

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, 2019 to December 31, 2019



FILED
09/03/2020

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Sally J. Hattabaugh	01-01-19 to 12-31-20
Mayor	Troy Merry Justin Green	01-01-19 to 12-31-19 01-01-20 to 12-31-20
President of the Board of Public Works and Safety	Troy Merry Justin Green	01-01-19 to 12-31-19 01-01-20 to 12-31-20
President Pro Tempore of the Common Council	Justin Green Danny Libka	01-01-19 to 12-31-19 01-01-20 to 12-31-20
Utility Office Manager	Carol Brough	01-01-19 to 12-31-20



INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statement

We have audited the accompanying financial statement of the City of Salem (City), which comprises the financial position and results of operations for the year ended December 31, 2019, and the related notes to the financial statement as listed in the Table of Contents.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position and results of operations of the City for the year ended December 31, 2019.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position and results of operations of the City for the year ended December 31, 2019, in accordance with the financial reporting provisions of the Indiana State Board of Accounts described in Note 1.


Other Matters

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated August 27, 2020, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.


Paul D. Joyce, CPA
State Examiner

August 27, 2020

FINANCIAL STATEMENT AND ACCOMPANYING NOTES

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

CITY OF SALEM
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2019

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19
GENERAL	\$ 1,727,136	\$ 4,388,799	\$ 3,868,181	\$ 2,247,754
MOTOR VEHICLE HIGHWAY	415,494	534,811	590,531	359,774
LOCAL ROAD AND STREET	49,276	46,215	24,845	70,646
MVH RESTRICTED	-	135,988	110,545	25,443
AVIATION	41,934	28,149	56,627	13,456
SANITATION	249,815	365,361	360,049	255,127
LAW ENFORCEMENT CONTINUING EDUCATION	14,598	5,236	630	19,204
UNSAFE BUILDING	3,125	6,877	-	10,002
RIVERBOAT REVENUE SHARING	74,747	37,433	8,000	104,180
PARK AND RECREATION	170,761	201,064	187,186	184,639
RAINY DAY FUND	40,932	-	-	40,932
K-9 PROGRAM	10,106	3,000	7,422	5,684
EDIT	374,215	455,362	328,433	501,144
LOIT SPECIAL DISTRIBUTION	5,414	-	-	5,414
CUMULATIVE CAPITAL IMPROVEMENT	36,746	14,437	15,816	35,367
CUMULATIVE CAPITAL DEVELOPMENT	29,236	51,560	56,250	24,546
SELF INSURANCE	1,611	55,763	55,950	1,424
CEMETERY OPERATING	76,681	100,267	127,525	49,423
AIRPORT GRANT - FEDERAL	-	1,022,054	1,022,054	-
AIRPORT GRANT - STATE	-	78,133	78,133	-
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
STREET SIGN GRANT	862	-	862	-
SALEM SIDEWALK	664	-	-	664
LIT - PUBLIC SAFETY TAX	429,168	419,255	313,097	535,326
ANIMAL SHELTER DONATION	10,863	1,239	6,681	5,421
POLICE DONATION	690	1,805	2,364	131
CEMETERY PERM. MAINT.	122,389	6,195	16,173	112,411
SINCLAIR MEM. MAUSOLEUM	16,580	48	-	16,628
EMERGENCY FLOOD 2017	14,063	-	-	14,063
URBAN BEAUTIFICATION	-	300	228	72
FIRE DONATION	7,378	3,500	6,215	4,663
SALEM HOUSING REHAB RLF	14	-	-	14
STORM WATER USER FEE	5,724	2,000	3,603	4,121
LOCAL ROAD AND BRIDGE MATCHING GRANT FUND	495,243	-	495,242	1
POLICE GRANT	9	-	-	9
SALEM R.B.E.G. FUND	20,588	3,664	-	24,252
ALLOCATION #1 U.E.Z.	318,557	1,116,182	479,159	955,580
SALEM ALLOCATION AREA #2	112,874	56,534	-	169,408
WALMART ALLOCATION AREA	5,000	293,470	146,735	151,735
AIRPORT IMPROVEMENT	106,922	347,916	134,673	320,165
BOAC RENTAL PROPERTY	8,735	59,583	29,842	38,476
PROJECT DONATION	2,257	2,000	1,956	2,301
FIRE PENSION OLD	87,954	52,770	62,308	78,416
POLICE PENSION OLD	103,739	44,414	51,821	96,332
PAYROLL - NET SALARIES	-	577,933	577,933	-
PAYROLL - FEDERAL W/H	-	240,434	240,434	-

