

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

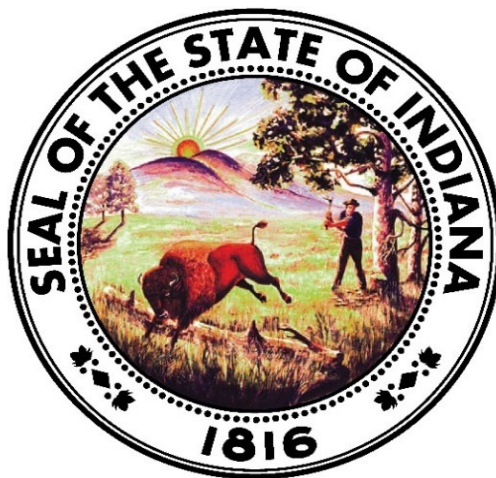
FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF SALEM

WASHINGTON COUNTY, INDIANA

January 1, 2020 to December 31, 2020



FILED
10/20/2022

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sally J. Hattabaugh	01-01-20 to 12-31-22
Mayor	Justin Green	01-01-20 to 12-31-22
President of the Board of Public Works and Safety	Justin Green	01-01-20 to 12-31-22
President Pro Tempore of the Common Council	Danny Libka Jody Smedley	01-01-20 to 12-31-21 01-01-22 to 12-31-22
Utility Office Manager	Carol Brough Edith Sutcliff	01-01-20 to 09-30-20 10-01-20 to 12-31-22



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF SALEM, WASHINGTON COUNTY, INDIANA

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying financial statement of the City of Salem (City), which comprises the financial position and results of operations as of and for the year ended December 31, 2020, 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, 2020, 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, 2020, 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 statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial 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 statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we 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 October 4, 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

October 4, 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 SALEM
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
GENERAL	\$ 2,247,754	\$ 4,291,428	\$ 3,257,550	\$ 3,281,632
MOTOR VEHICLE HIGHWAY	359,774	532,121	584,015	307,880
LOCAL ROAD & STREET	70,646	44,253	5,481	109,418
MVH RESTRICTED	25,443	119,934	115,460	29,917
AVIATION	13,456	27,648	33,787	7,317
SANITATION	255,127	360,019	355,060	260,086
LAW ENFORCECEMENT CONTINUING EDUCATION	19,204	6,899	1,500	24,603
UNSAFE BUILDING	10,002	1,735	1,852	9,885
RIVERBOAT REVENUE SHARING	104,180	37,433	19,480	122,133
PARK & RECREATION	184,639	189,098	194,385	179,352
RAINY DAY FUND	40,932	-	-	40,932
EDIT	501,144	491,601	339,727	653,018
LOIT SPECIAL DISTRIBUTION	5,414	-	-	5,414
CUMULATIVE CAPITAL DEVELOPMENT	24,546	50,809	55,250	20,105
CUMULATIVE CAPITAL IMPROVEMENT	35,367	13,701	2,941	46,127
SELF INSURANCE	1,424	43,294	44,447	271
POLICE PENSION OLD	96,332	52,638	54,147	94,823
FIRE PENSION OLD	78,416	64,182	67,088	75,510
COVID CARES RELIEF FUND GRANT	-	201,054	201,054	-
LIT - PUBLIC SAFETY	535,326	470,434	360,035	645,725
AIRPORT COVID CARES GRANT	-	25,882	25,882	-
OCRA CDBG COVID-19 GRANT	-	100,000	165,000	(65,000)
CEMETERY OPERATING	49,423	101,123	133,314	17,232
AIRPORT GRANT-FEDERAL	-	273,038	273,038	-
AIRPORT GRANT-STATE	-	11,758	11,758	-
PETTY CASH - GENERAL	500	-	-	500
CASH CHANGE - GENERAL	50	-	-	50
CEMETERY STONE REPAIR DONATION	1,079	-	-	1,079
CEMETERY CHAPEL DONATIONS	2,700	-	-	2,700
SALEM SIDEWALK	664	-	-	664
ANIMAL SHELTER DONATION	5,421	1,751	2,927	4,245
POLICE DONATION	131	1,576	1,438	269
K-9 PROGRAM	5,684	-	4,087	1,597
CEMETERY PERM. MAINT.	112,411	7,560	8,294	111,677
SINCLAIR MEMORIAL MAUSOLEUM	16,628	42	-	16,670
EMERGENCY FLOOD 2017	14,063	-	-	14,063
URBAN BEAUTIFICATION	72	706	455	323
FIRE DONATION	4,663	25,000	24,249	5,414
SALEM HOUSING REHAB RLF	14	-	-	14
STORM WATER USER FEE	4,121	-	-	4,121
LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	1	587,732	587,732	1
POLICE GRANT	9	-	-	9
SALEM R.B.E.G. FUND	24,252	-	-	24,252
ALLOCATION #1 U.E.Z.	955,580	864,468	842,267	977,781
SALEM ALLOCATION AREA #2	169,408	120,348	-	289,756
WAL-MART ALLOCATION AREA	151,735	296,520	295,847	152,408
AIRPORT IMPROVEMENT	320,165	39,451	144,223	215,393
BOAC RENTAL PROPERTY	38,476	54,611	38,926	54,161
PROJECT DONATION	2,301	2,000	4,094	207

