

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

FINANCIAL STATEMENTS REVIEW REPORT

OF

CITY OF RISING SUN

OHIO COUNTY, INDIANA

January 1, 2016 to December 31, 2018



FILED
12/26/2019

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Accountant's Review Report.....	3-4
Financial Statements and Accompanying Notes:	
Statements of Receipts, Disbursements, and Cash and Investment	
Balances - Regulatory Basis	6-9
Notes to Financial Statements.....	10-14
Exit Conference.....	15

SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Rae Baker Gipson	01-01-16 to 12-31-19
Mayor	Brent Bascom	01-01-16 to 12-31-19
President of the Board of Public Works	Brent Bascom	01-01-16 to 12-31-19
President Pro Tempore of the Common Council	William Marksberry Dennis Williams	01-01-16 to 12-31-18 01-01-19 to 12-31-19
President of the Utility Service Board	Joanne Hamilton Mona Cook Dorma Melchers Clayton Lamkin	01-01-16 to 12-31-16 01-01-17 to 03-27-17 03-28-17 to 12-31-17 01-01-18 to 12-31-19
Superintendent of Utilities	Shawn Guidice (Vacant) Scott Henry	01-01-16 to 03-29-19 03-30-19 to 03-31-19 04-01-19 to 12-31-19
Utility Office Manager	(Vacant) Erma Siekman	01-01-16 to 07-16-17 07-17-17 to 12-31-19



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

TO: THE OFFICIALS OF THE CITY OF RISING SUN, OHIO COUNTY, INDIANA

We have reviewed the accompanying financial statements of the City of Rising Sun (City), for the period of January 1, 2016 to December 31, 2018. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the City's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with a regulatory basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6); which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. This includes determining that the basis of accounting the City uses is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the prescribed basis of accounting described in Note 1. We believe that the results of our procedures provide a reasonable basis for our conclusion.

INDEPENDENT ACCOUNTANT'S REVIEW REPORT
(Continued)

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the prescribed basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

December 3, 2019

FINANCIAL STATEMENTS AND ACCOMPANYING NOTES

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

CITY OF RISING SUN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended December 31, 2016 and 2017

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16	Receipts	Disbursements	Cash and Investments 12-31-17
GENERAL FUND	\$ 922,612	\$ 2,210,519	\$ 1,907,261	\$ 1,225,870	\$ 2,157,865	\$ 1,852,212	\$ 1,531,523
MOTOR VEHICLE HIGHWAY	365,346	355,965	359,663	361,648	404,250	387,293	378,605
LOCAL ROAD & STREET	72,061	9,779	3,200	78,640	12,395	-	91,035
CRIMINAL INVESTIGATION	2,164	2,000	1,069	3,095	2,000	3,757	1,338
ECONOMIC DEVELOPMENT	235,413	53,129	-	288,542	49,995	-	338,537
TRASH & GARBAGE PICKUP	54,062	105,994	93,917	66,139	116,662	101,111	81,690
LOCAL LAW ENF CONT ED	3,011	1,687	1,515	3,183	1,197	828	3,552
RIVERBOAT	852,257	2,889,092	2,656,719	1,084,630	2,890,409	2,632,545	1,342,494
PARK & RECREATION	87,445	196,096	203,610	79,931	196,317	202,767	73,481
RAINY DAY FUND	98,344	122,831	-	221,175	-	82,054	139,121
CUM CAP IMP - CIG TAX	9,828	5,873	-	15,701	5,603	3,500	17,804
CUM CAP DEVELOPMENT	243,496	37,094	9,950	270,640	36,976	-	307,616
REVEVELOPMENT GENERAL	259,061	10,548	21,513	248,096	145,633	125,789	267,940
REVENUE SHARING FUND	131,061	1,220,194	1,129,890	221,365	1,071,010	1,077,656	214,719
Payroll Utilities	18,768	772,201	774,403	16,566	845,972	846,606	15,932
Insurance HRA Utilities	31,182	12,591	11,322	32,451	608	11,365	21,694
UTILITY PAYMENT CLEARING	1,245	90,270	90,416	1,099	193,864	193,190	1,773
STREET GRANTS	-	-	-	-	40,000	40,000	-
WEBSITE GRANT	-	-	-	-	7,995	-	7,995
INSURANCE PARK HAIL STORM	-	-	-	-	178,483	178,483	-
INSURANCE CITY HAILSTORM	-	-	-	-	227,904	40,783	187,121
STAGE EQUIPMENT GRANT	-	-	-	-	15,670	-	15,670
LIBERTY NATIONAL DISABILITY	-	-	-	-	261	261	-
DONATION FUND	154	-	-	154	-	-	154
COMMUNITY DEVELOPMENT FUND	4,320,000	-	-	4,320,000	-	-	4,320,000
REBUILD AMERICA REDEV	18,087	1,494	5,000	14,581	1,667	-	16,248
REDEVELOPMENT RLF FUND	785,056	71,773	32,490	824,339	74,870	23,517	875,692
LOIT 2016 SPECIAL DISBURSEMENT FUND	-	30,994	30,994	-	-	-	-
LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	-	169,844	-	169,844	82,054	251,898	-
PARK SECURITY DEPOSIT	1,801	3,825	3,825	1,801	3,435	4,060	1,176
HERITAGE HALL SEC DEPOSIT	1,140	-	-	1,140	-	-	1,140
RISING SUN MEDICAL CENTER	17,250	-	-	17,250	-	-	17,250
EDUCATION CENTER FUND	102,529	-	13,403	89,126	-	14,613	74,513
BACKPACK FOOD PROGRAM	6,178	10,000	6,976	9,202	-	5,602	3,600
PHONE UPGRADE GRANT HR 35	-	14,790	-	14,790	-	14,790	-
BANNER GRANT	-	5,000	-	5,000	-	5,000	-
MAIN ST GRANTS	8,595	5,820	9,415	5,000	12,437	13,187	4,250
POLICE GRANTS	-	22,093	22,093	-	1,000	1,000	-
BLIGHT ELIMINATION PROGRAM GRANT	15,525	178,582	94,127	99,980	137	100,117	-
BIGGEST LOSER PROGRAM	1,763	4,330	4,100	1,993	4,350	4,222	2,121
SPUD POLE GRANT RSRF	5,000	-	-	5,000	-	-	5,000
COMPREHENSIVE PLAN UPDATE GRANT	-	16,000	16,000	-	-	-	-
NAVY BEAN FUND	76,108	55,459	53,690	77,877	46,584	63,333	61,128

