

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

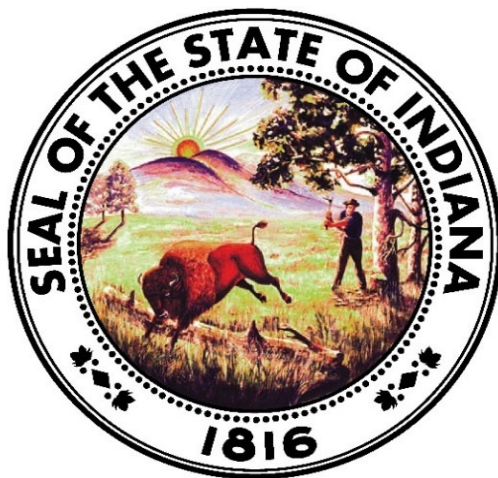
FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF SALEM

WASHINGTON COUNTY, INDIANA

January 1, 2021 to December 31, 2021



FILED

10/20/2022

TABLE OF CONTENTS

<u>Description</u>	<u>Page</u>
Schedule of Officials	2
Independent Auditor's Report	3-5
Financial Statement and Accompanying Notes:	
Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	8-9
Notes to Financial Statement	10-15
Required Supplementary Information:	
Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis	18-34
Other Information:	
Schedule of Payables and Receivables	36
Schedule of Leases and Debt	37
Schedule of Capital Assets.....	38
Other Reports.....	39

SCHEDULE OF OFFICIALS

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

(This page intentionally left blank.)

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, 2021

Fund	Cash and Investments 01-01-21	Receipts	Disbursements	Cash and Investments 12-31-21
GENERAL	\$ 3,281,632	\$ 4,353,305	\$ 3,349,050	\$ 4,285,887
MOTOR VEHICLE HIGHWAY	307,880	554,803	671,615	191,068
LOCAL ROAD & STREET	109,418	49,541	24,999	133,960
MVH RESTRICTED	29,917	132,549	151,210	11,256
AVIATION	7,317	44,552	29,879	21,990
SANITATION	260,086	372,351	367,727	264,710
LAW ENFORCEMENT CONTINUING EDUCATION	24,603	5,503	4,177	25,929
UNSAFE BUILDING	9,885	1,725	-	11,610
RIVERBOAT REVENUE SHARING	122,133	37,389	62,920	96,602
PARK & RECREATION	179,352	194,105	214,933	158,524
RAINY DAY FUND	40,932	-	-	40,932
LIT ECONOMIC DEV (EDIT)	653,018	554,826	445,114	762,730
LOIT SPECIAL DISTRIBUTION	5,414	-	-	5,414
CUMULATIVE CAPITAL DEVELOPMENT	20,105	51,381	56,250	15,236
CUMULATIVE CAPITAL IMPROVEMENT	46,127	12,983	10,318	48,792
SELF INSURANCE	271	56,813	56,927	157
POLICE PENSION OLD	94,823	55,645	56,357	94,111
FIRE PENSION OLD	75,510	71,952	79,862	67,600
COVID CARES RELIEF FUND GRANT	-	20,000	20,000	-
LIT - PUBLIC SAFETY	645,725	521,372	450,535	716,562
AIRPORT COVID CARES GRANT	-	4,118	4,118	-
OCRA CDBG COVID-19 GRANT	(65,000)	150,000	85,000	-
AIRPORT ACRGP/CRRSA GRANT	-	9,000	9,000	-
ARP CORONAVIRUS LOCAL FISCAL RECOVERY FUND	-	700,610	-	700,610
AIRPORT ARPA GRANT FUND	-	2,599	3,599	(1,000)
CEMETERY OPERATING	17,232	95,600	106,542	6,290
AIRPORT GRANT-FEDERAL	-	204,189	204,189	-
AIRPORT GRANT-STATE	-	2,282	2,282	-
CASH CHANGE - AVIATION	-	100	-	100
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	4,245	3,994	2,815	5,424
POLICE DONATION	269	29,400	27,416	2,253
K-9 PROGRAM	1,597	-	67	1,530
CEMETERY PERM. MAINT.	111,677	7,140	-	118,817
SINCLAIR MEM. MAUSOLEUM	16,670	22	-	16,692
EMERGENCY FLOOD 2017	14,063	-	-	14,063
URBAN BEAUTIFICATION	323	500	-	823
FIRE DONATION	5,414	3,810	-	9,224
SALEM HOUSING REHAB RLF	14	-	-	14
STORM WATER USER FEE	4,121	2,000	-	6,121
LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	1	787,941	545,861	242,081
POLICE GRANT	9	-	-	9
SALEM R.B.E.G. FUND	24,252	-	-	24,252
ALLOCATION #1 U.E.Z.	977,781	873,728	1,603,430	248,079
SALEM ALLOCATION AREA #2	289,756	128,650	-	418,406
WAL-MART ALLOCATION AREA	152,408	280,967	288,743	144,632
AIRPORT IMPROVEMENT	215,393	99,509	20,292	294,610
BOAC RENTAL PROPERTY	54,161	36,925	38,884	52,202