CITY OF SALEM
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
PAYROLL - NET SALARIES	-	552,692	552,692	-
PAYROLL - FEDERAL W/H	-	260,041	260,041	-
PAYROLL - FICA	-	242,972	242,972	-
PAYROLL - MEDICARE	-	83,660	83,660	-
PAYROLL - STATE W/H	-	94,752	94,752	-
PAYROLL - COUNTY W/H	-	55,999	55,999	-
AMERICAN FAMILY LIFE	-	25,881	25,881	-
AUL 457	-	51,971	51,971	-
COMMUNITY FOUNDATION	-	518	518	-
BOSTON MUTUAL	-	2,076	2,076	-
PERF	-	273,247	273,247	-
COLONIAL LIFE	-	3,852	3,852	-
COMPANION LIFE	-	91	91	-
DIRECT DEPOSIT	-	1,679,471	1,679,471	-
IN STATE CENT COLL UNIT	-	5,720	5,720	-
GUARDIAN 125	-	19,371	19,371	-
HEALTH 125	-	67,397	67,397	-
LINCOLN LIFE	-	584	584	-
PRUDENTIAL LIFE	-	741	741	-
WASHINGTON NATIONAL LIFE	-	247	247	-
WASHINGTON CO. TREASURER	-	871	871	-
YMCA	-	1,481	1,481	-
FIRE PERF	-	83,832	83,832	-
POLICE PERF	-	133,003	133,003	-
LIBERTY NATIONAL 125	-	383	383	-
CINTAS	-	927	927	-
WASHINGTON CO. F.O.P. LODGE 142	-	250	250	-
WASTEWATER OPERATING	57,119	1,295,045	1,232,626	119,538
SEWER SERVICE	87,560	30,030	25,410	92,180
WASTEWATER DEPRECIATION	38,071	128,300	11,209	155,162
WASTEWATER BOND & INTEREST	19,222	219,200	218,869	19,553
WASTEWATER DEBT SERVICE	193,428	7,560	-	200,988
WASTEWATER CONSTRUCTION 2018	836,491	1,958	838,441	8
PETTY CASH - WASTEWATER	500	-	-	500
CASH CHANGE - WASTEWATER	50	-	-	50
SEWER BAN 2020	-	1,984,000	142,950	1,841,050
WATER OPERATING	507,605	2,507,552	2,818,878	196,279
WATER DEPRECIATION	609,294	950,000	878,791	680,503
WATER BOND & INTEREST	402,097	-	100,000	302,097
PETTY CASH - WATER	500	-	-	500
WATER NON-REVERTING	14,011	13,835	23,071	4,775
CASH CHANGE - WATER	50	-	-	50
WATER PLANT PROJECT	322	5,603,269	5,602,694	897
BECKS MILL WATER LINE EXT	609	-	-	609
WATER BAN 2019	8,544,956	37,778	5,602,694	2,980,040
Totals	<u>\$ 17,800,562</u>	<u>\$ 25,932,404</u>	<u>\$ 29,394,453</u>	<u>\$ 14,338,513</u>

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

CITY OF SALEM
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 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 SALEM
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 SALEM
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 SALEM
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.

