

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

FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF MICHIGAN CITY

LAPORTE COUNTY, INDIANA

January 1, 2020 to December 31, 2020



FILED
10/08/2021

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
City Controller	Yvonne Hoffmaster	01-01-20 to 12-31-21
Mayor	Duane Parry	01-01-20 to 12-31-21
President of the Board of Public Works and Safety	Keith Harris (Vacant) Andrew White	01-01-20 to 11-21-20 11-22-20 to 12-06-20 12-07-20 to 12-31-21
President of the Common Council	Sean Fitzpatrick Michael Mack	01-01-20 to 12-31-20 01-01-21 to 12-31-21
Superintendent of the Water Utility	Randall Russell Christopher Johnsen	01-01-20 to 01-25-21 01-26-21 to 12-31-21
President of the Water Utility Board of Directors	Kenneth Behrendt	01-01-20 to 12-31-21
General Manager of the Sanitary District	Michael Kuss	01-01-20 to 12-31-21
President of the Sanitary District Board of Commissioners	Garry Mitchell Tim Smith	01-01-20 to 06-30-21 07-01-21 to 12-31-21



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF MICHIGAN CITY, LAPORTE COUNTY, INDIANA

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Michigan City (City), which comprises the financial position and results of operations for the year ended December 31, 2020, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 to the financial statement, the City prepares its financial statement on the prescribed basis of accounting that demonstrates compliance with the reporting requirements established by the Indiana State Board of Accounts as allowed by state statute (IC 5-11-1-6), which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2020.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2020, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.


Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the City's financial statement. The Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis, Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the financial statement. They have not been subjected to the auditing procedures applied by us in the audit of the financial statement, and, accordingly, we express no opinion on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated September 22, 2021, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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.


Paul D. Joyce, CPA
State Examiner

September 22, 2021

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

CITY OF MICHIGAN CITY
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2020

Fund	Cash and Investments		Cash and Investments	
	01-01-20	Receipts	Disbursements	12-31-20
General Fund	\$ 1,339,998	\$ 23,500,587	\$ 22,068,279	\$ 2,772,306
Motor Vehicle Highway	676,721	1,077,112	1,421,021	332,812
Local Road And Street	363,694	491,832	162,049	693,477
MC Unsafe Building Fund	23,187	15,400	1,487	37,100
Animal Control	5,405	1,015	2,324	4,096
Riverboat Gaming	1,633,602	6,874,662	5,452,417	3,055,847
Park And Recreation	307,401	2,198,725	2,400,962	105,164
LOIT Special Distribution Fund	499,986	10,000	361,702	148,284
Levy Excess	54,926	-	-	54,926
DEA Forfeiture	-	27,493	-	27,493
Cumulative Capital Development	643	409,676	195,522	214,797
Subdivision Improvement & Main Fund	5,893	-	-	5,893
Cumulative Channel Maintenance	2,773,062	-	13,259	2,759,803
Cumulative Capital Improvement	114,101	68,254	13,414	168,941
Cedit	445,183	3,572,670	3,006,377	1,011,476
Police Pension	77,842	1,602,260	1,547,828	132,274
Fire Pension	173,564	2,181,292	1,503,549	851,307
City Donation Fund - EOC Activity	11,194	-	-	11,194
MC Economic Dev Revolving Loan Fund	744,595	61,558	-	806,153
Commission For Women Fund	21,552	352	1,814	20,090
Security Deposit Fund	15,815	15,700	19,475	12,040
Public Arts Committee Donation Fund	2,150	-	-	2,150
Commission on SSAAM Donation Fund	2,254	725	1,905	1,074
Human Rights Commission Donation Fund	5,658	505	1,170	4,993
Daniel Bruce Memorial Donation Fund	4,335	-	-	4,335
New Police Station Project Fund	281	-	-	281
Animal Control Board Donation	4,260	-	814	3,446
MC Promise Scholarship Fund	3,947,446	31,360	206,239	3,772,567
Worker Training Program Fund	12,000	-	-	12,000
SCU State Forfeiture Fund	1,241	-	-	1,241
MC Marketing/Promotional Non-Reverting	2,124	-	-	2,124
Grants	461,333	2,455,450	2,348,632	568,151
CDBG	-	324,059	324,059	-
Motor Vehicle Highway Restricted	27,668	783,759	395,669	415,758
Lead Hazard Grant	368,940	-	368,940	-
ESG Savings Project	457,283	-	457,283	-
MC Transit Section 5307 Cares	-	679,303	929,846	(250,543)
MC Airport Cares Act Operating	-	30,000	30,000	-
Cares Act Funds thru IFA	-	1,054,496	1,054,496	-
Cemetery Operating	33,299	632,685	532,636	133,348
Zoo Donation	173,438	100,308	9,024	264,722
Controlled Substance Excise	1,927	-	-	1,927
Fire Donation	21,822	6,344	9,637	18,529
Park Gift And Donation	40,989	19,108	40,756	19,341
Police Donation	52,052	23,018	30,181	44,889
Golf	2,981	723,981	630,197	96,765
Park Concession	398,864	65,971	168,142	296,693
MCPA Receiving	5,667	3,370	9,037	-
Zoo Education Nonreverting	17,189	281	2,958	14,512
Senior Center Nonreverting	31,741	3,105	5,576	29,270
Park And Recreation Nonreverting	46,423	16,884	21,621	41,686
Patriot Park Nonreverting	13,386	-	993	12,393
Michigan City Tree Fund	890	-	-	890
Michigan City Youth Council	212	-	-	212
Millennium Park Brick	15,030	250	30	15,250
Mayor's Special Events	261	-	-	261
Demolition Recovery	2,611	4	-	2,615
Barker Civic Center	235,567	195,907	168,942	262,532
Police Continuing Education	77,282	42,099	30,069	89,312
Aviation Operating	237	200,150	189,734	10,653