CITY OF RISING SUN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Years Ended December 31, 2016 and 2017

Fund	Cash and Investments 01-01-16	Receipts	Disbursements	Cash and Investments 12-31-16	Receipts	Disbursements	Cash and Investments 12-31-17
POOL GRANTS	-	7,035	-	7,035	-	7,035	-
PARK GRANTS	3,483	920	3,350	1,053	1,593	1,593	1,053
CT DISTRICT MEETING	-	8,039	8,039	-	-	-	-
OCCF MURAL	100	-	100	-	-	-	-
BICENTENNIAL FUND	155,229	504	155,733	-	-	-	-
PAYROLL	1,101	807,201	807,201	1,101	831,421	831,421	1,101
PAYROLL-FEDWHOLD	-	144,568	144,568	-	145,079	145,079	-
PAYROLL-FICA	-	96,243	96,243	-	100,584	100,584	-
PAYROLL-MEDICARE	-	35,077	35,077	-	35,926	35,926	-
PAYROLL-STATE W/H	3,388	40,832	40,930	3,290	41,283	40,868	3,705
PAYROLL-COUNTY W/H	974	13,598	13,487	1,085	13,858	13,709	1,234
PAYROLL-CIVIL PERF	-	14,970	14,970	-	15,375	15,375	-
POLICE PERF	856	18,104	18,104	856	19,061	19,061	856
PAYROLL VOLUNTARY PERF	-	5,273	5,273	-	5,384	5,384	-
PAYROLL-HEALTH INSURANCE	1,151	24,700	24,550	1,301	25,050	25,000	1,351
PAYROLL-CREDIT UNION W/H	-	54,848	54,848	-	50,505	50,505	-
PAYROLL- AUL 457 W/H	-	11,110	11,110	-	13,195	13,195	-
PAYROLL - CHILD SUPPORT	-	3,536	3,536	-	3,536	3,536	-
PAYROLL-LIBERTY NATIONAL LIFE	-	3,452	3,452	-	4,544	4,544	-
LIBERTY NATIONAL--CANCER	-	1,357	1,357	-	1,754	1,754	-
CITY HRA	32,640	4,759	18,790	18,609	31,053	19,477	30,185
IMPA LED GRAND FUNDS	10,669	2,897	-	13,566	730	14,296	-
GENERAL ELECTRIC CREDIT UNION	-	4,160	4,160	-	4,160	4,160	-
LIBERTY NATIONAL CRITICAL ILLNESS	-	49	49	-	194	194	-
WATER CASH OPERATING	675,781	568,667	630,854	613,594	568,327	540,848	641,073
WATER CASH DEPRECIATION	-	-	-	-	11,108	-	11,108
WATER CUSTOMER DEPOSIT	23,694	4,000	3,800	23,894	3,550	2,975	24,469
WATER CAPACITY FEES	138,009	2,430	64	140,375	6,288	-	146,663
WATER CASH RESERVE	-	-	-	-	16,028	-	16,028
WASTEWATER CASH OPERATING	661,640	675,349	794,892	542,097	710,243	633,245	619,095
WASTEWATER CASH DEPRECIATION	-	-	-	-	13,841	-	13,841
WASTEWATER CAPACITY	139,624	8,844	3,564	144,904	7,118	-	152,022
ELECTRIC CASH OPERATING	2,454,819	5,013,137	4,865,419	2,602,537	4,770,007	5,002,119	2,370,425
ELECTRIC CUSTOMER DEPOSIT	156,348	16,116	14,441	158,023	19,100	14,514	162,609
ELECTRIC CASH DEPRECIATION	-	-	-	-	98,133	-	98,133
ELECTRIC WORKING FUND	1,200	-	-	1,200	-	-	1,200
ELECTRIC CASH RESERVE FUND	-	-	-	-	27,794	-	27,794
BROADBAND CASH OPERATING	95,293	44,935	21,957	118,271	467	118,738	-
Totals	<u>\$ 13,302,541</u>	<u>\$ 16,322,577</u>	<u>\$ 15,356,479</u>	<u>\$ 14,268,639</u>	<u>\$ 16,423,892</u>	<u>\$ 15,946,674</u>	<u>\$ 14,745,857</u>