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

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

Contributions

Members' contributions are set by state statute at 3 percent of compensation for the defined contribution component of PERF Hybrid. The employer may elect to make the contribution on behalf of the member of the defined contribution component of PERF Hybrid and 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.

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.

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

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.

Note 7. Cash Balance Deficits

The financial statement contains a fund with deficits in cash. This is a result of the fund being set up as a reimbursable grant. The reimbursements for expenditures made by the City were not received by December 31, 2020.

Note 8. Holding Corporation

The City has entered into a capital lease with the City of Salem Government Facility Building Corp. (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 2020 totaled \$111,500.

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 9. Subsequent Events

On February 22, 2021, the Common Council authorized the issuance of Waterworks Revenue and Refunding Bonds of 2021, Series A, B, and C, for a total amount of \$14,783,000. The proceeds are to be used to finance improvements for the water plant construction project with a maturity date of January 1, 2061.

The City has been awarded \$1,400,015 from the American Rescue Plan Act of 2021. The first distribution of these funds was received by the City on July 28, 2021, in the amount of \$700,008, with the remaining balance to be received during 2022.

REQUIRED SUPPLEMENTARY INFORMATION

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

	GENERAL	MOTOR VEHICLE HIGHWAY	LOCAL ROAD & STREET	MVH RESTRICTED	AVIATION
Cash and investments - beginning	\$ 2,247,754	\$ 359,774	\$ 70,646	\$ 25,443	\$ 13,456
Receipts:					
Taxes	3,566,669	364,945	-	-	-
Licenses and permits	49,683	-	-	-	-
Intergovernmental receipts	218,451	160,401	44,253	119,934	-
Charges for services	145,311	1,512	-	-	27,648
Fines and forfeits	2,054	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	309,260	5,263	-	-	-
Total receipts	<u>4,291,428</u>	<u>532,121</u>	<u>44,253</u>	<u>119,934</u>	<u>27,648</u>
Disbursements:					
Personal services	2,432,886	444,069	-	-	-
Supplies	81,158	46,475	-	-	8,238
Other services and charges	519,609	17,096	5,481	-	25,549
Debt service - principal and interest	-	-	-	-	-
Capital outlay	61,932	76,375	-	115,460	-
Utility operating expenses	-	-	-	-	-
Other disbursements	161,965	-	-	-	-
Total disbursements	<u>3,257,550</u>	<u>584,015</u>	<u>5,481</u>	<u>115,460</u>	<u>33,787</u>
Excess (deficiency) of receipts over disbursements	<u>1,033,878</u>	<u>(51,894)</u>	<u>38,772</u>	<u>4,474</u>	<u>(6,139)</u>
Cash and investments - ending	<u>\$ 3,281,632</u>	<u>\$ 307,880</u>	<u>\$ 109,418</u>	<u>\$ 29,917</u>	<u>\$ 7,317</u>

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

	SANITATION	LAW ENFORCECEMENT CONTINUING EDUCATION	UNSAFE BUILDING	RIVERBOAT REVENUE SHARING	PARK & RECREATION
Cash and investments - beginning	\$ 255,127	\$ 19,204	\$ 10,002	\$ 104,180	\$ 184,639
Receipts:					
Taxes	143,151	-	-	-	147,427
Licenses and permits	-	4,370	1,735	-	-
Intergovernmental receipts	15,874	-	-	37,433	16,348
Charges for services	197,268	1,714	-	-	23,018
Fines and forfeits	-	815	-	-	-
Utility fees	-	-	-	-	-
Other receipts	3,726	-	-	-	2,305
Total receipts	<u>360,019</u>	<u>6,899</u>	<u>1,735</u>	<u>37,433</u>	<u>189,098</u>
Disbursements:					
Personal services	103,286	-	-	19,480	127,174
Supplies	2,752	-	-	-	24,108
Other services and charges	248,977	545	-	-	15,702
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	955	-	-	12,761
Utility operating expenses	-	-	-	-	-
Other disbursements	45	-	1,852	-	14,640
Total disbursements	<u>355,060</u>	<u>1,500</u>	<u>1,852</u>	<u>19,480</u>	<u>194,385</u>
Excess (deficiency) of receipts over disbursements	<u>4,959</u>	<u>5,399</u>	<u>(117)</u>	<u>17,953</u>	<u>(5,287)</u>
Cash and investments - ending	<u>\$ 260,086</u>	<u>\$ 24,603</u>	<u>\$ 9,885</u>	<u>\$ 122,133</u>	<u>\$ 179,352</u>