CITY OF MICHIGAN CITY
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2020

Fund	Cash and Investments 01-01-20	Receipts	Disbursements	Cash and Investments 12-31-20
Aviation Fuel	1,046	130,544	114,991	16,599
Cemetery Extension	65,457	51,644	41,315	75,786
Cemetery Merchandise And Commission	148,105	155,690	158,500	145,295
Redevelopment Operating	186,994	217,738	186,438	218,294
MCPD Seizure Fund	42,397	-	-	42,397
Park And Recreation Capital Improve	32,992	512	-	33,504
Blue Chip Development	862,087	495,513	257,587	1,100,013
Northeast TIF	260,775	617,163	459,112	418,826
Southside TIF	6,504,628	4,016,303	4,257,145	6,263,786
Northside TIF	3,215,799	5,705,103	4,146,263	4,774,639
Employee Health & Life Insurance	50,530	327	50,857	-
Cemetery Blanket And Wreath	24,990	9,641	7,880	26,751
Cemetery Flower Fund	24,624	71	468	24,227
Cemetery Dabbert Vault	2,358	8	-	2,366
Cemetery Lutz Vault	4,475	11	-	4,486
Cemetery PM GW Trust	1,074,482	24,394	18,548	1,080,328
Cemetery PM SL Trust	577,377	26,332	9,563	594,146
Cemetery Extension Trust	636,608	50,402	22,605	664,405
Cemetery Mds And Comm Trust	41,447	64,128	87,130	18,445
MC Employee Medical Trust	18,629	8,557,581	8,035,393	540,817
MC Employee Benefit Trust	24,817	685,475	654,846	55,446
Intergovernmental Wagering Tax	64	1,196,496	1,196,497	63
SRF Debt Reserve Fund	497,232	2,340	-	499,572
SRF Bond and Interest Fund	209,630	475,658	475,000	210,288
Vehicle Replacement Fund	119,996	125,000	159,396	85,600
Equipment Replacement Fund	670,381	385,000	390,654	664,727
Sanitary District Rainy Day Fund	81,308	-	81,308	-
Karwick Remediation Fund	826,638	1,034	584,231	243,441
Sewage Works Grant Fund	-	252,858	252,858	-
Sanitary District Grant Fund	-	986,863	986,863	-
Sewage Works - Whippoonwill Project	-	3,700	3,700	-
Sewage Works Operating	813,312	11,335,554	10,752,020	1,396,846
Sewage Works Improvement	842,895	180,000	161,550	861,345
Sewage Works - Indian Springs Proj	-	87,672	87,672	-
Sanitary District Operating	380,398	752,301	553,645	579,054
Sanitary District Refuse	1,287,070	2,462,015	2,384,795	1,364,290
Sanitary District Special Revenue	11,355	3,037	12,962	1,430
Sanitary District Levy Excess	8,522	-	-	8,522
Debt Reserve	716,323	174,516	-	890,839
Payment in Lieu of Taxes	188,792	444,317	444,000	189,109
Water Dept Operating	1,120,801	8,560,812	9,204,570	477,043
Water Dept Bond And Interest	480,686	1,436,108	1,438,211	478,583
Water Dept Improvement	2,659,850	621,867	423,999	2,857,718
Water Dept Customer Deposit	653,901	109,641	99,044	664,498
Water Dept Contingencies	1,137,084	338,033	149,632	1,325,485
Water Utility - Imprest Funds	4,766	340	-	5,106
MCPA Operating	1,840,391	2,673,683	2,585,350	1,928,724
MCPA Security Deposit	10,125	-	-	10,125
MCPA Suplus - Horizon	3,018,123	671,497	1,274,945	2,414,675
SSTIF Refunding 2015 Capital	17,544	-	293	17,251
SSTIF Refunding 2015 Debt Reserve	336,266	-	108	336,158
Wabash Streetscape Construction	122,267	-	179	122,088
Wabash Streetscape Debt Reserve	216,018	-	132	215,886
Totals	<u>\$ 47,829,560</u>	<u>\$ 103,590,632</u>	<u>\$ 98,352,320</u>	<u>\$ 53,067,872</u>

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

CITY OF MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

Taxes. Amounts received from one or more of the following: property tax, 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 non-businesses 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 MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: 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.

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

E. Disbursements

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

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

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

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

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

CITY OF MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Utility operating expenses. Amounts disbursed for operating the utilities.