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

CITY OF RISING SUN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18
GENERAL FUND	\$ 1,531,523	\$ 1,789,175	\$ 1,922,034	\$ 1,398,664
MOTOR VEHICLE HIGHWAY	378,605	419,949	462,717	335,837
LOCAL ROAD & STREET	91,035	16,705	93,981	13,759
CRIMINAL INVESTIGATION	1,338	3,110	1,774	2,674
ECONOMIC DEVELOPMENT	338,537	48,353	-	386,890
TRASH & GARBAGE PICKUP	81,690	144,625	106,540	119,775
LOCAL LAW ENF CONT ED	3,552	1,418	544	4,426
RIVERBOAT	1,342,494	3,007,461	2,497,029	1,852,926
PARK & RECREATION	73,481	197,832	200,392	70,921
RAINY DAY FUND	139,121	-	-	139,121
CUM CAP IMP - CIG TAX	17,804	5,386	17,500	5,690
CUM CAP DEVELOPMENT	307,616	36,163	20,616	323,163
REVEVELOPMENT GENERAL	267,940	10,453	34,305	244,088
REVENUE SHARING FUND	214,719	1,012,744	1,038,103	189,360
DONATION FUND	154	-	154	-
COMMUNITY DEVELOPMENT FUND	4,320,000	-	-	4,320,000
REBUILD AMERICA REDEV	16,248	1,667	-	17,915
REDEVELOPMENT RLF FUND	875,692	91,130	80,919	885,903
LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	-	657,182	657,182	-
PARK SECURITY DEPOSIT	1,176	6,485	5,860	1,801
HERITAGE HALL SEC DEPOSIT	1,140	-	-	1,140
RISING SUN MEDICAL CENTER	17,250	-	-	17,250
EDUCATION CENTER FUND	74,513	10,000	18,400	66,113
BACKPACK FOOD PROGRAM	3,600	10,000	6,923	6,677
MAIN ST GRANTS	4,250	8,025	6,342	5,933
BIGGEST LOSER PROGRAM	2,121	4,350	4,139	2,332
SPUD POLE GRANT RSRF	5,000	-	-	5,000
WEBSITE GRANT HR 38	7,995	-	7,995	-
NAVY BEAN FUND	61,128	45,726	66,226	40,628
INSURANCE CITY HAIL STORM 10.19.16 HR 40	187,121	54,654	200,732	41,043
STAGE EQUIPMENT GRANT	15,670	-	-	15,670
RSRF LED Lighting Grant	-	39,245	39,245	-
YOUTH BALLFIELD GRANT --CEMETERY	-	5,000	-	5,000
PARK GRANTS	1,053	325	325	1,053
PAYROLL	1,101	874,908	874,908	1,101
PAYROLL-FEDWHOLD	-	149,970	149,970	-
PAYROLL-FICA	-	105,663	105,663	-
PAYROLL-MEDICARE	-	37,764	37,764	-