CITY OF SALEM
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
PROJECT DONATION	207	10,000	9,850	357
PAYROLL - NET SALARIES	-	527,326	527,326	-
PAYROLL - FEDERAL W/H	-	271,172	271,172	-
PAYROLL - FICA	-	253,877	253,877	-
PAYROLL - MEDICARE	-	87,976	87,976	-
PAYROLL - STATE W/H	-	99,238	99,238	-
PAYROLL - COUNTY W/H	-	59,031	59,031	-
AMERICAN FAMILY LIFE	-	23,831	23,831	-
AUL 457	-	65,981	65,981	-
COMMUNITY FOUNDATION	-	438	438	-
BOSTON MUTUAL	-	2,008	2,008	-
PERF	-	270,576	270,576	-
COLONIAL LIFE	-	3,560	3,543	17
DIRECT DEPOSIT	-	1,820,621	1,820,621	-
IN STATE CENT COLL UNIT	-	15,288	15,288	-
GUARDIAN 125	-	18,367	18,367	-
HEALTH 125	-	63,005	63,005	-
LINCOLN LIFE	-	585	585	-
WASHINGTON NATIONAL LIFE	-	247	247	-
WASHINGTON CO. TREASURER	-	2,816	2,816	-
YMCA	-	2,107	2,107	-
FIRE PERF	-	90,175	90,175	-
POLICE PERF	-	135,801	135,801	-
LIBERTY NATIONAL 125	-	234	234	-
CINTAS	-	992	992	-
WASHINGTON CO. F.O.P. LODGE 142	-	313	313	-
WASTEWATER OPERATING	119,538	1,308,458	1,369,447	58,549
SEWER SERVICE	92,180	32,560	24,750	99,990
WASTEWATER DEPRECIATION	155,162	126,300	155,188	126,274
WASTEWATER BOND & INTEREST	19,553	219,300	219,669	19,184
WASTEWATER DEBT SERVICE	200,988	7,560	-	208,548
WASTEWATER CONSTRUCTION 2018	8	-	-	8
PETTY CASH - WASTEWATER	500	-	-	500
CASH CHANGE - WASTEWATER	50	-	-	50
SEWER BAN 2020	1,841,050	-	1,426,979	414,071
WATER OPERATING	196,279	2,486,227	2,597,917	84,589
WATER DEPRECIATION	680,503	219,000	331,261	568,242
WATER BOND & INTEREST	302,097	431,400	57,325	676,172
PETTY CASH - WATER	500	-	-	500
WATER NON-REVERTING	4,775	13,893	2,620	16,048
CASH CHANGE - WATER	50	-	-	50
WATER DEBT SERVICE	-	43,219	-	43,219
WATER PLANT PROJECT	897	14,353,966	14,353,207	1,656
BECKS MILL WATER LINE EXT	609	-	-	609
WATER BAN 2019	2,980,040	52	2,980,092	-
Totals	<u>\$ 14,338,513</u>	<u>\$ 33,581,379</u>	<u>\$ 36,337,964</u>	<u>\$ 11,581,928</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, 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: 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.