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

CITY OF MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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 MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT
(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. 1925 Police Officers' Pension Plan

Plan Description

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

Funding Policy

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

On Behalf Payments

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

C. 1937 Firefighters' Pension Plan

Plan Description

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

CITY OF MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy

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

On Behalf Payments

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

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

Plan Description

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

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

Financial Report

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

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

Contributions

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

E. Water Utility Pension Plan

Plan Description

The Water Works has a defined contribution pension plan administered by McKready and Keene, Inc. as authorized by Indiana Code 8-15-3-7. The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by written agreement between the governing board of the Water Works and the Plan Administrator. The Plan Administrator issues a publicly available financial report that includes financial statements and required supplementary information of the plan. That report may be obtained by contacting:

CITY OF MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT
(Continued)

McKready and Keene, Inc.
7941 Castleway Drive
P.O. Box 50460
Indianapolis, IN 46250-0460
Ph (317) 849-4333

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members are established by the written agreement between the governing board of the Water Works and the Plan Administrator. Plan members are required to contribute 3 percent of the annual covered salary. The Water Works is required to contribute at an actuarially determined rate.

Note 7. Cash Balance Deficit

The financial statement contains one fund with a deficit in cash. This is a result of the fund being a reimbursable grant, with the expenses and reimbursements not taking place during the same period.

Note 8. Subsequent Events

Fraud Against 1925 Police Pension Fund

On January 2, 2020, the City was notified that a pension widow Henrietta Yorkey, had passed away on June 21, 2015, and the City had been paying her pension benefit through December 31, 2019. The City notified the Indiana State Board of Accounts of an issue concerning the 1925 Police Pension Fund on January 7, 2020. An investigation was completed by the Indiana State Board of Accounts, and Report B55462 was released July 27, 2020. The Michigan City Police Department conducted a criminal investigation, and evidence was submitted to the LaPorte County Prosecutor's office. On August 28, 2020, the Prosecutor issued an active warrant for theft (Level 5 felony) for Mrs. Yorkey's daughter, Pamela Westphal, and she was arrested on September 3, 2020, and held on a \$15,005 cash bond.

UPDATE: On September 4, 2020, a cash bond was entered. A jury trial date was set for March 1, 2021. On March 1, 2021, the trial was cancelled. On March 4, 2021, a new trial date was set for December 6, 2021.

Karwick Nature Park Remediation

The Indiana Department of Environmental Management (IDEM) has an enforcement action against the City and Sanitary District regarding the remediation of the Karwick Nature Park dump site. The IDEM has approved the proposed remediation plan and its implementation. The engineer's estimated cost of construction for the approved remediation is less than \$3 million and is now substantially complete. The City and Sanitary District have pursued litigation to obtain liability insurance coverage through earlier general liability policies of the City and the Sanitary District for the costs of defending against the enforcement action and constructing the remediation project. To date, the Sanitary District has obtained coverage for the legal and engineering costs of defense plus cash settlements of approximately \$2.7 million for design and construction costs. Insurance proceeds recovered from prior insurance policies are sufficient to cover remediation costs. The Sanitary District has established a separate Karwick Remediation Fund to be able to accurately track costs and receipts.

CITY OF MICHIGAN CITY
NOTES TO FINANCIAL STATEMENT
(Continued)

American Rescue Plan Act of 2021

On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 to provide economic relief during the coronavirus pandemic. The American Rescue Plan provided \$350 billion dollars in funding for state, local, territorial, and Tribal governments to remedy economic fallout and falling revenues. The City has been allocated \$16,549,045. The City received 50 percent, \$8,274,523 on June 8, 2021, and will receive the other 50 percent in June 2022.

Redevelopment Authority Refunding Bonds of 2021

On May 19, 2021, the Michigan City Redevelopment Authority (lessor) and the City (lessee) closed on Michigan City Redevelopment Authority \$2,425,000 Lease Rental Refunding Bonds of 2021 (Elston Grove Historic District Reconstruction Project) and Michigan City Redevelopment District \$2,780,000 Taxable Special Taxing District Refunding Bonds Series 2021 (Wabash Streetscape Project).

Note 9. Other Postemployment Benefits

The City provides to eligible retirees and their spouses the following benefits: health, dental, and vision insurance. These benefits pose a liability to the City for this year and in future years. Information regarding the benefits can be obtained by contacting the City.

Note 10. Related-Party Transactions

The City has entered into capital leases with the Michigan City Redevelopment Authority (the lessor). The lessor was organized as a not-for-profit corporation pursuant to state statute for the purpose of financing and constructing or reconstructing facilities for lease to the City. The lessor has been determined to be a related party of the City. Lease payments during the year 2020 totaled \$3,123,000.

Note 11. Contingent Liabilities and Lawsuits

The City has been named as defendant in several pending lawsuits, and the Department of Water Works has been named as defendant in a pending lawsuit of which the outcome and the amount of potential damages has not been estimated.

