

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

FINANCIAL STATEMENT AUDIT REPORT

OF

CITY OF PORTAGE

PORTER COUNTY, INDIANA

January 1, 2021 to December 31, 2021



FILED

12/21/2022

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 |
| Notes to Financial Statement | 9-15 |
| Required Supplementary Information: | |
| Combining Schedule of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis | 18-30 |
| Other Information: | |
| Schedule of Leases and Debt | 32 |
| Other Reports | 33 |

SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|--|-----------------|----------------------|
| Clerk-Treasurer | Nina Rivas | 01-01-21 to 12-31-22 |
| Mayor | Sue Lynch | 01-01-21 to 12-31-22 |
| President of the Board of Public Works and Safety | Sue Lynch | 01-01-21 to 12-31-22 |
| President Pro Tempore of the Common Council | Collin Czilli | 01-01-21 to 12-31-22 |
| Chair of the Sanitary Board | Sue Lynch | 01-01-21 to 12-31-22 |
| Chair of the Storm Water Board | Sue Lynch | 01-01-21 to 12-31-22 |
| President of the Redevelopment Commission | Sue Lynch | 01-01-21 to 12-31-22 |



INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF PORTAGE, PORTER COUNTY, INDIANA

Report on the Audit of the Financial Statement

Adverse and Unmodified Opinions

We have audited the accompanying financial statement of the City of Portage (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 Leases and Debt, 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 December 6, 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

December 6, 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 PORTAGE
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES
REGULATORY BASIS
For the Year Ended December 31, 2021

