

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

FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF PRINCETON

GIBSON COUNTY, INDIANA

January 1, 2021 to December 31, 2021



FILED
09/21/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Mindy Brines David M. Kennard	01-01-21 to 04-30-22 05-01-22 to 12-31-22
Mayor	Greg Wright	01-01-21 to 12-31-22
President of the Board of Public Works	Greg Wright	01-01-21 to 12-31-22
President Pro Tempore of the Common Council	Sheri Greene	01-01-21 to 12-31-22



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF PRINCETON, GIBSON COUNTY, INDIANA

Report on the Audit of the Financial Statement

Adverse and Unmodified Opinions

We have audited the accompanying financial statement of the City of Princeton (City), which comprises the financial position and results of operations as of and for the year ended December 31, 2021, and the related notes to the financial statement as listed in the Table of Contents.

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 and Unmodified Opinions* section of our report, the financial statement referred to above does not present fairly, the financial position and results of operations of the City as of December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the respective financial position and results of operations of the City, as of December 31, 2021, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Management's Responsibilities for the Financial Statement

Management is responsible for the preparation and fair presentation of the 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 Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user based on the financial statement.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Required Supplementary Information

Financial reporting requirements established by the Indiana State Board of Accounts, as described in Note 1, require that the Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis be presented to supplement the basic financial statement. Such information is the responsibility of management and, although not a part of the basic financial statement, is required by reporting requirements established by the Indiana State Board of Accounts who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statement, and other knowledge we obtained during our audit of the basic financial statement. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the Annual Financial Report. The other information comprises the Schedule of Payables and Receivables, Schedule of Leases and Debt, and Schedule of Capital Assets, as listed in the Table of Contents, but does not include the basic financial statement and our auditor's report thereon. Our opinions on the basic financial statement does not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 1, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


Beth Kelley, CPA, CFE
Deputy State Examiner

September 1, 2022

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FINANCIAL STATEMENT AND ACCOMPANYING NOTES; REQUIRED SUPPLEMENTARY
INFORMATION; AND OTHER INFORMATION

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.

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 PRINCETON
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2021