CITY OF SALEM
STATEMENT OF RECEIPTS, DISBURSEMENTS,
AND CASH AND INVESTMENT BALANCES -
REGULATORY BASIS
For the Year Ended December 31, 2019

Fund	Cash and Investments 01-01-19	Receipts	Disbursements	Cash and Investments 12-31-19
PAYROLL - FICA	-	239,672	239,672	-
PAYROLL - MEDICARE	-	80,701	80,701	-
PAYROLL - STATE W/H	-	92,082	92,082	-
PAYROLL - COUNTY W/H	-	54,132	54,132	-
AMERICAN FAMILY LIFE	-	24,433	24,433	-
AUL 457	-	46,026	46,026	-
COMMUNITY FOUNDATION	-	726	726	-
BOSTON MUTUAL	-	3,170	3,170	-
PERF	-	273,160	273,160	-
COLONIAL LIFE	-	5,055	5,055	-
COMPANION LIFE	-	548	548	-
DIRECT DEPOSIT	-	1,583,647	1,583,647	-
GUARDIAN 125	-	22,162	22,162	-
HEALTH 125	-	75,595	75,595	-
ID PROTECTION	-	466	466	-
LINCOLN LIFE	-	671	671	-
PRUDENTIAL LIFE	-	2,166	2,166	-
WASHINGTON NATIONAL LIFE	-	247	247	-
WASHINGTON CO. TREASURER	-	1,565	1,565	-
YMCA	-	2,990	2,990	-
FIRE PERF	-	77,967	77,967	-
POLICE PERF	-	124,072	124,072	-
LIBERTY NATIONAL 125	-	1,950	1,950	-
CINTAS	-	910	910	-
WASHINGTON CO. F.O.P. LODGE 142	-	200	200	-
WASTEWATER OPERATING	166,759	1,209,038	1,318,678	57,119
SEWER SERVICE	95,370	31,130	38,940	87,560
WASTEWATER DEPRECIATION	17,916	90,000	69,845	38,071
WASTEWATER BOND AND INTEREST	18,316	218,900	217,994	19,222
WASTEWATER DEBT SERVICE	185,868	7,560	-	193,428
WASTEWATER CONSTRUCTION 2018	1,315,439	557,587	1,036,535	836,491
PETTY CASH - WASTEWATER	500	-	-	500
CASH CHANGE - WASTEWATER	50	-	-	50
WATER OPERATING	684,593	2,437,274	2,614,262	507,605
WATER DEPRECIATION	59,384	637,000	87,090	609,294
WATER BOND AND INTEREST	304,100	191,489	93,492	402,097
PETTY CASH - WATER	500	-	-	500
WATER NONREVERTING	6,174	13,615	5,778	14,011
CASH CHANGE - WATER	50	-	-	50
WATER DEBT SERVICE	313,050	-	313,050	-
WATER- 2019 BOND ANTICIPATION NOTES	-	14,908,765	6,363,809	8,544,956
WATER PLANT PROJECT	-	4,770,882	4,770,560	322
BECKS MILL WATER LINE EXT	609	-	-	609
Totals	<u>\$ 8,365,107</u>	<u>\$ 38,547,304</u>	<u>\$ 29,111,849</u>	<u>\$ 17,800,562</u>

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

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

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

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

B. Basis of Accounting

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

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

C. Cash and Investments

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

D. Receipts

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

Taxes. Amounts received from one or more of the following: property tax, certified shares (local option tax), property tax replacement credit (local option tax), county option income tax, wheel tax, innkeeper's tax, food and beverage tax, county economic development income tax, boat and trailer excise tax, county adjusted gross income tax, and other taxes that are set by the City.