| Fund | Cash and Investments | | Disbursements | Cash and Investments |
|---|----------------------|----------------|----------------|----------------------|
| | 01-01-21 | Receipts | | 12-31-21 |
| GENERAL FUND | \$ 1,831,794 | \$ 24,624,316 | \$ 27,277,979 | \$ (821,869) |
| MVH-STREET FUND | 172,676 | 5,474,366 | 5,553,250 | 93,792 |
| LOCAL ROAD & STREET FUND | 1,134,323 | 690,977 | 345,812 | 1,479,488 |
| MVH RESTRICTED | 698,995 | 772,514 | 1,000,955 | 470,554 |
| PARK NR OPERATING | 80,207 | 388,036 | 198,660 | 269,583 |
| Sanitation - Trash and Recycling | - | 3,173,491 | 3,210,810 | (37,319) |
| NEW POLICE CONT. EDUCT. | 73,867 | 31,935 | 14,721 | 91,081 |
| UNSAFE BUILDING | 114,187 | 9,050 | - | 123,237 |
| Local Major Moves Construction | 140,867 | - | - | 140,867 |
| PARK & RECREATION FUND | 27,381 | 1,455,908 | 1,457,141 | 26,148 |
| MUNICIPAL SURTAX | 134,535 | 1,051,475 | - | 1,186,010 |
| Municipal Wheel Tax | 86,122 | 5,026 | - | 91,148 |
| ECONOMIC DEV INCOME TAX | 617,369 | 4,305,107 | 3,584,924 | 1,337,552 |
| LOIT SPECIAL DISTRIBUTION | 4,747 | - | - | 4,747 |
| LEVY EXCESS FUND | 96,923 | - | - | 96,923 |
| CUM. CAPITAL DEVELOPMENT | 154,813 | 633,194 | 595,287 | 192,720 |
| PARK NR CAPITAL | 84,051 | 30,499 | 18,015 | 96,535 |
| Redevelopment - Allocation Area | 5,493,822 | 10,336,265 | 8,675,975 | 7,154,112 |
| FIRE DEPT EQUIPMENT | 212,953 | 132,143 | 181,148 | 163,948 |
| Cumulative Capital Improvement (CCI) | 242,902 | 75,667 | 232,876 | 85,693 |
| PARK NR IMPACT FEE | 131,683 | 87,754 | - | 219,437 |
| Donation | 18,022 | 31,181 | 40,133 | 9,070 |
| POLICE PENSION FUND | 363,277 | 542,200 | 635,824 | 269,653 |
| FIRE PENSION FUND | 174,823 | 621,868 | 403,157 | 393,534 |
| COVID CARES RELIEF | 2,214 | - | - | 2,214 |
| Grant Fund | 681,672 | 1,330,256 | 2,011,928 | - |
| CARES FEMA Grant | 80,760 | 11,404 | 92,164 | - |
| ARP Grant Fund | - | 4,175,437 | 298,172 | 3,877,265 |
| Sidewalk and Curb Waiver Fund | - | 50,547 | - | 50,547 |
| Port-Authority | 114,528 | 25,576 | 53,342 | 86,762 |
| Marina Operation Fund | 348,875 | 435,271 | 441,855 | 342,291 |
| Redevelopment - General Fund | 506,486 | 1,484,761 | 1,420,849 | 570,398 |
| Forfeiture and Seized Assets | - | 5,612 | - | 5,612 |
| Portage Event Partnership Fund | - | 112,628 | 78,295 | 34,333 |
| Police Donation Fund | - | 48,032 | 16,123 | 31,909 |
| Fire Donation Fund | - | 24,889 | 13,056 | 11,833 |
| Park Donation Fund | - | 946 | 200 | 746 |
| Street Donation Fund | - | 519 | - | 519 |
| Youth Commission Donation Fund | - | 1,021 | - | 1,021 |
| Local Road and Bridge Matching Grant Fund | - | 1,680,537 | 1,154,838 | 525,699 |
| Bond and Interest Redemption (2014 Park Bond) | 220,494 | 331,857 | 404,675 | 147,676 |
| Corporation Bond (Proceeds) | 3,226,470 | - | 789,831 | 2,436,639 |
| Police Bullet Proof Partnership Program | - | 4,756 | 5,793 | (1,037) |
| Police DUI Grant | - | 23,192 | - | 23,192 |
| Big City/County Traffic Enforcement | - | 73,501 | - | 73,501 |
| LWCF Outdoor Recreation Acq. Dev. and Planning | - | 203,046 | 203,046 | - |
| Fire NIPSCO Grant | - | 286 | 223 | 63 |
| Stop Arm Violation Enforcement Grant (SAVE) | - | 4,931 | - | 4,931 |
| Drug Free - PC Substance Abuse Council Grant | - | 18 | - | 18 |
| Police Education - Bryne Justice | - | 87 | - | 87 |
| Technology Grant | - | 442 | - | 442 |
| Solid Waste Recycling | - | 1,475 | - | 1,475 |
| Park and Recreation Promotion Grant | - | 2,869 | - | 2,869 |
| 2011 Fire Radio Grant | - | 1,639 | - | 1,639 |
| 2004 Fire Act | - | 1 | - | 1 |
| High Visibility Grant | - | 1,537 | - | 1,537 |
| Energy Grant | - | 669 | - | 669 |
| Lake Front Park (RDA II) | - | 30,801 | - | 30,801 |
| Lake Front Restoration | - | 3,156 | - | 3,156 |
| Oak Savannah Grant | - | 5,500 | - | 5,500 |
| Park and Recreation Harvest Fest | - | 3,895 | - | 3,895 |
| Salt Creek Rehabilitation Grant | - | 3 | - | 3 |
| Cumulative Liability/Physical Damages (CLPD) | 109,130 | 335,850 | 240,378 | 204,602 |
| Bond #2 (Series 2020 GO Bond) | - | 1,254,835 | 1,037,311 | 217,524 |
| Series 2008 TIF Revenue Bond | 140,186 | 155 | - | 140,341 |
| Series 2017A TIF Revenue Bond (BNY Mellon) | 3,576,835 | - | 3,576,835 | - |
| EQUIPMENT LEASE PURCHASE 2020 | 12,632 | - | 11,199 | 1,433 |
| Recovery Zone Economic Development (Horizon) | 11,730 | 4 | - | 11,734 |
| Marina Shores Bond and Interest (Horizon) | 170,603 | 312,014 | 482,541 | 76 |
| Series 2015 TIF Revenue Bond (Centier) | 1,402,790 | 5,871 | 908 | 1,407,753 |
| Series 2015 Debt Reserve (Horizon) | 158 | - | - | 158 |
| Marina Shores Bond & Interest (Wilmington) | 303,851 | 433,393 | 488,032 | 249,212 |
| Marina Shores Admin Exp (Wilmington) | 9,070 | 12,084 | 13,640 | 7,514 |
| Marina Shores Reserve (Wilmington) | 128,972 | 33 | - | 129,005 |
| SERIES 2013 TIF REVENUE BOND PROCEEDS | 173,315 | - | - | 173,315 |
| Payroll - General | 112,697 | 25,059,023 | 24,944,387 | 227,333 |
| Iron Horse Trail | - | 3,743 | - | 3,743 |
| Founder's Square 2016 Revenue Bond Fund (US Bank) | - | 414,342 | 414,332 | 10 |
| Founders Square 2016 TIF Rev Bond Const (US Bank) | 267 | - | - | 267 |
| Series 2013 TIF Revenue Bond Debt Reserve | 505,563 | - | - | 505,563 |
| Series 2014 EDIT Bond (Proceeds) | 156,284 | - | - | 156,284 |
| Capital Improvement Fund | 1,562,241 | 1,781,873 | 843,276 | 2,500,838 |
| Revenue II | 2,480,493 | 13,202,240 | 12,946,923 | 2,735,810 |
| BNY Debt Service Reserve Fund | 2,198,921 | 13,784 | - | 2,212,705 |
| BNY 2017 SRF - Source of Funds | 28,716 | 3 | - | 28,719 |
| Payroll | 162,701 | - | - | 162,701 |
| Bond & Interest | 1,344,893 | 1,551,915 | 1,637,441 | 1,259,367 |
| 2016 Bond Proceeds | 272,330 | 170 | - | 272,500 |
| Cash Operating | 113,747 | 5,758,571 | 5,361,290 | 511,028 |
| Centier Fund - PILOT | 1,020,371 | 900,513 | 900,000 | 1,020,884 |
| Stormwater Revenue Fund | 237,169 | 3,935,540 | 3,824,738 | 347,971 |
| Stormwater Capital Improvement Fund | 900,041 | 1,101,248 | 41,975 | 1,959,314 |
| Totals | \$ 34,407,544 | \$ 120,631,273 | \$ 117,176,263 | \$ 37,862,554 |

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

CITY OF PORTAGE
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 PORTAGE
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.