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OTHER INFORMATION - UNAUDITED

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

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

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

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	General Fund	Motor Vehicle Highway	Local Road And Street	MC Unsafe Building Fund	Animal Control	Riverboat Gaming	Park And Recreation
Cash and investments - beginning	\$ 1,339,998	\$ 676,721	\$ 363,694	\$ 23,187	\$ 5,405	\$ 1,633,602	\$ 307,401
Receipts:							
Taxes	13,341,585	211,001	-	-	-	-	1,227,882
Licenses and permits	1,053,208	-	-	3,600	182	-	-
Intergovernmental receipts	5,612,032	614,811	491,698	-	-	6,515,294	100,926
Charges for services	83,077	-	-	11,800	-	-	658,738
Fines and forfeits	56,492	-	-	-	833	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	3,354,193	251,300	134	-	-	359,368	211,179
Total receipts	<u>23,500,587</u>	<u>1,077,112</u>	<u>491,832</u>	<u>15,400</u>	<u>1,015</u>	<u>6,874,662</u>	<u>2,198,725</u>
Disbursements:							
Personal services	19,424,562	1,208,499	-	-	-	109,390	1,622,224
Supplies	644,197	98,018	162,049	-	-	-	158,919
Other services and charges	1,999,520	114,504	-	1,487	2,324	186,982	619,819
Debt service - principal and interest	-	-	-	-	-	507,843	-
Capital outlay	-	-	-	-	-	686,227	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	3,961,975	-
Total disbursements	<u>22,068,279</u>	<u>1,421,021</u>	<u>162,049</u>	<u>1,487</u>	<u>2,324</u>	<u>5,452,417</u>	<u>2,400,962</u>
Excess (deficiency) of receipts over disbursements	<u>1,432,308</u>	<u>(343,909)</u>	<u>329,783</u>	<u>13,913</u>	<u>(1,309)</u>	<u>1,422,245</u>	<u>(202,237)</u>
Cash and investments - ending	<u>\$ 2,772,306</u>	<u>\$ 332,812</u>	<u>\$ 693,477</u>	<u>\$ 37,100</u>	<u>\$ 4,096</u>	<u>\$ 3,055,847</u>	<u>\$ 105,164</u>

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	LOIT Special Distribution Fund	Levy Excess	DEA Forfeiture	Cumulative Capital Development	Subdivision Improvement & Main Fund	Cumulative Channel Maintenance	Cumulative Capital Improvement
Cash and investments - beginning	\$ 499,986	\$ 54,926	\$ -	\$ 643	\$ 5,893	\$ 2,773,062	\$ 114,101
Receipts:							
Taxes	-	-	27,493	403,866	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	5,810	-	-	68,254
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	10,000	-	-	-	-	-	-
Total receipts	10,000	-	27,493	409,676	-	-	68,254
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	48,394	-	-	-
Other services and charges	-	-	-	59,940	-	-	7,919
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	215,505	-	-	87,188	-	13,259	5,495
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	146,197	-	-	-	-	-	-
Total disbursements	361,702	-	-	195,522	-	13,259	13,414
Excess (deficiency) of receipts over disbursements	(351,702)	-	27,493	214,154	-	(13,259)	54,840
Cash and investments - ending	\$ 148,284	\$ 54,926	\$ 27,493	\$ 214,797	\$ 5,893	\$ 2,759,803	\$ 168,941

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Credit	Police Pension	Fire Pension	City Donation Fund - EOC Activity	MC Economic Dev Revolving Loan Fund	Commission For Women Fund	Security Deposit Fund
Cash and investments - beginning	\$ 445,183	\$ 77,842	\$ 173,564	\$ 11,194	\$ 744,595	\$ 21,552	\$ 15,815
Receipts:							
Taxes	3,506,363	1,602,260	2,180,901	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	66,307	-	391	-	61,558	352	15,700
Total receipts	3,572,670	1,602,260	2,181,292	-	61,558	352	15,700
Disbursements:							
Personal services	-	2,368	2,584	-	-	-	-
Supplies	24,904	-	-	-	-	-	-
Other services and charges	1,814,301	2,915	9,544	-	-	1,814	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	40,300	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	1,126,872	1,542,545	1,491,421	-	-	-	19,475
Total disbursements	3,006,377	1,547,828	1,503,549	-	-	1,814	19,475
Excess (deficiency) of receipts over disbursements	566,293	54,432	677,743	-	61,558	(1,462)	(3,775)
Cash and investments - ending	\$ 1,011,476	\$ 132,274	\$ 851,307	\$ 11,194	\$ 806,153	\$ 20,090	\$ 12,040

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Public Arts Committee Donation Fund	Commission on SSAAM Donation Fund	Human Rights Commission Donation Fund	Daniel Bruce Memorial Donation Fund	New Police Station Project Fund	Animal Control Board Donation	MC Promise Scholarship Fund
Cash and investments - beginning	\$ 2,150	\$ 2,254	\$ 5,658	\$ 4,335	\$ 281	\$ 4,260	\$ 3,947,446
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	725	505	-	-	-	31,360
Total receipts	-	725	505	-	-	-	31,360
Disbursements:							
Personal services	-	-	-	-	-	-	22,655
Supplies	-	-	-	-	-	814	718
Other services and charges	-	1,905	1,170	-	-	-	181,212
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	1,654
Total disbursements	-	1,905	1,170	-	-	814	206,239
Excess (deficiency) of receipts over disbursements	-	(1,180)	(665)	-	-	(814)	(174,879)
Cash and investments - ending	\$ 2,150	\$ 1,074	\$ 4,993	\$ 4,335	\$ 281	\$ 3,446	\$ 3,772,567