Licenses and permits. Amounts received from businesses, occupations, or nonbusinesses that must be licensed before doing business within the government's jurisdiction, or permits levied according to the benefits presumably conferred by the permit. Examples of licenses and permits include the following: peddler licenses, animal licenses, auctioneer licenses, building and planning permits, demolition permits, electrical permits, sign permits, and gun permits.

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

Intergovernmental receipts. Amounts received from other governments in the form of operating grants, entitlements, or payments in lieu of taxes. Examples of intergovernmental receipts include, but are not limited to, the following: federal grants, state grants, cigarette tax distributions received from the state, motor vehicle highway distributions received from the state, local road and street distributions received from the state, financial institution tax received from the state, auto excise surtax received from the state, commercial vehicle excise tax received from the state, major moves distributions received from the state, and riverboat receipts received from the county.

Charges for services. Amounts received for services including, but not limited to, the following: planning commission charges, building department charges, copies of public records, copy machines charges, accident report copies, gun permit applications, 911 telephone services, recycling fees, dog pound fees, emergency medical service fees, park rental fees, swimming pool receipts, cable TV receipts, ordinance violations, fines and fees, bond forfeitures, court costs, and court receipts.

Fines and forfeits. Amounts received from fines and penalties imposed for the commission of statutory offenses, violation of lawful administrative rules and regulations (fines), and for the neglect of official duty and monies derived from confiscating deposits held as performance guarantees (forfeitures).

Utility fees. Amounts received from charges for current services.

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

E. Disbursements

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

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

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

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

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

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

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

Utility operating expenses. Amounts disbursed for operating the utilities.

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

F. Interfund Transfers

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

G. Fund Accounting

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

Note 2. Budgets

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

Note 3. Property Taxes

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

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 4. Deposits and Investments

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

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

Note 5. Risk Management

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

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

Note 6. Pension Plans

A. Public Employees' Retirement Fund

Plan Description

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

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

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 SALEM
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 SALEM
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. Holding Corporation

The City has entered into a capital lease with City of Salem Government Facility Building Corporation (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 2019 totaled \$111,000.

CITY OF SALEM
NOTES TO FINANCIAL STATEMENT
(Continued)

Note 8. Subsequent Events

On May 11, 2020, the Common Council authorized the issuance of Sewage Works Revenue Bonds and Bond Anticipation Notes up to a total amount of \$15,000,000. The proceeds are to be used to fund a major renovation of the City's wastewater treatment plant and sewage collection infrastructure. On July 2, 2020, Bond Anticipation Notes totaling \$2,000,000 were issued to provide interim financing for preliminary costs related to this renovation project. The notes bear an annual interest rate of 2.10 percent, with a maturity date of June 1, 2023. It is anticipated that the Bond Anticipation Notes and related interest will be paid off from the proceeds of the Sewage Works Revenue Bonds, expected to be issued in late 2022 or early 2023.

OTHER INFORMATION - UNAUDITED

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

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

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

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	GENERAL	MOTOR VEHICLE HIGHWAY	LOCAL ROAD AND STREET	MVH RESTRICTED	AVIATION
Cash and investments - beginning	\$ 1,727,136	\$ 415,494	\$ 49,276	\$ -	\$ 41,934
Receipts:					
Taxes	3,321,792	357,925	-	-	-
Licenses and permits	45,893	-	-	-	-
Intergovernmental receipts	209,290	175,323	46,215	135,988	-
Charges for services	143,358	1,512	-	-	28,149
Fines and forfeits	4,895	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	663,571	51	-	-	-
Total receipts	4,388,799	534,811	46,215	135,988	28,149
Disbursements:					
Personal services	2,423,594	426,343	-	-	-
Supplies	97,027	40,048	-	-	19,473
Other services and charges	581,540	14,303	24,845	-	37,154
Debt service - principal and interest	-	-	-	-	-
Capital outlay	58,559	109,837	-	110,545	-
Utility operating expenses	-	-	-	-	-
Other disbursements	707,461	-	-	-	-
Total disbursements	3,868,181	590,531	24,845	110,545	56,627
Excess (deficiency) of receipts over disbursements	520,618	(55,720)	21,370	25,443	(28,478)
Cash and investments - ending	\$ 2,247,754	\$ 359,774	\$ 70,646	\$ 25,443	\$ 13,456