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

	RAINY DAY FUND	EDIT	LOIT SPECIAL DISTRIBUTION	CUMULATIVE CAPITAL DEVELOPMENT	CUMULATIVE CAPITAL IMPROVEMENT
Cash and investments - beginning	\$ 40,932	\$ 501,144	\$ 5,414	\$ 24,546	\$ 35,367
Receipts:					
Taxes	-	452,912	-	45,737	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	5,072	13,701
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	38,689	-	-	-
Total receipts	-	491,601	-	50,809	13,701
Disbursements:					
Personal services	-	28,573	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	291,663	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	19,491	-	55,250	2,941
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	339,727	-	55,250	2,941
Excess (deficiency) of receipts over disbursements	-	151,874	-	(4,441)	10,760
Cash and investments - ending	\$ 40,932	\$ 653,018	\$ 5,414	\$ 20,105	\$ 46,127

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

	SELF INSURANCE	POLICE PENSION OLD	FIRE PENSION OLD	COVID CARES RELIEF FUND GRANT	LIT - PUBLIC SAFETY
Cash and investments - beginning	\$ 1,424	\$ 96,332	\$ 78,416	\$ -	\$ 535,326
Receipts:					
Taxes	-	-	-	-	430,450
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	52,214	63,750	201,054	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	43,294	424	432	-	39,984
Total receipts	43,294	52,638	64,182	201,054	470,434
Disbursements:					
Personal services	-	500	-	-	225,739
Supplies	-	-	-	-	-
Other services and charges	-	53,647	67,088	-	4,015
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	130,281
Utility operating expenses	-	-	-	-	-
Other disbursements	44,447	-	-	201,054	-
Total disbursements	44,447	54,147	67,088	201,054	360,035
Excess (deficiency) of receipts over disbursements	(1,153)	(1,509)	(2,906)	-	110,399
Cash and investments - ending	\$ 271	\$ 94,823	\$ 75,510	\$ -	\$ 645,725

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

	AIRPORT COVID CARES GRANT	OCRA CDBG COVID-19 GRANT	CEMETERY OPERATING	AIRPORT GRANT - FEDERAL	AIRPORT GRANT - STATE
Cash and investments - beginning	\$ -	\$ -	\$ 49,423	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	25,882	100,000	-	273,038	11,758
Charges for services	-	-	95,865	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	5,258	-	-
Total receipts	25,882	100,000	101,123	273,038	11,758
Disbursements:					
Personal services	-	-	107,715	-	-
Supplies	-	-	7,692	-	-
Other services and charges	-	-	7,109	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	10,798	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	25,882	165,000	-	273,038	11,758
Total disbursements	25,882	165,000	133,314	273,038	11,758
Excess (deficiency) of receipts over disbursements	-	(65,000)	(32,191)	-	-
Cash and investments - ending	\$ -	\$ (65,000)	\$ 17,232	\$ -	\$ -

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

	PETTY CASH - GENERAL	CASH CHANGE - GENERAL	CEMETERY STONE REPAIR DONATION	CEMETERY CHAPEL DONATIONS	SALEM SIDEWALK
Cash and investments - beginning	\$ 500	\$ 50	\$ 1,079	\$ 2,700	\$ 664
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	-	-	-	-	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ 500	\$ 50	\$ 1,079	\$ 2,700	\$ 664