Penalties. Amounts received from late payment fees.

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

E. Disbursements

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

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

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

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

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

CITY OF PORTAGE
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 PORTAGE
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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

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

CITY OF PORTAGE
NOTES TO FINANCIAL STATEMENT
(Continued)

Financial Report

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

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

Contributions

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

B. 1925 Police Officers' Pension Plan

Plan Description

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

Funding Policy

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

On Behalf Payments

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

C. 1937 Firefighters' Pension Plan

Plan Description

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

CITY OF PORTAGE
NOTES TO FINANCIAL STATEMENT
(Continued)

Funding Policy

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

On Behalf Payments

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

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

Plan Description

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

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

Financial Report

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

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

Contributions

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

Note 7. Cash Balance Deficits

The financial statement contains three funds with deficits in cash as of December 31, 2021. The Police Bullet Proof Partnership Program fund was a result of the fund being setup for a reimbursable grant. The General Fund and Sanitation - Trash and Recycling fund overdrawn balances in 2021 were due to reconciliation adjustments made after the close of the year.

CITY OF PORTAGE
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Restatements

For the year ended December 31, 2021, certain changes have been made to some of the beginning balances of the financial statement to more appropriately reflect financial activity of the City. The following schedule presents a summary of restated beginning balances:

| Fund | Balance as of December 31, 2020 | Prior Period Adjustment | Balance as of January 1, 2021 |
|--|---------------------------------------|----------------------------|-------------------------------------|
| Recovery Zone Economic Development (Horizon) | \$ 59 | \$ 11,671 | \$ 11,730 |
| Series 2015 Debt Reserve (Horizon) | - | 158 | 158 |
| Payroll - General | 190,831 | (78,134) | 112,697 |
| Bond & Interest | 1,202,703 | 142,190 | 1,344,893 |
| Marina Shores Bond and Interest (Horizon) | 170,958 | (355) | 170,603 |

Note 9. Related-Party Transactions

The City has entered into a capital lease with the City of Portage Redevelopment Authority (the lessor), for the purpose of financing and constructing or reconstructing police and fire 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 \$544,000.

Note 10. Subsequent Events

The City received notification of funding from the American Rescue Plan Act of 2021 (ARPA). The total amount allotted to the City was \$8,350,875. The City has received half of the distribution of the ARPA funding in the amount of \$4,175,437 on July 23, 2021. The remaining balance of \$4,191,242 was received on August 17, 2022. The funds are held in a separate fund. A plan on how the City will use the ARPA funds will be prepared and approved by the Common Council.

In May 2022, the City refunded the City of Portage, Economic Development Revenue Bonds, Series 2013 in the amount of \$4,130,000.

Note 11. Other Postemployment Benefits

The City provides to eligible retirees and their spouses a percentage of their health insurance premium to be reimbursable. These benefits pose a liability to the City for this year and in future years. Information regarding these benefits can be obtained by contacting the City.

Note 12. Combined Funds

Multiple funds related to payroll were reported individually in the prior 2020 financial statement, but then were combined into the Payroll - General fund for the current financial statement for 2021. In addition, funds related to debt service totaling \$2,198,921 were reported individually in the prior financial statement, but then were combined into the BNY Debt Service Reserve Fund for 2021.

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REQUIRED SUPPLEMENTARY INFORMATION