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	SANITATION	LAW ENFORCEMENT CONTINUING EDUCATION	UNSAFE BUILDING	RIVERBOAT REVENUE SHARING	PARK AND RECREATION
Cash and investments - beginning	\$ 249,815	\$ 14,598	\$ 3,125	\$ 74,747	\$ 170,761
Receipts:					
Taxes	140,271	-	-	-	144,610
Licenses and permits	-	2,480	1,378	-	-
Intergovernmental receipts	15,415	-	-	37,433	15,892
Charges for services	204,869	1,765	-	-	38,106
Fines and forfeits	-	991	-	-	-
Utility fees	-	-	-	-	-
Other receipts	4,806	-	5,499	-	2,456
Total receipts	<u>365,361</u>	<u>5,236</u>	<u>6,877</u>	<u>37,433</u>	<u>201,064</u>
Disbursements:					
Personal services	107,904	-	-	-	128,525
Supplies	2,425	-	-	-	39,622
Other services and charges	249,682	-	-	8,000	14,306
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	630	-	-	4,423
Utility operating expenses	-	-	-	-	-
Other disbursements	38	-	-	-	310
Total disbursements	<u>360,049</u>	<u>630</u>	<u>-</u>	<u>8,000</u>	<u>187,186</u>
Excess (deficiency) of receipts over disbursements	<u>5,312</u>	<u>4,606</u>	<u>6,877</u>	<u>29,433</u>	<u>13,878</u>
Cash and investments - ending	<u>\$ 255,127</u>	<u>\$ 19,204</u>	<u>\$ 10,002</u>	<u>\$ 104,180</u>	<u>\$ 184,639</u>

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	RAINY DAY FUND	K-9 PROGRAM	EDIT	LOIT SPECIAL DISTRIBUTION	CUMULATIVE CAPITAL IMPROVEMENT
Cash and investments - beginning	\$ 40,932	\$ 10,106	\$ 374,215	\$ 5,414	\$ 36,746
Receipts:					
Taxes	-	-	415,012	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	14,437
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	3,000	40,350	-	-
Total receipts	-	3,000	455,362	-	14,437
Disbursements:					
Personal services	-	-	29,613	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	272,418	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	26,402	-	15,816
Utility operating expenses	-	-	-	-	-
Other disbursements	-	7,422	-	-	-
Total disbursements	-	7,422	328,433	-	15,816
Excess (deficiency) of receipts over disbursements	-	(4,422)	126,929	-	(1,379)
Cash and investments - ending	\$ 40,932	\$ 5,684	\$ 501,144	\$ 5,414	\$ 35,367

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	CUMULATIVE CAPITAL DEVELOPMENT	SELF INSURANCE	CEMETERY OPERATING	AIRPORT GRANT - FEDERAL	AIRPORT GRANT - STATE
Cash and investments - beginning	\$ 29,236	\$ 1,611	\$ 76,681	\$ -	\$ -
Receipts:					
Taxes	46,455	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	5,105	-	-	1,022,054	78,133
Charges for services	-	-	94,930	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	55,763	5,337	-	-
Total receipts	51,560	55,763	100,267	1,022,054	78,133
Disbursements:					
Personal services	-	-	104,830	-	-
Supplies	-	-	9,746	-	-
Other services and charges	-	-	4,999	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	56,250	-	7,950	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	55,950	-	1,022,054	78,133
Total disbursements	56,250	55,950	127,525	1,022,054	78,133
Excess (deficiency) of receipts over disbursements	(4,690)	(187)	(27,258)	-	-
Cash and investments - ending	\$ 24,546	\$ 1,424	\$ 49,423	\$ -	\$ -