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Worker Training Program Fund	SCU State Forfeiture Fund	MC Marketing/Promotional Non-Reverting	Grants	CDBG	Motor Vehicle Highway Restricted	Lead Hazard Grant
Cash and investments - beginning	\$ 12,000	\$ 1,241	\$ 2,124	\$ 461,333	\$ -	\$ 27,668	\$ 368,940
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	1,887,484	324,059	783,759	-
Charges for services	-	-	-	762	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	567,204	-	-	-
Total receipts	-	-	-	2,455,450	324,059	783,759	-
Disbursements:							
Personal services	-	-	-	-	-	-	20,670
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	404,611	324,059	-	33,420
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	1,944,021	-	395,669	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	314,850
Total disbursements	-	-	-	2,348,632	324,059	395,669	368,940
Excess (deficiency) of receipts over disbursements	-	-	-	106,818	-	388,090	(368,940)
Cash and investments - ending	\$ 12,000	\$ 1,241	\$ 2,124	\$ 568,151	\$ -	\$ 415,758	\$ -

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	ESG Savings Project	MC Transit Section 5307 Cares	MC Airport Cares Act Operating	Cares Act Funds thru IFA	Cemetery Operating	Zoo Donation	Controlled Substance Excise
Cash and investments - beginning	\$ 457,283	\$ -	\$ -	\$ -	\$ 33,299	\$ 173,438	\$ 1,927
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	679,303	30,000	1,054,496	-	-	-
Charges for services	-	-	-	-	419,925	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	-	-	-	212,760	100,308	-
Total receipts	-	679,303	30,000	1,054,496	632,685	100,308	-
Disbursements:							
Personal services	-	771,336	30,000	973,369	456,804	-	-
Supplies	-	85,412	-	44,911	10,470	8,524	-
Other services and charges	42,013	73,098	-	-	50,387	500	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	415,270	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	36,216	14,975	-	-
Total disbursements	457,283	929,846	30,000	1,054,496	532,636	9,024	-
Excess (deficiency) of receipts over disbursements	(457,283)	(250,543)	-	-	100,049	91,284	-
Cash and investments - ending	\$ -	\$ (250,543)	\$ -	\$ -	\$ 133,348	\$ 264,722	\$ 1,927

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Fire Donation	Park Gift And Donation	Police Donation	Golf	Park Concession	MCPA Receiving	Zoo Education Nonreverting
Cash and investments - beginning	\$ 21,822	\$ 40,989	\$ 52,052	\$ 2,981	\$ 398,864	\$ 5,667	\$ 17,189
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	682,069	59,419	3,370	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	6,344	19,108	23,018	41,912	6,552	-	281
Total receipts	6,344	19,108	23,018	723,981	65,971	3,370	281
Disbursements:							
Personal services	-	-	-	404,474	36,342	-	-
Supplies	9,637	29,011	8,750	107,182	83,802	-	2,958
Other services and charges	-	1,745	2,335	118,541	24,630	1,011	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	10,000	19,096	-	23,368	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	8,026	-
Total disbursements	9,637	40,756	30,181	630,197	168,142	9,037	2,958
Excess (deficiency) of receipts over disbursements	(3,293)	(21,648)	(7,163)	93,784	(102,171)	(5,667)	(2,677)
Cash and investments - ending	\$ 18,529	\$ 19,341	\$ 44,889	\$ 96,765	\$ 296,693	\$ -	\$ 14,512

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Senior Center Nonreverting	Park And Recreation Nonreverting	Patriot Park Nonreverting	Michigan City Tree Fund	Michigan City Youth Council	Millennium Park Brick	Mayor's Special Events
Cash and investments - beginning	\$ 31,741	\$ 46,423	\$ 13,386	\$ 890	\$ 212	\$ 15,030	\$ 261
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	3,105	16,829	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	-	55	-	-	-	250	-
Total receipts	3,105	16,884	-	-	-	250	-
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	5,576	3,662	-	-	-	-	-
Other services and charges	-	17,002	993	-	-	30	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	957	-	-	-	-	-
Total disbursements	5,576	21,621	993	-	-	30	-
Excess (deficiency) of receipts over disbursements	(2,471)	(4,737)	(993)	-	-	220	-
Cash and investments - ending	\$ 29,270	\$ 41,686	\$ 12,393	\$ 890	\$ 212	\$ 15,250	\$ 261

