehicles, remitted to the County and distributed monthly to the local units based on population and road miles.

(1) Increase in the 2015 wheel tax due to 13 months of taxes being collected during the year (September 2014 - September 2015). Prior year tax collections were several months behind.

Source: City of South Bend Accounting Records

Hotel/Motel Tax Revenue - Cash Basis

Last Ten Fiscal Years

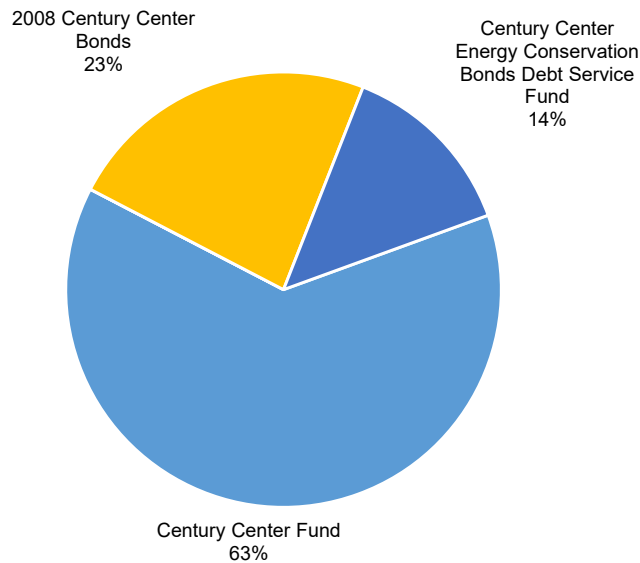
Year	-----Paid to City of South Bend-----					Subtotal: Paid to City of South Bend	---Direct Payments---		Total Hotel/ Motel Tax	Percent Change
	Century Center Fund	Professional Sports Develop. Fund	Cumulative Capital Impr. Fund	2008 Century Center Bonds	Century Center Energy Conserv. Debt Service		Other Century Center Projects			
2014	1,313,450	-	150,000	400,000	-	1,863,450	457,739	2,321,189		
2015	1,313,450	-	150,000	492,000	-	1,955,450	976,855	2,932,305	26.33%	
2016	1,313,450	-	150,000	396,000	-	1,859,450	713,601	2,573,051	-12.25%	
2017	1,275,000	-	150,000	394,000	-	1,819,000	546,965	2,365,965	-8.05%	
2018	1,275,000	-	-	395,000	221,437	1,891,437	687,192	2,578,629	8.99%	
2019	1,275,000	-	-	395,000	235,000	1,905,000	1,292,506	3,197,506	24.00%	
2020	956,250	-	-	381,500	221,437	1,559,187	1,220,953	2,780,140	-13.05%	
2021	1,037,500	-	-	383,000	221,437	1,641,937	538,692	2,180,629	-21.56%	
2022	1,275,000	-	-	200,000	221,437	1,696,437	219,962	1,916,399	-12.12%	
2023	1,275,000	-	-	385,000	221,437	1,881,437	494,855	2,376,292	24.00%	

Source: City of South Bend Accounting Records and St. Joseph County Auditor's Office

The hotel/motel tax was enacted in 1973. A tax rate of 6% had been in effect since 1994. In July 2021, the rate was increased to 8%, with 1% going towards developing a youth sports complex in Mishawaka, 0.5% going towards the repayment of bonds issued in 2022 to fund capital improvement projects at Potawatomi Zoo, and 0.5% going towards the repayment of bonds issued in 2022 to fund capital improvements to the Morris Performing Arts Center. The tax is accounted for in a fund of the St. Joseph County government and is administered by the 11 member St. Joseph County Board of Managers for Hotel-Motel Tax. Appointments to the Board of Managers are made by the Mayors of South Bend and Mishawaka and the St. Joseph County Commissioners.

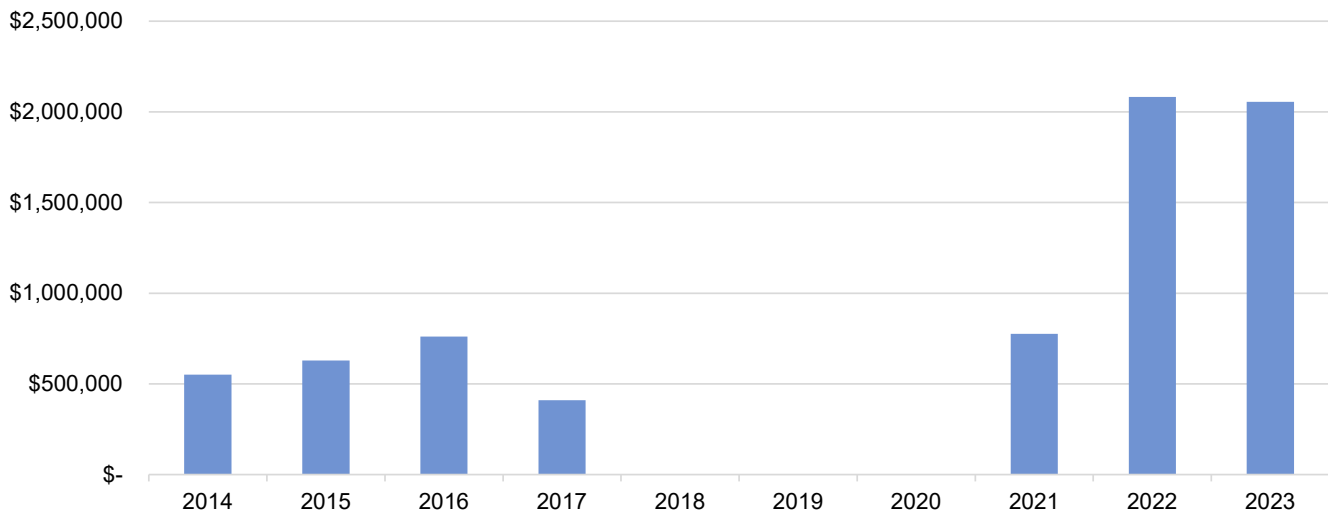
Proceeds from the hotel/motel tax fund are budgeted and distributed annually to important economic development and tourism projects in the County. South Bend receives distributions for the operations, maintenance, and debt service of Century Center (convention center). Distributions to the Cumulative Capital Improvement fund were used for the repayment of the 1994 Century Center Bonds. Distributions to the River West Tax Increment Financing fund (starting in 2015, SCBDA General fund prior) are used for the repayment of the 2008 Century Center Bonds. Distributions to the Century Center Debt Service fund are used for repayment of the 2015 Energy Conservation Bonds which were issued by the City for the energy improvements made at the Century Center in 2015.

The hotel/motel tax fund also supports other activities not included in the City of South Bend's financial statements such as the South Bend/Mishawaka Convention and Visitors Bureau. The total distribution of hotel/motel tax to all organizations was \$3,975,190 during 2022. The cash balance in the County Hotel/Motel Tax Fund was \$6,242,205 at December 31, 2022.



Professional Sports Convention Development Area (PSCDA) Tax - Cash Basis

Last Ten Fiscal Years



Year	Total PSCDA Tax	% Change
2014	551,252	
2015	628,261	13.97%
2016	760,390	21.03%
2017	409,659	-46.13%
2018	-	-100.00%
2019	-	0.00%
2020	-	0.00%
2021	775,414	100.00%
2022	2,082,741	168.60%
2023	2,055,414	-1.31%

The Professional Sports Convention Development Area (PSCDA) tax is a combination of Indiana state income tax withholding, local income tax withholding, and sales tax withholding from businesses and employees in the designated area. The PSCDA tax revenue shall be used for capital improvements or financing of capital improvements for any facility that is owned by the City and is used as one of the following: a professional sports franchise for practice or competitive sporting events, a facility used principally for convention or tourism related events, a museum, a facility used for public attractions of national significance, a performing arts venue (IC 36-7-31.38-8 (a)(2)). There are currently four professional sports development areas in the State--South Bend, Indianapolis/Marion County, Evansville, and Ft. Wayne.

The PSCDA taxes are collected by the Indiana Department of Revenue and are remitted on a monthly basis to St. Joseph County which remits the taxes to the City of South Bend.

The PSCDA was originally established in 1997 to fund debt service and improvements at the College Football Hall of Fame. The City received PSCDA tax revenue for the original area from January 1998 through December 2017. The original PSCDA included the College Football Hall of Fame, Century Center, Four Winds Field at Stanley Coveleski Stadium, Morris Performing Arts Center, Palais Royale Ballroom, and the Studebaker National Museum.

In 2021, the PSCDA was reinstated in downtown South Bend. The revised PSCDA expanded the tax area, adding the Aloft Hotel, the Courtyard by Marriott South Bend, Downtown, the Doubletree Hotel, Howard Park including its Community Center and the Howard Park Public House, and the campus of Indiana University South Bend. The maximum amount of covered taxes that may be captured in the PSCDA is \$2 million per year per IC 36-7-31.8-10(e). The allocation provisions shall expire July 1, 2041.

Source: City of South Bend Accounting Records

Cable Television Franchise Fee Collections - Cash Basis

Last Ten Years

Year	Comcast	AT&T	Total Franchise Fees	% Change
2014	717,156	238,309	927,600	
2015	723,676	281,873	955,465	3.00%
2016	749,565	256,611	1,005,549	5.24%
2017	771,128	156,394	1,006,176	0.06%
2018	714,471	226,562	941,033	-6.47%
2019	707,836	132,332	840,169	-10.72%
2020	678,238	255,861	934,099	11.18%
2021	670,761	105,016	775,777	-16.95%
2022	707,080	63,341	770,421	-0.69%
2023	605,333	88,450	693,783	-9.95%

Pursuant to Indiana State law, the City of South Bend receives video franchise fees in the amount of 5% of gross revenue for cable operations in the City. The payments are made to the City on a quarterly basis. The franchise agreement with Comcast was effective October 19, 1998 and the franchise agreement with AT&T was effective January 1, 2009.