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	PETTY CASH - GENERAL	CASH CHANGE - GENERAL	CEMETERY STONE REPAIR DONATION	CEMETERY CHAPEL DONATIONS	STREET SIGN GRANT
Cash and investments - beginning	\$ 500	\$ 50	\$ 1,079	\$ 2,700	\$ 862
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	-	-	-
Total receipts	-	-	-	-	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	-	-	862
Total disbursements	-	-	-	-	862
Excess (deficiency) of receipts over disbursements	-	-	-	-	(862)
Cash and investments - ending	\$ 500	\$ 50	\$ 1,079	\$ 2,700	\$ -

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	SALEM SIDEWALK	LIT - PUBLIC SAFETY TAX	ANIMAL SHELTER DONATION	POLICE DONATION	CEMETERY PERM. MAINT.
Cash and investments - beginning	\$ 664	\$ 429,168	\$ 10,863	\$ 690	\$ 122,389
Receipts:					
Taxes	-	390,338	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	6,195
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	28,917	1,239	1,805	-
Total receipts	-	419,255	1,239	1,805	6,195
Disbursements:					
Personal services	-	209,461	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	2,607	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	101,029	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	6,681	2,364	16,173
Total disbursements	-	313,097	6,681	2,364	16,173
Excess (deficiency) of receipts over disbursements	-	106,158	(5,442)	(559)	(9,978)
Cash and investments - ending	\$ 664	\$ 535,326	\$ 5,421	\$ 131	\$ 112,411

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	SINCLAIR MEM. MAUSOLEUM	EMERGENCY FLOOD 2017	URBAN BEAUTIFICATION	FIRE DONATION	SALEM HOUSING REHAB RLF
Cash and investments - beginning	\$ 16,580	\$ 14,063	\$ -	\$ 7,378	\$ 14
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	48	-	300	3,500	-
Total receipts	48	-	300	3,500	-
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	228	6,215	-
Total disbursements	-	-	228	6,215	-
Excess (deficiency) of receipts over disbursements	48	-	72	(2,715)	-
Cash and investments - ending	\$ 16,628	\$ 14,063	\$ 72	\$ 4,663	\$ 14

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	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	\$ 5,724	\$ 495,243	\$ 9	\$ 20,588	\$ 318,557
Receipts:					
Taxes	-	-	-	-	629,694
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	3,664	-
Charges for services	2,000	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	-	-	486,488
Total receipts	2,000	-	-	3,664	1,116,182
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	495,242	-	-	175,218
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	303,941
Utility operating expenses	-	-	-	-	-
Other disbursements	3,603	-	-	-	-
Total disbursements	3,603	495,242	-	-	479,159
Excess (deficiency) of receipts over disbursements	(1,603)	(495,242)	-	3,664	637,023
Cash and investments - ending	\$ 4,121	\$ 1	\$ 9	\$ 24,252	\$ 955,580

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	SALEM ALLOCATION AREA #2	WALMART ALLOCATION AREA	AIRPORT IMPROVEMENT	BOAC RENTAL PROPERTY	PROJECT DONATION
Cash and investments - beginning	\$ 112,874	\$ 5,000	\$ 106,922	\$ 8,735	\$ 2,257
Receipts:					
Taxes	56,534	293,470	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	59,583	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	-	-	347,916	-	2,000
Total receipts	56,534	293,470	347,916	59,583	2,000
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	146,735	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	134,673	29,842	1,956
Total disbursements	-	146,735	134,673	29,842	1,956
Excess (deficiency) of receipts over disbursements	56,534	146,735	213,243	29,741	44
Cash and investments - ending	\$ 169,408	\$ 151,735	\$ 320,165	\$ 38,476	\$ 2,301