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

| | GENERAL FUND | MVH-STREET FUND | LOCAL ROAD & STREET FUND | MVH RESTRICTED | PARK NR OPERATING | Sanitation - Trash and Recycling | NEW POLICE CONT. EDUCT. | UNSAFE BUILDING |
|---|-----------------|--------------------|--------------------------------------|-------------------|-------------------------|--|----------------------------------|--------------------|
| Cash and investments - beginning | \$ 1,831,794 | \$ 172,676 | \$ 1,134,323 | \$ 698,995 | \$ 80,207 | \$ - | \$ 73,867 | \$ 114,187 |
| Receipts: | | | | | | | | |
| Taxes | 13,494,890 | 1,788,998 | - | - | - | - | - | - |
| Licenses and permits | 952,110 | - | - | - | - | - | 16,310 | - |
| Intergovernmental receipts | 2,682,887 | 959,352 | 690,977 | 772,514 | - | - | - | - |
| Charges for services | 1,257,039 | 256,953 | - | - | 388,036 | 2,665,806 | 9,805 | - |
| Fines and forfeits | 15,729 | - | - | - | - | - | - | 9,050 |
| Utility fees | - | - | - | - | - | - | - | - |
| Other receipts | 6,221,661 | 2,469,063 | - | - | - | 507,685 | 5,820 | - |
| Total receipts | 24,624,316 | 5,474,366 | 690,977 | 772,514 | 388,036 | 3,173,491 | 31,935 | 9,050 |
| Disbursements: | | | | | | | | |
| Personal services | 16,993,781 | 3,254,385 | - | - | 21,326 | 1,519,468 | 6,760 | - |
| Supplies | 508,754 | 384,916 | 323,490 | - | 58,741 | 378,171 | 2,641 | - |
| Other services and charges | 1,975,100 | 309,030 | 22,322 | - | 82,304 | 1,160,868 | 374 | - |
| Debt service - principal and interest | 5,214,180 | 527,024 | - | - | - | - | - | - |
| Capital outlay | - | 28,175 | - | 955 | 2,975 | 822 | 4,946 | - |
| Utility operating expenses | - | - | - | - | - | - | - | - |
| Other disbursements | 2,586,164 | 1,049,720 | - | 1,000,000 | 33,314 | 151,481 | - | - |
| Total disbursements | 27,277,979 | 5,553,250 | 345,812 | 1,000,955 | 198,660 | 3,210,810 | 14,721 | - |
| Excess (deficiency) of receipts over disbursements | (2,653,663) | (78,884) | 345,165 | (228,441) | 189,376 | (37,319) | 17,214 | 9,050 |
| Cash and investments - ending | \$ (821,869) | \$ 93,792 | \$ 1,479,488 | \$ 470,554 | \$ 269,583 | \$ (37,319) | \$ 91,081 | \$ 123,237 |

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

| | Local Major Moves Construction | PARK & RECREATION FUND | MUNICIPAL SURTAX | Municipal Wheel Tax | ECONOMIC DEV INCOME TAX | LOIT SPECIAL DISTRIBUTION | LEVY EXCESS FUND | CUM. CAPITAL DEVELOPMENT |
|--|---|---------------------------------|---------------------|---------------------------|----------------------------------|---------------------------------|------------------------|--------------------------------|
| Cash and investments - beginning | \$ 140,867 | \$ 27,381 | \$ 134,535 | \$ 86,122 | \$ 617,369 | \$ 4,747 | \$ 96,923 | \$ 154,813 |
| Receipts: | | | | | | | | |
| Taxes | - | 908,419 | - | - | - | - | - | 451,303 |
| Licenses and permits | - | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | 93,343 | 1,051,475 | 5,026 | 3,553,902 | - | - | 47,129 |
| Charges for services | - | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - | - |
| Other receipts | - | 454,146 | - | - | 751,205 | - | - | 134,762 |
| Total receipts | - | 1,455,908 | 1,051,475 | 5,026 | 4,305,107 | - | - | 633,194 |
| Disbursements: | | | | | | | | |
| Personal services | - | 679,133 | - | - | 477,328 | - | - | 36,540 |
| Supplies | - | 47,323 | - | - | - | - | - | 1,993 |
| Other services and charges | - | 223,105 | - | - | 2,457,388 | - | - | 391,410 |
| Debt service - principal and interest | - | 425,664 | - | - | 208 | - | - | 135,547 |
| Capital outlay | - | - | - | - | - | - | - | 29,797 |
| Utility operating expenses | - | - | - | - | - | - | - | - |
| Other disbursements | - | 81,916 | - | - | 650,000 | - | - | - |
| Total disbursements | - | 1,457,141 | - | - | 3,584,924 | - | - | 595,287 |
| Excess (deficiency) of receipts over disbursements | - | (1,233) | 1,051,475 | 5,026 | 720,183 | - | - | 37,907 |
| Cash and investments - ending | \$ 140,867 | \$ 26,148 | \$ 1,186,010 | \$ 91,148 | \$ 1,337,552 | \$ 4,747 | \$ 96,923 | \$ 192,720 |