The video franchise fee revenue is deposited in the General Fund and is used for general operating costs. A portion of the proceeds (\$43,000) are spent on support of the local public access channel.

Under Indiana State law, the City is required to submit an Annual Franchise Fee Report (State Form 55122) summarizing franchise fee revenue received during the year and the purpose for which the revenue was expended. The report must be file with the Indiana Utility Regulatory Commission by March 1st of the following year.

Source: City of South Bend Accounting Records

Debt Capacity

These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Computation of Legal Debt Margin

For fiscal year ended December 31, 2023

Civil City

Net Assessed Valuation (2022 pay 2023) of Taxable Property in South Bend	\$	3,562,131,680
Debt limit: 2% of one third thereof		23,747,545
Less Bonds subject to limitation:		
Economic Development Income Tax Bonds of 2015 (Parks Bond)		(3,980,000)
Economic Development Income Tax Bonds, Series 2018 (Zoo Bond)		(2,610,000)
General Obligation Bonds, Series 2018 (Fire Station #9)		(3,975,000)
Issuance Margin	\$	13,182,545
Percentage of Debt to Debt Limit		44.49%

Park District

Net Assessed Valuation (2022 pay 2023) of Taxable Property in South Bend	\$	3,562,131,680
Debt limit: 2% of one third thereof		23,747,545
Less Bonds subject to limitation:		
Park District Bonds, Series 2017 (A-K)		(9,650,000)
Issuance Margin	\$	14,097,545
Percentage of Debt to Debt Limit		40.64%

Redevelopment District

Net Assessed Valuation (2022 pay 2023) of Taxable Property in South Bend	\$	3,562,131,680
Debt limit: 2% of one third thereof		23,747,545
Less Bonds subject to limitation:		
Redevelopment District Bonds, Series 2018 (TIF Parks Bond)		(8,140,000)
Issuance Margin	\$	15,607,545
Percentage of Debt to Debt Limit		34.28%

A 2% debt limit is established by the Constitution of the State of Indiana. This limit is established for general obligation bonds, Economic Development Income Tax revenue bonds, tax revenue notes and other types of indebtedness. This limitation does not include revenue bonds payable from governmental funds (excluding Economic Development Income Tax bonds) shown in the general long term debt account group. Indiana law allows the creation of separate municipal corporations to provide vital governmental functions. Each of these municipal corporations (including the Redevelopment Authority and Redevelopment Commission) has its own 2% debt limit, even if they have the same or similar boundaries.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Civil City										
Debt Limit (1)	\$ 15,579,379	\$ 14,731,511	\$ 15,068,462	\$ 15,181,132	\$ 16,109,715	\$ 16,036,190	\$ 16,655,845	\$ 18,176,894	\$ 19,245,665	\$ 20,420,019
Total Net Debt Applicable To Limit	6,335,000	4,970,000	7,270,000	5,835,000	5,190,000	13,390,000	12,900,000	12,315,000	11,710,000	11,080,000
Debt Margin	9,244,379	9,761,511	7,798,462	9,346,132	10,919,715	2,646,190	3,755,845	5,861,894	7,535,665	9,340,019
Percentage of Debt Limit	40.66%	33.74%	48.25%	38.44%	32.22%	83.50%	77.45%	67.75%	60.84%	54.26%
Park District										
Debt Limit (1)	\$ 15,579,379	\$ 14,731,511	\$ 15,068,462	\$ 15,181,132	\$ 16,109,715	\$ 16,036,190	\$ 16,655,845	\$ 18,176,894	\$ 19,245,665	\$ 20,420,019
Total Net Debt Applicable To Limit	-	-	-	-	14,075,000	13,725,000	12,955,000	12,170,000	9,650,000	10,515,000
Debt Margin	15,579,379	14,731,511	15,068,462	15,181,132	2,034,715	2,311,190	3,700,845	6,006,894	9,595,665	9,905,019
Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	87.37%	85.59%	77.78%	66.95%	50.14%	51.49%
Redevelopment District										
Debt Limit (1)	\$ 15,579,379	\$ 14,731,511	\$ 15,068,462	\$ 15,181,132	\$ 16,109,715	\$ 16,036,190	\$ 16,655,845	\$ 18,176,894	\$ 19,245,665	\$ 20,420,019
Total Net Debt Applicable To Limit	3,405,000	3,010,000	2,615,000	2,210,000	1,795,000	12,955,000	11,855,000	10,725,000	8,140,000	8,865,000
Debt Margin	12,174,379	11,721,511	12,453,462	12,971,132	14,314,715	3,081,190	4,800,845	7,451,894	11,105,665	11,555,019
Percentage of Debt Limit	21.86%	20.43%	17.35%	14.56%	11.14%	80.79%	71.18%	59.00%	42.30%	43.41%

(1) A 2% of net assessed value debt limit has been established by the Constitution of the State of Indiana for certain type of debt including general obligation bonds, Economic Development Income Tax bonds and tax revenue notes. This limitation does not apply to revenue bonds payable from governmental or proprietary funds.

Last Ten Fiscal Years

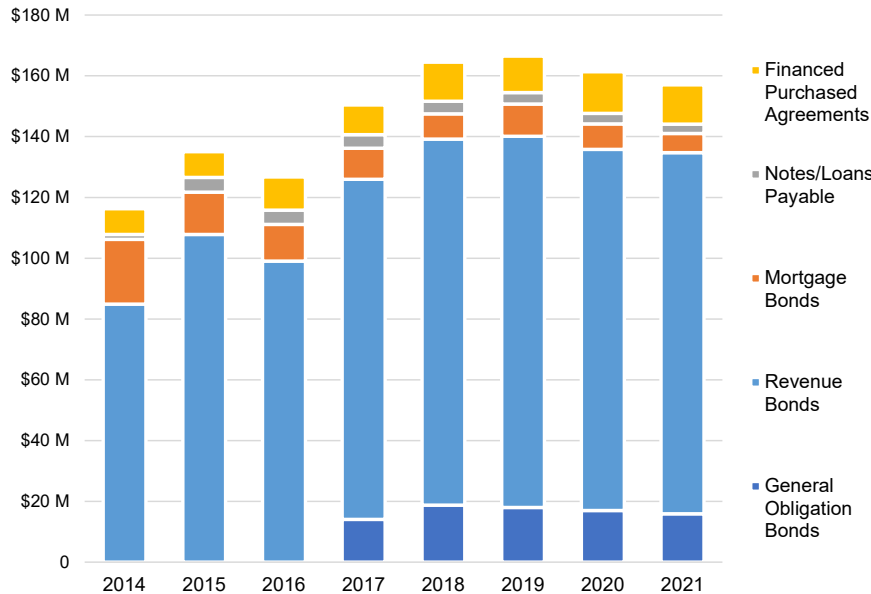
Fiscal Year	Governmental Activities					Business-Type Activities				Total Primary Government	Estimated Population (1)	Debt Per Capita	South Bend Estimated Personal Income (2)	South Bend Debt Percent of Income
	General Obligation Bonds	Revenue Bonds	Mortgage Bonds	Notes/Loans Payable	Financed Purchased Agreements	Revenue Bonds	Mortgage Bonds	Notes/Loans Payable	Financed Purchase Agreements					
2014	-	84,862,512	21,331,548	1,617,491	8,481,375	111,209,874	480,604	3,794,664	3,307,802	235,085,870	101,168	2,324	3,371,120,096	6.97%
2015	-	107,815,890	13,904,973	4,831,752	8,491,407	102,871,921	5,851,565	3,458,899	4,411,042	251,637,449	101,168	2,487	3,371,120,096	7.46%
2016	-	99,040,132	12,091,550	4,647,381	10,929,075	95,477,047	5,556,865	2,582,205	6,585,123	236,909,378	101,168	2,342	3,371,120,096	7.03%
2017	14,081,478	111,887,531	10,224,972	4,437,115	9,795,612	87,219,814	5,255,484	2,398,821	7,456,169	252,756,996	101,168	2,498	3,492,622,864	7.24%
2018	18,737,645	120,483,913	8,300,854	4,108,822	12,832,195	80,178,104	4,951,979	2,231,783	7,994,705	259,820,000	101,168	2,568	3,492,622,864	7.44%
2019	18,010,537	122,084,649	10,659,268	3,761,150	11,959,268	71,235,075	120,368	2,016,089	4,763,272	244,609,677	101,168	2,418	3,492,622,864	7.00%
2020	17,005,155	118,820,313	8,389,572	3,405,904	13,712,755	64,329,826	40,771	1,816,433	3,113,163	230,633,892	103,453	2,229	3,571,507,919	6.46%
2021	15,950,563	118,765,880	6,345,096	3,079,026	12,889,298	58,574,841	-	220,712	2,394,205	218,219,621	103,453	2,109	3,571,507,919	6.11%
2022	14,886,850	121,492,119	4,568,552	2,781,851	14,679,571	50,638,747	-	196,030	2,590,360	211,834,080	103,453	2,048	3,571,507,919	5.93%
2023	13,625,000	137,750,067	3,450,000	2,478,630	16,257,166	40,725,000	-	170,517	2,957,005	217,413,385	103,453	2,102	3,571,507,919	6.09%
Percent of total debt	6.27%	63.36%	1.59%	1.14%	7.48%	18.73%	0.00%	0.08%	1.36%	100.00%				