Fund	Cash and Investments 01-01-21	Receipts	Disbursements	Cash and Investments 12-31-21
GENERAL FUND	\$ 1,892,314	\$ 5,686,247	\$ 5,373,712	\$ 2,204,849
MVH	906,215	753,086	653,790	1,005,511
LOCAL ROAD AND STREET	75,380	65,938	14,235	127,083
POLICE NARCOTIC FUND	947	-	-	947
EDIT DISTRIBUTION	1,694,386	1,208,956	784,924	2,118,418
DEMOLITION OF BUILDING	94,539	36,112	17,332	113,319
PLANNING COMMISSION	63,822	51,971	48,764	67,029
POLICE K-9	340	-	-	340
LAW ENF. CONT. ED. FUND	6,496	4,294	9,470	1,320
INDOT - COMMUNITY CROSSINGS GRANT	26,449	91,489	117,938	-
PARK AND RECREATION	174,292	520,330	495,679	198,943
PAYROLL COUNTY WITHHOLDING	-	34,404	34,404	-
RAINY DAY	3,576	-	-	3,576
SPECIAL LOIT DISTRIBUTION	174,680	-	-	174,680
MVH RESTRICTED	78,432	181,319	39,474	220,277
FIRE TERRITORY OPERATING	1,498,333	1,465,783	2,210,218	753,898
SEWAGE WORKS CONSTRUCTION	5,390	6,229,108	6,233,916	582
CCDF-CUM CAP DEV FUND	329,374	86,010	84,479	330,905
BOND DEBT - 2016 LEASE RENTAL (TAXABLE)	22,421	114,582	100,900	36,103
REDEVELOPMENT AUTHORITY BONDS OF 2013	412,038	40	412,042	36
CUM CAP IMPROVEMENT	153,660	17,775	8,982	162,453
FIRE TERRITORY EQUIP.FUND	534,105	1,192,471	157,025	1,569,551
MISC OUTSTANDING 2YRS OLD CHECKS	1,179	-	-	1,179
PAYROLL ONE AMERICA	-	33,250	33,250	-
POLICE PENSION	626,608	254,720	256,802	624,526
FIRE PENSION	732,965	203,806	194,106	742,665
COVID-19 OCRA SMALL BUSINESS	-	250,000	250,000	-
ARP-CORONA VIRUS RELIEF FUND	-	985,836	-	985,836
FEDERAL SEIZURE FUND	3,125	10,918	11,322	2,721
DONATION FUND	16,807	36,931	35,901	17,837
FIRE TERRITORY GRANT FUND	337	-	-	337
USDA REDEVELOP. (FEDERAL)	40,838	5,611	-	46,449
CLEARING HOUSE ACCOUNT	22,927	9	525	22,411
PAYROLL NETS	33,996	3,317,043	3,317,100	33,939
PAYROLL FEDERAL WITHHOLDING	2,684	480,961	480,949	2,696
PAYROLL FICA	-	196,211	196,211	-
PAYROLL MEDICARE	-	112,071	112,071	-
PAYROLL STATE WITHHOLDING	-	135,081	135,081	-
PAYROLL - CITY CENTRAL STATES	-	1,461,452	1,461,452	-
PAYROLL CIVIL PERF	658	227,554	228,212	-
PAYROLL PRINCETON CITY FIRE PERF	998	153,970	154,968	-
PAYROLL PATOKA SECONDARY FIRE PERF	802	114,737	115,539	-
PAYROLL POLICE PERF	-	198,652	198,652	-
PAYROLL LIBERTY NATIONAL	38	16,439	16,476	1
PAYROLL AFLAC	-	13,908	13,908	-
PAYROLL CHILD SUPPORT	-	9,869	9,869	-
PAYROLL GUARDIAN VISION	-	17,950	17,950	-
PAYROLL DRIVE	-	136	132	4
PAYROLL FIRE DUES	2,560	10,120	12,680	-
PAYROLL GARNISHMENTS	-	480	480	-
PAYROLL WASHINGTON	-	258	258	-
PAYROLL COLONIAL	-	4,962	4,962	-
PAYROLL ANNUAL INS FEE FOR UNION/ NON UNION	-	88	88	-
PAYROLL UNION DUES/ USER FEE FOR NON UNION	120	37,437	37,431	126
PAYROLL VALIC	-	41,040	41,040	-
PAYROLL LIFE INSURANCE SUN LIFE	-	9,537	9,537	-
PAYROLL LIFE INS AUL	-	12,528	12,528	-
SEWAGE OPERATING	2,068,518	3,524,954	3,257,755	2,335,717
SEWAGE BOND & INTEREST	33,200	316,800	291,246	58,754
SEW DEBT SERV RESERVE	10,444	31,332	-	41,776
SEWAGE CASH CHANGE	500	-	-	500
SEWAGE IMPROVEMENT FUND	1,802	-	-	1,802
STORM WATER CHARGE	-	55,339	8	55,331
WATER OPERATING	359,051	6,100,285	5,888,552	570,784
GUARANTEE METER	167,436	34,353	30,043	171,746
BOSHOKU IEDC WATER GRANT	7,288	-	-	7,288
WATER CASH CHANGE	500	-	-	500
ONB/JOHNSON CONTROLS	113,834	227,668	227,668	113,834
2010 WATER BOND AND INT.	161,062	180,742	180,891	160,913
2010 WATER DEBT SER. RES.	190,314	19	-	190,333
Totals	\$ 12,747,780	\$ 36,564,972	\$ 34,032,927	\$ 15,279,825

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

CITY OF PRINCETON
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, 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 PRINCETON
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: local income tax, 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.

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 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.

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.