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

| | PARK NR CAPITAL | Redevelopment - Allocation Area | FIRE DEPT EQUIPMENT | Cumulative Capital Improvement (CCI) | PARK NR IMPACT FEE | Donation | POLICE PENSION FUND | FIRE PENSION FUND |
|---|-----------------------|--|---------------------------|---|-----------------------------|-----------|---------------------------|-------------------------|
| Cash and investments - beginning | \$ 84,051 | \$ 5,493,822 | \$ 212,953 | \$ 242,902 | \$ 131,683 | \$ 18,022 | \$ 363,277 | \$ 174,823 |
| Receipts: | | | | | | | | |
| Taxes | - | 7,950,241 | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | 75,667 | - | - | - | - |
| Charges for services | 30,499 | - | - | - | - | - | 542,200 | 621,868 |
| Fines and forfeits | - | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - | - |
| Other receipts | - | 2,386,024 | 132,143 | - | 87,754 | 31,181 | - | - |
| Total receipts | 30,499 | 10,336,265 | 132,143 | 75,667 | 87,754 | 31,181 | 542,200 | 621,868 |
| Disbursements: | | | | | | | | |
| Personal services | - | - | - | 232,876 | - | - | 635,774 | 403,107 |
| Supplies | - | - | 18,010 | - | - | - | - | - |
| Other services and charges | 7,532 | 185,615 | 66,713 | - | - | - | 50 | 50 |
| Debt service - principal and interest | - | 4,407,563 | - | - | - | - | - | - |
| Capital outlay | 10,483 | 3,460,465 | 96,425 | - | - | - | - | - |
| Utility operating expenses | - | - | - | - | - | - | - | - |
| Other disbursements | - | 622,332 | - | - | - | 40,133 | - | - |
| Total disbursements | 18,015 | 8,675,975 | 181,148 | 232,876 | - | 40,133 | 635,824 | 403,157 |
| Excess (deficiency) of receipts over disbursements | 12,484 | 1,660,290 | (49,005) | (157,209) | 87,754 | (8,952) | (93,624) | 218,711 |
| Cash and investments - ending | \$ 96,535 | \$ 7,154,112 | \$ 163,948 | \$ 85,693 | \$ 219,437 | \$ 9,070 | \$ 269,653 | \$ 393,534 |

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

| | COVID CARES RELIEF | Grant Fund | CARES FEMA Grant | ARP Grant Fund | Sidewalk and Curb Waiver Fund | Port-Authority | Marina Operation Fund | Redevelopment - General Fund |
|---|--------------------------|---------------|------------------------|----------------------|---|----------------|-----------------------------|---------------------------------------|
| Cash and investments - beginning | \$ 2,214 | \$ 681,672 | \$ 80,760 | \$ - | \$ - | \$ 114,528 | \$ 348,875 | \$ 506,486 |
| Receipts: | | | | | | | | |
| Taxes | - | - | - | - | - | - | 166 | - |
| Licenses and permits | - | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 11,404 | 4,175,437 | - | - | - | - |
| Charges for services | - | - | - | - | - | - | 428,306 | 317,229 |
| Fines and forfeits | - | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - | - |
| Other receipts | - | 1,330,256 | - | - | 50,547 | 25,576 | 6,799 | 1,167,532 |
| Total receipts | - | 1,330,256 | 11,404 | 4,175,437 | 50,547 | 25,576 | 435,271 | 1,484,761 |
| Disbursements: | | | | | | | | |
| Personal services | - | - | - | 283,248 | - | 6,350 | 149,558 | 109,135 |
| Supplies | - | - | 92,164 | - | - | - | 15,559 | 10,219 |
| Other services and charges | - | - | - | 7,106 | - | 46,992 | 156,503 | 456,498 |
| Debt service - principal and interest | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | 7,818 | - | - | 103,382 | - |
| Utility operating expenses | - | - | - | - | - | - | - | - |
| Other disbursements | - | 2,011,928 | - | - | - | - | 16,853 | 844,997 |
| Total disbursements | - | 2,011,928 | 92,164 | 298,172 | - | 53,342 | 441,855 | 1,420,849 |
| Excess (deficiency) of receipts over disbursements | - | (681,672) | (80,760) | 3,877,265 | 50,547 | (27,766) | (6,584) | 63,912 |
| Cash and investments - ending | \$ 2,214 | \$ - | \$ - | \$ 3,877,265 | \$ 50,547 | \$ 86,762 | \$ 342,291 | \$ 570,398 |

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

| | Forfeiture and Seized Assets | Portage Event Partnership Fund | Police Donation Fund | Fire Donation Fund | Park Donation Fund | Street Donation Fund | Youth Commission Donation Fund | Local Road and Bridge Matching Grant Fund |
|--|---------------------------------------|---|----------------------------|--------------------------|--------------------------|----------------------------|---|---|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | | |
| Taxes | - | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - | 1,680,537 |
| Charges for services | - | - | - | - | - | - | - | - |
| Fines and forfeits | 5,612 | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - | - |
| Other receipts | - | 112,628 | 48,032 | 24,889 | 946 | 519 | 1,021 | - |
| Total receipts | 5,612 | 112,628 | 48,032 | 24,889 | 946 | 519 | 1,021 | 1,680,537 |
| Disbursements: | | | | | | | | |
| Personal services | - | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - | - |
| Other services and charges | - | 78,295 | 16,123 | 13,056 | 200 | - | - | 1,154,838 |
| Debt service - principal and interest | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - |
| Utility operating expenses | - | - | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - | - | - |
| Total disbursements | - | 78,295 | 16,123 | 13,056 | 200 | - | - | 1,154,838 |
| Excess (deficiency) of receipts over disbursements | 5,612 | 34,333 | 31,909 | 11,833 | 746 | 519 | 1,021 | 525,699 |
| Cash and investments - ending | \$ 5,612 | \$ 34,333 | \$ 31,909 | \$ 11,833 | \$ 746 | \$ 519 | \$ 1,021 | \$ 525,699 |