Sources: City of South Bend Comprehensive Annual Financial Reports

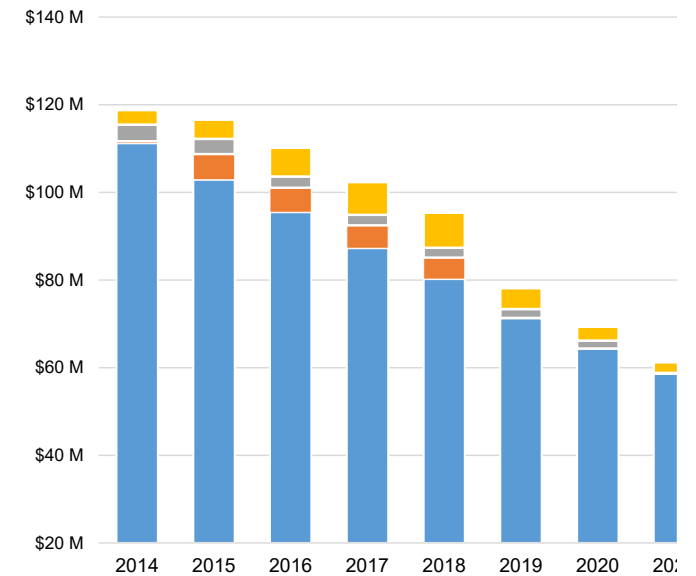
(1) U.S. Census Bureau, 2010 & 2020 Census information

(2) City of South Bend estimated personal income is computed as estimated City population x City of South Bend Median Household Income from U.S. Census Bureau, 2012 - 2016 American Community Survey 5-Year Estimates (<http://factfinder.census.gov/>)

Governmental Activities Debt



Business-Type Activities Debt



Computation of Direct and Overlapping Debt

For fiscal year ended December 31, 2023

	Gross Debt	Percentage Applicable to South Bend	Amount Applicable to South Bend	Debt Per Capita	Ratio of Debt/ Net Assessed Value	Ratio of Debt/ Personal Income
Direct Debt:						
City of South Bend (1)						
General Obligation Bonds	\$ 13,625,000	100.00%	\$ 13,625,000			
Revenue Bonds - Governmental Activities	137,750,067	100.00%	137,750,067			
Mortgage Bonds - Governmental Activities	3,450,000	100.00%	3,450,000			
Notes Payable - Governmental Activities	2,478,630	100.00%	2,478,630			
Finance Purchase Agreements - Governmental Activities	16,257,166	100.00%	<u>16,257,166</u>			
Total Direct Debt and Financed Purchase Agreement Debt			\$ 173,560,863	\$ 1,678	4.87%	3.93%
Overlapping Debt (2)						
Tax Supported Debt:						
St. Joseph County	\$ 140,176,041	29.25%	\$ 41,001,492			
South Bend Community School Corporation	82,551,022	53.09%	43,826,338			
Penn-Harris-Madison School Corporation	64,609,116	2.40%	1,550,619			
Mishawaka-Penn-Harris Public Library	3,560,000	1.98%	70,488			
St. Joseph County Public Library	14,640,000	49.59%	7,259,976			
St. Joseph County Airport Authority	11,085,000	29.25%	<u>3,242,363</u>			
Total Tax Supported Debt			<u>96,951,275</u>			
Total Overlapping Debt			\$ 96,951,275	\$ 937	2.72%	2.20%
Total Direct Debt and Financed Purchase Agreements and Overlapping and Underlying Direct Debt and Lease Obligations			\$ 270,512,138	\$ 2,615	7.59%	6.13%
Ratio Factors						
Net Assessed Valuation (2020 payable 2021)	\$ 3,562,131,680					
Population - 2020 Census (3)	103,453					
South Bend Median Household Income 2020 (4)	\$ 42,657					
Estimated South Bend Total Personal Income (3 x 4)	\$ 4,412,994,621					

Sources:

- (1) City of South Bend Comprehensive Annual Financial Report
- (2) Overlapping debt percentages are based on the net assessed value of South Bend properties in proportion to the total net assessed value. Provided by Baker Tilly Municipal Advisors - Annual Information for Continuing Disclosure Compliance
- (3) U.S. Census Bureau, 2020 Census information
- (4) U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates (<http://factfinder.census.gov/>)

Ratio of Annual Debt Service Expenditures for
General Obligation Bonded Debt
to Total Governmental Fund Expenditures

Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Total Debt Service	Total Governmental Fund Expenditures	Ratio of Debt Service To Governmental Fund Expenditures
2014	-	-	-	154,300,097	0.00%
2015	-	-	-	172,658,733	0.00%
2016	-	-	-	170,976,084	0.00%
2017	-	-	-	174,542,237	0.00%
2018	425,000	288,967	713,967	186,199,998	0.38%
2019	940,000	562,846	1,502,846	216,480,126	0.69%
2020	980,000	534,196	1,514,196	191,440,960	0.79%
2021	1,030,000	504,496	1,534,496	181,832,209	0.84%
2022	1,040,000	473,521	1,513,521	210,947,917	0.72%
2023	1,080,000	442,021	1,522,021	267,783,413	0.57%

Source: City of South Bend Comprehensive Annual Financial Reports

Ratio of Net General Obligation Bonded Debt to
Net Assessed Valuation and Net Bonded Debt Per Capita

Last Ten Fiscal Years

Tax Year/ Collection Year	Population (1)	Net Assessed Value	Gross General Obligation Bonded Debt	Debt Service Monies Available	Net General Obligation Bonded Debt	Percent of Net G.O. Bonded Debt To Net Assessed Value	Net G.O. Bonded Debt Per Capita
2013/2014	101,168	2,209,726,672	-	-	-	0.00%	-
2014/2015	101,168	2,260,269,318	-	-	-	0.00%	-
2015/2016	101,168	2,277,169,743	-	-	-	0.00%	-
2016/2017	101,168	2,327,500,241	14,081,478	-	14,081,478	0.61%	139
2017/2018	101,168	2,416,457,221	18,737,645	-	18,737,645	0.78%	185
2018/2019	101,168	2,770,936,681	18,010,537	-	18,010,537	0.65%	178
2019/2020	103,453	2,726,534,082	17,005,155	-	17,005,155	0.62%	164
2020/2021	103,453	3,562,131,680	15,950,563	-	15,950,563	0.45%	154
2021/2022	103,453	3,063,002,911	14,886,850	-	14,886,850	0.49%	144
2022/2023	103,453	3,562,131,680	13,625,000	-	13,625,000	0.38%	132

(1) U.S. Census Bureau, 2010 & 2020 Census information

Source: City of South Bend Comprehensive Annual Financial Reports

St. Joseph County Hotel/Motel Tax Board
Pledged Revenue Coverage

Last Ten Fiscal Years

Year	Unrestricted Hotel/Motel Tax Revenues	Annual Debt Service Payments (1)				Total Annual Debt Service	Excess Funds	Debt Coverage
		2013 Century Center Refunding Bonds	2015 Century Center Energy Conservation Bonds	2022 Morris Peforming Arts Center Revenue Bonds	2022 Potawatomi Zoo Economic Develop. Revenue Bonds			
2014	4,179,467	344,308	-			344,308	3,835,159	1213.87%
2015	4,749,836	392,688	-			392,688	4,357,149	1209.57%
2016	4,930,183	387,613	236,132			623,744	4,306,439	790.42%
2017	5,239,133	385,813	191,297			577,109	4,662,024	907.82%
2018	5,679,728	386,713	305,736			692,449	4,987,279	820.24%
2019	5,766,555	390,413	415,423			805,836	4,960,719	715.60%
2020	3,454,156	388,556	411,096			799,653	2,654,503	431.96%
2021	5,818,371	390,713	406,711			797,423	5,020,948	729.65%
2022	8,816,030	386,425	402,367	185,046	189,476	1,163,314	7,652,716	757.84%
2023	10,181,885	386,075	397,599	378,825	375,963	1,538,462	8,643,423	661.82%

(1) Debt service includes principal and interest payments

Sources:

St. Joseph County Hotel/Motel Tax Board financial reports
City of South Bend Accounting Records

Schedule of Revenue Bond Coverage
Water Utility Bonds

Last Ten Years

Year	Gross Operating Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Debt Coverage
				Principal (3)	Interest	Total	
2014	14,373,176	10,105,709	4,267,467	1,251,588	769,025	2,020,613	211.20%
2015	14,204,285	10,651,321	3,552,964	1,319,285	732,394	2,051,679	173.17%
2016	15,091,372	12,081,699	3,009,673	977,113	623,226	1,600,339	188.06%
2017	15,283,325	11,421,026	3,862,299	1,606,652	623,909	2,230,561	173.15%
2018	16,767,283	11,766,084	5,001,199	394,873	319,700	714,573	699.89%
2019	20,787,828	13,420,538	7,367,290	2,800,735	925,031	3,725,767	197.74%
2020	21,536,290	13,194,357	8,341,933	1,058,099	442,037	1,500,136	556.08%
2021	21,475,588	14,060,542	7,415,046	1,390,548	424,213	1,814,761	408.60%
2022	20,849,578	15,466,529	5,383,049	1,449,987	392,422	1,842,409	292.17%
2023	21,922,958	19,067,255	2,855,703	1,045,513	354,962	1,400,475	203.91%

(1) Operating revenues used to make debt service payments is obtained primarily through monthly user charges to water customers.