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.

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

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

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. 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 some funds with deficits in cash. This is a result of the fund being set up for a reimbursable grant. The reimbursements for expenditures made by the City were not received until January 2022.

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 the year 2021 totaled \$111,500.

(This page intentionally left blank.)

REQUIRED SUPPLEMENTARY INFORMATION

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

	GENERAL	MOTOR VEHICLE HIGHWAY	LOCAL ROAD & STREET	MVH RESTRICTED	AVIATION	SANITATION
Cash and investments - beginning	\$ 3,281,632	\$ 307,880	\$ 109,418	\$ 29,917	\$ 7,317	\$ 260,086
Receipts:						
Taxes	1,738,264	376,625	-	-	-	147,774
Licenses and permits	48,979	-	-	-	-	-
Intergovernmental receipts	2,302,258	176,666	49,541	132,549	-	17,310
Charges for services	150,143	1,512	-	-	44,552	203,662
Fines and forfeits	5,406	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	108,255	-	-	-	-	3,605
Total receipts	4,353,305	554,803	49,541	132,549	44,552	372,351
Disbursements:						
Personal services	2,466,482	461,410	-	-	-	109,977
Supplies	108,328	44,073	-	-	15,485	663
Other services and charges	544,069	20,647	24,999	-	14,294	257,080
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	61,205	145,485	-	151,210	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	168,966	-	-	-	100	7
Total disbursements	3,349,050	671,615	24,999	151,210	29,879	367,727
Excess (deficiency) of receipts over disbursements	1,004,255	(116,812)	24,542	(18,661)	14,673	4,624
Cash and investments - ending	\$ 4,285,887	\$ 191,068	\$ 133,960	\$ 11,256	\$ 21,990	\$ 264,710

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

	LAW ENFORCEMENT CONTINUING EDUCATION	UNSAFE BUILDING	RIVERBOAT REVENUE SHARING	PARK & RECREATION	RAINY DAY FUND	LIT ECONOMIC DEV (EDIT)
Cash and investments - beginning	\$ 24,603	\$ 9,885	\$ 122,133	\$ 179,352	\$ 40,932	\$ 653,018
Receipts:						
Taxes	-	-	-	152,361	-	-
Licenses and permits	2,540	1,725	-	-	-	-
Intergovernmental receipts	-	-	37,389	17,847	-	504,826
Charges for services	2,200	-	-	16,952	-	-
Fines and forfeits	763	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	6,945	-	50,000
Total receipts	5,503	1,725	37,389	194,105	-	554,826
Disbursements:						
Personal services	-	-	19,685	121,308	-	28,827
Supplies	-	-	-	29,798	-	-
Other services and charges	3,840	-	15,000	48,099	-	331,670
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	337	-	28,235	15,698	-	84,617
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	30	-	-
Total disbursements	4,177	-	62,920	214,933	-	445,114
Excess (deficiency) of receipts over disbursements	1,326	1,725	(25,531)	(20,828)	-	109,712
Cash and investments - ending	\$ 25,929	\$ 11,610	\$ 96,602	\$ 158,524	\$ 40,932	\$ 762,730