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	FIRE PENSION OLD	POLICE PENSION OLD	PAYROLL - NET SALARIES	PAYROLL - FEDERAL W/H	PAYROLL - FICA
Cash and investments - beginning	\$ 87,954	\$ 103,739	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	52,237	43,762	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	533	652	577,933	240,434	239,672
Total receipts	<u>52,770</u>	<u>44,414</u>	<u>577,933</u>	<u>240,434</u>	<u>239,672</u>
Disbursements:					
Personal services	-	500	-	-	-
Supplies	-	-	-	-	-
Other services and charges	62,308	51,321	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	-	-	577,933	240,434	239,672
Total disbursements	<u>62,308</u>	<u>51,821</u>	<u>577,933</u>	<u>240,434</u>	<u>239,672</u>
Excess (deficiency) of receipts over disbursements	<u>(9,538)</u>	<u>(7,407)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<u>\$ 78,416</u>	<u>\$ 96,332</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, 2019

	PAYROLL - MEDICARE	PAYROLL - STATE W/H	PAYROLL - COUNTY W/H	AMERICAN FAMILY LIFE	AUL 457
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	80,701	92,082	54,132	24,433	46,026
Total receipts	80,701	92,082	54,132	24,433	46,026
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	80,701	92,082	54,132	24,433	46,026
Total disbursements	80,701	92,082	54,132	24,433	46,026
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, 2019

	COMMUNITY FOUNDATION	BOSTON MUTUAL	PERF	COLONIAL LIFE	COMPANION LIFE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	726	3,170	273,160	5,055	548
Total receipts	726	3,170	273,160	5,055	548
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	726	3,170	273,160	5,055	548
Total disbursements	726	3,170	273,160	5,055	548
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, 2019

	DIRECT DEPOSIT	GUARDIAN 125	HEALTH 125	ID PROTECTION	LINCOLN LIFE
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	1,583,647	22,162	75,595	466	671
Total receipts	<u>1,583,647</u>	<u>22,162</u>	<u>75,595</u>	<u>466</u>	<u>671</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	1,583,647	22,162	75,595	466	671
Total disbursements	<u>1,583,647</u>	<u>22,162</u>	<u>75,595</u>	<u>466</u>	<u>671</u>
Excess (deficiency) of receipts over disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and investments - ending	<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, 2019

	PRUDENTIAL LIFE	WASHINGTON NATIONAL LIFE	WASHINGTON CO. TREASURER	YMCA	FIRE PERF
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ -
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	-
Other receipts	2,166	247	1,565	2,990	77,967
Total receipts	2,166	247	1,565	2,990	77,967
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	-
Other disbursements	2,166	247	1,565	2,990	77,967
Total disbursements	2,166	247	1,565	2,990	77,967
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, 2019

	POLICE PERF	LIBERTY NATIONAL 125	CINTAS	WASHINGTON CO. F.O.P. LODGE 142	WASTEWATER OPERATING
Cash and investments - beginning	\$ -	\$ -	\$ -	\$ -	\$ 166,759
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	-	-	1,180,784
Other receipts	124,072	1,950	910	200	28,254
Total receipts	124,072	1,950	910	200	1,209,038
Disbursements:					
Personal services	-	-	-	-	250,075
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	23,108
Debt service - principal and interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Utility operating expenses	-	-	-	-	702,522
Other disbursements	124,072	1,950	910	200	342,973
Total disbursements	124,072	1,950	910	200	1,318,678
Excess (deficiency) of receipts over disbursements	-	-	-	-	(109,640)
Cash and investments - ending	\$ -	\$ -	\$ -	\$ -	\$ 57,119