(2) Operating expenses exclude depreciation.

(3) Bonds were refunded in 2019. The principal repayment is not included in the principal total for 2019.

Sources:

City of South Bend Comprehensive Annual Financial Reports

City of South Bend Accounting Records

Schedule of Revenue Bond Coverage
Wastewater Utility Bonds

Last Ten Years

Year	Gross Operating Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Debt Coverage
				Principal (3)	Interest	Total	
2014	34,009,117	14,313,967	19,695,150	6,320,626	3,376,045	9,696,671	203.11%
2015	36,635,501	13,557,598	23,077,903	4,691,336	3,419,351	8,110,687	284.54%
2016	39,061,562	16,920,370	22,141,192	7,522,453	2,342,132	9,864,586	224.45%
2017	38,794,212	22,942,677	15,851,535	7,666,400	2,197,813	9,864,213	160.70%
2018	39,931,429	16,218,116	23,713,313	7,892,085	2,052,348	9,944,433	238.46%
2019	42,455,078	22,828,605	19,626,473	6,652,079	1,873,664	8,525,743	230.20%
2020	39,653,436	20,625,437	19,027,999	5,791,557	1,501,575	7,293,132	260.90%
2021	41,492,806	27,594,387	13,898,419	5,440,004	1,625,439	7,065,443	196.71%
2022	42,680,236	22,353,082	20,327,154	6,463,482	1,210,699	7,674,181	264.88%
2023	44,725,771	28,983,363	15,742,408	6,420,000	1,074,541	7,494,541	210.05%

(1) Operating revenues used to make debt service payments is obtained primarily through monthly user charges to sewer customers.

(2) Operating expenses exclude depreciation.

(3) Bonds were refunded in 2015 and 2021. The principal repayments are not included in the principal total for these years.

Sources:

City of South Bend Comprehensive Annual Financial Reports

City of South Bend Accounting Records

Municipal Sewage Works

Last Ten Years

Annual Wastewater Flow Data	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capacity (MGD) *	48	48	48	48	48	48	48	48	48	48
Average Daily Flow (MGD)	32.00	30.20	43.87	35.80	38.47	37.73	31.87	29.20	27.18	30.57
Peak Flow (MGD)	68.50	57.70	67.80	62.40	71.00	71.20	71.70	55.70	55.00	60.90
Annual Flow (MG)	11,677	11,023	16,014	13,067	14,042	13,077	11,630	10,657	10,491	10,904

Number of Customers - South Bend Municipal Sewage Works

Year	Total Number of Customers
2014	39,461
2015	39,763
2016	40,073
2017	40,543
2018	40,679
2019	40,547
2020	41,154
2021	41,645
2022	42,328
2023	42,264

Source: City of South Bend Utilities

* Short-term peak design capacity is 77 millions of gallons per day (MGD), actual long-term sustainable capacity is 48 MGD.

Statement of City-Owned Utility Debt

For fiscal year ended December 31, 2023

South Bend Municipal Water Utility

Water Works State Revolving Fund (SRF) Loan of 2009	\$	170,517
Water Works Revenue Bonds of 2012		4,280,000
Water Works Refunding Revenue Bonds of 2016		930,000
Amended Water Works Revenue Bonds of 2009, Series B		<u>2,365,000</u>
Total Water Utility Debt	\$	<u><u>7,745,517</u></u>

South Bend Municipal Wastewater Utility

Sewage Works Revenue Bonds of 2012	\$	12,985,000
Sewage Works Refunding Revenue Bonds of 2013A		715,000
Sewage Works Refunding Revenue Bonds of 2015		5,990,000
Sewage Works Refunding Revenue Bonds of 2020		3,465,000
Sewage Works Refunding Revenue Bonds of 2021		9,995,000
Sewage Work State Revolving Fund Loan of 2023		<u>151,606</u>
Total Sewage Utility Debt		<u>33,301,606</u>

Total Utility Debt	\$	<u><u>41,047,123</u></u>
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Source: City of South Bend Accounting Records

Estimated Debt Service Coverage Calculation
Water Utility

For fiscal year ended December 31, 2023

Operating Revenues	\$	21,922,958
Less: Operation and Maintenance Expenses (Net of Depreciation)		<u>(19,067,255)</u>
Net Revenues Available for Debt Service		2,855,703
Estimated Combined Maximum Annual Debt Service		<u>1,400,475</u>
Coverage - \$	\$	<u><u>1,455,228</u></u>
Coverage - %		203.91%

Estimated Debt Service Coverage Calculation
Wastewater Utility

For fiscal year ended December 31, 2023

Operating Revenues	\$	44,725,771
Less: Operation and Maintenance Expenses (Net of Depreciation)		<u>(28,983,363)</u>
Net Revenues Available for Debt Service		15,742,408
Estimated Combined Annual Debt Service		<u>7,494,541</u>
Coverage - \$	\$	<u>8,247,867</u>
Coverage - %		210.05%

Projected Local Income Tax Revenues
 Certified Shares Component

**0.6% Certified Shares Tax Rate
 Levy is used to Distribute**

Year of Collection	St. Joseph County Projected Distribution	City of South Bend's Estimated Portion of Projected Distribution	Projected Amount Available For Debt Service
2024	\$ 36,501,371	34.39%	\$ 12,554,287
2025	37,231,398	34.16%	12,718,246
2026	37,976,026	34.16%	12,972,611
2027	38,735,547	34.16%	13,232,063
2028	39,510,258	34.16%	13,496,704
2029	40,300,463	34.16%	13,766,638
2030	41,106,472	34.16%	14,041,971
2031	41,928,602	34.16%	14,322,810
2032	42,767,174	34.16%	14,609,267
2033	43,622,517	34.16%	14,901,452
		Total	\$ 136,616,048

Estimated 2% increase to distributions due to improving economic conditions.

Source: Department of Local Government Finance (DLGF)

Projected Local Income Tax Revenues Economic Development Component

**0.4% Economic Development Tax Rate
Levy is used to Distribute**

Year of Collection	St. Joseph County Projected Distribution	City of South Bend's Estimated Portion of Projected Distribution	Projected Amount Available For Debt Service
2024	\$ 40,602,192	41.61%	\$ 16,896,469
2025	41,414,236	41.47%	17,174,484
2026	42,242,521	41.47%	17,517,973
2027	43,087,371	41.47%	17,868,333
2028	43,949,118	41.47%	18,225,699
2029	44,828,101	41.47%	18,590,213
2030	45,724,663	41.47%	18,962,018
2031	46,639,156	41.47%	19,341,258
2032	47,571,939	41.47%	19,728,083
2033	48,523,378	41.47%	20,122,645
		Total	\$ 184,427,175

Estimated 2% increase to distributions due to improving economic conditions.

Source: Department of Local Government Finance (DLGF)

Projected Local Income Tax Revenues
Public Safety Component

0.25% Public Safety Tax Rate

Year of Collection	St. Joseph County Projected Distribution	City of South Bend's Estimated Portion of Projected Distribution	Projected Amount Available For Debt Service
2024	\$ 25,376,370	47.24%	\$ 11,988,584
2025	25,883,897	47.88%	11,988,584
2026	26,401,575	47.88%	12,641,074
2027	26,929,607	47.88%	12,893,896
2028	27,468,199	47.88%	13,151,774
2029	28,017,563	47.88%	13,414,809
2030	28,577,914	47.88%	13,683,105
2031	29,149,473	47.88%	13,956,767
2032	29,732,462	47.88%	14,235,903
2033	30,327,111	47.88%	14,520,621
		Total	\$ 132,475,117

Estimated 2% increase to distributions due to improving economic conditions.

Source: Department of Local Government Finance (DLGF)

Statement of Estimated Cash Flow and Debt Service Coverage
Local Income Tax - Certified Shares Component

Year	City of South Bend Projected Certified Shares Local Income Tax Revenues	Total Debt Payments	Estimated Excess Funds	Estimated Coverage
2024	\$ 12,554,287	\$ -	\$ 12,554,287	n/a
2025	12,805,373	-	12,805,373	n/a
2026	13,061,480	-	13,061,480	n/a
2027	13,322,710	-	13,322,710	n/a
2028	13,589,164	-	13,589,164	n/a
2029	13,860,947	-	13,860,947	n/a
2030	14,138,166	-	14,138,166	n/a
2031	14,420,930	-	14,420,930	n/a
2032	14,709,348	-	14,709,348	n/a
2033	15,003,535	-	15,003,535	n/a
2034	15,303,606	-	15,303,606	n/a
2035	15,609,678	-	15,609,678	n/a
2036	15,921,871	-	15,921,871	n/a
2037	16,240,309	-	16,240,309	n/a
2038	16,565,115	-	16,565,115	n/a
2039	16,896,417	-	16,896,417	n/a
2040	17,234,346	-	17,234,346	n/a
Total	\$ 251,237,282	\$ -	\$ 251,237,282	

Source: City of South Bend Accounting Records

Statement of Estimated Cash Flow and Debt Service Coverage
Local Income Tax - Economic Development Component