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

	LOIT SPECIAL DISTRIBUTION	CUMULATIVE CAPITAL DEVELOPMENT	CUMULATIVE CAPITAL IMPROVEMENT	SELF INSURANCE	POLICE PENSION OLD	FIRE PENSION OLD
Cash and investments - beginning	\$ 5,414	\$ 20,105	\$ 46,127	\$ 271	\$ 94,823	\$ 75,510
Receipts:						
Taxes	-	45,993	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	5,388	12,983	-	55,301	71,722
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	56,813	344	230
Total receipts	-	51,381	12,983	56,813	55,645	71,952
Disbursements:						
Personal services	-	-	-	-	500	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	55,857	79,862
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	56,250	10,318	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	56,927	-	-
Total disbursements	-	56,250	10,318	56,927	56,357	79,862
Excess (deficiency) of receipts over disbursements	-	(4,869)	2,665	(114)	(712)	(7,910)
Cash and investments - ending	\$ 5,414	\$ 15,236	\$ 48,792	\$ 157	\$ 94,111	\$ 67,600

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

	COVID CARES RELIEF FUND GRANT	LIT - PUBLIC SAFETY	AIRPORT COVID CARES GRANT	OCRA CDBG COVID-19 GRANT	AIRPORT ACRGP/CRRSA GRANT	ARP CORONAVIRUS LOCAL FISCAL RECOVERY FUND
Cash and investments - beginning	\$ -	\$ 645,725	\$ -	\$ (65,000)	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	20,000	475,122	4,118	150,000	9,000	700,008
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	46,250	-	-	-	602
Total receipts	20,000	521,372	4,118	150,000	9,000	700,610
Disbursements:						
Personal services	-	239,505	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	1,469	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	209,561	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	20,000	-	4,118	85,000	9,000	-
Total disbursements	20,000	450,535	4,118	85,000	9,000	-
Excess (deficiency) of receipts over disbursements	-	70,837	-	65,000	-	700,610
Cash and investments - ending	\$ -	\$ 716,562	\$ -	\$ -	\$ -	\$ 700,610

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

	AIRPORT ARPA GRANT FUND	CEMETERY OPERATING	AIRPORT GRANT- FEDERAL	AIRPORT GRANT- STATE	CASH CHANGE - AVIATION	PETTY CASH - GENERAL
Cash and investments - beginning	\$ -	\$ 17,232	\$ -	\$ -	\$ -	\$ 500
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	2,599	-	204,189	2,282	-	-
Charges for services	-	92,585	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	3,015	-	-	100	-
Total receipts	2,599	95,600	204,189	2,282	100	-
Disbursements:						
Personal services	-	93,001	-	-	-	-
Supplies	-	7,788	-	-	-	-
Other services and charges	-	5,753	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	3,599	-	204,189	2,282	-	-
Total disbursements	3,599	106,542	204,189	2,282	-	-
Excess (deficiency) of receipts over disbursements	(1,000)	(10,942)	-	-	100	-
Cash and investments - ending	\$ (1,000)	\$ 6,290	\$ -	\$ -	\$ 100	\$ 500

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

	CASH CHANGE - GENERAL	CEMETERY STONE REPAIR DONATION	CEMETERY CHAPEL DONATIONS	SALEM SIDEWALK	ANIMAL SHELTER DONATION	POLICE DONATION
Cash and investments - beginning	\$ 50	\$ 1,079	\$ 2,700	\$ 664	\$ 4,245	\$ 269
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	-	-	3,994	29,400
Total receipts	-	-	-	-	3,994	29,400
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	2,815	27,416
Total disbursements	-	-	-	-	2,815	27,416
Excess (deficiency) of receipts over disbursements	-	-	-	-	1,179	1,984
Cash and investments - ending	\$ 50	\$ 1,079	\$ 2,700	\$ 664	\$ 5,424	\$ 2,253

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

	K-9 PROGRAM	CEMETERY PERM. MAINT.	SINCLAIR MEM. MAUSOLEUM	EMERGENCY FLOOD 2017	URBAN BEAUTIFICATION	FIRE DONATION
Cash and investments - beginning	\$ 1,597	\$ 111,677	\$ 16,670	\$ 14,063	\$ 323	\$ 5,414
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	7,140	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	22	-	500	3,810
Total receipts	-	7,140	22	-	500	3,810
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	67	-	-	-	-	-
Total disbursements	67	-	-	-	-	-
Excess (deficiency) of receipts over disbursements	(67)	7,140	22	-	500	3,810
Cash and investments - ending	\$ 1,530	\$ 118,817	\$ 16,692	\$ 14,063	\$ 823	\$ 9,224