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

	ANIMAL SHELTER DONATION	POLICE DONATION	K-9 PROGRAM	CEMETERY PERM. MAINT.	SINCLAIR MEMORIAL MAUSOLEUM
Cash and investments - beginning	\$ 5,421	\$ 131	\$ 5,684	\$ 112,411	\$ 16,628
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	7,560	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	1,751	1,576	-	-	42
Total receipts	1,751	1,576	-	7,560	42
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	2,927	1,438	4,087	8,294	-
Total disbursements	2,927	1,438	4,087	8,294	-
Excess (deficiency) of receipts over disbursements	(1,176)	138	(4,087)	(734)	42
Cash and investments - ending	\$ 4,245	\$ 269	\$ 1,597	\$ 111,677	\$ 16,670

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

	EMERGENCY FLOOD 2017	URBAN BEAUTIFICATION	FIRE DONATION	SALEM HOUSING REHAB RLF	STORM WATER USER FEE
Cash and investments - beginning	\$ 14,063	\$ 72	\$ 4,663	\$ 14	\$ 4,121
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	706	25,000	-	-
Total receipts	-	706	25,000	-	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	455	24,249	-	-
Total disbursements	-	455	24,249	-	-
Excess (deficiency) of receipts over disbursements	-	251	751	-	-
Cash and investments - ending	\$ 14,063	\$ 323	\$ 5,414	\$ 14	\$ 4,121

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

	LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	POLICE GRANT	SALEM R.B.E.G. FUND	ALLOCATION #1 U.E.Z.	SALEM ALLOCATION AREA #2
Cash and investments - beginning	\$ 1	\$ 9	\$ 24,252	\$ 955,580	\$ 169,408
Receipts:					
Taxes	-	-	-	632,632	120,348
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	440,732	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	147,000	-	-	231,836	-
Total receipts	587,732	-	-	864,468	120,348
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	587,732	-	-	505,279	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	336,988	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	-
Total disbursements	587,732	-	-	842,267	-
Excess (deficiency) of receipts over disbursements	-	-	-	22,201	120,348
Cash and investments - ending	\$ 1	\$ 9	\$ 24,252	\$ 977,781	\$ 289,756

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

	WALMARY ALLOCATION AREA	AIRPORT IMPROVEMENT	BOAC RENTAL PROPERTY	PROJECT DONATION	PAYROLL - NET SALARIES
Cash and investments - beginning	\$ 151,735	\$ 320,165	\$ 38,476	\$ 2,301	\$ -
Receipts:					
Taxes	296,520	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	54,001	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	39,451	610	2,000	552,692
Total receipts	<u>296,520</u>	<u>39,451</u>	<u>54,611</u>	<u>2,000</u>	<u>552,692</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	295,847	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	144,223	38,926	4,094	552,692
Total disbursements	<u>295,847</u>	<u>144,223</u>	<u>38,926</u>	<u>4,094</u>	<u>552,692</u>
Excess (deficiency) of receipts over disbursements	<u>673</u>	<u>(104,772)</u>	<u>15,685</u>	<u>(2,094)</u>	<u>-</u>
Cash and investments - ending	<u>\$ 152,408</u>	<u>\$ 215,393</u>	<u>\$ 54,161</u>	<u>\$ 207</u>	<u>\$ -</u>

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

	PAYROLL - FEDERAL W/H	PAYROLL - FICA	PAYROLL - MEDICARE	PAYROLL - STATE W/H	PAYROLL - COUNTY W/H
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	260,041	242,972	83,660	94,752	55,999
Total receipts	260,041	242,972	83,660	94,752	55,999
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	260,041	242,972	83,660	94,752	55,999
Total disbursements	260,041	242,972	83,660	94,752	55,999
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

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

	AMERICAN FAMILY LIFE	AUL 457	COMMUNITY FOUNDATION	BOSTON MUTUAL	PERF
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	25,881	51,971	518	2,076	273,247
Total receipts	25,881	51,971	518	2,076	273,247
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	25,881	51,971	518	2,076	273,247
Total disbursements	25,881	51,971	518	2,076	273,247
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