CITY OF PRINCETON
NOTES TO FINANCIAL STATEMENT
(Continued)

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 PRINCETON
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 PRINCETON
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 PRINCETON
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.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	GENERAL FUND	MVH	LOCAL ROAD AND STREET	POLICE NARCOTIC FUND	EDIT DISTRIBUTION	DEMOLITION OF BUILDING	PLANNING COMMISSION
Cash and investments - beginning	\$ 1,892,314	\$ 906,215	\$ 75,380	\$ 947	\$ 1,694,386	\$ 94,539	\$ 63,822
Receipts:							
Taxes	1,416,560	344,756	-	-	-	35,410	48,141
Licenses and permits	120,427	-	-	-	-	-	2,875
Intergovernmental receipts	1,038,729	257,864	65,938	-	1,208,439	702	955
Charges for services	35,665	18,629	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	3,074,866	131,837	-	-	517	-	-
Total receipts	5,686,247	753,086	65,938	-	1,208,956	36,112	51,971
Disbursements:							
Personal services	1,808,490	273,648	-	-	-	-	45,266
Supplies	108,035	41,264	14,235	-	3,194	-	323
Other services and charges	350,661	176,202	-	-	150,482	4,028	3,175
Debt service - principal and interest	-	-	-	-	393,769	-	-
Capital outlay	108,321	161,163	-	-	237,479	13,304	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	2,998,205	1,513	-	-	-	-	-
Total disbursements	5,373,712	653,790	14,235	-	784,924	17,332	48,764
Excess (deficiency) of receipts over disbursements	312,535	99,296	51,703	-	424,032	18,780	3,207
Cash and investments - ending	\$ 2,204,849	\$ 1,005,511	\$ 127,083	\$ 947	\$ 2,118,418	\$ 113,319	\$ 67,029

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	POLICE K-9	LAW ENF. CONT. ED. FUND	INDOT - COMMUNITY CROSSINGS GRANT	PARK AND RECREATION	PAYROLL COUNTY WITHHOLDING	RAINY DAY	SPECIAL LOIT DISTRIBUTION
Cash and investments - beginning	\$ 340	\$ 6,496	\$ 26,449	\$ 174,292	\$ -	\$ 3,576	\$ 174,680
Receipts:							
Taxes	-	-	-	312,662	-	-	-
Licenses and permits	-	50	-	-	-	-	-
Intergovernmental receipts	-	-	91,489	6,206	-	-	-
Charges for services	-	-	-	201,168	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	-	4,244	-	294	34,404	-	-
Total receipts	-	4,294	91,489	520,330	34,404	-	-
Disbursements:							
Personal services	-	-	-	339,076	-	-	-
Supplies	-	9,470	-	41,968	-	-	-
Other services and charges	-	-	-	83,003	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	27,042	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	117,938	4,590	34,404	-	-
Total disbursements	-	9,470	117,938	495,679	34,404	-	-
Excess (deficiency) of receipts over disbursements	-	(5,176)	(26,449)	24,651	-	-	-
Cash and investments - ending	\$ 340	\$ 1,320	\$ -	\$ 198,943	\$ -	\$ 3,576	\$ 174,680

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	MVH RESTRICTED	FIRE TERRITORY OPERATING	SEWAGE WORKS CONSTRUCTION	CCDF-CUM CAP DEV FUND	BOND DEBT - 2016 LEASE RENTAL (TAXABLE)
Cash and investments - beginning	\$ 78,432	\$ 1,498,333	\$ 5,390	\$ 329,374	\$ 22,421
Receipts:					
Taxes	-	1,438,093	-	84,304	105,969
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	181,319	17,373	6,229,095	1,674	8,613
Charges for services	-	-	-	-	-
Utility fees	-	-	-	-	-
Penalties	-	-	-	-	-
Other receipts	-	10,317	13	32	-
Total receipts	181,319	1,465,783	6,229,108	86,010	114,582
Disbursements:					
Personal services	-	2,126,736	-	-	-
Supplies	39,474	26,887	-	-	-
Other services and charges	-	41,471	-	84,479	-
Debt service - principal and interest	-	-	4,823	-	100,900
Capital outlay	-	13,111	6,229,093	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	2,013	-	-	-
Total disbursements	39,474	2,210,218	6,233,916	84,479	100,900
Excess (deficiency) of receipts over disbursements	141,845	(744,435)	(4,808)	1,531	13,682
Cash and investments - ending	\$ 220,277	\$ 753,898	\$ 582	\$ 330,905	\$ 36,103