Year	City of South Bend Projected Economic Develop. Local Income Tax Revenues	2015 EDIT Revenue Bonds (Park Projects)	2018 EDIT Revenue Bonds (Potawatomi Zoo Project)	South Bend Building Corporation 2021 Lease Rental Revenue Bonds (Infrastructure Projects)	Total Debt Payments (1)	Estimated Excess Funds	Estimated Coverage
2024	16,896,469	368,381	326,500	640,300	1,335,181	15,561,288	1265.48%
2025	17,174,484	381,031	318,000	643,900	1,342,931	15,831,552	1278.88%
2026	17,517,973	373,231	327,750	646,700	1,347,681	16,170,292	1299.86%
2027	17,868,333	375,356	321,750	643,700	1,340,806	16,527,526	1332.66%
2028	18,225,699	377,181	325,375	640,200	1,342,756	16,882,943	1357.33%
2029	18,590,213	383,616	318,250	641,000	1,342,866	17,247,348	1384.37%
2030	18,962,018	384,038	320,750	641,000	1,345,788	17,616,230	1408.99%
2031	19,341,258	388,463	322,625	640,200	1,351,288	17,989,971	1431.32%
2032	19,728,083	387,175	318,750	639,975	1,345,900	18,382,183	1465.79%
2033	20,122,645	389,813	324,250	643,175	1,357,238	18,765,407	1482.62%
2034	20,525,098	391,781	158,875	645,775	1,196,431	19,328,666	1715.53%
2035	20,935,600	593,094	-	647,775	1,240,869	19,694,731	1687.17%
2036	21,354,312	-	-	644,175	644,175	20,710,137	3314.99%
2037	21,781,398	-	-	-	-	21,781,398	n/a
2038	22,217,026	-	-	-	-	22,217,026	n/a
2039	22,661,366	-	-	-	-	22,661,366	n/a
2040	23,114,594	-	-	-	-	23,114,594	n/a
Total	\$ 337,016,568	\$ 4,793,159	\$ 3,382,875	\$ 8,357,875	\$ 16,533,909	\$ 320,482,659	

(1) Debt payments include principal and interest.

Source: City of South Bend Accounting Records

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Year	City of South Bend Population (1)	Percent Increase/ (Decrease)	South Bend Metropolitan Area Median Family Income (2)	Percent Increase/ (Decrease)	South Bend Metro Area Total Personal Income (3) (Millions)	Percent Increase/ (Decrease)	South Bend Metro Area Per Capita Income (3)	Percent Increase/ (Decrease)	City of South Bend Median Age (4)	City of South Bend Public School Enrollment (5)	Percent Increase/ (Decrease)
2014	101,168		34,656		12,887		40,342		33.9	19,308	
2015	101,168	0.00%	34,656	0.00%	13,560	5.22%	42,362	5.01%	34.0	18,680	-3.25%
2016	101,168	0.00%	34,523	-0.38%	14,074	3.79%	43,880	3.58%	34.9	18,110	-3.05%
2017	101,168	0.00%	35,758	3.58%	14,074	0.00%	43,880	0.00%	34.9	17,697	-2.28%
2018	101,168	0.00%	35,758	0.00%	14,700	4.45%	45,681	4.10%	33.4	17,225	-2.67%
2019	101,168	0.00%	32,511	-9.08%	15,232	3.62%	47,244	3.42%	32.8	16,725	-2.90%
2020	103,453	2.26%	41,599	27.95%	23,392	53.57%	41,599	-11.95%	34.7	15,906	-4.90%
2021	103,453	0.00%	42,657	2.54%	24,969	6.74%	42,657	2.54%	33.7	16,297	2.46%
2022	104,523	1.03%	46,002	7.84%	28,408	13.77%	50,248	17.80%	36.7	16,297	0.00%
2023	105,984	1.40%	60,772	32.11%	N/A	-	33,632	-33.07%	33.9	15,964	-2.04%

Sources:

- (1) U.S. Census Bureau, 2010 & 2020 Census information (<http://factfinder.census.gov/>)
- (2) U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates (<http://factfinder.census.gov/>)
- (3) Bureau of Local Economic Analysis, South Bend-Mishawaka, IN_MI Metropolitan Area Profile (<https://www.bea.gov/>).

Personal income includes net earnings by place of residence; dividends, interest, and rent; and personal current transfer receipts received by the residents of South Bend-Mishawaka.

- (4) U.S. Census Bureau, Profile of General Demographic Characteristics (<http://factfinder.census.gov/>)
- (5) Indiana Department of Education, South Bend School Corporation Total Enrollment (<http://compass.doe.in.gov/>)
- (6) Website Updated - now.data.census.gov/

Metropolitan statistical area (MSA)- An area consisting of a core county or counties in which lies an urban area having a population of at least 50,000, plus adjacent counties having a high degree of social and economic integration with the core counties as measured through commuting ties.

Demographic Statistics (Continued)

Last Ten Years

Year	South Bend Metropolitan Area Labor Force (1)	Percent Increase/ (Decrease)	South Bend Metropolitan Area Unemployment (1)	Percent Increase/ (Decrease)	South Bend Metropolitan Unemployment Rate (1)
2014	153,112		9,044		5.91%
2015	156,971	2.52%	7,291	-19.38%	4.64%
2016	159,085	1.35%	6,694	-8.19%	4.21%
2017	159,240	0.10%	5,689	-15.01%	3.57%
2018	161,816	1.62%	5,937	4.36%	3.67%
2019	162,013	0.12%	5,609	-5.52%	3.46%
2020	158,137	-2.39%	8,829	57.41%	5.58%
2021	157,854	-0.18%	5,110	-42.12%	3.24%
2022	155,679	-1.38%	5,555	8.71%	3.57%
2023	156,574	0.57%	6,181	11.27%	3.95%

Source:

(1) Bureau of Labor Statistics, Local Area Unemployment Statistics: South Bend-Mishawaka IN-MI Metropolitan Statistical Area (<https://www.bls.gov/lau/metrossa.htm>) - December of each year

Metropolitan statistical area (MSA)- An area consisting of a core county or counties in which lies an urban area having a population of at least 50,000, plus adjacent counties having a high degree of social and economic integration with the core counties as measured through commuting ties.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Operating Indicators by Function/Program

Last Ten Fiscal Years

Function/ Program	As of December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police:										
Physical arrests	2,608	2,483	2,342	2,229	2,664	2,028	1,785	1,875	1,792	2,563
Parking violations	299	691	480	919	548	293	662	649	410	154
Traffic violations	1,487	4,327	6,437	4,701	2,580	2,038	1,802	923	1,044	2,146
Fire:										
Emergency responses	15,902	15,340	15,886	16,829	22,659	22,166	21,958	18,003	24,096	23,914
Fires extinguished	227	213	236	339	278	393	360	290	380	382
Inspections	3,133	3,778	2,148	2,522	3,525	24	634	1,450	1,726	2,126
Refuse collection:										
Refuse collected (tons per day) (1)	128	149	139	142	142	148	170	162	147	152
Other public works:										
Street resurfacing (miles)	22	17	20	19	21	21	21	19	19	19
Potholes repaired (tonnage)	826	526	462	363	476	878	365	317	440	450
Parks and recreation:										
Athletic field permits issued	120	113	427	142	103	428	428	347	502	616
Fitness Center Admissions	67,428	64,547	67,294	73,405	68,306	71,262	65,432	84,748	98,315	104,002
Water:										
New billable housing starts	141	108	189	214	119	149	107	159	129	167
Water mains breaks	134	99	53	45	67	86	48	89	85	44
Average daily consumption (thousands of gallons)	11,000	14,500	14,640	14,358	14,640	14,400	14,866	11,294	10,868	11,193
Wastewater:										
Average daily sewage treatment (thousands of gallons)	31,991	30,200	43,874	35,800	37,110	37,730	31,870	34,559	34,869	30,570

Source: City of South Bend Departments

Capital Asset and Infrastructure Statistics by Function/Program

Last Ten Fiscal Years

Function/program	As of December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	19	19	19	19	19	19	19	19	19	19
Fire										
Stations	11	11	11	11	11	11	11	11	11	11
Training Center	-	1	1	1	1	1	1	1	1	1
Rescue units	33	33	33	33	33	33	33	33	33	33
Refuse collection										
Collection trucks	19	19	19	19	19	19	19	18	19	21
Other public works										
Streets (miles)	525	525	525	525	525	525	525	525	525	525
Streetlights	2,700	3,000	3,015	3,015	3,015	3,015	3,056	3,056	3,713	3,713
Traffic signals	167	162	158	164	163	163	160	160	160	160
Parks and recreation										
Acreage	1,292	1,292	1,292	1,292	1,300	1,300	1,300	1,300	1,300	1,300
Playgrounds	23	23	23	23	23	23	37	37	37	37
Baseball/softball diamonds	27	27	27	27	27	27	23	23	23	23
Soccer/football fields	19	19	19	19	19	19	19	19	19	19
Swimming pools	2	2	2	2	2	2	2	2	2	2
Splash Pads	6	6	6	7	8	8	9	9	9	9
Community center	5	3	3	3	4	4	6	6	6	6
Water										
Water mains (miles)	584	583	583	583	586	587	587	587	587	623
Fire hydrants	5,436	5,448	5,439	5,459	5,539	5,550	5,647	5,647	4,606	4,673
Storage capacity (thousands of gallons)	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300	17,300
Wastewater										
Sanitary sewers (miles)	526	527	527	527	535	537	251	246	246	541
Storm sewers (miles)	133	133	133	155	155	155	156	193	193	204
Treatment capacity (thousands of gallons)	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000	48,000

Source: City of South Bend Departments

New Construction - Number of Permits and Property Values

Last Ten Fiscal Years
(Dollar Amounts in 000's)

Year	Residential		Commercial		Manufacturing		Total Value (\$ in 000's)	Percent Change
	Number of Permits	Value (\$ in 000's)	Number of Permits	Value (\$ in 000's)	Number of Permits	Value (\$ in 000's)		
2014	51	13,101	12	10,392	-	-	23,493	#VALUE!
2015 (1)	77	18,615	70	415,219	6	28,460	462,294	1867.79%
2016	61	15,215	22	53,622	-	-	68,837	-85.11%
2017	88	23,195	13	17,843	-	466	41,504	-39.71%
2018	92	26,069	19	41,335	-	-	67,404	62.40%
2019	85	23,322	17	72,746	1	60,000	156,068	131.54%
2020	45	13,846	16	19,037	-	21,000	53,883	-65.47%
2021	89	30,996	13	28,022	1	6,705	65,723	21.97%
2022	93	33,457	33	138,526	-	-	171,983	161.68%
2023	259	132,512	49	298,141	5	2,930	433,583	152.11%

(1) Increase in commercial construction due to major construction taking place at the University of Notre Dame.