CITY OF RISING SUN
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CASH AND INVESTMENT BALANCES - REGULATORY BASIS
For the Year Ended December 31, 2018

Fund	Cash and Investments 01-01-18	Receipts	Disbursements	Cash and Investments 12-31-18
PAYROLL-STATE W/H	3,705	44,622	44,204	4,123
PAYROLL-COUNTY W/H	1,234	14,327	14,287	1,274
PAYROLL-CIVIL PERF	-	15,851	15,851	-
POLICE PERF	856	21,501	21,501	856
PAYROLL VOLUNTARY PERF	-	5,473	5,473	-
PAYROLL-HEALTH INSURANCE	1,351	25,850	25,000	2,201
PAYROLL-CREDIT UNION W/H	-	52,280	52,280	-
PAYROLL- AUL 457 W/H	-	15,651	15,651	-
PAYROLL - CHILD SUPPORT	-	3,536	3,536	-
PAYROLL-LIBERTY NATIONAL LIFE	-	6,097	6,097	-
LIBERTY NATIONAL--CANCER	-	2,291	2,291	-
CITY HRA	30,185	28,114	19,907	38,392
LIBERTY NATIONAL ACCIDENT	-	1,010	1,010	-
GENERAL ELECTRIC CREDIT UNION	-	4,160	4,160	-
LIBERTY NATIONAL CRITICAL ILLNESS	-	305	305	-
WATER CASH OPERATING	641,073	585,565	565,623	661,015
WATER CASH DEPRECIATION	11,108	10,078	-	21,186
WATER CUSTOMER DEPOSIT	24,469	3,175	2,525	25,119
WATER CAPACITY FEES	146,663	1,812	-	148,475
WATER CASH RESERVE	16,028	8,630	-	24,658
WASTEWATER CASH OPERATING	619,095	767,723	677,814	709,004
WASTEWATER CASH RESERVE	-	14,790	-	14,790
WASTEWATER CASH DEPRECIATION	13,841	13,266	-	27,107
WASTEWATER CAPACITY	152,022	1,841	-	153,863
ELECTRIC CASH OPERATING	2,370,425	4,916,119	4,897,654	2,388,890
ELECTRIC CUSTOMER DEPOSIT	162,609	16,825	10,502	168,932
ELECTRIC CASH DEPRECIATION	98,133	85,982	-	184,115
ELECTRIC WORKING FUND	1,200	-	-	1,200
ELECTRIC CASH RESERVE FUND	27,794	176,559	-	204,353
Payroll Utilities	15,932	829,789	829,880	15,841
Insurance HRA Utilities	21,694	88	11,149	10,633
Utility Payment Clearing	1,773	403,534	401,815	3,492
Totals	<u>\$ 14,745,857</u>	<u>\$ 16,872,312</u>	<u>\$ 16,286,797</u>	<u>\$ 15,331,372</u>

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

CITY OF RISING SUN
NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

The accompanying financial statements present the financial information for the City.

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

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

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

CITY OF RISING SUN
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

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

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

Utility fees. Amounts received from charges for current services.

Penalties. Amounts received from late payment fees.

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

E. Disbursements

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

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

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

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

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

CITY OF RISING SUN
NOTES TO FINANCIAL STATEMENTS
(Continued)

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

Utility operating expenses. Amounts disbursed for operating the utilities.

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

CITY OF RISING SUN
NOTES TO FINANCIAL STATEMENTS
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

The Retirement Savings Plan for Public Employees (My Choice) is a multiple-employer defined contribution plan. It is administered through the INPRS Board in accordance with state statutes (IC 5-10.2 and IC 5-10.3) and administrative code (35 IAC 1.2), which govern most requirements of the system and give the City authority to contribute to the plan.

New employees hired have a one-time election to join either the PERF Hybrid or the My Choice.

CITY OF RISING SUN
NOTES TO FINANCIAL STATEMENTS
(Continued)

Financial Report

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

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

Contributions

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

B. 1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

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

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

Financial Report

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

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

Contributions

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

CITY OF RISING SUN
EXIT CONFERENCE

The contents of this report were discussed on December 3, 2019, with Rae Baker Gipson, Clerk Treasurer; Brent Bascom, Mayor; Erma Siekman, Utility Office Manager; and Mark A. Guard, Deputy Clerk-Treasurer.

The contents of this report were discussed via email on December 17, 2019, with William Marksberry, Common Council member.