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	REDEVELOPMENT AUTHORITY BONDS OF 2013	CUM CAP IMPROVEMENT	FIRE TERRITORY EQUIP.FUND	MISC OUTSTANDING 2YRS OLD CHECKS	PAYROLL ONE AMERICA	POLICE PENSION
Cash and investments - beginning	\$ 412,038	\$ 153,660	\$ 534,105	\$ 1,179	\$ -	\$ 626,608
Receipts:						
Taxes	-	-	1,190,943	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	17,760	1,528	-	-	-
Charges for services	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	40	15	-	-	33,250	254,720
Total receipts	40	17,775	1,192,471	-	33,250	254,720
Disbursements:						
Personal services	-	-	-	-	33,250	254,626
Supplies	-	8,982	47,000	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	110,025	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	412,042	-	-	-	-	2,176
Total disbursements	412,042	8,982	157,025	-	33,250	256,802
Excess (deficiency) of receipts over disbursements	(412,002)	8,793	1,035,446	-	-	(2,082)
Cash and investments - ending	\$ 36	\$ 162,453	\$ 1,569,551	\$ 1,179	\$ -	\$ 624,526

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	FIRE PENSION	COVID-19 OCRA SMALL BUSINESS	ARP-CORONA VIRUS RELIEF FUND	FEDERAL SEIZURE FUND	DONATION FUND	FIRE TERRITORY GRANT FUND	USDA REDEVELOP.(FEDERAL)
Cash and investments - beginning	\$ 732,965	\$ -	\$ -	\$ 3,125	\$ 16,807	\$ 337	\$ 40,838
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	203,806	250,000	985,836	10,918	36,931	-	5,611
Total receipts	203,806	250,000	985,836	10,918	36,931	-	5,611
Disbursements:							
Personal services	194,106	-	-	-	-	-	-
Supplies	-	-	-	11,322	35,050	-	-
Other services and charges	-	-	-	-	851	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	250,000	-	-	-	-	-
Total disbursements	194,106	250,000	-	11,322	35,901	-	-
Excess (deficiency) of receipts over disbursements	9,700	-	985,836	(404)	1,030	-	5,611
Cash and investments - ending	\$ 742,665	\$ -	\$ 985,836	\$ 2,721	\$ 17,837	\$ 337	\$ 46,449

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	CLEARING HOUSE ACCOUNT	PAYROLL NETS	PAYROLL FEDERAL WITHHOLDING	PAYROLL FICA	PAYROLL MEDICARE	PAYROLL STATE WITHHOLDING	PAYROLL- CITY CENTRAL STATES
Cash and investments - beginning	\$ 22,927	\$ 33,996	\$ 2,684	\$ -	\$ -	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	9	3,317,043	480,961	196,211	112,071	135,081	1,461,452
Total receipts	9	3,317,043	480,961	196,211	112,071	135,081	1,461,452
Disbursements:							
Personal services	-	3,317,100	-	-	-	-	1,461,452
Supplies	420	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	105	-	480,949	196,211	112,071	135,081	-
Total disbursements	525	3,317,100	480,949	196,211	112,071	135,081	1,461,452
Excess (deficiency) of receipts over disbursements	(516)	(57)	12	-	-	-	-
Cash and investments - ending	\$ 22,411	\$ 33,939	\$ 2,696	\$ -	\$ -	\$ -	\$ -