Source: Consolidated City/County Building Department

Full-Time City Government Employees by Department

Last Ten Fiscal Years

Activity	As of December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	
General Government:										
Mayor's Office	7	7	6	7	7	7	9	12	9	
Community Police Review Board										
City Clerk's Office	5	5	5	5	5	4	5	4	5	
Common Council (elected officials, part-time)	9	9	9	9	9	9	9	9	9	
Administration and Finance (1), (2)	21	22	22	21	23	23	20	17	18	
Human Resources (1)	-	-	-	-	-	-	6	5	6	
Diversity & Inclusion (1)	-	-	-	-	-	-	3	3	2	
Human Rights	6	5	5	5	4	5	5	6	2	
Legal Department	10	11	10	10	11	10	12	10	12	
Engineering	14	16	18	18	23	21	24	23	25	
Office of Sustainability	-	-	-	-	1	2	2	1	1	
Safety and Risk	3	1	2	2	2	2	1	-	-	
311 Call Center	7	7	-	-	-	-	-	-	-	
Public Safety:										
Police Department	295	300	287	285	283	270	271	267	294	
Communication Center	34	-	-	-	-	-	-	-	-	
Fire Department	257	259	268	272	262	265	257	256	254	
Culture and Recreation:										
Parks and Recreation (3)	87	88	89	94	90	94	91	86	83	
Convention and Events Management	14	14	12	9	10	11	9	9	9	
Economic Development:										
Department of Community Investment	25	25	23	22	24	28	29	27	33	
Neighborhood Services (4)	-	-	4	4	4	4	34	32	27	
Highways and Streets:										
Streets Division / Traffic & Lighting	59	50	46	53	54	56	58	57	51	
Enterprise Funds:										
Water Works	68	67	66	66	63	63	63	62	65	
Wastewater	42	43	44	44	42	43	42	40	42	
Organic Resources	6	6	6	6	6	6	6	6	6	
Sewer	33	36	37	41	39	41	41	40	35	
Solid Waste	22	25	29	23	22	23	22	22	24	
Building Department	13	13	14	14	15	13	15	16	14	
Code Enforcement/Animal Resource Center (4)	23	23	18	25	26	27	-	-	-	
Century Center	-	-	-	-	8	6	5	5	5	
Internal Service Fund:										
311 Call Center	-	-	6	6	7	7	7	7	8	
Innovation & Technology (2)	-	-	-	17	20	21	22	22	21	
Central Services Fund	38	38	40	41	39	37	35	31	31	
Total Positions	1,098	1,070	1,066	1,099	1,099	1,098	1,103	1,075	1,091	

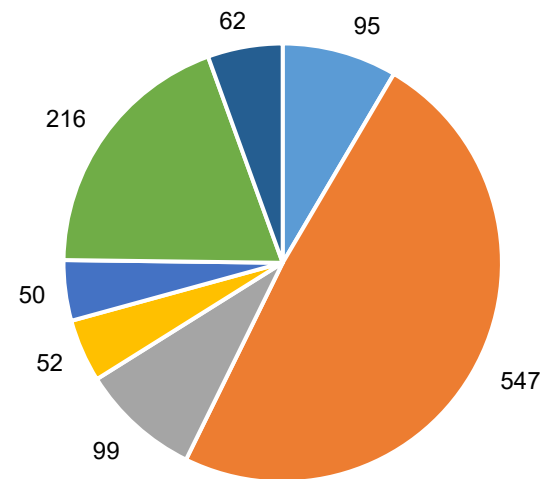
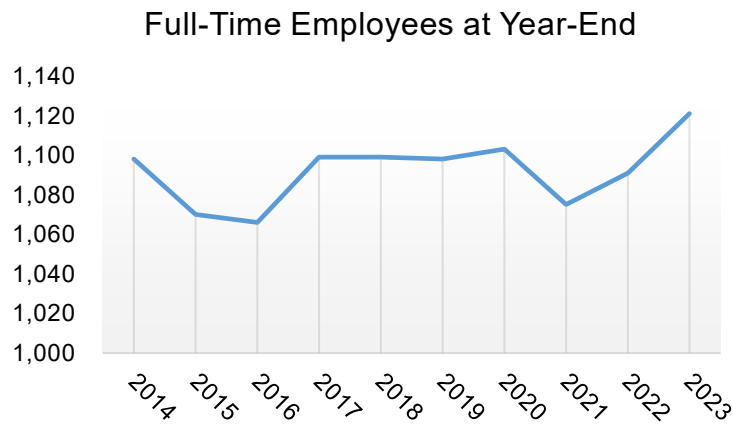
Source: City of South Bend Personnel Records

- (1) Human Resources and Diversity & Inclusion were formerly part of the Department of Administration & Finance
- (2) Innovation & Technology was formerly part of the Department of Administration & Finance
- (3) Potawatomi Zoo employees (33) became employees of the Potawatomi Zoological Society through a public-private partnership as of January 1,
- (4) Code Enforcement and Animal Resource Center moved from an Enterprise to a Governmental fund in 2020

Full-Time City Government Employees by Department (Con)
Last Ten Fiscal Years

Activity	As of December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	82	83	77	77	85	83	96	90	89	95
Public Safety	586	559	555	557	545	535	528	523	548	547
Culture and Recreation	101	102	101	103	100	105	100	95	92	99
Economic Development	25	25	27	26	28	32	63	59	60	52
Highways and Streets	59	50	46	53	54	56	58	57	51	50
Enterprise Funds	207	213	214	219	221	222	194	191	191	216
Internal Service Funds	38	38	46	64	66	65	64	60	60	62
Total Positions	1,098	1,070	1,066	1,099	1,099	1,098	1,103	1,075	1,091	1,121

Full-Time Employees as of December 31, 2023



Source: City of South Bend Personnel Records
- Excludes seasonal, part-time, and temporary positions

Salary Rate Comparison

1993 through 2023

Year	---1st Class Patrol Officer---		---1st Class Fire Fighter---		Non-bargaining	Teamsters
	Percent	Base Salary	Percent	Base Salary		
1993	0.44%	21,300	5.00%	21,912	4.24%	0.00%
1994	2.35%	21,800	0.00%	21,912	1.5% + \$300 bonus	.15¢ per hour
1995	4.82%	22,850	3.00%	22,569	1.5% + \$300 bonus	.30¢ per hour
1996	4.38%	23,850	5.00%	23,697	3.00%	.27¢ per hour
1997	4.19%	24,850	4.87%	24,850	3.00%	.33¢ per hour
1998	4.63%	26,000	0.60%	25,000	3.00%	.37¢ per hour
1999	3.85%	27,000	2.60%	25,650	3.25%	3.50%
2000	5.56%	28,500	9.34%	28,045	3.50%	3.50%
2001	9.74%	31,275	11.52%	31,275	3.50%	4.00%
2002	4.50%	32,682	4.03%	32,534	4.00%	4.00%
2003	5.57%	34,504	4.04%	33,850	4.00%	4.00%
2004	6.01%	36,578	5.17%	35,600	4.00%	4.00%
2005	9.36%	40,000	12.36%	40,000	4.00%	4.00%
2006	2.50%	41,000	2.00%	40,800	2.00%	4.25%
2007	2.50%	42,025	2.50%	41,820	\$750/0%	.38¢ per hour
2008	3.50%	43,496	3.50%	43,285	3.00%	3.00%
2009	2.20%	44,453	2.00%	44,150	2.00%	2.00%
2010	0.00%	44,453	6.80%	47,150	2.00%	2.00%
2011	11.50%	49,563	4.06%	49,066	2.00%	0.00%
2012	2.00%	50,554	2.00%	50,047	2.00%	2.00%
2013	2.50%	51,818	3.00%	51,550	2.00%	2.00%
2014	2.50%	53,113	3.00%	53,100	2.00%	2.00%
2015	2.20%	54,281	2.20%	54,268	2.00%	2.00%
2016	2.20%	55,475	2.20%	55,462	2.00%	2.00%
2017	2.50%	56,861	2.20%	56,682	2.00%	1% and 1.5% INPRS Contribution
2018	2.00%	57,998	2.00%	57,957	2.00%	0.75% and 1.5% INPRS Contribution
2019	2.00%	59,158	2.00%	59,116	2.00%	0.75% and 1.5% INPRS Contribution
2020	2.00%	60,341	2.00%	60,298	2.00%	0.75% and 1.5% INPRS Contribution
2021	5.00%	63,358	2.00%	61,505	0.30%	1% and 1.5% INPRS Contribution
2022	3.50%	65,579	3.50%	63,658	2.50%	2.5% and 1.5% INPRS Contribution