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

| | Bond and Interest Redemption (2014 Park Bond) | Corporation Bond (Proceeds) | Police Bullet Proof Partnership Program | Police DUI Grant | Big City/County Traffic Enforcement | LWCF Outdoor Recreation Acq. Dev. and Planning | Fire NIPSCO Grant |
|--|---|-----------------------------------|---|------------------------|--|--|-------------------------|
| Cash and investments - beginning | \$ 220,494 | \$ 3,226,470 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | |
| Taxes | 303,946 | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | 27,911 | - | 4,756 | 23,192 | 73,501 | 203,046 | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | - | - | - | - | - | 286 |
| Total receipts | 331,857 | - | 4,756 | 23,192 | 73,501 | 203,046 | 286 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | 1,750 | 789,831 | 5,793 | - | - | 203,046 | 223 |
| Debt service - principal and interest | 402,925 | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Utility operating expenses | - | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - | - |
| Total disbursements | 404,675 | 789,831 | 5,793 | - | - | 203,046 | 223 |
| Excess (deficiency) of receipts over disbursements | (72,818) | (789,831) | (1,037) | 23,192 | 73,501 | - | 63 |
| Cash and investments - ending | \$ 147,676 | \$ 2,436,639 | \$ (1,037) | \$ 23,192 | \$ 73,501 | \$ - | \$ 63 |

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

| | Stop Arm Violation Enforcement Grant (SAVE) | Drug Free - PC Substance Abuse Council Grant | Police Education - Bryne Justice | Technology Grant | Solid Waste Recycling | Park and Recreation Promotion Grant |
|---|---|--|--|---------------------|-----------------------------|---|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | 4,931 | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - |
| Other receipts | - | 18 | 87 | 442 | 1,475 | 2,869 |
| Total receipts | 4,931 | 18 | 87 | 442 | 1,475 | 2,869 |
| 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 | 4,931 | 18 | 87 | 442 | 1,475 | 2,869 |
| Cash and investments - ending | \$ 4,931 | \$ 18 | \$ 87 | \$ 442 | \$ 1,475 | \$ 2,869 |

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

| | 2011 Fire Radio Grant | 2004 Fire Act | High Visibility Grant | Energy Grant | Lake Front Park (RDA II) | Lake Front Restoration | Oak Savannah Grant |
|--|--------------------------------|---------------------|-----------------------------|-----------------|--------------------------------------|------------------------------|--------------------------|
| Cash and investments - beginning | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | 1,639 | 1 | 1,537 | 669 | 30,801 | 3,156 | 5,500 |
| Total receipts | 1,639 | 1 | 1,537 | 669 | 30,801 | 3,156 | 5,500 |
| 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 | 1,639 | 1 | 1,537 | 669 | 30,801 | 3,156 | 5,500 |
| Cash and investments - ending | \$ 1,639 | \$ 1 | \$ 1,537 | \$ 669 | \$ 30,801 | \$ 3,156 | \$ 5,500 |

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

| | Park and Recreation Harvest Fest | Salt Creek Rehabilitation Grant | Cumulative Liability/Physical Damages (CLPD) | Bond #2 (Series 2020 GO Bond) | Series 2008 TIF Revenue Bond | Series 2017A TIF Revenue Bond (BNY Mellon) |
|---|--|--|---|---|--|--|
| Cash and investments - beginning | \$ - | \$ - | \$ 109,130 | \$ - | \$ 140,186 | \$ 3,576,835 |
| Receipts: | | | | | | |
| Taxes | - | - | 222,702 | 1,149,391 | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | 23,183 | 105,444 | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - |
| Other receipts | 3,895 | 3 | 89,965 | - | 155 | - |
| Total receipts | 3,895 | 3 | 335,850 | 1,254,835 | 155 | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | 160,849 | - | - | - |
| Debt service - principal and interest | - | - | 79,529 | 1,037,311 | - | 3,576,835 |
| Capital outlay | - | - | - | - | - | - |
| Utility operating expenses | - | - | - | - | - | - |
| Other disbursements | - | - | - | - | - | - |
| Total disbursements | - | - | 240,378 | 1,037,311 | - | 3,576,835 |
| Excess (deficiency) of receipts over disbursements | 3,895 | 3 | 95,472 | 217,524 | 155 | (3,576,835) |
| Cash and investments - ending | \$ 3,895 | \$ 3 | \$ 204,602 | \$ 217,524 | \$ 140,341 | \$ - |