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	PAYROLL CIVIL PERF	PAYROLL PRINCETON CITY FIRE PERF	PAYROLL PATOKA SECONDARY FIRE PERF	PAYROLL POLICE PERF	PAYROLL LIBERTY NATIONAL	PAYROLL AFLAC	PAYROLL CHILD SUPPORT
Cash and investments - beginning	\$ 658	\$ 998	\$ 802	\$ -	\$ 38	\$ -	\$ -
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-	-
Penalties	-	-	-	-	-	-	-
Other receipts	227,554	153,970	114,737	198,652	16,439	13,908	9,869
Total receipts	227,554	153,970	114,737	198,652	16,439	13,908	9,869
Disbursements:							
Personal services	228,212	154,968	115,539	198,652	16,476	13,908	9,869
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-	-
Total disbursements	228,212	154,968	115,539	198,652	16,476	13,908	9,869
Excess (deficiency) of receipts over disbursements	(658)	(998)	(802)	-	(37)	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ -

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	PAYROLL GUARDIAN VISION	PAYROLL DRIVE	PAYROLL FIRE DUES	PAYROLL GARNISHMENTS	PAYROLL WASHINGTON	PAYROLL COLONIAL
Cash and investments - beginning	\$ -	\$ -	\$ 2,560	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Other receipts	17,950	136	10,120	480	258	4,962
Total receipts	17,950	136	10,120	480	258	4,962
Disbursements:						
Personal services	17,950	132	12,680	480	258	4,962
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	17,950	132	12,680	480	258	4,962
Excess (deficiency) of receipts over disbursements	-	4	(2,560)	-	-	-
Cash and investments - ending	\$ -	\$ 4	\$ -	\$ -	\$ -	\$ -

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	PAYROLL ANNUAL INS FEE FOR UNION/ NON UNION	PAYROLL UNION DUES/ USER FEE FOR NON UNION	PAYROLL VALIC	PAYROLL LIFE INSURANCE SUN LIFE	PAYROLL LIFE INS AUL	SEWAGE OPERATING
Cash and investments - beginning	\$ -	\$ 120	\$ -	\$ -	\$ -	\$ 2,068,518
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Utility fees	-	-	-	-	-	64,483
Penalties	-	-	-	-	-	22,600
Other receipts	88	37,437	41,040	9,537	12,528	3,437,871
Total receipts	88	37,437	41,040	9,537	12,528	3,524,954
Disbursements:						
Personal services	88	37,431	41,040	9,537	12,528	544,708
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	308,469
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	1,747,148
Other disbursements	-	-	-	-	-	657,430
Total disbursements	88	37,431	41,040	9,537	12,528	3,257,755
Excess (deficiency) of receipts over disbursements	-	6	-	-	-	267,199
Cash and investments - ending	\$ -	\$ 126	\$ -	\$ -	\$ -	\$ 2,335,717

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	SEWAGE BOND & INTEREST	SEW DEBT SERV RESERVE	SEWAGE CASH CHANGE	SEWAGE IMPROVEMENT FUND	STORM WATER CHARGE	WATER OPERATING	GUARANTEE METER
Cash and investments - beginning	\$ 33,200	\$ 10,444	\$ 500	\$ 1,802	\$ -	\$ 359,051	\$ 167,436
Receipts:							
Taxes	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Utility fees	-	-	-	-	55,339	75,609	34,095
Penalties	-	-	-	-	-	10,636	-
Other receipts	316,800	31,332	-	-	-	6,014,040	258
Total receipts	316,800	31,332	-	-	55,339	6,100,285	34,353
Disbursements:							
Personal services	-	-	-	-	-	497,173	-
Supplies	-	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	287,645	-
Debt service - principal and interest	291,246	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	749,463	30,043
Other disbursements	-	-	-	-	8	4,354,271	-
Total disbursements	291,246	-	-	-	8	5,888,552	30,043
Excess (deficiency) of receipts over disbursements	25,554	31,332	-	-	55,331	211,733	4,310
Cash and investments - ending	\$ 58,754	\$ 41,776	\$ 500	\$ 1,802	\$ 55,331	\$ 570,784	\$ 171,746