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	SEWER SERVICE	WASTEWATER DEPRECIATION	WASTEWATER BOND AND INTEREST	WASTEWATER DEBT SERVICE	WASTEWATER CONSTRUCTION 2018
Cash and investments - beginning	\$ 95,370	\$ 17,916	\$ 18,316	\$ 185,868	\$ 1,315,439
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	550,000
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	31,130	3,000	-	-	-
Other receipts	-	87,000	218,900	7,560	7,587
Total receipts	<u>31,130</u>	<u>90,000</u>	<u>218,900</u>	<u>7,560</u>	<u>557,587</u>
Disbursements:					
Personal services	-	-	-	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	-	-	-
Debt service - principal and interest	-	-	217,994	-	-
Capital outlay	-	69,845	-	-	1,036,535
Utility operating expenses	-	-	-	-	-
Other disbursements	38,940	-	-	-	-
Total disbursements	<u>38,940</u>	<u>69,845</u>	<u>217,994</u>	<u>-</u>	<u>1,036,535</u>
Excess (deficiency) of receipts over disbursements	<u>(7,810)</u>	<u>20,155</u>	<u>906</u>	<u>7,560</u>	<u>(478,948)</u>
Cash and investments - ending	<u>\$ 87,560</u>	<u>\$ 38,071</u>	<u>\$ 19,222</u>	<u>\$ 193,428</u>	<u>\$ 836,491</u>

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	PETTY CASH - WASTEWATER	CASH CHANGE - WASTEWATER	WATER OPERATING	WATER DEPRECIATION	WATER BOND AND INTEREST
Cash and investments - beginning	\$ 500	\$ 50	\$ 684,593	\$ 59,384	\$ 304,100
Receipts:					
Taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental receipts	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Utility fees	-	-	2,382,593	-	-
Other receipts	-	-	54,681	637,000	191,489
Total receipts	-	-	2,437,274	637,000	191,489
Disbursements:					
Personal services	-	-	527,251	-	-
Supplies	-	-	-	-	-
Other services and charges	-	-	42,184	-	-
Debt service - principal and interest	-	-	-	-	93,492
Capital outlay	-	-	-	87,090	-
Utility operating expenses	-	-	1,089,162	-	-
Other disbursements	-	-	955,665	-	-
Total disbursements	-	-	2,614,262	87,090	93,492
Excess (deficiency) of receipts over disbursements	-	-	(176,988)	549,910	97,997
Cash and investments - ending	\$ 500	\$ 50	\$ 507,605	\$ 609,294	\$ 402,097

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	PETTY CASH - WATER	WATER NONREVERTING	CASH CHANGE - WATER	WATER DEBT SERVICE
Cash and investments - beginning	\$ 500	\$ 6,174	\$ 50	\$ 313,050
Receipts:				
Taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental receipts	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeits	-	-	-	-
Utility fees	-	125	-	-
Other receipts	-	13,490	-	-
Total receipts	-	13,615	-	-
Disbursements:				
Personal services	-	-	-	-
Supplies	-	-	-	-
Other services and charges	-	-	-	-
Debt service - principal and interest	-	-	-	313,050
Capital outlay	-	-	-	-
Utility operating expenses	-	-	-	-
Other disbursements	-	5,778	-	-
Total disbursements	-	5,778	-	313,050
Excess (deficiency) of receipts over disbursements	-	7,837	-	(313,050)
Cash and investments - ending	\$ 500	\$ 14,011	\$ 50	\$ -

CITY OF SALEM
 COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS,
 AND CASH AND INVESTMENT BALANCES -
 REGULATORY BASIS
 For the Year Ended December 31, 2019