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

	SALEM HOUSING REHAB RLF	STORM WATER USER FEE	LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	POLICE GRANT	SALEM R.B.E.G. FUND	ALLOCATION #1 U.E.Z.
Cash and investments - beginning	\$ 14	\$ 4,121	\$ 1	\$ 9	\$ 24,252	\$ 977,781
Receipts:						
Taxes	-	-	-	-	-	681,199
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	590,956	-	-	-
Charges for services	-	2,000	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	196,985	-	-	192,529
Total receipts	-	2,000	787,941	-	-	873,728
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	545,861	-	-	715,670
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	887,760
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	-	-	-	-
Total disbursements	-	-	545,861	-	-	1,603,430
Excess (deficiency) of receipts over disbursements	-	2,000	242,080	-	-	(729,702)
Cash and investments - ending	\$ 14	\$ 6,121	\$ 242,081	\$ 9	\$ 24,252	\$ 248,079

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

	SALEM ALLOCATION AREA #2	WAL-MART ALLOCATION AREA	AIRPORT IMPROVEMENT	BOAC RENTAL PROPERTY	PROJECT DONATION	PAYROLL - NET SALARIES
Cash and investments - beginning	\$ 289,756	\$ 152,408	\$ 215,393	\$ 54,161	\$ 207	\$ -
Receipts:						
Taxes	128,650	280,967	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	36,125	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	-	-	99,509	800	10,000	527,326
Total receipts	128,650	280,967	99,509	36,925	10,000	527,326
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	288,743	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	-	-	20,292	38,884	9,850	527,326
Total disbursements	-	288,743	20,292	38,884	9,850	527,326
Excess (deficiency) of receipts over disbursements	128,650	(7,776)	79,217	(1,959)	150	-
Cash and investments - ending	\$ 418,406	\$ 144,632	\$ 294,610	\$ 52,202	\$ 357	\$ -

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

	PAYROLL - FEDERAL W/H	PAYROLL - FICA	PAYROLL - MEDICARE	PAYROLL - STATE W/H	PAYROLL - COUNTY W/H	AMERICAN FAMILY LIFE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	271,172	253,877	87,976	99,238	59,031	23,831
Total receipts	<u>271,172</u>	<u>253,877</u>	<u>87,976</u>	<u>99,238</u>	<u>59,031</u>	<u>23,831</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	271,172	253,877	87,976	99,238	59,031	23,831
Total disbursements	<u>271,172</u>	<u>253,877</u>	<u>87,976</u>	<u>99,238</u>	<u>59,031</u>	<u>23,831</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	AUL 457	COMMUNITY FOUNDATION	BOSTON MUTUAL	PERF	COLONIAL LIFE	DIRECT DEPOSIT
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	65,981	438	2,008	270,576	3,560	1,820,621
Total receipts	65,981	438	2,008	270,576	3,560	1,820,621
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	65,981	438	2,008	270,576	3,543	1,820,621
Total disbursements	65,981	438	2,008	270,576	3,543	1,820,621
Excess (deficiency) of receipts over disbursements	-	-	-	-	17	-
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 17	\$ -

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

	IN STATE CENT COLL UNIT	GUARDIAN 125	HEALTH 125	LINCOLN 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	15,288	18,367	63,005	585	247	2,816
Total receipts	15,288	18,367	63,005	585	247	2,816
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	15,288	18,367	63,005	585	247	2,816
Total disbursements	15,288	18,367	63,005	585	247	2,816
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, 2021