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

	COLONIAL LIFE	COMPANION LIFE	DIRECT DEPOSIT	IN STATE CENT COLL UNIT	GUARDIAN 125
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	3,852	91	1,679,471	5,720	19,371
Total receipts	3,852	91	1,679,471	5,720	19,371
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	3,852	91	1,679,471	5,720	19,371
Total disbursements	3,852	91	1,679,471	5,720	19,371
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

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

	HEALTH 125	LINCOLN LIFE	PRUDENTIAL LIFE	WASHINGTON NATIONAL LIFE	WASHINGTON CO. TREASURER
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	67,397	584	741	247	871
Total receipts	67,397	584	741	247	871
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	67,397	584	741	247	871
Total disbursements	67,397	584	741	247	871
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

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

	YMCA	FIRE PERF	POLICE PERF	LIBERTY NATIONAL 125	CINTAS
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	1,481	83,832	133,003	383	927
Total receipts	1,481	83,832	133,003	383	927
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	1,481	83,832	133,003	383	927
Total disbursements	1,481	83,832	133,003	383	927
Excess (deficiency) of receipts over disbursements	-	-	-	-	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ -

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

	WASHINGTON CO. F.O.P. LODGE 142	WASTEWATER OPERATING	SEWER SERVICE	WASTEWATER DEPRECIATION	WASTEWATER BOND & INTEREST
Cash and investments - beginning	\$ -	\$ 57,119	\$ 87,560	\$ 38,071	\$ 19,222
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	1,258,342	30,030	4,800	-
Other receipts	250	36,703	-	123,500	219,200
Total receipts	250	1,295,045	30,030	128,300	219,200
Disbursements:					
Personal services	-	244,592	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	27,720	-	-	-
Debt service - principal and interest	-	-	-	-	218,869
Capital outlay	-	-	-	11,209	-
Utility operating expenses	-	588,110	-	-	-
Other disbursements	250	372,204	25,410	-	-
Total disbursements	250	1,232,626	25,410	11,209	218,869
Excess (deficiency) of receipts over disbursements	-	62,419	4,620	117,091	331
Cash and investments - ending	\$ -	\$ 119,538	\$ 92,180	\$ 155,162	\$ 19,553

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

	WASTEWATER DEBT SERVICE	WASTEWATER CONSTRUCTION 2018	PETTY CASH - WASTEWATER	CASH CHANGE - WASTEWATER	SEWER BAN 2020
Cash and investments - beginning	\$ 193,428	\$ 836,491	\$ 500	\$ 50	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	7,560	1,958	-	-	1,984,000
Total receipts	7,560	1,958	-	-	1,984,000
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	838,441	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	142,950
Total disbursements	-	838,441	-	-	142,950
Excess (deficiency) of receipts over disbursements	7,560	(836,483)	-	-	1,841,050
Cash and investments - ending	\$ 200,988	\$ 8	\$ 500	\$ 50	\$ 1,841,050

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

	WATER OPERATING	WATER DEPRECIATION	WATER BOND & INTEREST	PETTY CASH - WATER	WATER NON-REVERTING
Cash and investments - beginning	\$ 507,605	\$ 609,294	\$ 402,097	\$ 500	\$ 14,011
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	2,352,319	-	-	-	200
Other receipts	155,233	950,000	-	-	13,635
Total receipts	2,507,552	950,000	-	-	13,835
Disbursements:					
Personal services	532,994	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	54,693	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	878,791	-	-	-
Utility operating expenses	1,227,434	-	-	-	-
Other disbursements	1,003,757	-	100,000	-	23,071
Total disbursements	2,818,878	878,791	100,000	-	23,071
Excess (deficiency) of receipts over disbursements	(311,326)	71,209	(100,000)	-	(9,236)
Cash and investments - ending	\$ 196,279	\$ 680,503	\$ 302,097	\$ 500	\$ 4,775