Type of Coverage		Limits of Liability	Estimated Annual Premium
Liability			
Comprehensive General Liability		Statutory	Self-Insured
Police Professional Liability		Statutory	Self-Insured
Ambulance Malpractice Liability		Statutory	Self-Insured
Premises Liability (Clay Utilities, Century Center, Parking Garages)		Statutory	Self-Insured
CGL - Stadium		Statutory	Self-Insured
Liquor Liability	1/1/23-1/1/24	\$ 1,000,000	\$ 5,345 Premium
Crime			
Public Employee Dishonesty	12/31/22-12/31/23	\$ 2,000,000	\$ 13,591 Premium
Property			
	7/1/23-7/1/24		
All risk blanket building & contents		\$ 1,000,000	\$ 776,500 Premium
Business Income		Included in above	Included in above
Machinery Breakdown		Included in above	Included in above
Fine Arts		Included in above	Included in above
Valuable Papers & Records		Included in above	Included in above
Contractors Equipment		Included in above	Included in above
Flood Insurance - Pump station & contents	1/15/23-1/15/24	\$ 870,000	\$ 7,704 Premium
Eddy Street Commons Parking Garage	1/1/23-1/1/24		
Building & Infrastructure		\$ 36,000,000	\$ 29,868 Premium
Business Income & Rental Value		\$ 15,000,000	Included in above
Flood		\$ 25,000,000	Included in above
Other			
	1/1/23-1/1/24		
Workers Compensation		Statutory	Self-Insured
Third Party Fee		Statutory	\$ 58,000 Fee
Excess Over Self-insured		Statutory	\$ 154,876 Premium/Fee
\$500,000/\$700,000 Retention Each Accident			

Sources:

City of South Bend Administration & Finance Department

Gibson Insurance Company

Police Department				
	2020	2021	2022	2023
Authorized Officers	237	232	242	250
Vehicles	343	333	333	333
Special Officer Groups:				
K-9 Patrols	7	7	7	7
SWAT Team	18	18	18	18
Stategic Focus Unit	12	12	12	12
Motorcycle Patrol Officers	8	8	8	7
Bomb Squad	3	3	6	6
Community Resource Offices	5	1	2	3
Crime Data:				
Murders	28	19	25	23
Rapes	87	70	64	63
Robbery	340	355	318	253
Aggravated Assault	1,426	1,997	1,360	1,221
Residential Burglary	461	475	466	489
Non-residential Burglary	258	190	328	256
Larceny	2,783	2,587	2,415	2,255
Auto Theft	538	631	547	470
Arson	48	34	41	31
Calls for Service/Dispatches	96,237	92,818	92,136	101,582
Miles Driven	1,978,102	1,885,132	2,107,534	2,377,899
Arrests	1,785	1,875	1,792	2,563

Fire Department				
	2020	2021	2022	2023
Sworn Firefighters				
(46 of which are Paramedics)	256	256	256	256
Fire Apparatus	20	20	20	20
Hazardous Materials Truck	1	1	1	1
Reserve Pumper Trucks	3	3	3	3
Reserve Ladder Trucks	3	3	3	3
River Rescue Boats	3	3	3	3
Ambulances	4	4	4	4
Neonatal (Newborn) Units	3	-	-	
Fire Runs	5,826	4,765	6,566	6,093
Ambulance Runs	16,132	13,238	17,513	17,821

Department of Public Works				
	2020	2021	2022	2023
Traffic Signals	160	160	160	160
Street Lights (City maintained)	3,056	3,056	3,056	3,713
Miles of Streets	525	525	525	525
Miles of Sidewalks	707	707	707	707
Miles of Alleys	398	398	398	398
Miles of Sanitary Sewers and Storm Drains	692	632	632	745
City Owned Vehicles & Related Units	1,133	1,132	1,133	
Sign Shop				
	2020	2021	2022	2023
Work orders for sign maintenance, installation or removal	1,550	2,020	1,840	1,650
Miles of yellow and white paint	203	-	n/a	n/a
Pre-formed plastic arrows used for street markings	160	-	30	50
Crosswalk painting at intersections	185	30	20	300
Temporary No Parking postings	n/a	-	n/a	n/a
Railroad Crossings	n/a	6	2	15
Special Signs Built	225	200	500	290
Barricades set up for events (# of events):	n/a	30	n/a	n/a
Block Parties	n/a	10	18	10

Sewer Utility				
	2020	2021	2022	2023
Customers	41,154	40,794	40,832	42,264
Dry Tons of Sludge produced per year	2,616	2,581	2,587	2,664
Miles of Sanitary Sewer Lines	251	246	246	541
Miles of Storm Sewer Lines	156	193	193	204
Miles of Combined Lines (not separated)	305	293	293	293

Water Utility				
	2020	2021	2022	2023
Customers/Meters	41,132	42,333	42,968	42,968
Irrigation Customers	2,857	2,805	2,967	2,967
Wells/Pumps in service	29	30	29	29
Pumping Capacity	53.7 m.g.d.	47.2 m.g.d.	53.7 m.g.d.	53.7 m.g.d.
Daily Consumption	14.8 m.g.d.	14.6 m.g.d.	14.7 m.g.d.	14.7 m.g.d.
Peak Demand	26.28 m.g.d.	24.96 m.g.d.	27.05m.g.d.	27.05m.g.d.
Miles of Distribution Systems	587	587	535	535
Fire Hydrants	5,647	5,647	4,606	4,606

Source: City of South Bend Departments

South Bend International Airport

Passenger Volume:			
Year	Airline Enplanements	South Shore Train	Bus to O'Hare/Midway
2017	305,491	260,794	33,696
2018	368,877	246,641	27,044
2019	417,929	236,274	25,803
2020 *	211,744	82,600	-
2021	341,645	141,895	-
2022	364,772	166,935	-
2023	411,562	145,202	-

On average, more than 2,000 airline passengers travel through South Bend International every day.

* COVID 2020 - stay at home order 3/24/20 - 5/3/20 - Airlines Suspension in flights - through 2020

Commercial airlines with operations at South Bend

International Airport (market share):	2021	2022	2023
Allegiant Air	27%	30%	28%
Delta Connection	28%	24%	22%
United Express	19%	19%	19%
American	24%	25%	29%
Charters/Nonscheduled	2%	2%	2%
Total	100%	100%	100%

South Bend Public Transportation Corporation

Transpo:	2021	2022	2023
Motor Bus (Fixed Route)			
Route Miles	290	290	290
Ridership	937,678	1,096,886	1,191,741
Miles of Service	1,395,160	1,348,238	1,385,969
Revenue Miles	1,351,436	1,278,850	1,303,204
Demand Response (ACCESS)			
Ridership	51,383	60,520	61,079
Total Miles	331,911	338,949	325,965
Revenue Miles	284,641	289,448	28,891

Other Transportation

- 43 Trucking Lines, 33 Terminals
- 4 Interstate Bus Lines
- 4 Major Rail Systems (freight and passenger)

Universities and Colleges	Enrollment		
	2020-2021	2021-2022	2022-2023
University of Notre Dame	12,809	13,139	13,105
Indiana University at South Bend	4,942	4,449	4,326
Bethel University	1,362	1,339	1,292
Saint Mary's College	1,581	1,527	1,519
Holy Cross College	455	468	434

Convention Facilities

Century Center	100,000 square feet of event space 2,270 max available seating 694 seat theater
Morris Performing Arts Center	2,041 available seating
Hotels/Motels	25 Hotels/Motels 3 Bed & Breakfasts
Major hotels and meeting rooms:	
DoubleTree by Hilton	facilities to seat 600
Waterford Estates Lodge	facilities to seat 500
The Morris Inn	facilities to seat 400
Aloft	facilities to seat 150

Health Care

The City of South Bend has excellent health care access at costs below the national average and the lowest in the Midwest region. The City has one major hospital:
Beacon Health Systems (Memorial Hospital) 526 beds

Communications

- Access to:
- 3 Major Television Networks: NBC (WNDU), ABC (WBND), and CBS/FOX (WSBT)
 - 1 Public Broadcasting Television Station (WNIT)
 - 2 Local Television Stations (WHME, WJSV)
 - 1 Major Newspaper (The South Bend Tribune)
 - 25 Radio Stations

Famous Residents

- South Bend has been the home to the many distinguished individuals including the following persons:
- Schuyler Colfax, 17th U.S. Vice President
 - John Fogerty, singer
 - Michael Warren, actor
 - Chad Everett, actor
 - Sidney Pollack, actor/director
 - Knute Rockne, football coach
 - John Wooden, basketball coach
 - Joe Kernan, former South Bend Mayor and Indiana Governor
 - Ryan Newman, racecar driver
 - Skylar Diggins, WNBA player
 - Jaden Ivey, NBA player
 - Blake Wesley, NBA player

Other

- Incorporated in 1865
- County Seat of St. Joseph County
- South Bend officially began under the name South Hold, but the name was changed by the Post Office in 1830 to avoid confusion with other communities that used that name. The name South Bend was used because the City is located at the southernmost point of the St. Joseph River.
- Average High Temperature:
 - January 39 degrees Fahrenheit
 - July 81 degrees Fahrenheit



City of South Bend, Indiana

Single Audit Report

For the Year Ended December 31, 2023



City of South Bend, Indiana
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December 31, 2023

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**City of South Bend, Indiana
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023**