	YMCA	FIRE PERF	POLICE PERF	LIBERTY NATIONAL 125	CINTAS	WASHINGTON CO. F.O.P. LODGE 142
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	-	-	-
Other receipts	2,107	90,175	135,801	234	992	313
Total receipts	<u>2,107</u>	<u>90,175</u>	<u>135,801</u>	<u>234</u>	<u>992</u>	<u>313</u>
Disbursements:						
Personal services	-	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Utility operating expenses	-	-	-	-	-	-
Other disbursements	2,107	90,175	135,801	234	992	313
Total disbursements	<u>2,107</u>	<u>90,175</u>	<u>135,801</u>	<u>234</u>	<u>992</u>	<u>313</u>
Excess (deficiency) of receipts over disbursements	-	-	-	-	-	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	WASTEWATER OPERATING	SEWER SERVICE	WASTEWATER DEPRECIATION	WASTEWATER BOND & INTEREST	WASTEWATER DEBT SERVICE	WASTEWATER CONSTRUCTION 2018
Cash and investments - beginning	\$ 119,538	\$ 92,180	\$ 155,162	\$ 19,553	\$ 200,988	\$ 8
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	1,277,453	32,560	6,800	-	-	-
Other receipts	31,005	-	119,500	219,300	7,560	-
Total receipts	1,308,458	32,560	126,300	219,300	7,560	-
Disbursements:						
Personal services	298,644	-	-	-	-	-
Supplies	-	-	-	-	-	-
Other services and charges	34,339	-	-	-	-	-
Debt service - principal and interest	-	-	-	219,669	-	-
Capital outlay	-	-	155,188	-	-	-
Utility operating expenses	671,857	-	-	-	-	-
Other disbursements	364,607	24,750	-	-	-	-
Total disbursements	1,369,447	24,750	155,188	219,669	-	-
Excess (deficiency) of receipts over disbursements	(60,989)	7,810	(28,888)	(369)	7,560	-
Cash and investments - ending	\$ 58,549	\$ 99,990	\$ 126,274	\$ 19,184	\$ 208,548	\$ 8

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

	PETTY CASH - WASTEWATER	CASH CHANGE - WASTEWATER	SEWER BAN 2020	WATER OPERATING	WATER DEPRECIATION	WATER BOND & INTEREST
Cash and investments - beginning	\$ 500	\$ 50	\$ 1,841,050	\$ 196,279	\$ 680,503	\$ 302,097
Receipts:						
Taxes	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Utility fees	-	-	-	2,406,555	-	-
Other receipts	-	-	-	79,672	219,000	431,400
Total receipts	-	-	-	2,486,227	219,000	431,400
Disbursements:						
Personal services	-	-	-	509,177	-	-
Supplies	-	-	-	-	-	-
Other services and charges	-	-	-	54,353	-	-
Debt service - principal and interest	-	-	-	-	-	57,325
Capital outlay	-	-	-	-	331,261	-
Utility operating expenses	-	-	-	1,187,033	-	-
Other disbursements	-	-	1,426,979	847,354	-	-
Total disbursements	-	-	1,426,979	2,597,917	331,261	57,325
Excess (deficiency) of receipts over disbursements	-	-	(1,426,979)	(111,690)	(112,261)	374,075
Cash and investments - ending	\$ 500	\$ 50	\$ 414,071	\$ 84,589	\$ 568,242	\$ 676,172

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

	PETTY CASH - WATER	WATER NON-REVERTING	CASH CHANGE - WATER	WATER DEBT SERVICE
Cash and investments - beginning	\$ 500	\$ 4,775	\$ 50	\$ -
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	50	-	-
Other receipts	-	13,843	-	43,219
Total receipts	-	13,893	-	43,219
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	-
Capital outlay	-	-	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	2,620	-	-
Total disbursements	-	2,620	-	-
Excess (deficiency) of receipts over disbursements	-	11,273	-	43,219
Cash and investments - ending	\$ 500	\$ 16,048	\$ 50	\$ 43,219