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Demolition Recovery	Barker Civic Center	Police Continuing Education	Aviation Operating	Aviation Fuel	Cemetery Extension	Cemetery Merchandise And Commission
Cash and investments - beginning	\$ 2,611	\$ 235,567	\$ 77,282	\$ 237	\$ 1,046	\$ 65,457	\$ 148,105
Receipts:							
Taxes	-	161,353	-	164,013	-	-	-
Licenses and permits	-	-	25,806	-	-	-	-
Intergovernmental receipts	-	13,263	-	13,481	-	-	-
Charges for services	-	17,088	14,005	16,881	130,544	40,583	68,717
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	4	4,203	2,288	5,775	-	11,061	86,973
Total receipts	4	195,907	42,099	200,150	130,544	51,644	155,690
Disbursements:							
Personal services	-	112,804	-	133,426	-	-	-
Supplies	-	2,861	8,622	8,981	112,334	-	-
Other services and charges	-	53,262	21,447	47,327	-	4,998	93,197
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	15	-	-	2,657	36,317	65,303
Total disbursements	-	168,942	30,069	189,734	114,991	41,315	158,500
Excess (deficiency) of receipts over disbursements	4	26,965	12,030	10,416	15,553	10,329	(2,810)
Cash and investments - ending	\$ 2,615	\$ 262,532	\$ 89,312	\$ 10,653	\$ 16,599	\$ 75,786	\$ 145,295

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Redevelopment Operating	MCPD Seizure Fund	Park And Recreation Capital Improve	Blue Chip Development	Northeast TIF	Southside TIF	Northside TIF
Cash and investments - beginning	\$ 186,994	\$ 42,397	\$ 32,992	\$ 862,087	\$ 260,775	\$ 6,504,628	\$ 3,215,799
Receipts:							
Taxes	-	-	-	-	286,846	3,926,375	4,236,301
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	512	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	217,738	-	-	495,513	330,317	89,928	1,468,802
Total receipts	217,738	-	512	495,513	617,163	4,016,303	5,705,103
Disbursements:							
Personal services	175,468	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	10,970	-	-	210,443	213,616	1,729,295	2,570,367
Debt service - principal and interest	-	-	-	-	245,496	2,197,850	1,575,896
Capital outlay	-	-	-	47,144	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	330,000	-
Total disbursements	186,438	-	-	257,587	459,112	4,257,145	4,146,263
Excess (deficiency) of receipts over disbursements	31,300	-	512	237,926	158,051	(240,842)	1,558,840
Cash and investments - ending	\$ 218,294	\$ 42,397	\$ 33,504	\$ 1,100,013	\$ 418,826	\$ 6,263,786	\$ 4,774,639

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Employee Health & Life Insurance	Cemetery Blanket And Wreath	Cemetery Flower Fund	Cemetery Dabbert Vault	Cemetery Lutz Vault	Cemetery PM GW Trust	Cemetery PM SL Trust
Cash and investments - beginning	\$ 50,530	\$ 24,990	\$ 24,624	\$ 2,358	\$ 4,475	\$ 1,074,482	\$ 577,377
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	327	9,641	71	8	11	24,394	26,332
Total receipts	327	9,641	71	8	11	24,394	26,332
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	7,880	468	-	-	-	-
Other services and charges	16,471	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	34,386	-	-	-	-	18,548	9,563
Total disbursements	50,857	7,880	468	-	-	18,548	9,563
Excess (deficiency) of receipts over disbursements	(50,530)	1,761	(397)	8	11	5,846	16,769
Cash and investments - ending	\$ -	\$ 26,751	\$ 24,227	\$ 2,366	\$ 4,486	\$ 1,080,328	\$ 594,146

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Cemetery Extension Trust	Cemetery Mds And Comm Trust	MC Employee Medical Trust	MC Employee Benefit Trust	Intergovernmental Wagering Tax	SRF Debt Reserve Fund	SRF Bond and Interest Fund
Cash and investments - beginning	\$ 636,608	\$ 41,447	\$ 18,629	\$ 24,817	\$ 64	\$ 497,232	\$ 209,630
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	1,196,496	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Other receipts	50,402	64,128	8,557,581	685,475	-	2,340	475,658
Total receipts	50,402	64,128	8,557,581	685,475	1,196,496	2,340	475,658
Disbursements:							
Personal services	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	438,905	270,027	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	475,000
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	22,605	87,130	7,596,488	384,819	1,196,497	-	-
Total disbursements	22,605	87,130	8,035,393	654,846	1,196,497	-	475,000
Excess (deficiency) of receipts over disbursements	27,797	(23,002)	522,188	30,629	(1)	2,340	658
Cash and investments - ending	\$ 664,405	\$ 18,445	\$ 540,817	\$ 55,446	\$ 63	\$ 499,572	\$ 210,288

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Vehicle Replacement Fund	Equipment Replacement Fund	Sanitary District Rainy Day Fund	Karwick Remediation Fund	Sewage Works Grant Fund	Sanitary District Grant Fund
Cash and investments - beginning	\$ 119,996	\$ 670,381	\$ 81,308	\$ 826,638	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	252,858	682,867
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	125,000	385,000	-	1,034	-	303,996
Total receipts	125,000	385,000	-	1,034	252,858	986,863
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	159,396	390,654	-	-	-	-
Capital outlay	-	-	-	584,231	-	826,390
Utility operating expenses	-	-	-	-	252,858	160,443
Other disbursements	-	-	81,308	-	-	30
Total disbursements	159,396	390,654	81,308	584,231	252,858	986,863
Excess (deficiency) of receipts over disbursements	(34,396)	(5,654)	(81,308)	(583,197)	-	-
Cash and investments - ending	\$ 85,600	\$ 664,727	\$ -	\$ 243,441	\$ -	\$ -