	WATER- 2019 BOND ANTICIPATION NOTES	WATER PLANT PROJECT	BECKS MILL WATER LINE EXT	Totals
Cash and investments - beginning	\$ -	\$ -	\$ 609	\$ 8,365,107
Receipts:				
Taxes	-	-	-	5,796,101
Licenses and permits	-	-	-	49,751
Intergovernmental receipts	-	-	-	2,404,948
Charges for services	-	-	-	580,467
Fines and forfeits	-	-	-	5,886
Utility fees	-	-	-	3,597,632
Other receipts	14,908,765	4,770,882	-	26,112,519
Total receipts	<u>14,908,765</u>	<u>4,770,882</u>	<u>-</u>	<u>38,547,304</u>
Disbursements:				
Personal services	-	-	-	4,208,096
Supplies	-	-	-	208,341
Other services and charges	2,500	-	-	2,061,735
Debt service - principal and interest	1,590,749	-	-	2,362,020
Capital outlay	-	4,770,560	-	6,759,412
Utility operating expenses	-	-	-	1,791,684
Other disbursements	4,770,560	-	-	11,720,561
Total disbursements	<u>6,363,809</u>	<u>4,770,560</u>	<u>-</u>	<u>29,111,849</u>
Excess (deficiency) of receipts over disbursements	<u>8,544,956</u>	<u>322</u>	<u>-</u>	<u>9,435,455</u>
Cash and investments - ending	<u>\$ 8,544,956</u>	<u>\$ 322</u>	<u>\$ 609</u>	<u>\$ 17,800,562</u>

CITY OF SALEM
 SCHEDULE OF PAYABLES AND RECEIVABLES
 December 31, 2019

Government or Enterprise	Accounts Payable	Accounts Receivable
Governmental activities	\$ 338,079	\$ 28,543
Wastewater	44,021	121,464
Water	842,200	573,205
Totals	\$ 1,224,300	\$ 723,212

CITY OF SALEM
SCHEDULE OF LEASES AND DEBT
December 31, 2019

Lessor	Purpose	Annual Lease Payment	Lease Beginning Date	Lease Ending Date
Governmental activities:				
City of Salem Government Facility Building Corp.	Lease for City Hall	\$ 111,500	2/26/2014	7/15/2024
New Washington State Bank	Lease for 2019 Dodge Durango Police Car	12,221	3/13/2019	3/13/2023
New Washington State Bank	Lease for 2016 Dodge Durango Police Car	9,537	6/23/2016	7/2/2020
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 2016 Dodge Charger Police Car	8,861	7/1/2016	7/1/2020
New Washington State Bank	Lease for 2018 Dodge Charger Police Car	10,446	8/16/2018	8/20/2022
New Washington State Bank	Lease for 2016 Dodge Charger Police Car	9,002	8/19/2016	8/19/2020
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>181,760</u>		
Total of annual lease payments		<u>\$ 181,760</u>		

Description of Debt		Ending Principal Balance	Principal and Interest Due Within One Year
Type	Purpose		
Governmental activities:			
Notes and loans payable	145 New Holland Tractor	\$ 50,144	\$ 17,387
Notes and loans payable	Alamo Samurai Mower	46,686	16,188
Notes and loans payable	Walmart TIF	<u>1,992,000</u>	<u>291,150</u>
Total governmental activities		<u>2,088,830</u>	<u>324,725</u>
Wastewater:			
Revenue bonds	Wastewater Utility	<u>2,450,000</u>	<u>218,869</u>
Water:			
Notes and loans payable	Water Plant Project	<u>14,783,000</u>	<u>-</u>
Totals		<u>\$ 19,321,830</u>	<u>\$ 543,594</u>

CITY OF SALEM
 SCHEDULE OF CAPITAL ASSETS
 December 31, 2019

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
Wastewater:	
Land	\$ 159,265
Infrastructure	732,582
Buildings	4,919,233
Improvements other than buildings	2,893,035
Machinery, equipment, and vehicles	2,132,116
Construction in progress	<u>1,048,675</u>
Total Wastewater	<u>11,884,906</u>
Water:	
Land	848,577
Infrastructure	2,389,577
Buildings	198,748
Improvements other than buildings	3,982,841
Machinery, equipment, and vehicles	3,930,009
Construction in progress	<u>237,761</u>
Total Water	<u>11,587,513</u>
Governmental activities:	
Land	2,736,046
Infrastructure	9,302,746
Buildings	913,936
Improvements other than buildings	1,704,705
Machinery, equipment, and vehicles	2,913,700
Construction in progress	<u>9,527,742</u>
Total governmental activities	<u>27,098,875</u>
Total capital assets	<u>\$ 50,571,294</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/>.