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

	WATER PLANT PROJECT	BECKS MILL WATER LINE EXT	WATER BAN 2019	Totals
Cash and investments - beginning	\$ 897	\$ 609	\$ 2,980,040	\$ 14,338,513
Receipts:				
Taxes	-	-	-	3,551,833
Licenses and permits	-	-	-	53,244
Intergovernmental receipts	-	-	-	5,542,054
Charges for services	-	-	-	556,871
Fines and forfeits	-	-	-	6,169
Utility fees	-	-	-	3,723,418
Other receipts	14,353,966	-	52	20,147,790
Total receipts	14,353,966	-	52	33,581,379
Disbursements:				
Personal services	-	-	-	4,348,516
Supplies	-	-	-	206,135
Other services and charges	-	-	-	2,752,862
Debt service - principal and interest	-	-	2,790,541	3,356,278
Capital outlay	14,353,207	-	-	16,490,332
Utility operating expenses	-	-	-	1,858,890
Other disbursements	-	-	189,551	7,324,951
Total disbursements	14,353,207	-	2,980,092	36,337,964
Excess (deficiency) of receipts over disbursements	759	-	(2,980,040)	(2,756,585)
Cash and investments - ending	\$ 1,656	\$ 609	\$ -	\$ 11,581,928

OTHER INFORMATION

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

<u>Government or Enterprise</u>	<u>Accounts Payable</u>	<u>Accounts Receivable</u>
Governmental activities	\$ 483,085	\$ 19,248
Wastewater	106,965	95,721
Water	<u>329,566</u>	<u>272,763</u>
Totals	<u>\$ 919,616</u>	<u>\$ 387,732</u>

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

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
City of Salem Government Facility Building Corp.	Lease for City Hall	\$ 111,000	2/26/2014	7/15/2024
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	6,964	8/16/2018	8/20/2022
New Washington State Bank	Lease for 2021 Dodge Charger Police Car	11,853	9/13/2021	9/13/2025
New Washington State Bank	Lease for 2019 Dodge Charger Police Car	<u>10,257</u>	8/15/2019	8/15/2023
Total governmental activities		<u>162,231</u>		
Total of annual lease payments		<u>\$ 162,231</u>		

Type	Description of Debt Purpose	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:			
Notes and Loans Payable	145 New Holland Tractor	\$ 17,010	\$ 17,050
Notes and Loans Payable	Alamo Samurai Mower	15,837	15,874
Other	Walmart TIF	<u>1,611,000</u>	<u>164,000</u>
Total governmental activities		<u>1,643,847</u>	<u>196,924</u>
Wastewater:			
Revenue bonds	Wastewater Utility	2,165,000	145,000
Notes and Loans Payable	Sewer BAN 2020	<u>2,000,000</u>	<u>-</u>
Total Wastewater		<u>4,165,000</u>	<u>145,000</u>
Water:			
Notes and Loans Payable	Water BAN 2019	<u>14,763,000</u>	<u>-</u>
Totals		<u>\$ 20,571,847</u>	<u>\$ 341,924</u>

CITY OF SALEM
 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	\$ 2,851,928
Infrastructure	9,495,424
Buildings	986,255
Improvements other than buildings	1,704,705
Machinery, equipment, and vehicles	3,021,166
Construction in progress	<u>9,947,305</u>
Total governmental activities	<u>28,006,783</u>
Wastewater:	
Land	159,265
Infrastructure	862,893
Buildings	5,061,983
Improvements other than buildings	2,909,210
Machinery, equipment, and vehicles	3,272,591
Construction in progress	<u>114,868</u>
Total Wastewater	<u>12,380,810</u>
Water:	
Land	848,577
Infrastructure	2,517,061
Buildings	1,058,270
Improvements other than buildings	3,982,841
Machinery, equipment, and vehicles	<u>6,466,548</u>
Total Water	<u>14,873,297</u>
Total capital assets	<u>\$ 55,260,890</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/>.