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Sewage Works - Whippoorwill Project	Sewage Works Operating	Sewage Works Improvement	Sewage Works - Indian Springs Proj	Sanitary District Operating	Sanitary District Refuse
Cash and investments - beginning	\$ -	\$ 813,312	\$ 842,895	\$ -	\$ 380,398	\$ 1,287,070
Receipts:						
Taxes	-	-	-	-	685,426	2,295,983
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	12,427	59,331
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	3,700	8,952,600	-	87,672	50	-
Other receipts	-	2,382,954	180,000	-	54,398	106,701
Total receipts	3,700	11,335,554	180,000	87,672	752,301	2,462,015
Disbursements:						
Personal services	-	3,136,833	-	-	295,854	871,390
Supplies	-	-	-	-	-	-
Other services and charges	-	252,993	-	-	-	61,868
Debt service - principal and interest	3,700	83,189	-	87,672	-	-
Capital outlay	-	1,817,742	-	-	-	-
Utility operating expenses	-	4,290,740	-	-	257,761	1,451,537
Other disbursements	-	1,170,523	161,550	-	30	-
Total disbursements	3,700	10,752,020	161,550	87,672	553,645	2,384,795
Excess (deficiency) of receipts over disbursements	-	583,534	18,450	-	198,656	77,220
Cash and investments - ending	\$ -	\$ 1,396,846	\$ 861,345	\$ -	\$ 579,054	\$ 1,364,290

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Sanitary District Special Revenue	Sanitary District Levy Excess	Debt Reserve	Payment in Lieu of Taxes	Water Dept Operating	Water Dept Bond And Interest
Cash and investments - beginning	\$ 11,355	\$ 8,522	\$ 716,323	\$ 188,792	\$ 1,120,801	\$ 480,686
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	3,037	-	-	-	8,149,632	-
Other receipts	-	-	174,516	444,317	411,180	1,436,108
Total receipts	3,037	-	174,516	444,317	8,560,812	1,436,108
Disbursements:						
Personal services	-	-	-	-	1,948,200	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	107,717	-
Debt service - principal and interest	-	-	-	-	-	1,438,131
Capital outlay	12,962	-	-	-	218,293	-
Utility operating expenses	-	-	-	-	3,010,424	-
Other disbursements	-	-	-	444,000	3,919,936	80
Total disbursements	12,962	-	-	444,000	9,204,570	1,438,211
Excess (deficiency) of receipts over disbursements	(9,925)	-	174,516	317	(643,758)	(2,103)
Cash and investments - ending	\$ 1,430	\$ 8,522	\$ 890,839	\$ 189,109	\$ 477,043	\$ 478,583

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	Water Dept Improvement	Water Dept Customer Deposit	Water Dept Contingencies	Water Utility - Imprest Funds	MCPA Operating	MCPA Security Deposit
Cash and investments - beginning	\$ 2,659,850	\$ 653,901	\$ 1,137,084	\$ 4,766	\$ 1,840,391	\$ 10,125
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	2,646,110	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	621,867	109,641	338,033	340	27,573	-
Total receipts	621,867	109,641	338,033	340	2,673,683	-
Disbursements:						
Personal services	-	-	-	-	761,136	-
Supplies	-	-	-	-	379,935	-
Other services and charges	-	-	-	-	773,575	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	423,999	-	149,632	-	13,471	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	99,044	-	-	657,233	-
Total disbursements	423,999	99,044	149,632	-	2,585,350	-
Excess (deficiency) of receipts over disbursements	197,868	10,597	188,401	340	88,333	-
Cash and investments - ending	\$ 2,857,718	\$ 664,498	\$ 1,325,485	\$ 5,106	\$ 1,928,724	\$ 10,125

CITY OF MICHIGAN CITY
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2020

	MCPA Suplus - Horizon	SSTIF Refunding 2015 Capital	SSTIF Refunding 2015 Debt Reserve	Wabash Streetscape Construction	Wabash Streetscape Debt Reserve	Totals
Cash and investments - beginning	\$ 3,018,123	\$ 17,544	\$ 336,266	\$ 122,267	\$ 216,018	\$ 47,829,560
Receipts:						
Taxes	-	-	-	-	-	34,257,648
Licenses and permits	-	-	-	-	-	1,082,796
Intergovernmental receipts	-	-	-	-	-	20,398,649
Charges for services	-	-	-	-	-	4,873,534
Fines and forfeits	-	-	-	-	-	57,325
Utility fees	-	-	-	-	-	17,196,691
Other receipts	671,497	-	-	-	-	25,723,989
Total receipts	671,497	-	-	-	-	103,590,632
Disbursements:						
Personal services	-	-	-	-	-	32,520,388
Supplies	-	-	-	-	-	2,058,989
Other services and charges	-	-	-	-	-	12,976,209
Debt service - principal and interest	-	-	-	-	-	7,164,827
Capital outlay	1,274,945	-	-	-	-	9,224,207
Utility operating expenses	-	-	-	-	-	9,423,763
Other disbursements	-	293	108	179	132	24,983,937
Total disbursements	1,274,945	293	108	179	132	98,352,320
Excess (deficiency) of receipts over disbursements	(603,448)	(293)	(108)	(179)	(132)	5,238,312
Cash and investments - ending	\$ 2,414,675	\$ 17,251	\$ 336,158	\$ 122,088	\$ 215,886	\$ 53,067,872