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

| | EQUIPMENT LEASE PURCHASE 2020 | Recovery Zone Economic Development (Horizon) | Marina Shores Bond and Interest (Horizon) | Series 2015 TIF Revenue Bond (Center) | Series 2015 Debt Reserve (Horizon) | Marina Shores Bond & Interest (Wilmington) | Marina Shores Admin Exp (Wilmington) |
|---|--|--|---|---|--|--|--|
| Cash and investments - beginning | \$ 12,632 | \$ 11,730 | \$ 170,603 | \$ 1,402,790 | \$ 158 | \$ 303,851 | \$ 9,070 |
| Receipts: | | | | | | | |
| Taxes | - | - | 312,014 | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - | - |
| Other receipts | - | 4 | - | 5,871 | - | 433,393 | 12,084 |
| Total receipts | - | 4 | 312,014 | 5,871 | - | 433,393 | 12,084 |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | 488,032 | 13,640 |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | 11,199 | - | - | - | - | - | - |
| Utility operating expenses | - | - | - | - | - | - | - |
| Other disbursements | - | - | 482,541 | 908 | - | - | - |
| Total disbursements | 11,199 | - | 482,541 | 908 | - | 488,032 | 13,640 |
| Excess (deficiency) of receipts over disbursements | (11,199) | 4 | (170,527) | 4,963 | - | (54,639) | (1,556) |
| Cash and investments - ending | \$ 1,433 | \$ 11,734 | \$ 76 | \$ 1,407,753 | \$ 158 | \$ 249,212 | \$ 7,514 |

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

| | Marina Shores Reserve (Wilmington) | SERIES 2013 TIF REVENUE BOND PROCEEDS | Payroll - General | Iron Horse Trail | Founder's Square 2016 Revenue Bond Fund (US Bank) | Founders Square 2016 TIF Rev Bond Const (US Bank) |
|--|---|---|-------------------------|------------------------|---|---|
| Cash and investments - beginning | \$ 128,972 | \$ 173,315 | \$ 112,697 | \$ - | \$ - | \$ 267 |
| Receipts: | | | | | | |
| Taxes | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - |
| Utility fees | - | - | - | - | - | - |
| Other receipts | 33 | - | 25,059,023 | 3,743 | 414,342 | - |
| Total receipts | 33 | - | 25,059,023 | 3,743 | 414,342 | - |
| Disbursements: | | | | | | |
| Personal services | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - |
| Utility operating expenses | - | - | - | - | - | - |
| Other disbursements | - | - | 24,944,387 | - | 414,332 | - |
| Total disbursements | - | - | 24,944,387 | - | 414,332 | - |
| Excess (deficiency) of receipts over disbursements | 33 | - | 114,636 | 3,743 | 10 | - |
| Cash and investments - ending | \$ 129,005 | \$ 173,315 | \$ 227,333 | \$ 3,743 | \$ 10 | \$ 267 |

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

| | Series 2013 TIF Revenue | Series 2014 EDIT Bond (Proceeds) | Capital Improvement Fund | Revenue II | BNY Debt Service Reserve Fund | BNY 2017 SRF - | Payroll |
|--|----------------------------------|--|--------------------------------|---------------|---|-------------------------|------------|
| | Bond Debt Reserve | | | | Source of Funds | | |
| Cash and investments - beginning | \$ 505,563 | \$ 156,284 | \$ 1,562,241 | \$ 2,480,493 | \$ 2,198,921 | \$ 28,716 | \$ 162,701 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | - |
| Licenses and permits | - | - | - | - | - | - | - |
| Intergovernmental receipts | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - |
| Fines and forfeits | - | - | - | - | - | - | - |
| Utility fees | - | - | - | 10,117,915 | - | - | - |
| Other receipts | - | - | 1,781,873 | 3,084,325 | 13,784 | 3 | - |
| Total receipts | - | - | 1,781,873 | 13,202,240 | 13,784 | 3 | - |
| Disbursements: | | | | | | | |
| Personal services | - | - | - | 869,152 | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Other services and charges | - | - | - | - | - | - | - |
| Debt service - principal and interest | - | - | - | - | - | - | - |
| Capital outlay | - | - | 408,333 | - | - | - | - |
| Utility operating expenses | - | - | - | 2,565 | - | - | - |
| Other disbursements | - | - | 434,943 | 12,075,206 | - | - | - |
| Total disbursements | - | - | 843,276 | 12,946,923 | - | - | - |
| Excess (deficiency) of receipts over disbursements | - | - | 938,597 | 255,317 | 13,784 | 3 | - |
| Cash and investments - ending | \$ 505,563 | \$ 156,284 | \$ 2,500,838 | \$ 2,735,810 | \$ 2,212,705 | \$ 28,719 | \$ 162,701 |