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

	CASH CHANGE - WATER	WATER PLANT PROJECT	BECKS MILL WATER LINE EXT	WATER BAN 2019	Totals
Cash and investments - beginning	\$ 50	\$ 322	\$ 609	\$ 8,544,956	\$ 17,800,562
Receipts:					
Taxes	-	-	-	-	6,200,791
Licenses and permits	-	-	-	-	55,788
Intergovernmental receipts	-	-	-	-	1,799,895
Charges for services	-	-	-	-	553,897
Fines and forfeits	-	-	-	-	2,869
Utility fees	-	-	-	-	3,645,691
Other receipts	-	5,603,269	-	37,778	13,673,473
Total receipts	-	5,603,269	-	37,778	25,932,404
Disbursements:					
Personal services	-	-	-	-	4,267,008
Supplies	-	-	-	-	170,423
Other services and charges	-	-	-	-	2,431,905
Debt service - principal and interest	-	-	-	-	514,716
Capital outlay	-	5,602,694	-	-	8,154,367
Utility operating expenses	-	-	-	-	1,815,544
Other disbursements	-	-	-	5,602,694	12,040,490
Total disbursements	-	5,602,694	-	5,602,694	29,394,453
Excess (deficiency) of receipts over disbursements	-	575	-	(5,564,916)	(3,462,049)
Cash and investments - ending	\$ 50	\$ 897	\$ 609	\$ 2,980,040	\$ 14,338,513

OTHER INFORMATION

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

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 176,325	\$ 84,969
Wastewater	53,358	74,598
Water	<u>93,760</u>	<u>157,187</u>
Totals	<u>\$ 323,443</u>	<u>\$ 316,754</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
City of Salem Government Facility Building Corp.	Lease for City Hall	\$ 111,500	2/26/2014	7/15/2024
New Washington State Bank	Lease for 2019 Dodge Charger Police Car	10,257	8/15/2019	8/15/2023
New Washington State Bank	Lease for 2019 Dodge Durango Police Car	12,221	3/13/2019	3/13/2023
New Washington State Bank	Lease for 2019 Dodge Charger Police Car	9,936	3/29/2019	4/5/2023
New Washington State Bank	Lease for 2018 Dodge Charger Police Car	<u>10,446</u>	8/16/2018	8/20/2022
Total governmental activities		<u>154,360</u>		
Total of annual lease payments		<u>\$ 154,360</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	145 New Holland Tractor	\$ 33,735	\$ 17,387
Notes and loans payable	Alamo Samurai Mower	31,408	16,188
Notes and loans payable	Walmart TIF	<u>1,794,000</u>	<u>296,520</u>
Total governmental activities		<u>1,859,143</u>	<u>330,095</u>
Wastewater:			
Revenue bonds	Wastewater Utility	2,310,000	219,669
Notes and loans payable	Sewer BAN 2020	<u>2,000,000</u>	<u>-</u>
Total Wastewater		<u>4,310,000</u>	<u>219,669</u>
Water:			
Notes and loans payable	Water BAN 2019	<u>14,763,000</u>	<u>-</u>
Totals		<u>\$ 20,932,143</u>	<u>\$ 549,764</u>

CITY OF SALEM
 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.

	<u>Ending Balance</u>
Governmental activities:	
Land	\$ 2,760,248
Infrastructure	9,403,546
Buildings	913,936
Improvements other than buildings	1,704,705
Machinery, equipment, and vehicles	2,860,739
Construction in progress	<u>9,885,774</u>
Total governmental activities	<u>27,528,948</u>
Wastewater:	
Land	159,265
Infrastructure	734,047
Buildings	4,919,233
Improvements other than buildings	2,893,035
Machinery, equipment, and vehicles	2,563,491
Construction in progress	<u>848,875</u>
Total Wastewater	<u>12,117,946</u>
Water:	
Land	848,577
Infrastructure	2,389,577
Buildings	198,748
Improvements other than buildings	3,982,841
Machinery, equipment, and vehicles	3,995,469
Construction in progress	<u>747,933</u>
Total Water	<u>12,163,145</u>
Total capital assets	<u>\$ 51,810,039</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/>.