CITY OF MICHIGAN CITY
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2020

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 1,151,265	\$ 361,239
Wastewater Utility	196,033	1,357,004
Water Utility	22,977	799,904
Port Authority	<u>46,726</u>	<u>-</u>
Totals	<u>\$ 1,417,001</u>	<u>\$ 2,518,147</u>

CITY OF MICHIGAN CITY
SCHEDULE OF LEASES AND DEBT
December 31, 2020

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Michigan City Redevelopment Authority	Lease Rental Revenue Bonds of 2019 (Double Track Project)	\$ 716,500	10/22/2019	1/15/2028
Michigan City Redevelopment Authority	Lease Rental Revenue Refunding Bonds of 2019 (Lafayette Barker Project)	756,500	11/5/2019	1/15/2028
Michigan City Redevelopment Authority	Lease Rental Revenue Bonds of 2011 (Elston Grove Historic District Reconstruction Project)	499,000	2/1/2012	2/1/2028
Michigan City Redevelopment Authority	Lease Rental Revenue Refunding Bonds, Series 2011	128,500	8/1/2011	2/1/2021
Michigan City Redevelopment Authority	Lease Rental Revenue Bonds of 2018 (Ohio Street)	894,500	7/15/2018	1/15/2039
Bank of America	Equipment Infrastructure Improvements	367,973	12/4/2018	1/4/2029
Bank of America	Equipment Infrastructure Improvements	119,405	3/12/2019	1/4/2029
Total governmental activities		<u>3,482,378</u>		
Wastewater Utility:				
Crossroads Bank	Equipment	41,136	5/8/2018	3/1/2021
Total of annual lease payments		<u>\$ 3,523,514</u>		

Type	Description of Debt	Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:				
General obligation bonds	Economic Development Taxable Revenue Bonds Series 1999 (GAF)		\$ 88,053	\$ 250,000
General obligation bonds	Michigan City Redevelopment Refunding Bonds 2015 (400 N)		2,255,000	332,313
General obligation bonds	Michigan City Redevelopment Special Taxing Dist Bonds Series 2015 (Wabash Streetscape)		2,750,000	214,823
Total governmental activities			<u>5,093,053</u>	<u>797,136</u>
Wastewater Utility:				
Notes and loans payable	Sewage Works Revenue Bonds Series 2013 (SRF Loan)		1,751,667	140,000
Notes and loans payable	Sewage Works Revenue Bonds Series 2014A (SRF Loan)		3,575,417	263,000
Notes and loans payable	Sewage Works Revenue Bonds Series 2014B (SRF Loan)		907,400	72,000
Notes and loans payable	MCSD Small issue Loan Trail Creek Project (Whippoorwill)		31,600	6,469
Notes and loans payable	Indian Springs Wastewater Improv Project IFA Loan 2004		636,300	23,580
Notes and loans payable	Sanitary District Energy Savings Program - Equipment		749,243	390,654
Total Wastewater Utility			<u>7,651,627</u>	<u>895,703</u>
Water Utility:				
Revenue bonds	Waterworks Refunding Revenue Bonds of 2014		1,725,000	1,183,275
Revenue bonds	Waterworks Revenue Bonds Series 2015		8,565,000	270,931
Total Water Utility			<u>10,290,000</u>	<u>1,454,206</u>
Totals			<u>\$ 23,034,680</u>	<u>\$ 3,147,045</u>

CITY OF MICHIGAN CITY
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2020

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

	Ending Balance
Governmental activities:	
Land	\$ 8,232,016
Infrastructure	136,610,328
Buildings	42,238,947
Improvements other than buildings	23,802,890
Machinery, equipment, and vehicles	28,434,177
Construction in progress	<u>3,178,976</u>
Total governmental activities	<u>242,497,334</u>
Water Utility:	
Land	202,029
Infrastructure	46,307,409
Buildings	10,102,660
Improvements other than buildings	10,339,614
Machinery, equipment, and vehicles	1,560,512
Construction in progress	<u>4,469,098</u>
Total Water Utility	<u>72,981,322</u>
Port Authority:	
Land	2,038,751
Infrastructure	5,092,970
Buildings	6,006,174
Improvements other than buildings	1,853,527
Machinery, equipment, and vehicles	<u>893,599</u>
Total Port Authority	<u>15,885,021</u>
Wastewater Utility:	
Land	1,142,829
Infrastructure	80,922,683
Buildings	25,925,787
Improvements other than buildings	1,606,677
Machinery, equipment, and vehicles	12,292,155
Construction in progress	<u>50,108</u>
Total Wastewater Utility	<u>121,940,239</u>
Total capital assets	<u>\$ 453,303,916</u>

OTHER REPORTS

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