CITY OF PRINCETON
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2021

	BOSHOKU IEDC WATER GRANT	WATER CASH CHANGE	ONB/JOHNSON CONTROLS	2010 WATER BOND AND INT.	2010 WATER DEBT SER. RES.	Totals
Cash and investments - beginning	\$ 7,288	\$ 500	\$ 113,834	\$ 161,062	\$ 190,314	\$ 12,747,780
Receipts:						
Taxes	-	-	-	-	-	4,976,838
Licenses and permits	-	-	-	-	-	123,352
Intergovernmental receipts	-	-	-	-	-	9,127,684
Charges for services	-	-	-	-	-	255,462
Utility fees	-	-	-	-	-	229,526
Penalties	-	-	-	-	-	33,236
Other receipts	-	-	227,668	180,742	19	21,818,874
Total receipts	-	-	227,668	180,742	19	36,564,972
Disbursements:						
Personal services	-	-	-	-	-	11,770,341
Supplies	-	-	-	-	-	387,624
Other services and charges	-	-	-	-	-	1,490,466
Debt service - principal and interest	-	-	227,668	180,891	-	1,199,297
Capital outlay	-	-	-	-	-	6,899,538
Utility operating expenses	-	-	-	-	-	2,526,654
Other disbursements	-	-	-	-	-	9,759,007
Total disbursements	-	-	227,668	180,891	-	34,032,927
Excess (deficiency) of receipts over disbursements	-	-	-	(149)	19	2,532,045
Cash and investments - ending	\$ 7,288	\$ 500	\$ 113,834	\$ 160,913	\$ 190,333	\$ 15,279,825

OTHER INFORMATION

CITY OF PRINCETON
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2021

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 150,718	\$ -
Wastewater	93,776	299,339
Water	<u>32,732</u>	<u>154,234</u>
Totals	<u>\$ 277,226</u>	<u>\$ 453,573</u>

CITY OF PRINCETON
 SCHEDULE OF LEASES AND DEBT
 December 31, 2021

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
Princeton Redevelopment Authority	Economic Development Income Tax Lease Rental Bond of 2016	\$ 101,000	7/1/2017	1/1/2027
Princeton Redevelopment Authority	Local Income Tax Lease Rental Bonds Series 2021	513,002	5/27/2021	1/1/2033
TCF National Bank	Street Sweeper	<u>44,980</u>	1/10/2020	1/10/2022
Total governmental activities		<u>658,982</u>		
Water:				
Old National Bank	Water Meter Upgrade	<u>227,668</u>	7/1/2011	7/1/2025
Total of annual lease payments		<u>\$ 886,650</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Wastewater:			
Revenue bonds	Sewage Works Revenue Bonds 2020 Series A	\$ 8,563,000	\$ 218,148
Revenue bonds	Sewage Works Revenue Bonds 2020 Series B	1,390,000	34,610
Revenue bonds	Sewage Works Revenue Bonds 2021 Series C	<u>499,000</u>	<u>9,135</u>
Total Wastewater		<u>10,452,000</u>	<u>261,893</u>
Water:			
Revenue bonds	Waterworks Revenue Bonds 2010	<u>1,453,000</u>	<u>178,866</u>
Totals		<u>\$ 11,905,000</u>	<u>\$ 440,759</u>

CITY OF PRINCETON
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2021

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	\$ 95,897
Infrastructure	2,370,650
Buildings	2,338,882
Improvements other than buildings	9,509,166
Machinery, equipment, and vehicles	<u>6,541,208</u>
Total governmental activities	<u>20,855,803</u>
Wastewater:	
Land	13,592,047
Buildings	3,074,001
Improvements other than buildings	7,181,675
Machinery, equipment, and vehicles	4,141,861
Construction in progress	<u>8,774,456</u>
Total Wastewater	<u>36,764,040</u>
Water:	
Land	154,850
Buildings	1,964,684
Improvements other than buildings	7,902,716
Machinery, equipment, and vehicles	534,025
Construction in progress	<u>1,244,952</u>
Total Water	<u>11,801,227</u>
Total capital assets	<u>\$ 69,421,070</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/>.