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifying Number	Amount Passed-Through to Subrecipients	Direct Federal Expenditures	Total Federal Expenditures
U.S. Department of Commerce					
Economic Adjustment Assistance - Economic Development Cluster	11.307	N/A	\$ -	\$ 7,518,706	\$ 7,518,706
Total Economic Development Cluster			<u>-</u>	<u>7,518,706</u>	<u>7,518,706</u>
Total U.S. Department of Commerce			<u>-</u>	<u>7,518,706</u>	<u>7,518,706</u>
U.S. Department of Housing and Urban Development					
Community Development Block Grant - Entitlement Grants Cluster					
Community Development Block Grants/Entitlement Grants	14.218	N/A	3,069,418	608,250	3,677,668
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	N/A	378,097	-	378,097
Total Community Development Block Grant - Entitlement Grants Cluster			<u>3,447,515</u>	<u>608,250</u>	<u>4,055,765</u>
Emergency Solutions Grant Program	14.231	N/A	246,561	16,213	262,774
COVID-19 Emergency Solutions Grant Program	14.231	N/A	482	-	482
Total Emergency Solutions Grant			<u>247,043</u>	<u>16,213</u>	<u>263,256</u>
Lead Hazard Reduction Demonstration Grant Program	14.905	N/A	376,600	-	376,600
Total U.S. Department of Housing and Urban Development			<u>4,071,158</u>	<u>624,463</u>	<u>4,695,621</u>
U.S. Department of Justice					
Indiana Criminal Justice Institution					
Project Safe Neighborhoods	16.609	PSN-N-2022-00001	-	62,307	62,307
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	3,624	372,335	375,959
Equitable Sharing Program	16.922	N/A	-	75,609	75,609
Total U.S. Department of Justice			<u>3,624</u>	<u>510,251</u>	<u>513,875</u>
U.S. Department of Transportation					
Indiana Department of Transportation					
Highway Planning and Construction					
Highway Planning and Construction	20.205	A249-16-L160016	-	85,566	85,566
Highway Planning and Construction	20.205	A249-16-L160015	-	55,744	55,744
Highway Planning and Construction	20.205	A249-19-L180186	-	1,109	1,109
Highway Planning and Construction	20.205	A249-21-L200113	-	178,789	178,789
Highway Planning and Construction	20.205	A249-22-L220037	-	80,999	80,999
Highway Planning and Construction	20.205	A249-22-L220038	-	77,852	77,852
Highway Planning and Construction	20.205	A249-22-L220050	-	307,176	307,176
Highway Planning and Construction	20.205	A249-22-L220103	-	186,206	186,206
Highway Planning and Construction	20.205	A249-23-LG23021	-	1,000,000	1,000,000
Total Highway Planning and Construction			<u>-</u>	<u>1,973,441</u>	<u>1,973,441</u>
Total U.S. Department of Transportation			<u>-</u>	<u>1,973,441</u>	<u>1,973,441</u>
U.S. Department of Treasury					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	2,158,632	2,158,632
Total U.S. Department of Treasury			<u>-</u>	<u>2,158,632</u>	<u>2,158,632</u>
Total Federal Expenditures			<u>\$ 4,074,782</u>	<u>\$ 12,785,493</u>	<u>\$ 16,860,275</u>

City of South Bend, Indiana
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City of South Bend, Indiana (City) under programs of the federal government for the year ended December 31, 2023. The accompanying notes are an integral part of this Schedule. 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 financial position, changes in net position or cash flows of the City.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

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

Note 4. Federal Loan Programs

The Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) requires that the Economic Adjustment Assistance program, Federal Assistance Listing Number 11.307, federal awards expended be reported on the Schedule of Expenditures of Federal Awards as shown below for the year ended December 31, 2023:

\$	6,243,673	Revolving loan fund loans outstanding
	1,256,010	Revolving loan fund cash and investments
	<u>19,023</u>	Revolving loan fund administrative expenses
<u>\$</u>	<u>7,518,706</u>	

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*

Independent Auditor's Report

Audit Committee
City of South Bend, Indiana
South Bend, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of South Bend, Indiana (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 25, 2025.

Our report includes a reference to other auditors who audited the financial statements of South Bend Public Transportation Corporation, a discretely presented component unit, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 that we consider to be material weaknesses.

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*.

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.

Forvis Mazars, LLP

**Indianapolis, Indiana
February 25, 2025**

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Audit Committee
City of South Bend, Indiana
South Bend, Indiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of South Bend (the City)'s compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2023. The City's major federal programs are 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 each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*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 each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of South Bend Public Transportation Corporation, a discretely presented component unit, which expended \$8,470,803 in federal awards which is not included in the City's schedule of expenditures of federal awards during the year ended December 31, 2023. Our compliance audit, described in the "Opinion on Each Major Federal Program" section above, does not include the operations of South Bend Public Transportation Corporation because the organizational unit engaged other auditors to perform an audit of compliance.

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.

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 each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the 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.

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements. We have issued our report thereon dated February 25, 2025, which contained unmodified opinions on those financial statements and contained a reference to the report of other auditors. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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.

Forvis Mazars, LLP

**Indianapolis, Indiana
February 25, 2025**

City of South Bend, Indiana
Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

(Continued)

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

9. Auditee qualified as a low-risk auditee?

Yes

No

Section II – Financial Statement Findings

Reference Number	Finding
2023-001	Internal Controls Over Financial Reporting Preparation Criteria or specific requirement: Management is responsible for establishing and maintaining effective internal controls over financial reporting to ensure reporting under accounting principles generally accepted in the United States (GAAP) is materially correct. Condition: The City’s internal control environment over financial reporting did not timely detect certain adjustments that were needed to prevent the financial statements from being misstated. The adjustments that were posted to the financial statements included adjustments to remove a draw down bond issuance that had a minimal amount outstanding at year end, adjust accounts payable and expenditures, recognized unearned revenue associated with federal grants, reverse receivables for bond proceeds already received, and record due to/from other funds for negative cash. In addition, there were adjustments that were passed on that related to additional accounts payable, loan receivable and bonds that were not recorded. (Material Weakness – Internal Control) Context: The City’s finance department is responsible for the financial reporting process. Their internal controls over preparing full accrual financial statements in accordance with GAAP did not timely detect the adjustments mentioned previously as of December 31, 2023. Effect: Misstatements in the financial statements. Cause: The City’s internal control environment did not identify these adjustments in a timely manner because certain account reconciliations, analyses and financial data were not always subjected to a timely secondary review. Recommendation: The City should establish and maintain an effective secondary review process over financial reporting and continue to improve the processes in place for capturing financial information from other City departments and agencies in a timely manner. Views of responsible officials and planned corrective actions: For the views of responsible officials, refer to the Corrective Action Plan.

Reference Number	Finding
2023-002	<p>Internal Controls Over Capital Asset Tracking</p> <p>Criteria or specific requirement: Management is responsible for establishing and maintaining effective internal controls over capital assets to ensure reporting under accounting principles generally accepted in the United States (GAAP) is materially correct.</p> <p>Condition: The City’s internal control environment over capital asset tracking did not detect certain adjustments to capital assets that were needed to prevent the financial statements from being materially misstated. (Material Weakness – Internal Control)</p> <p>Context: The City’s finance department is responsible for maintaining and reconciling the capital asset records. Historically, this reconciliation has only taken place during the year end financial reporting process. During the 2023 audit, the City did not properly reconcile capital assets, which resulted in a number of adjustments identified that were not timely detected.</p> <p>Effect: Misstatements in the financial statements.</p> <p>Cause: The City’s internal control environment did not identify these adjustments in a timely manner because the capital asset reconciliation, analyses and financial data were not always subjected to a timely secondary review.</p> <p>Recommendation: The City should establish and maintain an effective process whereby capital assets are reconciled to the accounting system on a regular basis while ensuring a secondary review of this reconciliation occurs.</p> <p>Views of responsible officials and planned corrective actions: For the views of responsible officials, refer to the Corrective Action Plan.</p>

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

**City of South Bend, Indiana
Summary of Schedule of Prior Audit Findings
Year Ended December 31, 2023**

Reference Number	Summary of Finding	Status
-----------------------------	---------------------------	---------------

No matters are reportable.



City of South Bend

Department of Administration & Finance
Division of Human Resources

Views of Responsible Official and Planned Corrective Action Findings 2023-001 and 2023-002

Contact Person Responsible for Corrective Action: Kyle Willis
Contact Phone Number: (574) 235-9822

Views of Responsible Official: The City recognizes and agrees that specific breakdowns in internal control led to certain misstatements in the Annual Comprehensive Financial Report submitted for examination. These misstatements were subsequently corrected. The City also acknowledges that a breakdown in our internal controls over capital asset tracking led to several adjustments and misstatements in the financial statements. These misstatements were subsequently corrected.

Description of Corrective Action Plan for Finding 2023-001: The City will review its Internal Control Policy and Supplements and make any additional amendments as it relates to our monthly cash reconciliation process. The City will implement a secondary review in its monthly cash reconciliation process to minimize or eliminate any misstatements in future financial reporting. The City is also in the process of hiring a Senior Staff Accountant that will be instrumental in this review process and ensuring that financial reporting information remains reliable and accurate.

Description of Corrective Action Plan for Finding 2023-002: The City will amend its Capital Asset Policy to include steps to close out projects in a timely manner and putting fixed assets related to that project or projects into service so depreciation will start in the correct period for those fixed assets. The City will look to implement stronger review processes and improve documentation and record-keeping. The City will also implement periodic reconciliations of fixed asset entries for construction in progress transactions throughout the year instead of an annual reconciliation. The City will adapt its current ERP system to ensure staff has access to necessary reports as it relates to fixed assets and regular training for users to improve knowledge of financial reporting standards and regulatory compliance.



Anticipated Completion Date: Completion of these Corrective Action Plans will be implemented by Spring of 2025.

Kyle Willen

(Signature)

City Controller

(Title)

February 24, 2025

(Date)