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

| | Bond & Interest | 2016 Bond Proceeds | Cash Operating | Centier Fund - PILOT | Stormwater Revenue Fund | Stormwater Capital Improvement Fund | Totals |
|--|-----------------------|--------------------------|-------------------|-------------------------------|-------------------------------|--|---------------|
| Cash and investments - beginning | \$ 1,344,893 | \$ 272,330 | \$ 113,747 | \$ 1,020,371 | \$ 237,169 | \$ 900,041 | \$ 34,407,544 |
| Receipts: | | | | | | | |
| Taxes | - | - | - | - | - | - | 26,582,070 |
| Licenses and permits | - | - | - | - | - | - | 968,420 |
| Intergovernmental receipts | - | - | - | - | - | - | 16,265,614 |
| Charges for services | - | - | - | - | - | - | 6,517,741 |
| Fines and forfeits | - | - | - | - | - | - | 30,391 |
| Utility fees | - | - | - | - | 3,844,716 | - | 13,962,631 |
| Other receipts | 1,551,915 | 170 | 5,758,571 | 900,513 | 90,824 | 1,101,248 | 56,304,406 |
| Total receipts | 1,551,915 | 170 | 5,758,571 | 900,513 | 3,935,540 | 1,101,248 | 120,631,273 |
| Disbursements: | | | | | | | |
| Personal services | - | - | 2,548,656 | - | 874,589 | - | 29,101,166 |
| Supplies | - | - | - | - | - | - | 1,841,981 |
| Other services and charges | - | - | 131,989 | - | 50,889 | - | 10,657,514 |
| Debt service - principal and interest | 1,623,802 | - | 203,753 | - | 780,816 | - | 18,415,157 |
| Capital outlay | - | - | 399,935 | - | 15,122 | - | 4,580,832 |
| Utility operating expenses | - | - | 1,979,054 | - | 570,220 | - | 2,551,839 |
| Other disbursements | 13,639 | - | 97,903 | 900,000 | 1,533,102 | 41,975 | 50,027,774 |
| Total disbursements | 1,637,441 | - | 5,361,290 | 900,000 | 3,824,738 | 41,975 | 117,176,263 |
| Excess (deficiency) of receipts over disbursements | (85,526) | 170 | 397,281 | 513 | 110,802 | 1,059,273 | 3,455,010 |
| Cash and investments - ending | \$ 1,259,367 | \$ 272,500 | \$ 511,028 | \$ 1,020,884 | \$ 347,971 | \$ 1,959,314 | \$ 37,862,554 |

OTHER INFORMATION

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

| Lessor | Purpose | Annual Lease Payment | Lease Beginning Date | Lease Ending Date |
|---|---------------------------------|----------------------------|----------------------------|-------------------------|
| Governmental activities: | | | | |
| City of Portage Redevelopment Authority | Building Lease (PPD/PFD) | \$ 543,031 | 1/15/2017 | 2/1/2040 |
| Horizon Bank | Equipment Lease Purchase - 2018 | 290,000 | 7/15/2019 | 1/15/2024 |
| Huntington National Bank | Equipment Lease Purchase - 2018 | 155,328 | 7/15/2019 | 1/15/2029 |
| Key Government Finance Inc. | Equipment Lease Purchase - 2020 | <u>108,342</u> | 1/1/2021 | 1/1/2025 |
| Total governmental activities | | <u>1,096,701</u> | | |
| Total of annual lease payments | | <u>\$ 1,096,701</u> | | |

| Type | Description of Debt Purpose | Ending Principal Balance | Principal Due Within One Year |
|-------------------------------|---|--------------------------------|-------------------------------------|
| Governmental activities: | | | |
| General obligation bonds | General Obligation Bond Series 2020 | \$ 4,365,000 | \$ 530,000 |
| General obligation bonds | Special Improvement District Bonds, Series 2005 (Marina Shores) | 5,361,000 | 249,000 |
| General obligation bonds | Park District Bonds Series 2014 | 1,330,000 | 365,000 |
| Revenue bonds | Economic Dev. Tax Increment Revenue Bonds Series 2016 (Founders Square) | 4,000,000 | 295,000 |
| Revenue bonds | EDIT Revenue Bonds 2013 (Fronius) | 4,015,000 | 225,000 |
| Revenue bonds | Redevelopment District Bonds Series 2013 | 3,260,000 | 385,000 |
| Revenue bonds | Redevelopment District Tax Increment Refunding Revenue Bonds Series 2015 | 8,450,000 | 1,280,000 |
| Revenue bonds | Redevelopment District Tax Increment Refunding Revenue Bonds Series 2017A | 2,935,000 | 365,000 |
| Revenue bonds | Redevelopment District Tax Increment Refunding Revenue Bonds Series 2017B | 375,000 | 375,000 |
| Total governmental activities | | <u>34,091,000</u> | <u>4,069,000</u> |
| Wastewater Utility: | | | |
| Revenue bonds | Sewage Works Revenue Bonds, Series 2016 | 5,110,000 | 280,000 |
| Revenue bonds | Sewage Works Refunding Revenue Bonds Series 2017 | 13,285,000 | 1,160,000 |
| Revenue bonds | Sewage Works Revenue Bonds Series 2017 | <u>3,107,500</u> | <u>170,000</u> |
| Total Wastewater Utility | | <u>21,502,500</u> | <u>1,610,000</u> |
| Totals | | <u>\$ 55,593,500</u> | <u>\$ 5,679,000</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/>.